



FOUNDATION FOR THE FUTURE

HOW
**WE CREATE
AND SHARE
SUSTAINABLE
VALUE** WITH
ALL OUR
STAKEHOLDERS

ABOUT **THIS REPORT**

The fourth edition of BIC's Integrated Report was created in line with the guiding principles of the International Integrated Reporting Council (IIRC), and based on a continuous improvement model. The report covers the year 2021 and the consolidated perimeter of the Group. Where necessary, it also refers to elements relating to previous years, including the Horizon strategic plan. Identification of risks and opportunities was based on a risk universe exogenous to the Group, focused on risks related to BIC® product markets and major global risks, including those related to climate change. It also takes account of the Group's materiality matrix. The preparation of the Integrated Report was managed by BIC's Corporate Stakeholder Engagement department. It is the result of a joint effort with the Sustainable Development, Legal, Human Resources and Procurement departments, and the Leadership Team. The information published in this report was selected based on information prepared for shareholders and investors, and interviews with members of the Executive Committee. This integrated report was created for all the Group's stakeholders, and in particular shareholders, customers, consumers, team members and partners, including suppliers and NGOs. It was designed to guide the reader through three main sections: From Resilience to Transformation, From Transformation to Action, From Action to Performance. Each section follows on from the one before and leads to the next in a logical order, demonstrating how BIC is creating value for all its stakeholders through its Horizon strategic plan.



WE ARE **BIC**

Our passion for bringing Simplicity and Joy to people's lives is what drives our successes today, and inspires our innovations of tomorrow. With the insight of our Executive Team and unmatched industry expertise, we continue to find meaningful ways to grow our global portfolio of Brands.

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FROM RESILIENCE TO TRANSFORMATION

The essential Products we create and the love that our Consumers have for them is what has kept the BIC® Brand resilient during times of major economic or market turmoil for more than 75 years. Launched in 2019, our *Invent The Future* transformation plan has strengthened our core capabilities, and given us a solid foundation on which to grow.

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FROM TRANSFORMATION **TO ACTION**

Our Horizon Strategic Plan shines a spotlight on our consumers more than ever before. Grounded on Sustainable Innovation, this new consumer-centric approach will help us respond faster and better to evolving consumer demands while keeping our Brand relevant and purposeful for decades to come.

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FROM ACTION **TO PERFORMANCE**

Our Strategy is proving successful, resulting in robust Financial Performance and solid Value Creation for all Stakeholders. With our new consumer-centric Business Model, we are in the best position possible to meet the needs of changing consumer behavior with products that will continue to surprise and delight.

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MESSAGE FROM THE CEO

Gonzalve Bich

Chief Executive Officer



“ Our entrepreneurial DNA
is organic, and enriched with
passion and dedication. ”

2021's results confirmed that BIC's focus on the Consumer, and on Sustainability are the right choice. Turning our Horizon strategic plan into action, we delivered or over-delivered on what we could control driving momentum and continuously strengthening performance. We demonstrated our determination to actively manage external headwinds through increased operational and manufacturing efficiencies. We also invested in preparing the company for short, mid, and long-term success with exciting consumer-centric product launches, such as our new EZ Reach Utility Pocket Lighter and the BIC® BAMBOO shaver, and brought to BIC new opportunities for growth with Rocketbook, opening up the new and exciting growth avenue that is Digital Writing.

Aligned with our Horizon Plan, the exciting recent acquisition of Inkbox, the leading brand of semi-permanent tattoos, is yet another proof point of our transformation into a fast-moving Consumer Goods Company bringing Joy and Simplicity to consumers.

2022 will be another unpredictable and challenging year. Anchored in our Mission, we will continue to offer high-quality, reliable and essential products to surprise and delight consumers, thus creating and sharing value that unites all our stakeholders.

Three years ago, we began our journey to create the BIC of the future. Since then, focusing on the consumers, we made choices, took controlled risks, and looked to new and emerging consumer trends for growth opportunities, inside and outside the company.

This is how my grandfather founded this company. Our entrepreneurial DNA is organic, and enriched with passion and dedication.

Welcome to the BIC of the future.



TRIBUTE TO BRUNO BICH

Our values were shaped by Bruno Bich, who passed away on May 30, 2021. Bruno Bich devoted his career to the company founded by his father, Marcel Bich. He served as Chairman and Chief Executive Officer from 1993 to 2006, then as Chairman of the Board of Directors until 2018. These values have been inspiring our team members daily since 1994. They reflect the entrepreneurial and human vision of a leader who placed customers and consumers at the heart of our business model, and accelerated our international growth. He inspired several generations of team members through his commitment and his passion for promoting the BIC® brand and its products.



WE ARE
BIC



OUR PASSION FOR BRINGING
SIMPLICITY AND JOY TO
PEOPLE'S LIVES IS WHAT
DRIVES OUR SUCCESSES
TODAY, AND INSPIRES OUR
INNOVATIONS OF TOMORROW.
WITH THE INSIGHT OF OUR
EXECUTIVE TEAM AND
UNMATCHED INDUSTRY
EXPERTISE, WE CONTINUE
TO FIND MEANINGFUL WAYS
TO GROW OUR GLOBAL
PORTFOLIO OF BRANDS.

FROM VISION TO LEADERSHIP

For the past 75 years, BIC has met consumer needs with High-Quality, Simple and Affordable Products. We are a world leader in Stationery, Lighters, and Shavers, and one of the world's most recognized brands, with products sold in more than 160 countries. **Our vision** is to bring Simplicity and Joy to everyday life. We seek to create a sense of ease and delight in the millions of moments that make up the human experience. It is this passion that drives our team members each day. We reimagine everyday essentials, designing products that are part of every home. We believe we positively impact the world by offering sustainable solutions that respect the planet through smart, long-lasting design.

