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Hello and welcome to BIC's very first Capital Markets Day. Today, I will unveil our plan to deliver long-term sustainable growth. As you all know, we face several continuing challenges in our industry, including Sustainability and Digital. To face up to these challenges, and tap into new sources of growth for BIC, we plan to expand our addressable markets and to adapt our business model. By doing so, we will capture a larger share of our markets, and improve our cash generation.

My ambition is to transform BIC on two fronts: First, I plan to make BIC more efficient, more 'Fit for Purpose'; Second, I intend to transform BIC from a manufacturing & distribution-enabled company into an organization obsessed with consumer needs. We must focus more on long-term consumer 'megatrends'. We are moving from a product-lens to a consumer-lens. Our permanent goal should be to always meet current and future consumer expectations.

This consumer-centric strategy has three main drivers, which we will detail in our presentation today: Sustainability, Digital and a focus on Key markets. To reach our goal of becoming more consumer-centric, we will reframe our three businesses: From Writing Instruments to 'Human Expression'; From Lighters to 'Flame for Life;' From One-piece Shavers to 'Blade Excellence.' These shifts are underpinned by our excellence in quality and value for consumers.

Before we reveal the roadmap of our transformation journey to deliver long-term sustainable growth, I would like to take a moment to recall that BIC's transformation started two years ago, when I took over as CEO. At that time, we launched a transformation plan called Invent the Future – ITF - which started well before the pandemic and the current economic slowdown. For BIC, COVID has acted as a catalyst for change: a higher-level forcing mechanism, pushing us to make stark choices.

What are these stark choices? I see three of them: First, because we have always had multiple categories, we must continue to manage a portfolio of businesses, without reservation. Our single-minded focus is to bring simplicity and joy to consumers, while maximizing long-term shareholder value. Second, when managing our portfolio of businesses, all options must always be on the table. Business optimization is a dynamic process. Portfolio rotation – whether through acquisitions or divestitures – is a natural component of efficient management. Lastly, efficient management means always striving to remove complexity in our businesses: for example, less inventory and less capital intensity.

Throughout our presentations today, we will underscore what ITF has achieved so far, and chart our roadmap to 2022. I am pleased to announce that we are on track, to meet our commitment to deliver annualized savings of 50 million euros by 2022. These savings will be reinvested in topline growth initiatives.

Here are a few examples of how ITF has made us more efficient: We will decrease our SKU-count by 20%. We are reducing our inventory levels by 15-30 million euros this year alone. In Stationery, the automation of one of our production lines for a Correction

product, is delivering 15% productivity gains. In Lighters, we are re-engineering the value equation. Shifting from a volume-driven model to a model that balances value and volume. In Latin America, in half of our markets, we have pivoted from direct operations to 3rd party management. We continue to optimize our manufacturing footprint with a focus on productivity & efficiency in mind - we have therefore this summer closed a factory in Ecuador and will be closing one of our plants in India. Capex will be directed towards asset maintenance and commercial growth initiatives. You will hear more details on our transformation successes throughout today's session.

Let me now circle back to what I highlighted in my introduction about long term challenges. We face at least three challenges, due to evolving consumer trends: First, the challenge of Sustainability: Undoubtedly, consumers want more eco-responsible products, and yes, as a mass-manufacturer of plastic products, BIC has an important role to play. It is our responsibility to drive sustainability, for all our stakeholders.

We are ready, willing, and able to embrace consumers' expectations, by offering new products that are sustainably manufactured. We are taking our Sustainable Development ambitions to the next level, by transforming our approach to plastics. By 2030, we will use 50% non-virgin petroleum plastics in our products. By 2025, we will have 100% recyclable, reusable, or compostable packaging across our existing product lines.

Second, the challenge of an increasingly Digital world and increased focus on e-commerce: The digital revolution means more tablets, and less pen & paper. To meet these shifts in consumer behavior, we will expand our core stationery business by addressing the larger Digital writing

segment Our planned acquisition of Rocketbook, the US leader in smart reusable notebooks, is the first step of our expansion into this space.

Our last challenge is focusing on Key Markets. We will tailor our efforts to reflect the maturity of the markets where we operate, with a focus on countries that have a higher growth potential. We will focus on reaching, or consolidating, our leadership in select geographies. To do so, we will continue to make the necessary and stark choices in certain countries.

So, what are we doing to address these challenges? We will transform our three categories in 3 distinct ways. As I mentioned at the start, we are reframing our categories. First, by reframing from Writing Instruments to Human Expression, we will quadruple our total addressable market, representing 80 billion euros by 2025. The Arts & Crafts market alone is estimated to reach 50 billion euros by 2025, with a growth rate of 6.5% compound growth rate per annum. We will leverage the well-loved BIC brand to launch new and innovative products in the Arts & Crafts segment. This expansion should enable us to capture more market share in this fast-growing segment. Digital Stationery is also a great opportunity for us. This segment is growing at almost 10% per year and forecasted to become a 4-billion-euro market in 2025. I believe we can capture a significant share of this market thanks to a comprehensive offering, starting with smart notebooks today and expanding to more segments down the line.

Second, we are reframing our Lighters Business to address the broader market for ALL Flame Occasions. We are shifting from a volume to a value-driven business model. BIC lighters are an essential part of everyday life around the globe. Our lighters are used for billions of very diverse lighting occasions. For example, many North American households use BIC lighters to light candles and barbecues, while consumers in Latin America and Africa use them to light cookers and stoves.

And lastly, we are reframing from One-piece Shavers to Blade Excellence. Our Research & Development and manufacturing excellence underpins the success of BIC's shavers. Our Precision-Blade Excellence is a real competitive asset. A great shaver is not just the ergonomic shape of the handle or the number of blades. The key to shavers is the precision of the large-scale manufacturing, to create the sharpest cutting edge, using nanotechnology. To expand beyond today's one-piece shavers, we will capitalize on combination of our R&D engine, Innovation and Manufacturing excellence. With these assets, we plan to build a selective new business, enabling other brands to tap into our world-class blade excellence.

Now, let me hand over to my team to outline our new strategic plan called Horizon. Thomas Brette will talk about our new consumer-centric and open innovation mindset and processes. Peter Dalsberg will explain how our customer-driven Global Supply

Chain will generate more value and competitive advantage. Chester Twigg will talk about how our commercial excellence and market Strategies will drive growth and profitability. Sara LaPorta will detail our Horizon Plan, and our transformations from Writing Instruments to 'Human Expression' and from Shavers to 'Blade Excellence.' Thomas will then present our breakthrough upcoming acquisition of Rocketbook. François Clément-Grandcourt will bring a fresh perspective of our Lighter business, which is a profit and cash generator for the Group. Lastly, Chad Spooner will detail our financial targets, which I would like to highlight here in my introduction.

We will accelerate revenue growth to a mid-single-digit trajectory. We will also maintain robust cash generation by ensuring strict discipline on CAPEX and Working Capital. Chad will also take you through our Capital allocation policy in the context of the expected increase in normalized EPS, during our Horizon Plan and beyond.

To conclude, I would like to reaffirm that we have a clear roadmap for accelerated growth. We will take a pragmatic approach to our business. I want us to build on our strengths and continue to make the necessary choices for our success. We are well on our way, and I am confident that we will adapt successfully to future consumer expectations and demands, and to continue to deliver sustainable long-term growth for all our stakeholders.

CONSUMER-CENTRIC AND OPEN INNOVATION

Thomas Brette BIC. – *Group Insights & Innovation Officer*

Hello everyone, I am Thomas Brette, glad to be with you. As Gonzalve shared in his introduction, BIC is shifting gears from a Product and Manufacturing-led company to a Consumer-led company, and I would add, to an innovative Consumer-led company.

The Role of innovation is to support our Horizon Strategy by creating unique growth opportunities, better meeting consumer needs through new and surprising technologies. My role, as Officer of Insight & Innovation, is to support this purpose, ensuring we have the most effective tools to capture and integrate consumer insights at every phase of the innovation process: from ideation to market release. But it does not end there; we are also innovating with our innovative approach.

To do so, we are using the Internet of Things and Artificial Intelligence to capture in real time how consumers are using our products to make their lives better, studying when they use it, how they use it and insights on how the product could better meet their needs. By doing so, we are not asking consumers what they think they do. We are observing them and analyzing what they actually do, with real facts in real-time in their real environment, and this is the whole concept behind our Smart Shaver. I will come back to that later. We are also using AI and machine learning to identify and match consumer needs and trends with new technologies. This past June, we launched the Data-Driven Invention Lab that we co-developed with IProva. With these tools, we can identify technologies that are just emerging in other industries, which could be relevant for us to meet the needs of our consumers uniquely. We are the first company in the world to have integrated this approach internally to enhance and accelerate the inventiveness and creativity of our scientists, engineers, and designers. In the past, it would have taken years for those opportunities to be known and understood. But now, in a matter of weeks, sometimes just days, we can identify and incorporate them into our playbook.

Early insights on technologies and trends, coupled with rapid learning, is core to this new approach. This is how we expect to launch early pilots of say 5 M€ revenue, which will then germinate into more serious projects of 50 M€. With the right conditions, it is not inconceivable that one or two will then take off and grow to 500M€ annually. These are just a few examples of the innovative tools we have put in place. But how will we use them to drive growth in our business?

So, let me share more specifics on how we are more consumer-centric, and open & efficient. Everybody talks about customer-centricity, and let me reassure you, I am not giving you a conceptual definition of customer-centricity in the digital age. At BIC, we believe in "walking the talk," we focus on bringing consumer insights to life in our day-to-day products. Let me share a couple of

concrete examples.

Let's come back to the Connected Shaver that I mentioned before. Today, shaving habits have changed drastically, yet the shavers offered in this category today are very similar to what they were 20 years ago. Our mission is to offer products that are more in tune with today's world. To help make this happen, earlier this year we set up a consumer panel of more than 500 individuals who provide data directly to our R&D team using a Connected Shaver. What is a 'connected shaver' you may ask? This is the first wet shaver to integrate IoT through sensors and AI technology. It captures data about the complete shaving experience, including temperature, humidity, hair density, shaving speed, number of strokes, and the time you spend shaving, etc. And, sure enough, the data we gathered yielded some very interesting insights. For instance, did you know that on average men use more than 5 liters of water per shave and can sometimes use over 35 liters. Men apply 10% more strokes to the right vs. the left cheek. Men with a high density of facial hair typically require less blades than men with low hair density: so, the more hair you have, the less blades you need! Consumers shave more on Mondays than they do on Wednesdays, and on Mondays, people spend twice as much time trying to rinse the shaver than they do on other days.

At BIC, we have been able to translate this information into insights and then Solutions. As a result, we have developed a technology to shave long hair without clogging the cartridge, which reduces water consumption and therefore improves the shaving experience. This is not a dream; it is a reality. The technology is here. We are testing the solution with consumers as we speak, and it will be on the market in the next 18 months.

Another example is the BIC Creative Community. As I've just mentioned, observing consumers is a great source of insight. Even better, however, is co-creating with consumers and the "BIC Creative Community" allows us to do that. This is the creation of a forum for interaction with consumers that allows them to be active in the creation process.