INTEGRITY

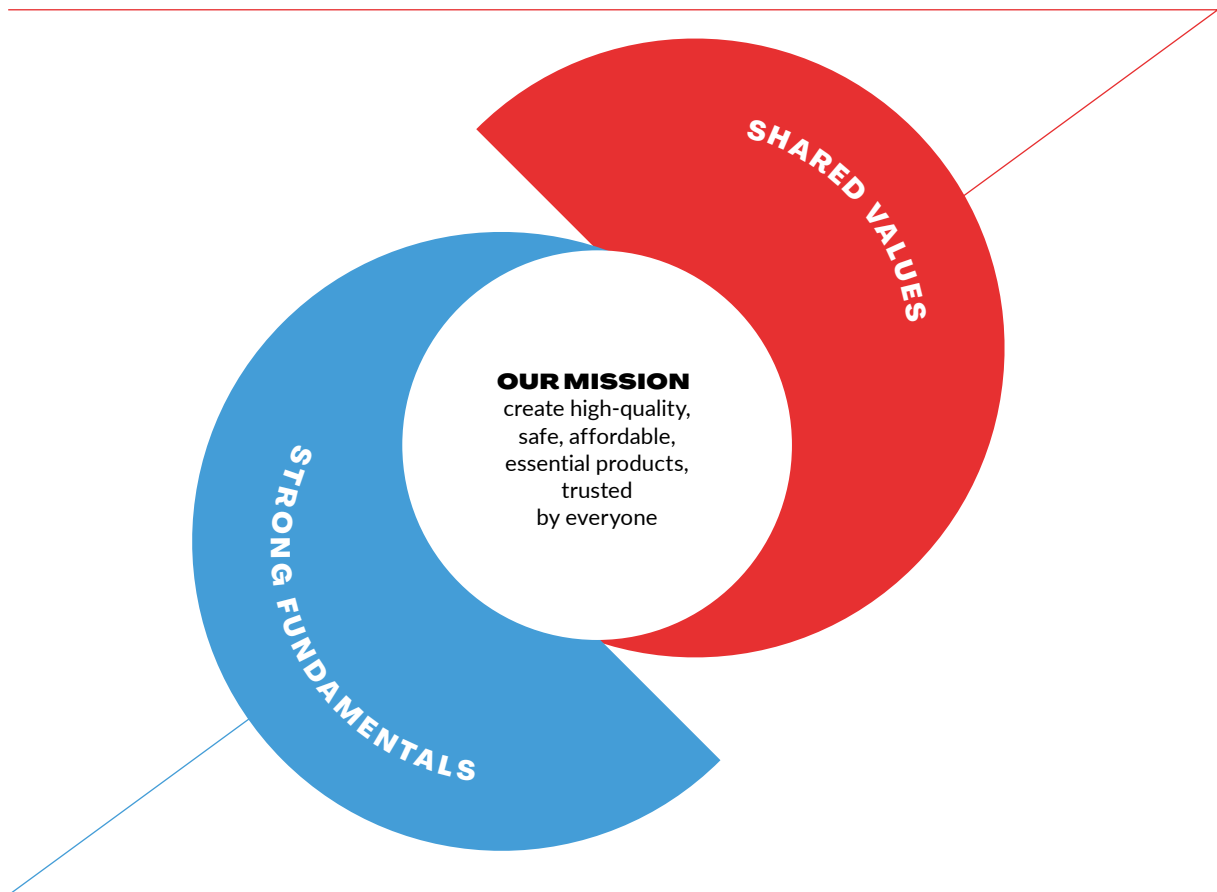
SUSTAINABILITY

RESPONSIBILITY

INGENUITY

TEAMWORK

SIMPLICITY



HIGH QUALITY

When we created our first product, the BIC® Cristal® ballpoint pen, we decided to focus on the essentials: a simple, high-quality product, sold at the right price, to facilitate an everyday gesture and to be used by anyone, everywhere.

INVENTIVE

We succeeded by responding effectively to consumers' changing expectations. Our Research & Development teams work proactively to identify consumer needs and desires and come up with innovations to meet them.

RELIABLE

We have created consumer loyalty by offering the same high quality throughout the product's life: more than 2 km of writing from one BIC® Cristal® ballpoint pen, 3,000 ignitions from one BIC® Maxi pocket lighter, and 17 shaves from a BIC® Flex 3 Shaver.

SUSTAINABLE

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

LEADERSHIP POSITIONS

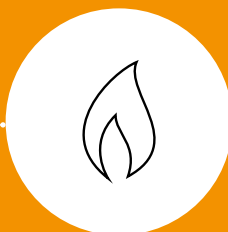


HUMAN EXPRESSION

N^o.2

Writing Instruments
manufacturer with cc. 8%
market share

37% of 2021 Net Sales



FLAME FOR LIFE

N^o.1

Branded Lighter
manufacturer with cc. 55%
market share (excluding Asia)