They are 200 creative consumers or so-called "early adopters" that include a wide diversity of age, gender, and background. What this group has in common is that they are engaged and passionate when it comes to sharing their ideas, and we engage the community through weekly challenges.

This is how it normally works. On Day 1, we brief the community on a topic that we believe is interesting for them and for us, for example, "Hygiene at school in the age of COVID". On Day 2 we hold a live brainstorming session about what the solutions may be both in and out of school. On Day 4 we present some ideas and solutions, and we ask them to react, to create, to modify, and to tell us what is important, what is not, and to explain what they liked and what they would tweak. And on Day 5 we ask them to decide which is the solution they prefer and whether they would launch it!

One of the products we have launched this year, BIC® Clic Stic® PrevaGuard™, was developed because of this process and is already on the shelves in the US. This product contains built-in protection to stop bacteria growth on the pen itself, regardless of where it is used, either at home, school, or in the office, etc..... and we are now working to expand the range further, so look out for more news on this very soon as we help to protect consumers in this ever-changing environment. It is a great example of how we "walk the talk" of customer-centricity.

Let me turn now to share with you a little about our Open & Efficient Innovation. I mentioned before, creating a Data-Driven Innovation (DDI) lab, which is about finding technologies at a very early stage and integrating them into our innovation pipeline. The next step, when we have identified the technology, is to test it and see if any of these concepts could meet our needs. Rapid prototyping is at the core of this focus and key to launching pilot tests that we hope will germinate and then flourish to become commercially successful. The open innovation eco-system aspect of our approach allows us to gather ideas quicker and accelerate the process using a pool of partners that we can interact with including companies, universities, labs so that they can convert those ideas into a complete solution that we can then test directly with our consumers. I cannot share too much detail for obvious reasons, but I can tell you that this community represents the very best in class and even includes a Noble Prize winner on one of our specific projects.

A great illustration of this process would be the design of the Sustainable Development Hybrid Shaver range product that we are launching next year, known internally as Project Leaf. This innovation will offer the consumer a shaver made of recycled material,

fully and easily refillable, with packaging that is also recyclable. This product is proven and ready to launch in 2021, offering consumers a revolutionary “disposable shaver.” Naturally, a disposable shaver is more sustainable when you can refill it with blades AND when it includes recycled materials in its handle. It was the use of the ecosystem of Open Innovation that helped us to source these materials because they need to meet the very specific criteria we have for production. So, we are very excited about this new design, but it does not stop there. We are already working on the next generation of materials we want to include to be even more sustainable, including recycled rubber. so much more to come.

Taking our open innovation ecosystem, a step further, we have announced that we are signing a partnership with Plug&Play. This is one of the largest, if not the largest, startup incubator in the world. And our partnership will allow us access to a wide diversity of startups and talents that can work on our priorities and other interesting topics that could bring us new business opportunities.

The journey is starting with a focus on sustainability. Plug&Play is part of the End Plastic Waste alliance and has a wide network of startups working on this and that is just the first chapter in our journey with them. So, as you can see, we are growing our ecosystem to discover and integrate technology internally and externally. And we are moving quickly to ensure that consumers are continuously involved along the way.

These are our two key pillars for accelerated innovation at BIC. And naturally, the point of our innovation is to drive sustainable and profitable growth. Our ambition is to double the contribution of innovation in our growth journey. Today, 10% of our Net sales are coming from innovation introduced in the last three years, and by 2025 we expect to reach 20%. To make sure we achieve this, we've put thresholds in place—thresholds that we follow very strictly when deciding whether it's efficient to take an idea further or not. These thresholds are linked to consumer acceptance and benefits, to financial performance, to customer value creation, and sustainability. All of these tools I've spoken about, all the interactions we're creating with our environment and our consumers, all follow and support our strategic direction. Sustainable Development is a priority for us and is embedded in our approach and in our mindset at every step of the way. Sara will elaborate further on this in her presentation.

To conclude, we are nurturing an open and efficient ecosystem, fully aligned with our Horizon Strategy. We are devoted to consumers, to bring them Joy and simplicity, nourishing the BIC Brand equity by delivering consumer satisfaction and preference. Thank you.

A VALUE DRIVEN GLOBAL SUPPLY CHAIN

Peter Dalsberg BIC. – *Group Supply Chain Officer*

Hello, I am Peter Dalsberg, Group Supply Chain Officer. I am pleased to present a critical element of our Horizon strategy, namely, our new end-to-end Global Supply Chain, which will generate business value and deliver a competitive advantage for BIC.

Our goal is to generate cash for the organization, that can be reinvested in growth. As you have heard today, we are in the midst of a transformation at BIC. We are moving from a manufacturing-driven company to a customer and consumer-driven company. We are shifting from a regionally led organization to a truly global one. Our newly designed supply chain organization is the engine that enables this transformation. This engine is powered by our reliability, responsiveness, and reduction in costs or what we like to call the “3Rs”. But before presenting our 3Rs I would like to talk about what drives our Global Supply Chain, and that is: our people, our processes, and our technology.

Let's start with our people. The majority of our workforce sits in Supply Chain. Our current transformation is a unique opportunity to further develop our talent, by creating a “learning while doing” environment, where we pair our team members with internal experts to teach them new capabilities. Through this approach, we have significantly upskilled our team. When we do not have the right capabilities in-house, we bring in top talent from the outside to fill in the gaps. We have spent a lot of time evaluating where we need to be more effective and we have developed capability-building models to teach or reinforce these skills. For instance, in Procurement We created a comprehensive e-learning program. Through targeted programs like these, coupled with a focus on hiring quality talent, we are well on our

way to creating a best-in-class workforce.

From a process standpoint, we drive agility by practicing lean processes. A key example of this is our integrated SOP: Sales and Operations Planning Process. Our SOP process helps us maintain focus and stay synchronized. The outcome is an aligned demand forecast, and an optimized supply plan for factories, including expected inventory levels and financial impact. This process is the steering wheel for our supply chain. It enables us to evaluate and balance needs between customer service, capacity utilization, and working capital.

The third driver is technology. It goes without saying that to transform successfully, we need to have efficient tools that support connectivity, collaboration, and efficiency. This technology improves our day-to-day operations, making them more digital and automated. For instance, we are upgrading our Enterprise Resource Planning system, with the implementation of Anaplan. Anaplan software allows us to use complex scenario planning to help us smartly forecast the bigger picture, empowering us to make decisions faster. These upgrades are a game changer for the way we operate.

Now that I have explained how we are taking our people, processes, and technology to the next level, I want to go back to where I started this presentation: how our supply chain organization will drive additional business value. We will do this through what I call the 3Rs: Reliability as a business partner, responding fast to a changing world, and reducing costs.

I will start with Reliability. We are reliable because we deliver on time. This commitment is part of our DNA. It is the result of ongoing improvements, including sharing knowledge across the organization to better reach our targets. We are also reliable because we maintain our capacity to produce and deliver. We keep strengthening our business continuity planning, through footprint management, and regular contingency analysis. A great example of this is when faced with the current Covid-19 pandemic we quickly implemented a business continuity plan with our #1 priority: keeping our people safe while keeping production up and running. We even established our own production of masks and gel, not only to cover the needs of our employees, but for the local communities as well. We implemented extensive safety measures early on, and our plants only closed in locations where it was required by local regulation. Also, key to our reliability, is our capacity to establish close relationships with our strategic suppliers, and to leverage our Original Equipment Manufacturers, or OEMs. Over the last year, we streamlined our number of suppliers, reducing the number by 1000, equal to a 10% reduction. We also identified 300 strategic suppliers who we work closely with to ensure the most secure, innovative, efficient, and cost-effective sourcing. These suppliers are part of our Responsible Procurement 2025 Commitment, a program including a due diligence process and a risk mitigation plan. This allows us to monitor and reduce mono-sourcing.

Second, we updated and extended our procurement policy to capture the full value of our spending. We created a new supplier code of conduct and built upon our procurement capabilities to ensure we exceed in this area. I want to emphasize the strategic role of our OEMs. We are developing an ecosystem of OEMs to ensure we deliver a flexible product portfolio. This ecosystem enables us to source new finished products, designed and quality- controlled by BIC, with low capital investment, low volumes, high production flexibility and high speed to market capability. The production can then be insourced when it makes sense from an industrial perspective, especially in terms of volume. Being reliable is absolutely essential to our business, but today this is not enough. today, we also need to respond quicker to all the market changes we are going through.

So, this brings me to the second way we are creating business value: by responding quickly in a fast-changing environment. We do this through portfolio management and segmentation, and solid governance and processes to monitor portfolio efficiency. For example, today we have over 13,000 SKUs in our portfolio. We will reduce this by net 20% by the end of 2022, so that we can maintain the right level of range and value for our customers while creating space for new and innovative SKUs. Another way we respond is through a solid Operating Model that is managed by a new Project Management Office (PMO). The PMO supports innovation by partnering internally and integrating activities to develop, qualify and successfully launch new products and packaging. This is followed by a monthly stage gate approval process where a steering committee assesses the criteria and the risks involved to make the right decisions. This process allows us to get products out to the market faster than ever before.

Before I move on to the third R, reducing costs, I want to highlight how quickly we are responding to the sustainability challenge. BIC has always been a responsible company. We have an exceptional safety track record, having reduced employee accidents by 25% two years in a row. And we are on the right path to deliver our commitment of zero accidents by 2025. We are also driving sustainability across our

operations; a recent example of this is our new packaging commitment, which Sara LaPorta will cover in more detail.

Lastly, I would like to talk about Reducing costs. As I have mentioned, our goal is to generate cash that can be reinvested in initiatives that will fuel growth. Supply Chain will contribute to more than 60% of the company's total savings target of 50 million euros by 2022. We achieved 10M€ in direct cost savings. As an example, in plastics we optimized the supplier mix for shaver and stationery products through competitive tendering and we managed to achieve 8% reduction on our plastic's annual spending. In shavers, for blisters, we harmonized the films' grades achieving 17% of reduction on film's annual spending. We also saved approximately €2 million in indirect procurement costs, including a 17% reduction in transportation, and 19% savings in electricity. Then there are the manufacturing efficiencies we have achieved through continuous improvement process and product optimization. In shavers, we reduced the thickness of our blades, cutting the amount of steel by 27% per blade, while retaining excellent quality. And in stationery, we automated the assembly line for the Mini Pocket Mouse reducing the workforce needed, improving productivity by 15%, all while increasing product quality.

We have also reduced costs in inventory. We expect to exceed our target of €15 to €30 million in 2020 by using S&OP to better project inventory levels, decreasing our stock of raw materials and reducing slow and obsolete inventory. And we plan to continue the inventory reductions in 2021 and 2022 as well. We are also optimizing our footprint. Our objective is to produce closer to our customers, to shorten lead times, to respond quicker to new market demands, and to minimize our environmental impact all while reducing costs.

We have already seen some outstanding progress in this area. In Ecuador we closed our Stationery factory to improve our manufacturing efficiency in Latin America.

In France, we plan to move our Technology factory in Clichy to our larger Stationery factory in Marne La Vallée. By doing this we gained economies of scale by combining the molding, machine building and assembly activities under one roof. Last example is in India, where we identified one Cello factory to be closed. This is a typical example of how we are adapting to our changing environment as our strategy is evolving from volume driven growth to value driven growth. These are just a few of the ways we are operating smarter than ever before.