39% of 2021 Net Sales



BLADE EXCELLENCE

N^o.2

One-Piece manufacturer
with cc. 23%
market share

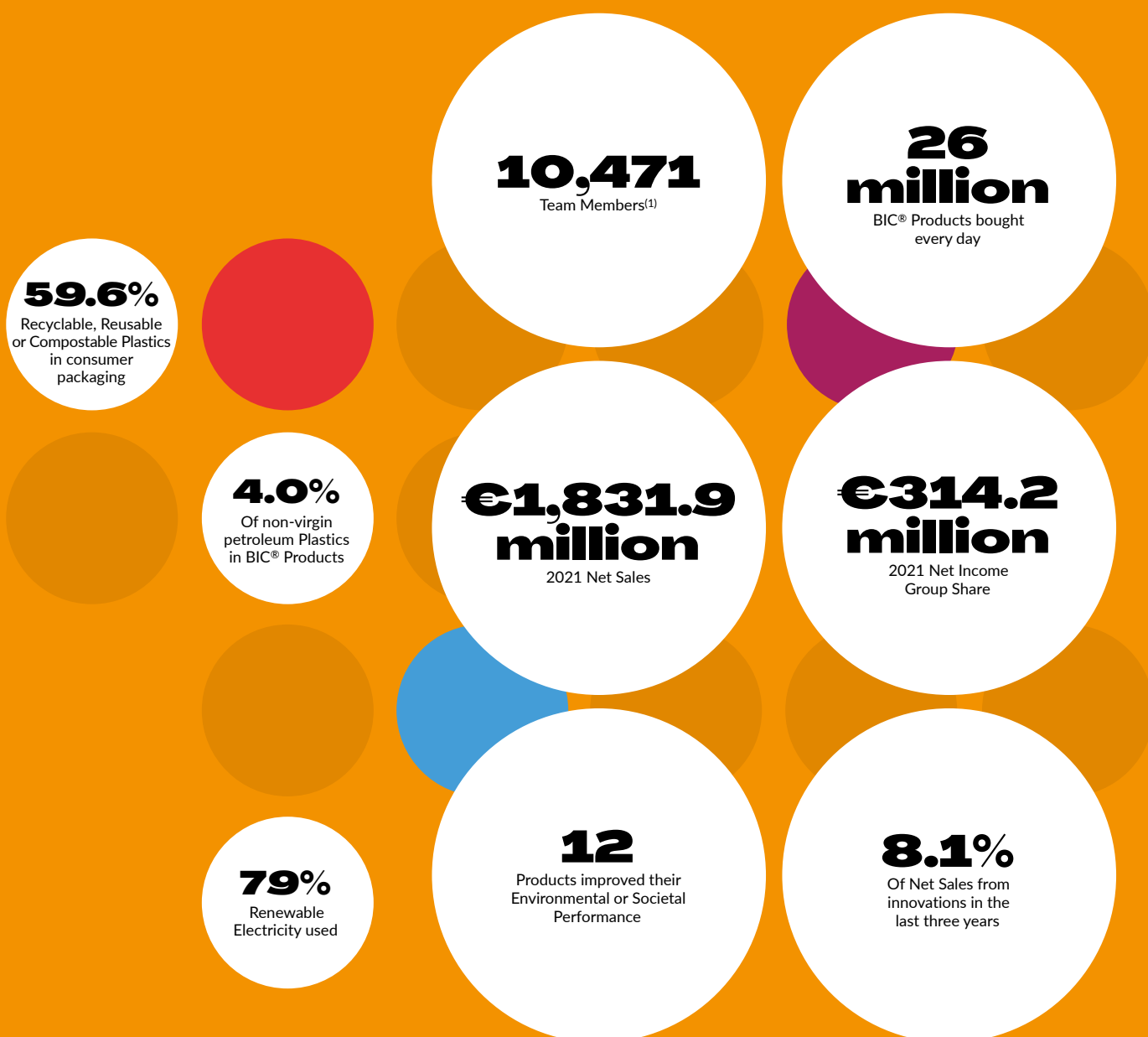
22% of 2021 Net Sales

OUR BRANDS



FROM VISION TO LEADERSHIP

BIC is a Global Company, close to its customers and consumers.



(1) Permanent employees.

Our **global footprint** allows us to stay close to our consumers, enabling us to anticipate and respond to evolving trends while minimizing the Group's environmental impact.

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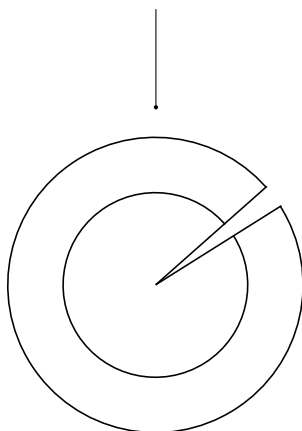
**PLANTS
WORLDWIDE
INCLUDING**

**14
STATIONERY
FACTORIES**

**6
LIGHTER
FACTORIES**

**4
SHAVER
FACTORIES**

91%



**OF BIC®
PRODUCTS
MANUFACTURED
IN BIC
FACTORIES**

**NORTH
AMERICA**

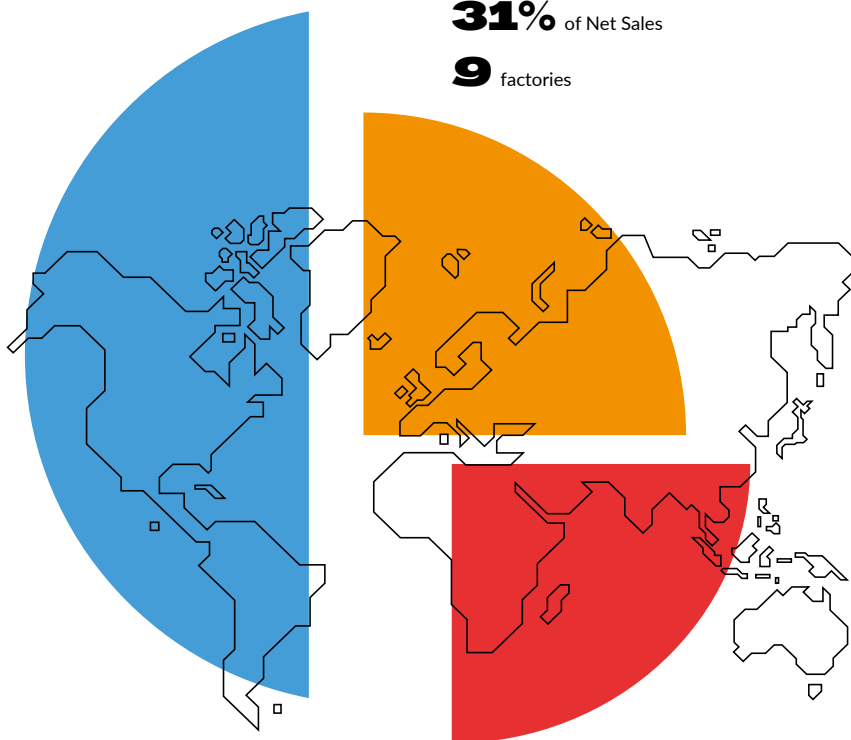
43% of Net Sales

2 factories

EUROPE

31% of Net Sales

9 factories



**DEVELOPING
MARKETS**

26% of Net Sales

13 factories

HOW OUR BUSINESS MODEL CREATES VALUE

Team members: the key to our success

To support growth and development, we continuously reinforce our teams' skills and capabilities by providing customized training programs and opportunities for career development. BIC also develops a strong Diversity, Equity & Inclusion program.

10,471 team members

€489.0 M payroll costs

12,085 training days

State-of-the-art and responsible production

We use a state-of-the-art production line while reducing the environmental footprint of BIC factories and protecting our employees' health.

24 factories on 4 continents

91% of Net Sales from products manufactured in BIC factories

A sustainable procurement strategy

Through our Responsible Procurement Strategy, we strive to minimize the environmental impact of BIC® products.

€966.5 M purchases of raw materials, consumables and services

323 strategic suppliers

Solid financial foundation

Through sound cash management and a strong balance sheet, we ensure access to the capital needed to finance innovation, operations, and enhance growth.

€1,723.8 M Shareholder Equity

€280.6 M Net Cash from Operating Activities

€400.1 M of Net Cash position

Innovation

True to our culture of innovation, we maintain a sharp focus on developing new, innovative, environmentally friendly products.

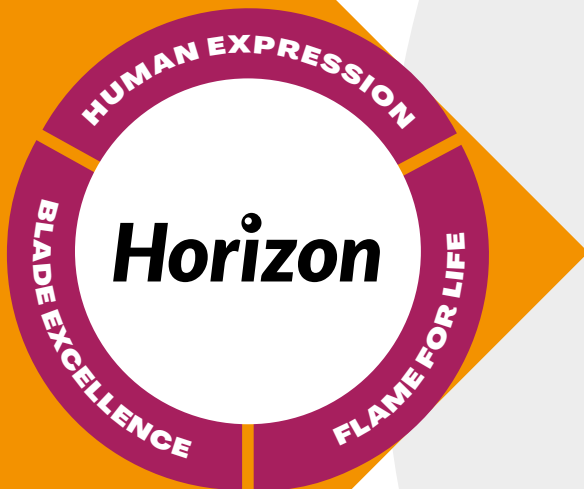
347 patents granted at the end of 2021

1.5% of Net Sales invested in R&D



OUR MISSION

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



Demand for
eco-responsible
products

Well-being and security at work

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

58 work accidents
1.19% rate of absenteeism

A reduced environmental footprint

We have considerably reduced our footprint by
working throughout our production chain: from
the product's creation to the end of its lifecycle,
including a recycling strategy and controlled
emissions from BIC factories and headquarters.