In conclusion, thanks to our ongoing investments in people, processes, and technology our global supply chain is more cost-effective, more reliable and more responsive in line with our Horizon strategy. Our growing agility is creating a clear competitive advantage for BIC, adding significant value to our stakeholders, and eventually, freeing up cash to fuel our growth. Thank you.

RAISING THE BAR OF OUR COMMERCIAL EXCELLENCE

Chester Twigg BIC. –*Group Commercial Officer*

Hello, I am Chester Twigg, Global Chief Commercial Officer for BIC. Today I am going to share with you how our new Horizon strategy, built on a strengthened, agile and fundamentals based - Commercial Operation, will raise the bar of commercial excellence to drive BIC's growth and profitability. Indeed, we are building commercial capabilities that drive profitable growth for the company underpinned by Consumer Centricity, and Executional Excellence. Executional excellence that delivers for the consumers, the end users of our products, for our customers, Retailers who sell our products to those consumers, and for BIC. For BIC this means strong mid-single digit net sales growth and delivering the company's Profit margin and Cash flow objectives which Chad will take you through later.

It is a strategy that will focus on accelerating and winning in the growing segments, channels, and markets, where consumers spend their time and money. It is a strategy that intends to win their hearts, minds, and their wallets. So how are we going to do this? I am going to elaborate on 3 key components of our Commercial Strategy that will drive BIC's transformation plan to deliver our twin objectives of growth and profitability.

First, our Omnichannel management - winning where consumers shop including and especially, Ecommerce. Secondly, RGM or Revenue Growth management, driving value growth, leveraging analytics to build value on top of the volume growth the company has at its base. Thirdly, taking a Portfolio management approach to allocate resources to the markets in which we operate.

Let us start with our new Omnichannel strategy to drive growth. Today BIC consumers are buying our products both offline and online. As we increasingly move to that “No-line” intersection where consumers have a seamless shopping experience, we need to deliver to them executional excellence and frictionless shopping. Tomorrow’s consumers and especially digital natives do not really differentiate, in their mind between online and offline shopping.

We are on track to drive online growth and sustain our market share leadership in ecommerce while delivering executional excellence. Thanks to our focus on the fundamentals of the e-commerce business: Search, Content, Assortment, Price, Ratings and Reviews etc., we have gained market share in this critical channel and are still accelerating. We are very confident that we will exceed our ecommerce net sales target of 10% of our business ahead of our 2022 commitment.

I am proud to say that today we already hold leading positions online in all 3 categories: Stationery, Lighters and One-piece Shaver. The investments we have made in e-commerce since late 2019 has resulted in an almost doubling of our business this year with our key Pure Play customers like Amazon, both 1P and 3P marketplaces, as well as with key omnichannel customers. We have supported these efforts with a pivot to Digital Media to target our audience even more precisely. Today we have over 80% of our media investments in Digital media, which make BIC “Best in Class” versus our competitors - and even the industry.

Our own Direct To Consumer efforts, with launches like “Design my BIC: lighter” and our “Made for you shaver”, the very first unisex shaver in the industry, exclusively available on Amazon, are revolutionizing this space and inspiring a new generation of consumers. On our DTC platforms like BIC.com we have more than doubled our sales conversion, and in France and the UK shopper traffic has quadrupled.

Moving on to our Revenue growth management strategy [Slide 8-9] this is clearly a core part of our transformation journey. We are working on Strategic Pricing, Assortment and Trade and promotion decisions and investments that provide value creation for our consumers, our customers, and BIC.

On Pricing we are moving away from the blunt instrument approach, we deployed in the past, to a thoughtful, data based-analytical approach. This enables us to leverage pricing elasticity to offer the consumer the right price -pack architecture and trade in, trade up, and trade across options just right for them. For example, in the U.S. pocket lighter segment, we increased prices mid-single digits in select channels, which is paying off and will continue to impact our Net Sales positively into next year. We also took action to improve our lighter promotional efficiency. We removed inefficient promotional spending, leading to a higher average selling price and increasing product gross profit while actually increasing sales momentum.

Another great example in the U.S. is the Utility lighter segment where we have grown by 35% since the beginning of the year and are outpacing the category. Our recent launch of EZ Reach lighters combines the accessibility of pocket lighters with the functional benefits of the Multi-purpose lighter. This innovation demonstrates our ability to grow value through category expansion, as we address new flame occasions. We have already sold over 3.5 million units across our 4,000 +points of distribution. And Its already a top 5 SKU for the category. Personalized lighters allow us to offer real value to consumers at a significant price premium that they are very willing to pay for. Our recent acquisition of Djeep allows us to further scale personalization through the terrific decor capabilities that Djeep offers. Djeep lighters are on average 50% higher in value than our equivalent BIC lighters.

The launch of Prevaguard, an antimicrobial pen, is another great example of being on trend with the consumer obsession with germs and offering her relevant value while also driving higher value realization. It is a tribute to the teams that we were able to get this from concept to shelf in less than 5 months. Prevaguard in the US and Bguard in Europe are sold at price premiums of 140-200 index to our flagship ranges.

We are also working on reducing the internal complexity of “too many SKUs in our portfolio”. This has 3 benefits: It solves the paradox of choice for the consumer, less is actually more, to facilitate selection thru deselection. It improves space utilization at our customers on shelf, at their warehouses, and in transit. And of course, it reduces our own manufacturing, warehousing, and shipping complexity and cost.

Our view is that complexity is like cholesterol - there is good complexity that we need, like the SKUs that fulfill a unique consumer or customer need) but there is bad complexity that clogs up the system that we can and must eliminate to drive efficiency for all.

A good example is what we have already done in Brazil. This year alone we reduced the number of SKU's by around 25%, saving 10% of cost.

Finally, I would like to talk about our portfolio approach to Market management. This is a big change for us as we move from a “plant the flag” approach to a thoughtful portfolio management approach for the markets we operate in. As a central part of this new approach, we conducted a robust and well considered external/internal assessment and diagnostic of our past performance and future potential in each of our markets. We based this both on the macro-economic growth potential of each market, and our “ability to win” based largely on our sales and profitability track record. Now each of our 70 markets and clusters has a clear role in supporting our transformation and profitability growth agenda.

First, we will focus on several “invest to grow” geographies where we believe the ingredients of both external and internal advantages are synchronized to help us deliver disproportionate growth in our categories. We are supporting these markets with incremental advertising and brand support to drive brand awareness and conversion, leveraging our strong brand equity. We are also investing in distribution and go to market drivers to ensure that the mental availability of our brands is reinforced by physical availability. A good example of such a market is Russia where, despite the negative impacts from Covid lockdown measures, we continue to grow, and gain share ahead of our competitors. In some of these markets we will also support these investments with new launches and innovation to further capitalize on the opportunities. For instance, we launched our Intensity Stationery range in Germany this year and we are seeing great traction with consumers.

Our Invest to grow markets in Europe, for example, are growing well ahead of the overall region, with around 6% Net Sales growth versus last year, delivering the payout we had planned for despite the Covid-19 context.

At the opposite end of the spectrum, we have already identified, and will continue to identify, markets where we either need to exit completely or need to change the business model to a narrower reach. Markets where, for instance, profitability has been a challenge for many years, even decades. We will reallocate these resources toward “invest to grow” countries. We have, for example, already announced exits from certain markets to a new indirect model. For example, Columbia in Latin America and South Korea in Asia. These are markets where we feel a better approach is to work with indirect partners to complement our brand. We will have exited 11 markets by the end of this year, all representing approximately 2% of Global sales. We have also defined several countries as opportunities for profitable growth. For example, the US, our biggest market, where we need to, and will, invest for growth while ensuring profitability momentum.

Finally, we also have mature markets where profitability will be our primary focus. A great example of this is Japan where our commercial teams have done a tremendous job of re-evaluating and rationalizing product ranges and customer accounts to be more efficient in our commercial operations. It's important to reinforce that in order to implement our commercial strategy (Omni channel, RGM and market portfolio), we are putting in place an aggressive talent agenda so as to execute with excellence. We have implemented new Centers of Expertise in late 2019, and since their creation, we have added 30+ roles to drive digital, eCommerce, RGM and Commercial excellence efforts. We are leveraging both experienced talent from within BIC and from across the industry to drive and deliver the commercial algorithm of sales and profit growth at the global, regional, and local market level.

The Commercial Team at BIC is ready, willing, and able to raise the bar of commercial excellence to drive industry leading growth and profitability for our Brands, our Team members, and our Shareholders. We will deliver our mid-Single digit Net Sales growth ambition while ensuring profitability and cash flow improvement to reinvest in future growth.

QUESTION & ANSWERS: SESSION 1

Adrian Dearnell EBM. – Moderator

What are your thresholds on return on investment and gross profit for new products and innovation?

Gonzalve Bich BIC. - CEO, Chief Executive Officer

That's absolutely a great question, I'm going to ask Thomas to go through the threshold, but I think one of the things we need to all remember is the consumer acceptance, desire of use and delight and joy somewhere in the using of the products, is really that first KPI we're driving for on innovation; to change consumer habits. But Thomas maybe you can give us a little bit more from a financial perspective.

Thomas Brette BIC. – Group Insights & Innovation Officer

Yeah, definitely. This is directly integrated into the four KPIs or group of KPIs that I told you about in my presentation, which are related to consumer acceptance, to value creation for the retailer, to sustainability and to financial performance. So, on financial performance, working with Chad, we are guaranteeing that our portfolio of innovation, is delivering better returns than the existing product lines. So, our target is to deliver better than the average weight of cost of capital. So that is our ambition. The other element which is important is that it is integrated, and it is not something that we do alone. It is something that we do with Chester, Peter, and Sara in a great process that we have set up so that we are reviewing together those KPIs and deciding to launch innovation on it. So, we are being choiceful using those KPIs.

Adrian Dearnell EBM. – Moderator

Could you elaborate more on your strategy to reduce complexity in manufacturing?

Gonzalve Bich BIC. - CEO, Chief Executive Officer

It is all about simplicity, it is why it is in our vision, it is one of our core values. I am going to ask Peter to elaborate from a manufacturing perspective, but I would like to reiterate what I said in my introduction, which is really it is across the organization. So, Chester talked about simplicity in commercial operations. You heard Thomas talk about it from an innovation perspective. And later you will hear Sara talk about it in strategy. But, Peter, maybe if you could elaborate a little bit more on the reduction of complexity in manufacturing.

Peter Dalsberg BIC. – Group Supply Chain Officer

Absolutely. And I think it is important to say that this is not a manufacturing exercise in itself, because we are working very closely together with Chester and his commercial team. And we are basing the analysis on the discussions that we are having with our customers and also the in-depth understanding of our consumers. So, we will challenge all non-valuable complexity. Today we have thirteen thousand SKUs, and we believe that at the end of 2022 we can reduce those by net 20%. We are doing this in order to create space for innovation and also to get efficiency gains.

Adrian Dearnell EBM. – Moderator

Is e-commerce dilutive to gross profit?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

Well, e-commerce is a significant and important growth engine as part of our Horizon plan. I will let Chester talk about its impacts to gross profit. But it is very important that we continue to accelerate our e-commerce growth in the years to come, because that's how consumers are shopping. We have seen it this year through Covid-19 and I think we are going to see it only accelerate in the years to come.

Chester Twigg *BIC. - Group Commercial Officer*

Absolutely, and we are indeed investing in e-commerce, but at the same time, it is not necessarily dilutive. There are many country-category combinations where it is accretive. There are a few ways in which it is dilutive, but it is as planned dilution because we want to grow the business first and foremost. So, it really depends on the country category combination. And most importantly, we want to make sure we are accelerating e-commerce, as Gonzalve said.

Adrian Dearnell *EBM. - Moderator*

What will the 2025 school kit look like? How many BIC products and what type of products?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

Well, that is a great question, because it is all about reframing our category from writing instruments to human expression. And so, we are all very focused on making sure that there is more than today, no matter what the geography is, they could potentially be different products. But maybe Thomas you could talk about how innovation plays into that and what your aspiration is.

Thomas Brette *BIC. - Group Insights & Innovation Officer*

Well, the first thing I can say is that there will be a lot of BIC products, definitely. And we do have 45% market share and that will continue, and we intend to grow it. What I can tell you is that consumers by 2025, and specifically students, will continue to write to erase, to color and to do those creative activities that they are doing for their thoughts or their personality. What will be different by 2025 is that those products will be more sustainable, and they will be more versatile. Versatile in the sense that they will allow for sharing and connecting. So, they will be more digital. And actually, I hope that by 2025, the majority of students will have a Rocketbook in their bag to write on.

Adrian Dearnell *EBM. - Moderator*

Next question, what is your strategy in direct to consumer (DTC)? How do you plan to grow your sales?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

So, we are going to come back to Rocketbook right now with that question, because it is a key part of direct to consumer. But Chester, maybe if you could be more broad on our DTC in the US, Western Europe, and other key geographies.

Chester Twigg *BIC. – Group Commercial Officer*

So, first of all, we are working across all e-commerce opportunities. So, with Amazon and Pure Play marketplaces, with omnichannel customers in their e-commerce plans and with our own direct to consumer. We actually had a bit of a head start with direct to consumer with the BIC shave club, which we introduced some years ago. We continue to learn and invent new ways of driving direct to consumer. Rocketbook will definitely help us to accelerate that learning as we exchange notes on what they do better and what we do better that can actually drive synergies together. But DTC is definitely part of our e-commerce agenda and we are making great strides in that area, along with the other areas of e-commerce, like marketplaces, like Pure Play and like omnichannel customers. It is an old strategy in e-commerce. We have to win wherever the consumer is going online.

Adrian Dearnell *EBM. – Moderator*

What does optimizing the footprint means in action?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

So, I will let Peter go into some detail, but what is jumping to my mind in that question is matching supply and demand. And it's been one of the key challenges that I think we at BIC, and all businesses, have really had to focus on this year through Covid-19: making sure that we have uninterrupted supply chains and that we have products at the right place at the right time for consumers to buy. But, Peter, maybe you can share a little bit more.

Peter Dalsberg *BIC. – Group Supply Chain Officer*

It is an important part of our competitiveness and therefore we are ongoing, challenging and finding the optimum between—as Gonzalve just said—the demand and supply evolution. An outcome of this analysis could be a factory closure. It could also be a different allocation of the products in between the factories. It could be optimization of the individual factories, because when we have those discussions with the capable people, a lot of good ideas for further potential are coming to the table. And we want to harvest those ideas. And of course, it can be a combination of those three. As I said yesterday, we announced a factory closure in India, and at this stage, we do not have other plans for factory closures.

Adrian Dearnell *EBM. – Moderator*

Have you changed the way commercial teams are incentivized?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

Super important, especially in these challenging times for all of our field salespeople who demonstrated great resilience. I think we are all very proud of the way that all our team members, whether field sales, office-based sales and all our manufacturing team members around the world have worked through Covid-19. I am really proud of that. Chester maybe if you could give the broad thinking around our incentives.

Chester Twigg BIC. – *Group Commercial Officer*

Yes, certainly. You know, it is an important linkage to key performance indicators that we are changing as a company. And so suddenly our commercial teams, and the way they are being incentivized is also changing. I would say maybe broadly the biggest change will be the move from more gross sales to net sales and incentivizing the real deliverables to the business. So that is ongoing. And we are certainly looking forward to having a better linkage between our commercial teams and the rest of the company in terms of what really drives total shareholder return and value for our shareholders.

EXPAND OUR HORIZON

Sara LaPorta BIC. – *Chief Strategy & Business Development Officer*

Hello everyone. I am Sara LaPorta, Chief Strategy & Business Development Officer here at BIC. I hope you have recognized the common thread running through all the presentations today: Growth, sustainable and accelerating growth. That is our mantra. I am going to walk you through our new strategy, aptly named the Horizon Plan. We are using our strong foundation, built over many decades to pro-actively reshape the business in the face of shifting market realities to drive sustainable growth and profitability into the future, into a new horizon for BIC.

There are three main focus areas to the Horizon plan: expanding our functional capabilities to drive profitable growth, reframing how we think about our categories by adopting a consumer-driven orientation to turn category headwinds into tailwinds, and doubling down on our Sustainable Development Strategy to future proof our business. You have already heard from our leaders that the best way to expand our growth horizons is to shift our perspective, so we are bringing a fresh growth mindset to unlock new opportunities.

Job number one is for our functions to make bold moves to build new capabilities that will deliver profitable growth, our ultimate objective. For example, Thomas explained how in innovation we are using consumer insights and open eco-systems to mine for growth opportunities, combining the best of both Artificial Intelligence and human creativity. Our Data Driven Innovation Lab, and the Plug & Play partnership he mentions are great examples of how we make it happen. Chester talked about how we are raising the bar for commercial excellence with a value-driven mindset, enabled by Revenue Growth Management disciplines, stronger Omnichannel capabilities and an ecommerce focus. All this is consistent with Gonzalve's vision. By focusing on consumers and their needs, we open our aperture to explore new, adjacent markets and broader horizons. In addition, with a profitable growth mindset we are optimizing our business model and footprint to be more efficient and more selective about where we invest our resources. Peter, with his 3R's, reliability, responsiveness, and reduction in costs, described how our Consumer-driven, Global Supply Chain is generating efficiencies to re-invest in growth. By letting go of our historic one size fits all approach to the market, we recognize that different countries have different roles to play. And we are allocating resources accordingly. We are making stark choices, like exiting from certain countries, while investing in others. We are also adopting a more purposeful financial control process and enforcing a new capital allocation discipline across the business. As you will hear from Chad later, we are adding a cash conversion lens, to the traditional revenue and cost control measures we have historically used to manage the business.

Job number two is reframing our Categories for accelerated growth. Let's start with Stationery which has been part of BIC's DNA since our founding in 1945. In Stationery, we have been anchored in pens and other writing instruments. And now we are building on this strength in Stationery and pivoting our point of view, from a product-anchored mindset to that of the consumer. If you ask the consumer, "what do you use a pen for?", they will tell you, they use a pen to unleash their creativity, express and organize their ideas. So, it is not about the pen itself to the consumer, it is about Human Expression the need to express yourself and your thoughts! So, we are broadening our focus from Stationery to Human Expression, which will open up adjacent markets, such as the fast-growing Creative Expression and Digital Writing market spaces. We are taking a similar approach to broaden our view of our other categories. In Lighters, we are expanding from Lighters to Flame for Life to sustain profitability and grow the business. Flame for Life is our name for the entire ecosystem of flame occasions, again approaching Lighters from the consumer's viewpoint. So not just smoking, but activities like cooking, grilling, candle lighting, and tools of other outdoor occasions. In the Flame for Life strategy, we are also shifting from a volume-driven to a value-driven mindset in our mature developed markets, recognizing market volume challenges, and turning our focus increasingly to revenue realization. And, in Shavers, we are expanding from

Shavers to Blade Excellence to capitalize on our assets, our advanced R&D, and world-class manufacturing capabilities.

In summary, our Horizon strategy aims to unlock category growth by expanding our total addressable markets, shifting to a revenue realization mindset in mature, developed markets and capitalizing on our core assets and know-how to open new opportunities. Let me bring this to life, starting with Stationery.

Today, the addressable market for writing instruments the stationery segment in which we play is around 19 billion euros. Pivoting towards Human Expression opens adjacent opportunities in arts and crafts, body art and digital writing: a total addressable market expected to reach ~80 billion euros by 2025. For example, Arts & Crafts is a large adjacent market with 6% annual growth and expected to reach 50 billion euros in 2025. The popularity of arts and crafts continues to grow as a perfect antidote to an increasingly digitized world. Coloring goes beyond kids in fact, 75% of teens and 60% of adults regularly use coloring products. Our research tells us that despite their interest, many consumers are overwhelmed by the technical choices and options as they explore new creative arts. They feel intimidated, not knowing where to start. Armed with these insights, we are going to make it easier for these consumers.

To do this we are repositioning our Intensity brand to offer simplicity for adults looking to explore creative outlets. Our repositioned Intensity platform will be launched in 2021 with the restaging of existing products with a new harmonized visual identity. Our aim is to fuel the range over time with innovations for many creative uses. Skin creative, or Body art as you might know it better is another segment of Human Expression and one which has seen continued growth for the last 5,000 years! The tattooing market is growing mid-single digits per year and is expected to reach 5 billion euros by 2025. BIC's temporary tattoo marker, BodyMark, brings our value proposition of simplicity, quality, and reliability to consumers. We will continue to update our BodyMark range of markers and stencils to appeal to more and more consumers and adding exciting new innovation along the way. BodyMark was launched in the US in 2019 and is growing more than 23% year to date. Our recent consumer research has found tremendous satisfaction amongst BodyMark buyers, with a 95% of the people surveyed willing to make a repeat purchase. And this year, we launched in beauty aisles in Europe and initial results are promising.

At the other end of the spectrum from body art and its long history is digital expression, a new, emerging writing and human expression category. This medium is still relatively nascent but set to grow fast. Forecasts predict a total market for digital stationery of over 4 billion euros by 2025. We believe this market will be sub-segmented into a range of different offers and price points. In line with BIC's vision and mission, it is important to us to look for opportunities within this segment that offer the consumer simple, elegant solutions for their everyday needs. By pivoting our writing instrument business to the broader "human expression" category we are targeting a mid-single Net Sales growth run rate, with improved profitability driven by the shift of our portfolio towards higher margin profile products and solutions.

Finally, let's move to Shavers. The challenges in the one-piece shaver category are no secret; nor is the channel disruption that has shaken up the entire wet-shave market in the last several years. So, as I said earlier, we will leverage our competitive advantage to broaden our focus to 'Blade Excellence.' With this strategy we will re-enforce our core shaver business by delivering consumer-driven innovation, as you heard from Thomas and second, leaning in on sustainability.

A good example of this is the new Sustainable Development Hybrid shavers which we will launch next year, with an eye toward a comprehensive range of both male and female hybrid razors with environmental benefits. We are targeting markets where we can grow, like Brazil and Russia, where we have outstanding results. In Brazil for example, the on-going success of our three-blade offering led us to reach a historical record of 22.7% market share. Our Blade Excellence strategy is also designed to capitalize on our shaver strengths our excellence in R&D, innovation, and manufacturing. We have the capabilities and the quality that punches well above our weight in the category.