-11.5% water consumption*
-8% energy consumption*
-7.8% waste production*
-11.7% greenhouse gas emissions (scopes 1 & 2)*
-13% greenhouse gas emissions (scope 3)

* Per ton of production between 2020 and 2021.

Long-lasting products

We innovate to respond to consumer
needs and to reduce the impact of
our products. We are increasingly
recognized for the high quality and
sustainability of our products.

More than 2 km of writing for
a BIC® Cristal ballpoint pen
3,000 constant flames for a BIC® Maxi Lighter
Up to 17 days of shaving with the BIC® Flex 3

Long-term profitable growth

The creation of financial value
is essential to BIC's sustainability.
Over the years, we have remained committed
to creating value for our shareholders.

€1,831.9 M Net Sales
€314.2 M Net Income
€74.9 M Capital Expenditure
€80.9 M Ordinary Dividend paid

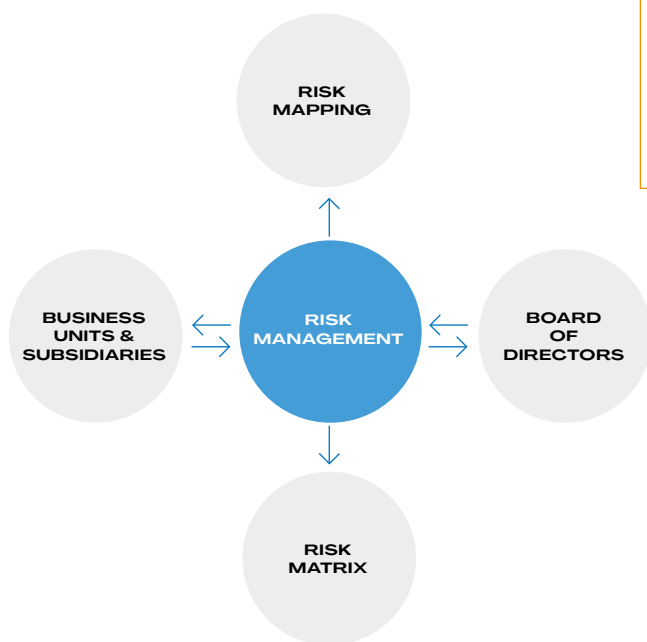
Education as a priority

Motivated by our conviction that education
is crucial for the development of free will,
independence and for combating poverty,
we are committed to improving learning
conditions for children around the world.

82 philanthropic projects supported
158 million children have benefited from
improved learning conditions since 2018.
€1 M invested in philanthropic projects

AN EFFECTIVE RISK MANAGEMENT SYSTEM

BIC embeds risk management into its core processes to address risks that could significantly impact the company. It includes the identification, mapping and monitoring of external and internal risks to mitigate or insure against their impact.



► Action plans related to key risks are reviewed and discussed during Board of Directors' meetings.

► Major identified risks are managed and monitored by the Executive Committee.

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

► Scheduled update of risk mapping.

BIC'S MATERIALITY MATRIX UPDATE

In 2014, BIC established a materiality matrix to review the degree of internal and external stakeholder interest in key sustainability issues.

This materiality matrix confirmed the overall balance in perception on the material issues facing BIC and the relevancy of the company's

sustainability program.

In 2021, the Sustainable Development, Risks and Corporate Stakeholder Engagement departments revisited this materiality matrix and upgraded the following material sustainability issues in terms of importance to BIC:

- CSR Corporate Governance
- Employee development and well-being
- Diversity, Equity & Inclusion
- Purchasing, subcontractors and suppliers

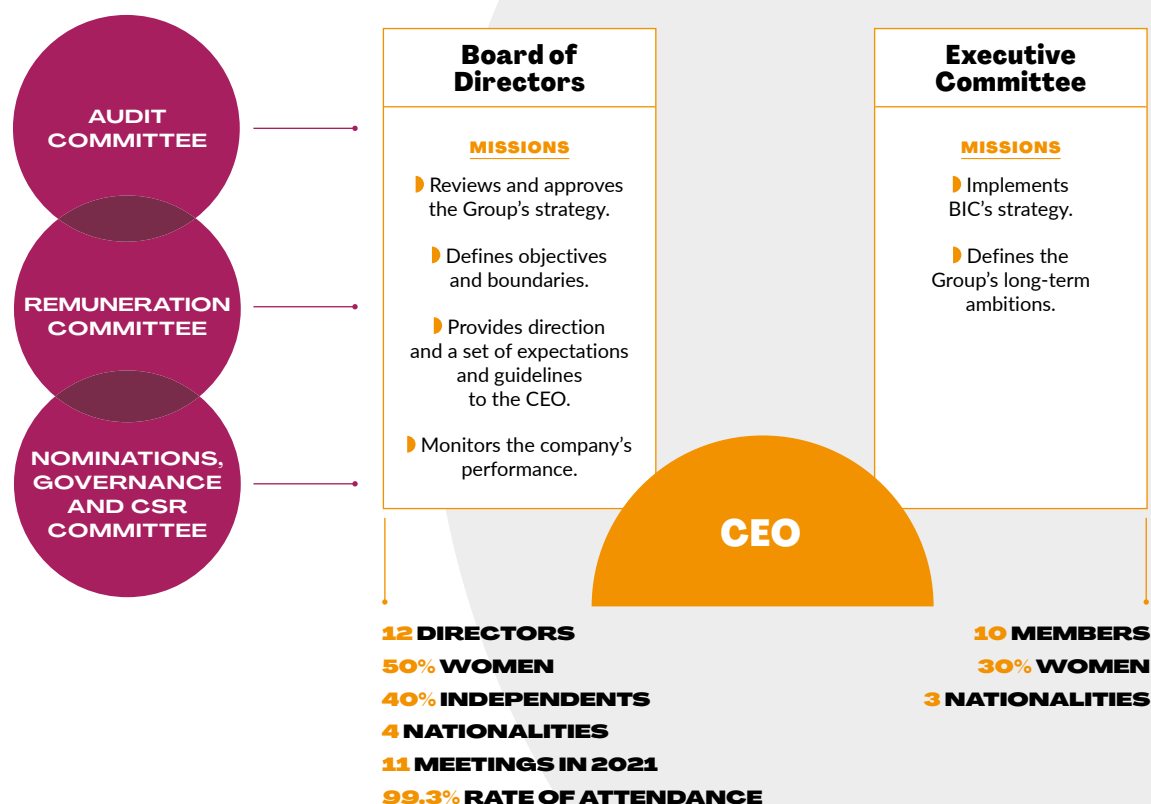
- Responsible product development
- Packaging
- Energy and Climate Change
- Water
- Recycling and waste recovery

The materiality matrix update will continue with the mobilization of the key stakeholder groups and culminating in a new materiality matrix in 2022.