Our intention is to build a selective new business by enabling other brands, established and emerging, to have access to world-class performance, powered by our R&D and technology. By focusing on a selective approach, we can secure accretive margins for BIC and achieve a higher return on our IP and shaver expertise and investments. We are also multiplying our addressable market 5 times: from the 4 billion-euro disposables market in 2019 towards a market of more than 20 billion-euro in 2025. François will talk to you about our plans for lighters.

Meanwhile I want to cover our commitment to sustainability. We are addressing the Sustainable Development challenge head-on by adopting a stewardship mindset, and not just as a compliant player. BIC has been at the forefront of Sustainability for more than 15 years. We were one of the first companies to launch a Sustainable Development program in 2003. And then, in 2018, we launched “Writing The Future Together”, a comprehensive Sustainable Development program addressing environmental, social, and societal sustainability issues. Continuing in this vein, BIC’s biggest opportunity to impact climate change, natural resource depletion and pollution is to reduce our use of virgin plastic.

This is why today we are announcing two major commitments that will reduce our Carbon Footprint. First, we plan to use 100% reusable, recyclable, or compostable packaging by 2025. And second, we aim to use 50% non-virgin petroleum plastic in our products by 2030, with an intermediate target of 20% by 2025. We will make these changes within our longstanding philosophy of creating “Reduced, Recycled, Refillable and Recyclable” products and solutions while addressing the full lifecycle of our products and their part in the circular economy. I hope you have a clearer picture of how we will expand our horizons to drive mid-single digit Net Sales growth and sustain profitability and cash generation.

We are developing new capabilities. We are reframing our category lens to broaden our addressable markets. And we are committed to do more in the realm of sustainability to be part of the solution and future proof our business. Our Horizon plan is designed to take BIC into a new and exciting direction. One that makes the best use of our assets and strengths, while tapping new businesses, markets, and revenue streams. This is how we will propel ourselves to our next Horizon. Thank you.

ROCKETBOOK

Thomas Brette BIC. – *Group Insights & Innovation Officer*

As Sarah just mentioned, we are pivoting from Stationery to HUMAN expression... and within Human expression, one of the key new markets for BIC to conquer is Digital Writing, an emerging segment which we expect to become very large because indeed, forecasts predict the total market for Digital stationery to expand over 4 billion euros by 2025. In this context, I would like to first elaborate a bit more on our strategic intent in the fast-growing segment of digital writing, and then second, share with you our first success in this journey: the acquisition of Rocketbook.

Back in the days I mean our grandparents’ days writing was messy, with ink flowing all over the place. BIC’s ballpen encapsulated high performance technology into an affordable, accessible product. The invention of the BIC Cristal was a revolution. Today, thanks to BIC’s high quality products, analog writing is neither messy nor expensive anymore, but Digital writing IS messy, and expensive. Analog written notes are not easily stored and shared, consumers do have access to a wide variety of digital writing tools, but all these so-called “solutions” are complex, segmenting, not universal and, worse, they are expensive.

There is a clear consumer need not met by the market, a need for a simple, affordable product giving the best of technology to all consumers. There has to be a better way for digital writing, and this is a perfect mission for BIC. As we did our strategic analysis of the digital writing category, we identified smart notebooks as the more relevant entry point because: Smart notebooks are accessible to many consumers thanks to a competitive price point and lack of battery life issues. And so, as we were wondering how to develop our own smart notebook, we realized that we did not have to. A small company founded in Boston had already come up with a great product, the Rocketbook Fusion!

The Rocketbook Fusion is a great example of the products we love to develop at BIC. What is it exactly? It is two things: first, a notebook that is reusable. Thanks to the specific coating on the paper, when you write on it with your BIC Gelocity Illusion pen, not only you can correct what you just wrote using the rubber eraser that is on the pen, but you can very easily erase the entire page by using a simple piece of tissue with a drop of water on it. A simple swap, and the page is ready to be rewritten on. The beauty of this notebook is that you will never lose what you erase because it is also a super easy and convenient digitalization device. Thanks

to user-friendly app of Rocketbook, the pages of the notebook can be digitalized very easily. Open the App, take a picture and the app will do the rest: store the info in your own filing system, such as dropbox, google drive or OneNote, or send it to whoever you want via email, SMS or WhatsApp messages.

This product is beautifully positioned as a "middle ground" in the "mess" of digital writing. No Batteries, no piles of expensive notebooks, no complicated pens, no heavy tablet ... it gives the best of both analog and digital worlds: the pleasure and freedom of handwriting with the power of digital. The Rocketbook Fusion truly is a BIC-like product. It has a cultural fit. Rocketbook is a highly successful and profitable company, with double-digit Net Sales growth in 2020, mostly in the US but, Rocketbook, as a company, clearly lacks industrial muscle, omnichannel capability, and mass consumer reach to scale the product and exploit its full potential.

And that is exactly what BIC brings to the table. We bring what we do best, we develop high quality, safe, affordable, essential products trusted by everyone. And we produce and distribute such products efficiently at scale. The acquisition of Rocketbook by BIC is a match made in heaven,

To Conclude, We at BIC are convinced consumers should not have to choose between the ease and comfort of pen and paper and the efficiency and connectivity of digital. The acquisition of Rocketbook is not just about adding exciting contemporary brands to our portfolio although Rocketbook IS indeed a fascinating brand and the Rocketbook Fusion is a fantastic product. Rocketbook is the ideal steppingstone for BIC into the emerging and fast-growing digital writing segment, and we intend to develop the Rocketbook, and other digital writing products consistent with our mission. This is just the beginning of our journey in Digital Writing. And it is a pleasure for me to introduce you to the two founders of Rocketbook: Joe and Jake, thank you.

FLAME FOR LIFE

François Clément-Grandcourt BIC. - *General Manager of BIC's Group Lighters*

If I show you this, you might tell me that you know this product all too well. It has a single purpose: to provide a flame. Pretty simple. You might even think it a little outdated. Well, let me tell you what I see. I see life. I see the flames that spark an infinite number of memorable moments in our everyday lives: we use them for cooking, to share a meal, to light candles when the electricity fails, to bring us out of the darkness, we light candles on birthday cakes, we use flames to ignite the barbecue with friends, on a sunny afternoon in the garden, we light fireworks and marvel at what we see in the sky. The list goes on. Flames ignite so many special moments in our lives. Our figures even show that 89% of adults will use a flame, year in year out.

Hello, my name is François Clément- Grandcourt, General Manager of BIC's Group Lighters. As you know, the Lighter category has been BIC's profit engine for a long time. It is a major contributor to the Group's profitability and will be the key contributor to the Horizon plan operating cash flow generation.

Today, I will demonstrate how we intend to move lighters from a single purpose product to a product for all consumer lighting occasions, a strategy we call Flame 4 Life. This strategy can be summarized in three pillars, first to focus on all consumer lighting occasions through innovation, second to shift from a volume to a value-driven model to drive incremental growth and maintain profitability in core markets, third to build a competitive advantage for long-term growth through sustainability.

At BIC, we believe a lighter is an essential item because its primary purpose is to produce a flame, and a flame is a central part of our lives. Lighter use may be known primarily for smoking in developed countries, where BIC has a leading position. However, Lighter has extensive usage among many different types of consumer activities and research tell us that nearly 50% of flame usage is not smoking-related. And we know that a flame is a prominent cultural symbol since the beginning of time. In fact, sociological studies show the symbolic nature of flames are deeply ingrained today in the human mind and behavior all over the world: denoting sharing, caring, joy, pleasure, celebration,

spirituality, relaxation, purification. In addition, a lighter is only one flame ignition tool. Lighters account for 60% of the total flame market already. Switching consumers from other flame devices, such as matches, to lighters has been a key driver of BIC lighter business growth throughout our history. We know from our long experience that when consumers switch to lighters, they never go back.

So, let's see in more detail how we plan to leverage the flame market and grow our Lighters business. First, we are expanding our horizons by focusing on the enormous growth potential of all consumer lighting occasions, inside and out. There is an enormous growth potential for BIC to lead this market by continuing to find "lighting occasions" that are not smoking-related, which represent 50% of the current flame market as I mentioned already. According to 2019 US data by Hannover Research, usage of pocket lighters by consumers is much broader than one may think. This is true both in developed markets and developing markets. This includes candles, outdoor activities, birthdays, incense, firewood, stoves, and more. At BIC, we have the ability to grow the lighter business by leveraging each of these usages. This is part of our journey to become more consumer-centric and efficient. There are many ways in which we plan to capitalize on new opportunities, for example, accelerating our pipeline of innovation and leveraging our production capabilities to develop a specified offer for each consumption occasion, placed in appropriate store locations such as seasonal BBQs, Candle section, just to name two.

A good example of innovation meeting new consumer needs for flame is our EZ Reach product. It was created to provide a way to light the very last end of a candle without burning your fingers, and as a more sustainable alternative to the larger multipurpose lighter, and at a lower price point. As Chester mentioned, launched during the summer, EZ Reach is already among our TOP 5 SKUs in the US.

Now moving to the second pillar I mentioned, shifting from a volume to a value-driven model in our core markets through Trading-up and RGM. Our approach through trading-up allows us to capture value by taking into account consumers' inclination to pay for the quality and safety of a BIC Lighter. In other words, we choose to gain market value. Part of our trading up strategy is working on brand strength and personalization. In addition, to strengthen our brand, we continue to roll out our Safety program with retailers worldwide. Our new personalization offer, DesignMyBic, which gives consumers a way to design the décor of their lighter is offered through our Direct-To-Consumer channel and is a real success since its launch. This offer builds on the success of our sleeve design business, which represented more than 26% of Lighters Net Sales in 2019, and more than 36% in the US only.

Now, let's look into RGM and its contribution to our value growth objectives. Earlier on Chester presented our RGM strategy in detail. I just want to mention our recent acquisition of Djeep in July, which is an entry point to the semi-luxury lighter segment. This is a great example of our RGM trade investments. With a new shape and superior décor capabilities, this fresh integration into the BIC lineup enables increased profit margins and revenue realization.

The third core pillar of our accelerated growth strategy is reinforcing our commitment to sustainability, underpinning all of our initiatives, and providing a strong competitive advantage, driving long-term growth and profitability. As you know, BIC has always had a strong reputation as a responsible manufacturer and a leader on product quality. Long-lasting lighters are a key lever toward sustainability.

Our reinforced commitment to sustainability began with an extensive 5-year scientific research program initiated 2 years ago. World-class academic laboratories, along with BIC lighter R&D are now allowing us to make science-based decisions. This allows us, step by step, to firmly define the route for lighters toward sustainability. We are collecting facts, modeling degradation, understanding how to reduce the impact of lighter on land, rivers, and sea, in case they are not properly disposed of.

As we have been optimizing heavily our lighters for safety since the 90's, we want to optimize our lighters throughout their full life cycle. Each future launch will help to progress step by step toward further sustainability, alternative concepts and designs, alternative raw materials, alternative sourcing when suppliers do not share our views, by streamlining production, alternative business models as well, and always with a scientific based approach.