A STRONG GOVERNANCE FOR ACCELERATED AND SUSTAINABLE GROWTH

Clear and well-structured, our governance is organized to ensure the proper functioning of the Group and the respect of its values. In 2021, BIC strengthened its governance bodies to ensure the success of our consumer-centric strategy and our Horizon plan.

A CLEAR AND WELL-STRUCTURED GOVERNANCE



Shareholding Structure

As of December 31, 2021, the total number of issued shares of SOCIÉTÉ BIC was **44,677,929**, representing **65,654,533** voting rights.

1% TREASURY SHARES

46% BICH FAMILY
(voting rights: 63%)

53% PUBLIC

A BOARD OF DIRECTORS COMMITTED TO DRIVE SUSTAINABLE GROWTH...

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



JOHN GLEN
Interim Non-Executive
Chair

Co-opted Independent Director on December 10, 2008, ratified by BIC's AGM on May 14, 2009. Appointed Interim Non-Executive Chair on May 19, 2021
Expertise: Management, Finance



GONZALVE BICH
Director and Chief
Executive Officer

Director and Chief Executive Officer since May 16, 2018
Expertise: Management, International, Consumer, Innovation, Human Resources



ELIZABETH BASTONI
Interim Independent
Lead Director

Appointed Independent Director on May 15, 2013. Chair of the Remuneration Committee, and of the Nominations, Governance and CSR Committee. Appointed Independent Lead Director on May 19, 2021
Expertise: Consumer, Human Resources, CSR



VINCENT BEDHOME
Director

Representing the Employees. Appointed Director on December 13, 2017. Member of the Remuneration Committee
Expertise: Manufacturing



MARIE-AIMÉE BICH-DUFOUR
Director

Appointed Director on May 22, 2019. Member of the Nominations, Governance and CSR Committee
Expertise: Legal, CSR



TIMOTHÉE BICH
Director

Coopted Director on December 10, 2019, ratified by BIC's Annual General Meeting on May 20, 2020
Expertise: Finance, International



MAËLYS CASTELLA
Director

Appointed Independent Director on May 22, 2019. Chair of the Audit Committee and Member of the Remuneration Committee
Expertise: Finance, CSR, Innovation



MARIE-PAULINE CHANDON-MOËT
Director

Appointed Director on May 28, 2003
Expertise: Consumer, Management



INNA KOSTUK
Director

Representing the Employees. Appointed Director on December 08, 2020
Expertise: Finance



CANDACE MATTHEWS
Director

Appointed Independent Director on May 10, 2017. Member of the Audit Committee and of the Nominations, Governance and CSR Committee
Expertise: Management, Distribution, Consumer, International



SOCIÉTÉ MBD
Director

Represented by Édouard Bich. Appointed Director on May 24, 2006. Member of the Audit Committee
Expertise: Investing, Finance



JAKE SCHWARTZ
Director

Appointed Independent Director on May 20, 2020. Member of the Audit Committee
Expertise: Digital, Finance, Management

NIKOS KOUMETTIS RECOMMENDED FOR ELECTION AS INDEPENDENT DIRECTOR

Upon the recommendation of the Nominations, Governance and CSR Committee, BIC's Board of Directors recommended the appointment of Nikos Koumettis as an Independent Director, and future Non-Executive Chair of the Board at the Annual General Shareholder Meeting on May 18, 2022. Nikos Koumettis is President, Europe, at Coca-Cola and a member of the company's executive team. He brings more than thirty years of experience in the Consumer Goods Industry as well as a knowledge of governance topics.

"A seasoned, consumer-centric global executive with considerable experience as an Independent Director, Nikos will lead the Board as we re-imagine how we delight the consumer, transform our organization and execute on our Horizon strategy. We are pleased to propose to our shareholders a candidate of Nikos' caliber."

ELIZABETH BASTONI,
BIC'S INDEPENDENT LEAD DIRECTOR AND CHAIR
OF THE NOMINATIONS, GOVERNANCE AND CSR COMMITTEE

...AND SUPPORTED BY ITS COMMITTEES

In 2021, the Board of Directors met eleven times with an average length of four hours. The attendance rate at the meetings was 99.3%.

Apart from the regular duties undertaken by the Board (e.g., closing the accounts, review of the quarterly results, approval of the annual budget, approval of the compensation of Executive Officers, etc.), in 2021 the Board discussed the following:

- ▶ appointment of interim Chair and Independent Lead Director;
- ▶ succession planning for Non-Executive Chair;
- ▶ review of the Roles and Responsibilities for CEO, Board of Directors, Non-Executive Chairman and Lead Director;
- ▶ development of the Group's Horizon strategic plan;
- ▶ monitoring of Group strategy and progress in e-commerce;
- ▶ the sale of the company's Clichy headquarters;
- ▶ revised key KPIs and communication agenda;
- ▶ launch and completion of a 40-million-euro impact share buyback program;
- ▶ approval of free share grants to team members;
- ▶ approval and extension of stock-options plans;
- ▶ definition of BIC carbon emission roadmap;
- ▶ internal evaluation of Board membership and performance, and implementation of subsequent actions;
- ▶ review of the process to change Auditors in 2023.

99.3%
attendance
rate at the
meetings



THREE COMMITTEES CHAIRED BY INDEPENDENT DIRECTORS

The Audit Committee	The Remuneration Committee	The Nominations, Governance and CSR Committee
<p>In 2021, the Audit Committee met eight times, with an attendance rate of 100%. Apart from its regular duties (International Financial Reporting Standards; Internal Control structure; any other financial reporting matters, including the Universal Registration Document) in 2021, the Audit Committee worked on:</p> <ul style="list-style-type: none"> the Group's Internal Control and Audit findings; the Group's insurance coverage and costs; a request for proposal for external auditors; the review of a new M&A process; the new approach on risk management; the review of the Finance organization; a Business Development review; against the background of the pandemic, a review of the related risks, cash collection and liquidity. 	<p>The Remuneration Committee met five times in 2021, with an attendance rate of 100%. The Committee's work during the year focused on discussions and/or recommendations regarding the:</p> <ul style="list-style-type: none"> level of remuneration for the Chair of the Board and Board members, and related payouts; level and competitiveness of remuneration for the Chief Executive Officer and the Executive Vice-Presidents, related details (peer group review) and payouts; criteria and related targets to be used for the variable remuneration of the Chief Executive Officer and the Executive Vice-Presidents; design, level and granting of long-term stock-based incentive plans, including the Achieving Horizon Stock Option Plan; review of the remuneration of Executive Committee members; review of the shareholding guidelines and current and anticipated status for each Executive Committee member; review of the incentive philosophy and structure. This includes the possibility of using different stock-based awards to further engage and reward our employees, including the Sharing Horizon employee plan; review of remuneration-related documentation to be disclosed in the Universal Registration Document (Say on Pay) and the resolutions on remuneration policy for the Annual General Meeting; review of benchmark companies for remuneration packages for the Board, Chair and all executives. 	<p>The Nominations, Governance and CSR Committee met twelve times in 2021. The attendance rate was 100%. The Committee's work focused specifically on:</p> <ul style="list-style-type: none"> the evaluation of the Board's performance (implementation of previous year action plan and 2021 self-evaluation); reviewing results; identifying areas for improvements; and actions taken; the calibration, search and selection of a new Director to become Chair of the Board; the identification of critical areas of development for the Board and of specific skills for continued development based on the newly introduced Board Skills matrix; the review of the Independence of Directors; the annual performance and development review of the Chief Executive Officer; the setting of objectives for the Chief Executive Officer; the emergency and long-term succession plans for the Chair and Chief Executive Officer; the review of the Roles and Responsibilities for CEO, Board of Directors, Non-Executive Chair and Lead Director; the implementation of new policies concerning Gender and Equality; the commitments of the Sustainable Development Program; the implementation of the new Code of Conduct (replacing the BIC Group Code of Ethics and Guide); the annual review of the organization and its Human Capital (including diversity policy within the Group and top management). This included a review of progress and a focus on the development and succession plans for key roles.

The Board of Directors and its committees actively supervised the company's response to the management of risks related to COVID-19.

AN EXECUTIVE COMMITTEE TURNING STRATEGY INTO ACTION



GONZALVE BICH ¹
Director and
Chief Executive Officer

CHAD SPOONER ²
Group Finance
GOAL: Evolve a best-in-class finance function by establishing reliable, transversal processes, and continue to ensure the accuracy of financial reporting and efficient planning to drive our global financial performance.

FRANÇOIS CLÉMENT-GRANDCOURT ³
Group Lighters
GOAL: Continue to grow the Lighter category through its unique manufacturing process and R&D, maintaining a strong focus on safety and quality.

GARY HORSFIELD ⁴
Group Supply Chain
GOAL: Reinforce the efficiency of our production through centralized purchasing and an "end-to-end" logistical chain while preserving the security, quality and accessibility of our products.

SARA LAPORTA ⁵
Strategy and Business Development
GOAL: Develop a comprehensive corporate strategy, identify and analyze business growth opportunities.

MALLORY MARTINO ⁶
Human Resources
GOAL: Build organizational and people capabilities in support of the long-term strategy, through the implementation of effective talent acquisition, talent management and talent development processes and solutions.

ELIZABETH MAUL ⁷
Group Insights, Innovation & Sustainability
GOAL: Develop our portfolio of innovative products. Collect data and generate new ideas in order to create products and services that match consumers' expectations, especially in response to their need for creativity, self-expression, and their expectations for sustainable development.

CHARLES MORGAN ⁸
Information Technology
GOAL: Develop secure, reliable and high-performance IT tools at the service of efficient production and commercial activity.

CHESTER TWIGG ⁹
Commercial
GOAL: Lead commercial operations and drive an omnichannel online and offline go-to-market while integrating next generation capabilities.

THOMAS BRETTE ¹⁰
Partnerships and New Businesses
GOAL: Focus on new Business Models and partnerships to foster long-term growth opportunities.

REMUNERATION: COMBINING COMPETITIVENESS AND ATTRACTIVENESS

BIC relies on best-in-class practices to incentivize and reward Executives and all team members for actions that create long-term Shareholder Value. As a result, our Remuneration Policies promote accountability and align incentives with performance.

Corporate Officers' remuneration

Remuneration of Corporate Officers is established on the following principles:

- ▶ Comprehensiveness
- ▶ Balance between the remuneration components
- ▶ Comparability
- ▶ Consistency
- ▶ Clarity of the rules
- ▶ Proportionality

It is also based on peer group studies.

Variable and supplementary remuneration requires a positive ex-post vote from the Annual General Shareholder Meeting.

Remuneration policy

Chairman, Chief Executive Officer,
Executive Vice-Presidents

SHORT TERM

ANNUAL FIXED REMUNERATION

(+ supplementary pension plan and in-kind benefits)

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

ANNUAL VARIABLE REMUNERATION

- ▶ Criteria set to strengthen the linkage between BIC's results and bonus payout
- ▶ Continued emphasis and explicit focus on CSR as part of individual objectives
- ▶ Variable remuneration structure:
 - 25% Net Sales
 - 25% Adjusted EBIT
 - 20% Cash Conversion Cycle
 - 30% personal objectives: 2021 CEO's objectives included the implementation of the Horizon Plan, ESG criteria (Diversity and Inclusion, and Environmental targets), and OPEX reduction.