Today, in packaging, almost all our packaging comes from recycled sources. This month, we are going a step further, starting production of full cardboard & cellulose packaging: trays and multipacks, with an environmental impact reduced by 1/3. In product, we are launching EZ Reach utility lighter with an environmental impact reduced by 2/3 vs our U140 utility lighter. Next year, we will launch our first pocket lighter with an environmental impact reduced by 10%, the BIC Maxi Ecolution. This new BIC Maxi looks like a standard

BIC lighter. But actually, a lot has changed, for example, in plastics, Body & base are made of bio-sourced POM Delrin, pusher is made of 100% recycled POM. Having one single plastic allows to simplify considerably recycling and reuse. No colorant will be added. In metals, forks & cheeks are made of 100% recycled Zamak and much more as you can see.

Our aspiration is to pioneer the circular economy for lighters. To achieve this, we will test several models for the circular system. World-class academic researchers in consumer behaviors, along with BIC lighter market research team, are working to find a way toward consumer product acceptance and active support for collection. Collecting means recycling and after 5 years of research and development, our very first lighter recycling line is up and running, sorting out all raw materials at a purity up to 100%. On sustainability, there is a lot to be done. But the scientists and environmentalists we are working with, are struck by how serious and committed we are to put sustainability at the core of our business model.

In conclusion, to get back to my original proposition to you: what do you see when you look at a lighter? The answer is no. A lighter is not an outdated tool— it is quite the opposite. Yes, at BIC, we are convinced that the future for lighters is promising and that lighters will continue to be a major contributor to the Group's net sales and profitability going forward. The consumer need for flames is essential and universal. The world population will increase from 7,8 billion today to 8,5 in 2030 and 9,7 in 2050. The total flame market size is directly related to demographic growth. And yes, long term, we expect the flame market to grow and the lighter market consequently. Our Flame 4 Life strategy will help ensure that lighters secure a role in all aspects of our lives from Rio to Beijing, Los Angeles, Paris, or Johannesburg. In rural areas, megacities, or favelas. As the historical leader in lighters, we will advance with an innovative mindset and with confidence into all new flame occasions. By strengthening and expanding our market share sustainably, we will continue to be a key contributor to BIC Horizon plan. Thank you.

FINANCE AND CAPITAL ALLOCATION

Chad Spooner *BIC. – CFO, Chief Financial Officer*

Good Morning and Good afternoon everyone. My name is Chad Spooner, and I am the new CFO at BIC. I joined the company at the beginning of July, and I am excited to have the opportunity to talk to you today about the financial strength of our company and the direction the company is taking going forward. You have heard from my colleagues: Thomas, Peter, Chester, Sara, and François on how we intend to foster innovation, increase efficiency, and accelerate growth with a clear roadmap for our three categories. My objective today is to give you more specifics on the impact that these initiatives will have on our financials.

First, we will take a look at our five-year performance to give a bit of background on the business. Then move to an update on our Invent the Future transformation journey. After that I will give you a roundup of our Horizon plan by category and talk about how all this translates into financial results. Then I will share our financial targets for the course of this plan. And lastly, I'll take you through our capital allocation strategy. Hopefully, this will give you a “numbers” perspective on what transformation means for the company and where we stand today. So, let's get started with a historical view of our performance.

As we look at our historical Net Sales growth, you will see a slowing of the organic growth. We had a 2.3% average growth rate over the past 5 years, but that trend is slowing. We had strong growth between 2015 and 2016. And then we encountered headwinds over the last 3 years from 2017 to 2019. But even during this drop in business the company has maintained very strong margin rates. This is an area that BIC has shown exceptional strength. We have done a great job of taking costs out in order to keep our margins strong. Later we will show you how this has been key for 2020, and how we'll use our transformation plan going forward to maintain those margins and help fund growth in the future. So, that leads us into how we have used our cash historically. And to begin that discussion, here is our Capex spend for the last 5 years.

To have a full appreciation of our Capex spend in the past few years we need to go back before 2015, where our average Capex spend was low for the company's position at that time. In 2015, we were hit by a shift in our category growth outlook, which coincided with a catch-

up phase of investment, especially in our Lighter and Shaver categories. The upside of this is that the investments we made, especially in Shavers, are poised to pay off now as we move into our Blade Excellence strategy. At this point, we are all caught up, and our Capex is back down close to historic levels. And we are targeting a 1 to 1.2 CAPEX to D&A ratio as our landing point. It may be lower, and we may have some peaks at times, but those peaks will be from a growth perspective with our core business investments staying low.

Now, looking at Working Capital Management. We are taking a new approach to working capital. We have a strong balance sheet and there are elements of our working capital that we can improve upon so that we can extract more cash. We see opportunities in accounts receivable improvements, inventory reduction and payables management, so strong working capital management will be a large field for us play in going forward. Whereas our EBITDA has historically been very strong, we have not taken advantage of the working capital opportunities to the extent we could have. Moving forward, we are going to be working very hard to optimize working capital performance as another component of increasing our free cash flow.

Next let's look at the company's Cash Flow. What you see is that the company has historically performed extremely well in regard to cash flow generation, with strong net cash flow from operating activities, which have averaged nearly 350 million euros over the last 5 years. Cash conversion has historically also been strong, slightly above 75% on average. So, it is clear that the company continues to deliver strong cash-flow conversion from operations.

Now let's move onto Sources and Uses of Funding. Cash use has been very limited from an Acquisitions standpoint, and the free cash flow before acquisitions has historically gone to funding dividends and share buybacks. From this graph you get a sense of how we used our cash. And for our investors, we have provided solid returns.

So, let's now dive into that for a moment and look at total shareholder remuneration over the last 5 years. You can see that the company has historically paid out significant dividends, including exceptional dividends. We have returned on average over 50% of our earnings to our shareholders through normal dividends and then even more than that when you include exceptional dividends and share buybacks. In fact, we have returned about 2 billion euros over the past 10 years. 1.5 billion in dividends and roughly 500 million in share buybacks. On average, 200 million euros per year. Of course, as we think about our capital allocation going forward, our focus will remain on creating long-term value for our shareholders, while we focus on the profitable growth of the company.

Now I would like to give you an update on our Invent the Future, ITF as we like to call it, transformation progress. We set the foundation for this program in 2019. As you heard from my colleagues, we focused on consumer-centric innovation, working on our global supply chain and our omnichannel go-to-market, while putting in place a new organization to support these efforts. Our goal was to get new or enhanced capabilities in place throughout 2020 and 2021, and I am excited to say that we are on track to achieve this. We are now in the rollout phase and we are going to start seeing the benefits as we strengthen our market position.

We are expanding in e-commerce, speeding up product launches, and working to reinforce and consolidate our overall efficiency. You heard from Peter about how Supply Chain is having an impact in areas like procurement, but the benefits we are seeing from ITF go beyond this. We are also seeing an impact through our commercial efforts, with our digital and country strategies. We are driving efficient support functions, with initiatives such as our shared service center, which brings in finance as well as customer service. So, as you can see, we are looking at the entire company to really drive efficiencies. And at the end of the day, working capital improvement is also another key element since we will be driving inventory levels down to improve our cash flow.

So far, we have delivered on our commitments that we have made to date. And we are highly confident that we will reach our 50 million Euro run rate impact, with 80% of these total savings achieved by the end of 2021. 2022 and beyond is really where we will see the full impact of the operational effectiveness and engagement with our customers, really pushing our topline and helping us accelerate growth. I recognize this is the same roadmap we showed you before, and in the meantime, we have had Covid. But we are still on track, and it is still relevant. And that speaks to how powerful this framework really is and how resilient our company is, with its ability to persevere even in such challenging times. In fact, Covid is another factor that is pushing us to drive more cost-optimization, and we have adapted quickly to the challenge. In May, we announced that we were taking additional actions to reduce our spending by 15-20M Euros by the end of this year, and in fact we are on track to deliver more than 20 million by the end of this year. This is because we were already on a journey to become leaner, which put us in a solid position to shift quickly and respond to the crisis.

To wrap up the discussion on ITF, I believe it drove us to optimize our operations and think about creative ways to drive growth through new and innovative ways of doing business. But ITF is not an end in itself. The point of honing our efficiency is to fund growth in our categories. So, I would like to turn to those next. Let me start with Stationery and writing instruments.

This is a picture of the market situation today. The market we play in is highly fragmented, with a complex product offering, and growth has been slowing for the last few years. We are the number two player in this market, and the good news is that we are continuing to gain share, despite the slowing environment. But we are doing more. As Sara walked you through, we are reframing the way we look at this category and pivoting to Human Expression. This is a way of thinking about stationery from the point of view of the consumer and how the consumer uses these products. This is fundamentally a different way of thinking about the business. And it helps us to focus the growth vectors within the market, to move into new areas, such as digital writing and creative expression. And we can do this because we have tremendous credibility with consumers today, consumers trust our brand. As we pivot into human expression, we will be looking at pockets of growth with mid to high-single digit growth rate that are higher margin, and that can really get our business back to more profitable levels. We expect to do this by improving our business efficiency, reducing complexity, decreasing raw material inventories, and reducing slow and obsolete inventory while executing product trade-ups and expanding into solid margin businesses. Meanwhile, we continue to strengthen our core in what we call our “invest to grow markets”, as Chester presented.

Next let's move to our Lighter Category. This is a concentrated industry, where there has been little growth over the past few years. That being said, this is a market where we have a very strong position, notably in the US and Latin America. This gives us the ability to sustain margins, particularly in mature markets like the US. As we move from a “lighter” business to a “Flame for Life” player, we are expanding our portfolio. This includes premiumization, which was one of the reasons behind our recent acquisition of Djeep. We are also expanding our multipurpose lighter product line, with products like EZ Reach. We have seen exceptional growth in this category in the US, especially during Covid, where people are staying home and appreciating the different uses for these lighters whether it's for lighting BBQs, lighting candles or other at home flame occasions. As we are moving towards a value-driven model, growth in Lighters will be driven by Revenue Growth Management, our trade-up strategy, and personalization of our products, which will support sustained profitability and cash generation.

And now let's move to Shavers, The Shaver market is a large market where we have a relatively small presence, but we have a solid position in the one-piece segment of the market. Overall, the category maintained a flat to slightly increasing growth rate over the last few years, and the good news is that we continue to gain share where we play. Looking at the bigger picture, we realize the need to expand our addressable market. So, we are looking to leverage what BIC does really well and that is what “Blade Excellence” is all about. We are moving from a “disposable shavers” model exclusively, to a model where we will capitalize upon our advanced R&D and world-class manufacturing capabilities, to expand our addressable market to the total wet shave and Precision Blade-enabled markets. By entering in this business, we are leveraging the manufacturing capabilities built with the Capex I was talking about earlier. What these category pivots all have in common is the way they open up new markets by thinking differently about what BIC already does well today. And for each category, there is a clear plan for how to pay for the necessary investments in growth.

As we turn to the Group targets, we are focusing on Accelerated growth, and we are aiming for a sustained mid-single digit growth trajectory. We are building a rhythm to drive growth not just for 2020 to 2022, but for the next 5 to 10 years, as part of our legacy DNA. Driving initiatives like ITF, RGM, country strategy and end-to-end supply chain management have become the way we work and are integral parts of the way we do business today. And to support all of these initiatives we have accelerated cash flow generation. A little earlier, we looked at our free cash flow generation track record. We are looking to push up the run rate, and our target will be over 200 million euros annually. We will also continue to have strong cash conversion from our operations, at a higher rate of conversion, with sustained margins, and improved working capital, as a result of work that we expect to be doing on inventory, receivables and payables.