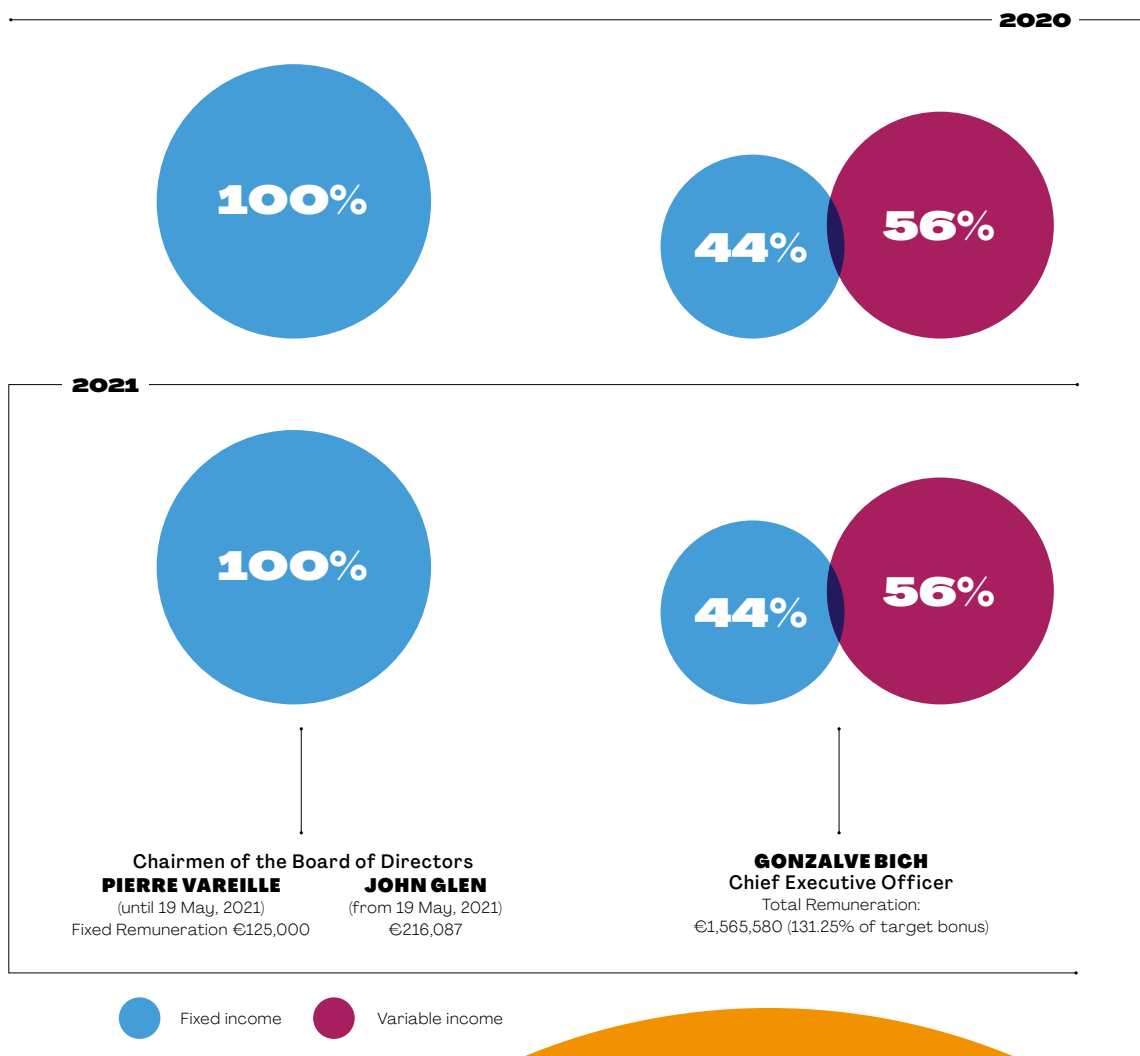
LONG TERM

PERFORMANCE SHARES

- ▶ A central element of BIC's global remuneration strategy
- ▶ Performances are evaluated over three years
- ▶ The total number of shares granted to the Corporate Officers will not exceed 0.4% of the share capital
- ▶ Criteria of evaluation of performance: Three goals in line with the Horizon strategy established by the Board of Directors:
 - Innovation and vitality rate
 - Rate of Renewable, Recyclable, and Reusable Packaging
 - Free Cash Flow (Cash From Operating activities less CAPEX).

STRUCTURE OF CORPORATE OFFICERS' REMUNERATION

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



TEAM MEMBERS' REMUNERATION

Recognition of individual and team performance is an essential element of BIC's remuneration policy. For managers, salary increases are based on individual merit, except in certain countries with legal obligations for general increases. Variable remuneration represents a target percentage of fixed remuneration that can vary from 5% for the most junior positions to 75% for certain members of the Executive Committee. For non-managers, BIC guarantees decent remuneration that respects social minima and is aligned with local companies and international companies operating locally.

FROM RESILIENCE TO TRANSFORMA



TION

THE ESSENTIAL PRODUCTS WE CREATE AND THE LOVE THAT OUR CONSUMERS HAVE FOR THEM IS WHAT HAS KEPT THE BIC® BRAND RESILIENT DURING TIMES OF MAJOR ECONOMIC OR MARKET TURMOIL FOR MORE THAN 75 YEARS. LAUNCHED IN 2019, OUR INVENT THE FUTURE TRANSFORMATION PLAN HAS STRENGTHENED OUR CORE CAPABILITIES, AND GIVEN US A SOLID FOUNDATION ON WHICH TO GROW.

MEETING NEW CHALLENGES AND SEIZING NEW OPPORTUNITIES

As the pandemic continued throughout 2021, our Business was confronted by many new challenges. While some have strained our Operations in ways never imagined, others have flexed our creative problem-solving skills and helped us weather times of uncertainty.

Macro-economic challenges

- ▶ High energy prices and fuel shortages limiting manufacturing of key materials and intermediate goods
- ▶ Bottlenecks in production chains spreading to more generalized shortages of raw materials
- ▶ Shortage of workers – tight labor market – upskilling and reskilling
- ▶ Inflationary pressure
- ▶ Strong but imbalanced economic recovery: solid in North America and Europe, still fragile in India and Latin America
- ▶ Climate change

Consumer trends

- ▶ Increasing focus on product quality, value-added experiences, seamless shopping

- ▶ Acceleration of e-commerce:

Acceleration of digital, analytics and digital shopping

Major changes to how people live, work and shop

Increased importance of Direct-to-Consumer

- ▶ A home-centric lifestyle

- ▶ Greater desire for creative expression

- ▶ Personalization: Consumers increasingly base their buying decisions on perception of a brand, and on its ability to form a unique relationship with them

- ▶ Search for eco-responsible products

- ▶ Looking for purpose: consumers expect the products they buy to be eco-responsible and increasingly base their purchasing decisions on evidence of purpose; “conscious consumerism”; value-based buying habits; focus on ESG.

THE EMERGENCE OF A “HOMEBODY ECONOMY”

The pandemic and lockdown measures forced a large percentage of the population to do more from home than ever: working, but also shopping, exercising, and consuming entertainment. People increasingly consider their home as the focal point of their lives. As their lives revolve more closely around where they live, so have their spending habits, with a surge of sales in well-being products, such as kitchen supplies, repair and home improvement. Employees who now work part time from home are willing to spend money to make it as comfortable as possible.



RISKS AND OPPORTUNITIES

	Social and Human	Industrial and Commercial	
RISKS	<ul style="list-style-type: none"> Team members' health and safety (NFPS*) Team members' experience and skills (NFPS*) Human Rights and fundamental freedoms (NFPS*) 	<ul style="list-style-type: none"> Strategic and operational risks Industrial risks Product safety and consumer health and safety (NFPS*) 	
OPPORTUNITIES	<ul style="list-style-type: none"> Position BIC as an attractive employer thanks to an ambitious health and safety program Develop programs that promote the employability of employees within and outside the company Enhance the culture of quality control and strengthen relationships with our strategic suppliers Develop a culture of inclusion that makes the company stronger and better prepared for the future 	<ul style="list-style-type: none"> Respond to consumers' evolving needs : demand for eco-responsible products, growth of online commerce, need for creativity and self-expression Penetrate new markets through close relationships with BIC's suppliers and constant product quality controls Position BIC as a reference brand in terms of product quality and safety 	
BIC RESPONSE	<ul style="list-style-type: none"> "Writing the Future, Together" – Commitment #3: aim for zero accidents on Group sites by 2025 "Writing the Future, Together" – Commitment #4: proactively involving suppliers Group program of Health, Safety and Wellness Support of team members' career evolution through individual development plans Group Diversity, Equity and Inclusion program BIC's commitment to Human Rights: BIC Speak-Up alert system, open to third parties in 2019 Social audit program 	<ul style="list-style-type: none"> Regulatory monitoring and compliance; processes for bringing to the market compliant products that are safe for consumer's health and the environment, systematic testing and evaluation program Close monitoring of distributors' sales and orders Implementation and monitoring of preventive measures and safety system for gas and solvent storage areas Team members' training to recognize potential hazards and take corrective actions Implementation of a Product Safety Policy 	

* NFPS: Non-Financial Performance Statement.