Now let's move to an important topic for all investors, our Capital Allocation Policy. So, we have come full circle, back to what we talked about at the beginning. To sustain the company long term, we need to grow the company, and to grow the company we need to fund that growth. Which is where we come to capital allocation going forward to 2022. Our goal is accelerated, profitable growth that enables reliable shareholder returns. Besides day to day operations, we also have to fund accretive, adjacent acquisitions, such as Djeep, which are instrumental in giving the company new capabilities to drive profitable growth. Acquisitions of similar size to Djeep will come from cash. We also have ordinary dividends. Historically, over the last decade, the pay-out ratio has ranged from 41% to 59%. Looking ahead, we are looking to set the range to 40%-50%, as we expect an increase in Normalized EPS during the course of our plan, and beyond. We see share buybacks as a potential lever within our overall shareholder return strategy, but it is of course on our priority list after investing in the business through capex, M&A, and ordinary dividends.

I hope I have illustrated for you today not only the strength we have financially, but all of the ways we are working to shift the company to build upon these strengths. Our transformation is well underway, and I am confident that our new direction and new operating model will drive growth and returns. Ultimately, what we are always trying to do is drive long-term value for our investors. We are on that path and will focus on accelerating our profitable growth and reinforcing cash generation. We believe our capital allocation policy has a balance of long-term value for all our stakeholders, while promoting the long-term growth of the company. Thank you for your time and attention today.

Q&A: SESSION 2

Adrian Dearnell EBM. – Moderator

You are targeting mid-single digit growth trajectory. What role does M&A play in that?

Gonzalve Bich BIC. - CEO, Chief Executive Officer

So as part of our growth trajectory in achieving that mid-single digit trajectory that we're talking about, first is reframing our categories. And why that's so important is because we seek to unlock the growth in segments that we may not have been involved in: skin creative in human expression for one, or arts and crafts, as I talked about earlier. In recent years, M&A has played a more important part of our growth story, first in Africa, where we did an acquisition in Kenya and then another in Nigeria, both businesses in high growth markets, one with the BIC brand, the other with a new brand that we're empowering. More recently this summer, we did Djeep, where we unlocked part of a better or wider product portfolio that will get us to higher price points and also premiumization and other benefits from an internal perspective. And finally, Rocketbook, direct to consumer, digital writing, new opportunities, and avenues of growth for us. But M&A is not only about acquiring businesses or growth, it can be about acquiring technology capabilities or other assets that make the whole BIC stronger. All of that is what forms our M&A philosophy as part of our growth trajectory.

Adrian Dearnell EBM. – Moderator

What are the financial implications linked to your sustainability objectives, i.e. 100% of BIC's plastic, reusable, recyclable and compostable?

Gonzalve Bich BIC. - CEO, Chief Executive Officer

I think Thomas is best placed to talk about those, but what I'd like to add is I think that it's important for us as a stakeholder in our planet, in society, to be part of this. So, it's not a "is it possible" it's "we must and will unlock new ways of doing it" as we go through this journey, but Thomas maybe you can touch on the financial part.

Thomas Brette *BIC. – Group Insights & Innovation Officer*

Thank you. So great example of what I was telling you about earlier, the fact that we are getting very disciplined in our innovation approach and the return on investment. So, yes, we've done the financial evaluation of what would be the consequences in partnership with Peter's team in the in the factories. So, we know that as of today, it will cost about 30 million euro over the next five years to do this conversion, but it doesn't stop there. What we are also doing with Peter finding better solutions, in open innovation ecosystem or the procurement team or the teams are working to find even less expensive or less capex incentive solution so that we can reduce this impact. And last most important, the team's commercial team, as well as the branding team, are now embracing the challenge to leverage those assets that we will put in their hands, to make it a competitive advantage that resonates and creates value for the retailers and resonates with the needs of consumers. So, we know the cost, but we are working on transferring that cost into a competitive advantage and growth for the company.

Adrian Dearnell *EBM. – Moderator*

Which subsegment within Human Expression do you plan to address in the coming years?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

I'll let Sarah talk about specific subsegments, but I think one of the things to retain is also that we haven't waited till today to start. Two years ago, we launched Body Mark as part of the skin creative subsegment of human expression and Rocketbook is also an important growth trajectory as part of human expression. But Sara maybe a little bit more from you.

Sara LaPorta *BIC. – Chief Strategy & Business Development Officer*

Absolutely. What I really like about the idea of having gone from a fairly narrow writing instruments category into this broader definition we have of human expression is it allows us actually to look across a lot of different subsegments. So first up, as you were saying, is really about adult and teen creative. And in that subsegment, we are repositioning our Intensity brand to come out of the gate next year, but also to have as a platform for further innovation in this arts and creative area for adults and teens. I think I also mentioned that we will be looking at kids creative also within the arts and crafts area. And as you said, Gonzalve Skin Creative is one of those areas that I think is really interesting for BIC and has a long runway. You know, as we address the consumer pain point into tattooing, which is that issue of regret, and it allows experimentation with no regrets whatsoever. So, I think we have got a long runway there. And as you said, obviously we have not waited to start thinking about digital writing and digital expression as we move into smart notebooks with our planned activities together with Joe and Jake that you saw earlier. So those are definitely where we are headed, certainly in the near term. And those will act as platforms for us to continue our growth in this broader segment going forward.

Adrian Dearnell *EBM. – Moderator*

What is the potential of your new blade excellence strategy? Could you expect this business to be as profitable as your existing Shaver's business?

Adrian Dearnell *EBM. – Moderator*

What is the potential of your new blade excellence strategy? Could you expect this business to be as profitable as your existing Shaver's business?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

Thomas I would love for you to expand a little bit, but from a starting point, it's too early, we are just launching ourselves into this new business, although we have signed a couple of agreements already. It is too early to put a future value from a target perspective. But Thomas can you explain how we are translating innovation, research, and excellence in manufacturing into competitive advantages in that space?

Thomas Brette *BIC. – Group Insights & Innovation Officer*

Yeah, and it's actually a completely different business model than the one we have because it's a business model where you don't have any more advertising brand support, or a sales force attached to it. So, the financial profile is very different. The ambition is to make it more profitable than the existing one and much more profitable. The key competitive advantages are on blades. The blade is the engine of the shaver and what is making it work very well. And thanks to the blade, we can deliver to those partners exceptional shaving performance that allows them to go to price positioning where we are not present. So that is increased the value, the added value of the product itself and it is creating margin for the different partners that are part of the of the equation. So, it's a win-win situation for everybody, not just for us.

Adrian Dearnell *EBM. – Moderator*

Regarding your blade, excellence strategy: have you already secured supply agreement with some brands?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

I said a second ago. Yes, we have signed two partnerships and we're not going to go into a tremendous amount more detail. But with that question, I think Thomas what you could add is to explain which parts of the innovation ecosystem were so key to signing up those two partners.

Thomas Brette *BIC. – Group Insights & Innovation Officer*

So, to come back to what I was saying before, it's our excellence in manufacturing as well as mastering the technology, but that doesn't end there. What we are also bringing to ourselves, but also to the other partner is this capacity to answer new needs of the consumer. And if you remember the example, I gave you about the connected shaver, which is then transforming into a shaver that is suitable for long hair and frequent shaving, that's a benefit that consumers are looking for. So we have built an ecosystem which is capable of finding those needs and answering with technology for those needs at a price point which is not necessarily the one that we are used to targeting with our own product offering. So, capacity excellence in what we master plus new benefits. Those are the key pillars.

Adrian Dearnell EBM. – Moderator

How can a 14 million-euro company like Djee quote-unquote “change the game” in the lighter business?

Gonzalve Bich BIC. – CEO, Chief Executive Officer

I'll let François give his perspective, but I think what's really exciting about Djee is, first of all, it demonstrates our capability to do acquisitions and to integrate them over time. But it also gives us access to new things that were outside of the BIC brand yesterday and makes us more broad for all flame occasions moving forward.

François Clément-Grandcourt BIC. – General Manager of BIC's Group Lighters

Yes, you're right. In fact, the role of Djee is first to integrate the range of BIC and that will allow us to go and to accelerate into RGM. That's the first point. The second point is that there is a number of elements in decors which can be used in BIC, so that it allows to take advantage of the synergies not just for Djee but applied to BIC. And then we don't just speak about the 14 million. We are speaking about we are speaking about BIC behind.

Adrian Dearnell EBM. – Moderator

There was no mention of any precise profitability targets in the press release. How do you expect margins to evolve based on the free cash flow metric? It seems to be in line or slightly below with what you experienced in 2019. Could you give us more granularity?

Gonzalve Bich BIC. – CEO, Chief Executive Officer

So I'll let Chad handle the question, but fundamentally, what's really important for us to all rally around is our growth trajectory goal, as well as our strong focus on free cash-flow generation to continue to reinvest for future growth over time.

Adrian Dearnell EBM. – Moderator

There was no mention of any precise profitability targets in the press release. How do you expect margins to evolve based on the free cash flow metric? It seems to be in line or slightly below with what you experienced in 2019. Could you give us more granularity?

Chad Spooner BIC. – CFO, Chief Financial Officer

Yes. And what I'd start with, as we talk about the margin expectation, is that the strength of our margin will continue to be supported by

two things. The first is our operational excellence. And we've addressed that this year as we've talked about ITF in the 50-million-euro benefit that we'll see through 2022. We're starting to see some of that benefit this year and 80% of it will be achieved through 2021. And the second element, which is also the foundation, is really the many actions that we've talked about and the cost savings that we've done when we initially announced 15 to 20 million and we're now going to achieve more than 20 million. So that is the foundation of where our strong margins have come from on our operational excellence. The second piece of our margin strength is really coming from the reshaping of everything we're doing around our categories. So, when we think about our going into digital writing and how accretive things like Rocketbook are to our stationery business. And then as we look at Flame for Life in Djeeep and what premiumization and trade do to our margin rates, it continues our ability to maintain strong margins. So, everything we're doing from operational excellence to acquisitions to the consumer RGM activities really are going to drive that. And as we talk about free cash-flow, we talk about being above 200 million dollars every year. And that's going to really help drive and grow all the things that we're doing today. So not giving a forward-looking statement, but really talking about how we're going to drive that and why we believe in it.

Adrian Dearnell EBM. – Moderator

Have you already identified M&A targets? If yes, how many will your M&A strategy focus primarily on existing product categories or adjacent segments?

Gonzalve Bich BIC. – CEO, Chief Executive Officer

So, I'll let Sara expand, of course, but as you might understand, getting an M&A pipeline doesn't happen overnight. And so, if we've been able to do four deals in the last 20 months, it's that we've started building that M&A pipeline. What's interesting about that space is opportunities seem to multiply as you seize them. And as you build a track-record and as you become known as excited to expand and find new segments with growth, people come to us. But yes, we have a list and Sara, maybe you can explain the two different metrics, categories, and adjacent segments.

Sara LaPorta BIC. – Chief Strategy & Business Development Officer

Absolutely. Well, I think you spoke earlier, Gonzalve, about the role of M&A is just one of the levers within our Horizon growth plan. And I think that what you're talking about is as we think about M&A, there's this two or three different approaches and lenses that we're taking to it. Firstly, you know, there is there's opportunities to expand our categories into adjacent growth areas. We talked about the broad human expression category and there will undoubtedly be interesting targets within that broad space that will allow us to go into high-growth or high-profit adjacencies from building on the strengths that we currently have. In addition, some of those categories, as you've heard both with Djeeep and also with the acquisition of Rocketbook, bring new capabilities and great talent with them. And so, integrating that into our business and helping us become more, as Chester talked earlier, about direct consumer and so on and so forth, there are roles that those kinds of M&A can take. Then in addition to that, there is clearly, as you spoke about earlier Gonzalve, synergies to be had in our core business where we see areas in terms of further growth potential. You spoke about the Africa acquisition, etc. earlier. So absolutely, we are looking at both M&A for our existing categories as well as expanding us into adjacent, interesting, and attractive adjacent areas. And as Chad spoke about earlier, doing all of this through a very disciplined lens of being very conscious of what kind of returns we're looking for and where we're going to extract the synergies that we would expect to get out of those kinds of M&A.

Adrian Dearnell EBM. – Moderator

How much of the 50 million euro targeted annual savings have already been unlocked at the end of 2020?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

So, Chad about those 50 million euro?

Chad Spooner *BIC. – CFO, Chief Financial Officer*

Well, as we mentioned, we are confident that we are going to achieve at least 80% of those by the end of 2021. And the benefit that we are seeing this year, Peter talked about it. We are seeing those benefits in procurement and in other types of activities in the business today. So, we are seeing them today, but we're going to get to at least 80% by the end of 2021.

Adrian Dearnell *EBM. – Moderator*

Why don't we see more wood materials in your products like bamboo handles etc.?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

That is a great question, one which I think, Thomas, will expand on, but we're not going to give details into different R&D streams of our product development. But I would remind us all that sustainability is important, not only in product and packaging, but upstream in the research and innovation field as well, but Thomas maybe you want to add a little bit.

Thomas Brette *BIC. – Group Insights & Innovation Officer*

Yeah, it is a great opportunity to say that sustainability is not just one material that leads to full product life cycle that we are looking at. So how the product is being sourced, produced, and then used and disposed by the consumer. And it is the full equation that needs to be looked at. So I'm not saying that this specific solution is not a good one, but when we look at materials, we look at the entire value chain and we do it, as I said before, with an open mind and an open approach to what exists around the world. So, we are not excluding anything, but we are really looking at the full impact, not just one part of the of the equation. we are seeing them today, but we're going to get to at least 80% by the end of 2021.

Adrian Dearnell *EBM. – Moderator*

In the multipurpose lighter segment, notably EZ Reach, is it less profitable than the Pocket Lighter segment?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

So, it is a newly launched segment, so Chester, maybe you want to talk about the US launch and how that's going, and then François can complete for a more global picture.

Chester Twigg *BIC. – Group Commercial Officer*

Sure, I think the good news is when you get it right, it is joint value creation for the consumer, the customer, and the company. So, what we are seeing with the EZ Reach—which is a wonderful innovation—is that our customers also make more profitability and so do we. So, we have better profitability than with multipurpose lighters in general. And that really gives us the incentive to keep driving this innovation and make it a bigger deal to really maximize our lighter presence in the market.

François Clément-Grandcourt *BIC. – General Manager of BIC's Group Lighters*

In fact, if we take a worldwide approach, the market for pocket lighters is 30 billion units. As we said earlier, roughly half of this is for multipurpose usage. So, there is a lot which can be done. But what is blocking the multipurpose lighter business today, is in fact, a low profitability. What is interesting with EZ Reach and what is interesting as well with what we are developing is that we are unlocking that profitability issue. With EZ Reach we are using the business model of pocket lighters. And this is what allows us to get a multipurpose lighter with the financial structure of a pocket lighter. So EZ Reach is in fact part of the solution, so that we make multipurpose lighters market develop and take its fair share.

Adrian Dearnell *EBM. – Moderator*

To what extent has Covid-19 impacted the company's cost savings in procurement in 2020?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

I think Peter did a great job of addressing that at a higher level, but maybe if you could go into some more detail, Peter.

Peter Dalsberg *BIC. – Group Supply Chain Officer*

Covid-19 has certainly tested our business continuity planning and also our ability as a company to capture value. If we look into the procurement spend categories, then split it by direct and indirect. And in direct we are impacted by the lower volume that we are selling this year, especially in stationary because of back to school. So, we have to offset the lower savings in that area, which, by the way, is also impacted by the lower inventory because that means that we have lower volumes to produce. And we have more than offset as a company where procurement is working closely together with functions, commercial, lighter and the rest of the supply chain in order to get more indirect savings. So as a total, we are delivering the planned savings as a total for the year.

Adrian Dearnell *EBM. – Moderator*

Could you help us understand the potential incremental dollars from EZ Reach when you say top five SKUs in the US? Is this cannibalizing existing sales or incremental sales, do you think?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

Chester, I'll let you answer the specific question, at least one of the things I take away and want to remind us all again is: a BIC innovation, getting to that level of performance at one of the world's largest customers is a testament to the work that the group and the lighter teams have done over the years to drive that innovation and bring it to market.

Chester Twigg *BIC. - Group Commercial Officer*

Absolutely a terrific launch, and when you have a terrific product, it is easy to do that. And what we are seeing is its early days, but we are not seeing much cannibalization. However, we have planned for some cannibalization because we know that even if there is cannibalization, it's positive for us as a business because we will see better margin, like I said, for customers and for the company. So that is really where we are. But at this point in time, early days, we are not even seeing the levels of cannibalization we had planned for.

Adrian Dearnell *EBM. - Moderator*

You mentioned M&A, but also divestiture in which segments or regions do you consider you might be missing the right scale positioning or competitive edge?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

As I said in my introductory remarks, we're moving to constantly reevaluating all of our businesses and as we reframe from writing instruments to human expression and from lighters to flame for life and from shavers to blade excellence, there are pockets and segments within those categories that we'll have to evaluate on a continuing basis. As an organization, we have done some divestiture historically. A couple of years ago, we did a small part of the business. So, we are not afraid of divesting small parts of our business, but we're focused on capturing the larger growth avenues, pillars, and trajectories in each of those three core categories that make up today and tomorrow.

Adrian Dearnell *EBM. - Moderator*

You did not mention the emerging markets opportunities in your lighter strategy. Is this still an area of focus for you?

Gonzalve Bich *BIC. - CEO, Chief Executive Officer*

So, I am going to let François complete his original answer and talk about what emerging markets do for us. I think everybody should know or knows how strong our lighter business is in Brazil and South Africa and other parts of the world. So, we are not a "just developed markets" lighter business, developing markets has been and will continue to be important to us on a go forward basis. But we evaluate those opportunities selectively and versus the investment needed to achieve them.

François Clément-Grandcourt BIC. – *General Manager of BIC's Group Lighters*

Yes, clearly emerging market is part of it. So that is the short answer. We mentioned: Sara, Gonzalve and myself, a number of usages for cooking, for lighting, for incense, for candles, which are in fact clearly part of the usage in emerging markets. In addition to the countries that Gonzalve mentioned, like Brazil, like Mexico, we also have, as you know, strong plans in Turkey, in Russia and beyond, in Africa and Asia. So, yes, clearly emerging markets is part of what we are working on and developing.

Adrian Dearnell EBM. – *Moderator*

How much of the expanded total addressable market can BIC address with internal capabilities and how much needs to be acquired?

Gonzalve Bich BIC. – *CEO, Chief Executive Officer*

That is something that we need to discover over time as we identify opportunities, build the plans against them, and then execute them. Of course, all the capabilities of the company grow and Rocketbook is a perfect example of that, as we not only bring in a great brand and fabulous products that are consistent with our DNA of affordability and quality. We also bring in capabilities from a technical perspective and marketing. So it's hard for me to give a number and I don't want to give a number of internal versus external because I think that might limit the creativity of our innovation teams who have proven in the last couple of years to be pretty resourceful. And I am sure that they are going to continue to wow us and bring simplicity and joy to billions of consumers around the world in the years to come.

Adrian Dearnell EBM. – *Moderator*

The shaving industry shows long-term cycles. Where are we in that cycle? And what was the impact of the remote working on shaving habits?

Gonzalve Bich BIC. – *CEO, Chief Executive Officer*

Thomas maybe you can take that question and blend the work from MCI as well as the second part of the question, please.

Thomas Brette BIC. – *Group Insights & Innovation Officer*

So, you are right, the shaving industry or the shaving consumer has been changing habits on a long-term basis. It is more than 10 to 20 years type of changes going from body shaving first, then to a facial hair expression second. And those are trends that take more time to come and go. We are in a moment where we see the acceleration of facial hair styling and Covid-19 is actually going into that direction because the frequency of shaving has decreased during Covid-19 or is decreasing right now. And we see consumers wearing more hair on their face. Hence the innovations that we are developing which are answering those needs of infrequent shaving. So, we are adapting to those trends as we as we go, as we did for women and increasing smoothness of body shaving that we also propose to men. So, yes, it is

evolving. We are on a downturn in terms of frequency and usage, but on a continuous aspiration for more benefits and more precise performance.

Adrian Dearnell EBM. – Moderator

Gonzalve, back to your new vision is BIC thinking of entering into a new category?

Gonzalve Bich BIC. - CEO, Chief Executive Officer

So, our vision is what empowers us, it is what drives our actions every day all across the group and in our three reframed categories, it gives us great momentum and trajectory to capture growth. But I also said that we are pragmatic and that opportunities multiply as we seize them. And I think we will see over time as we enter into adjacent segments is little opportunities will create themselves and will become big industries. Also, from a technical perspective, as we unlock the next levels of innovation, those might bring us into new business opportunities that we'll evaluate and prosecute if we find that they have a better than acceptable return to our shareholders to continue to grow the company past 2022.

Gonzalve Bich BIC. - CEO, Chief Executive Officer

Thank you, Adrian.

First off, on behalf of myself and the BIC management team gathered here today, I would like to thank all of you for your participation in a very stimulating and thought-provoking Q&A session -- it's always a great pleasure to have the opportunity to engage directly with you, our financial community. I am already looking forward to the next opportunity to continue this discussion, hopefully in person next time.

Next, I would like to thank Sophie and her team, who worked relentlessly these past couple of weeks to make this virtual event possible, despite the many logistical difficulties arising from the pandemic, and lockdowns in some countries.

And lastly, as a final Takeaway, I would like to reiterate a few key messages that I think were particularly important, out of everything that we've covered today: first, I trust that you were all able to see, that we have a clear strategy and roadmap to capture the next phase of our growth, second, we will transform BIC: we are expanding our addressable markets into fast-growing adjacent segments. We are leveraging existing capabilities and manufacturing excellence, to generate incremental revenues. We are taking our sustainable development journey to the next level, with an ambitious plan to reduce plastics in both our packaging and our products. Lastly, we have both the cash generation ability and the discipline to deliver on our objectives.

That is why I believe that we will reach our ambition, generating long-term sustainable growth and returns for our shareholders. Thank you very much for your attention.