BIC is excited to achieve a more dynamic and dynamic



MAKING OPPORTUNITIES OUT OF MARKET TRENDS

> TRENDS

- ▶ High demand for coloring products generally driven by more time spent on creativity and arts & crafts at home
- ▶ Desire for digital tools triggered by the pandemic
- ▶ Shift to online shopping

> OPPORTUNITIES

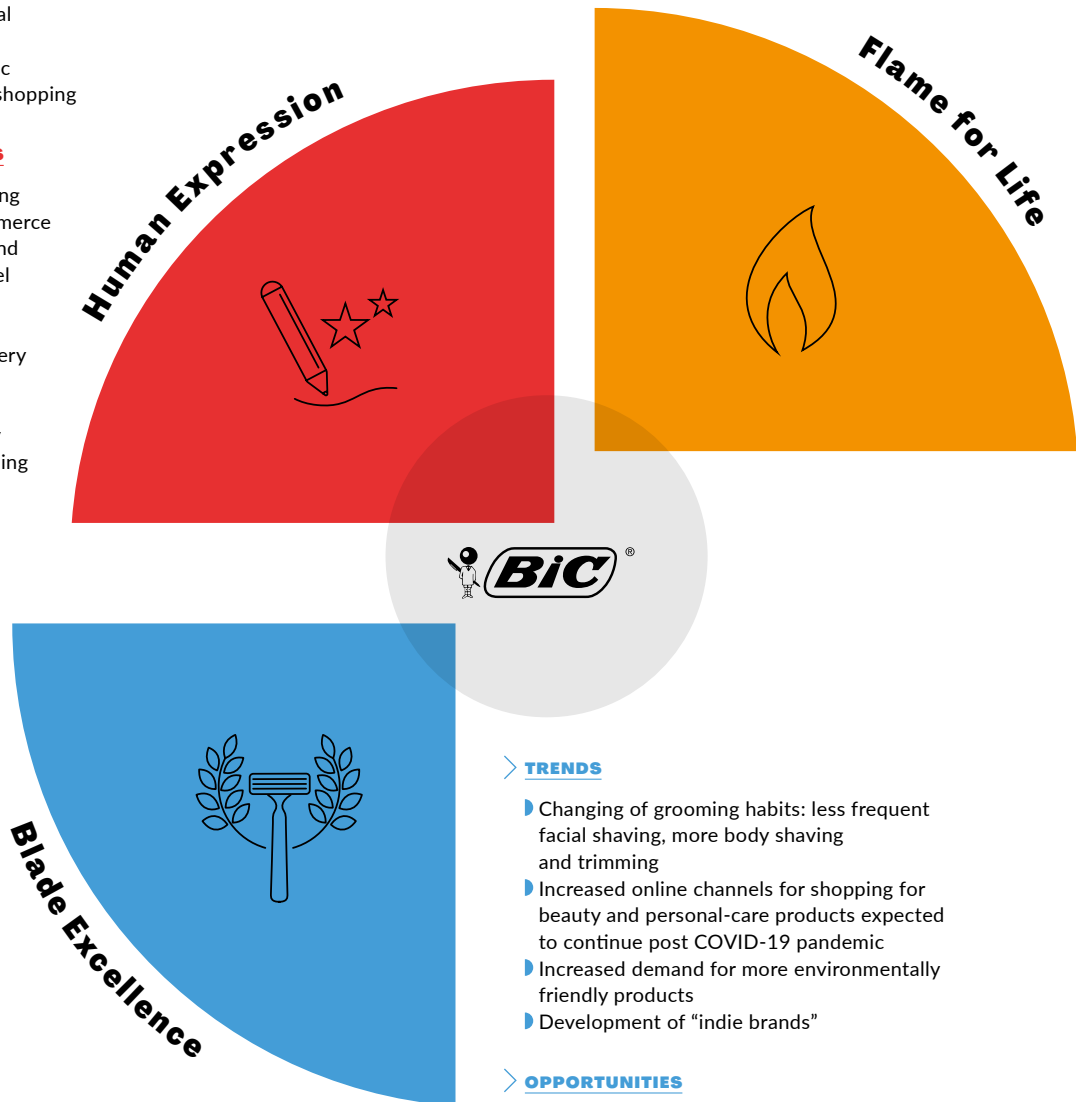
- ▶ Leverage growing trend of e-commerce with relevant and adapted channel products and packaging
- ▶ Explore stationery segments and products most complementary to remote learning and working
- ▶ Desire from consumers for more creative expression through art

> TRENDS

- ▶ Decrease of tobacco consumption
- ▶ Need for personalization
- ▶ Increasing global population
- ▶ Raising demand for utility lighters

> OPPORTUNITIES

- ▶ Launch of innovative products, addressing better non-tobacco-related usages
- ▶ Increased portion of sales from decorated and personalized lighters



> TRENDS

- ▶ Changing of grooming habits: less frequent facial shaving, more body shaving and trimming
- ▶ Increased online channels for shopping for beauty and personal-care products expected to continue post COVID-19 pandemic
- ▶ Increased demand for more environmentally friendly products
- ▶ Development of "indie brands"

> OPPORTUNITIES

- ▶ Leverage the female shave growth trends
- ▶ Capitalize on disposable premium male trend
- ▶ Recognize shift of Personal Care to e-commerce
- ▶ Leverage "indie brands" need for high-quality blades

INVENT THE FUTURE: THE FOUNDATION OF OUR TRANSFORMATION

Launched in 2019, our transformation plan, *Invent the Future*, has strengthened our Global Operations and unlocked long-term Growth potential. In 2021, BIC achieved each of its four Operational Targets one year ahead of schedule.

EFFECTIVENESS

Increase efficiency throughout BIC's global manufacturing operations and build a more comprehensive, flexible, cost-effective, data-centric and responsible production model by exploring ways to optimize procurement processes and our Supply Chain model while maintaining product Safety, Quality, and Affordability

INNOVATION

Enhance BIC's consumer insights capabilities and increase the pace of new innovative product launches to drive consumer-centric sustainable innovation

RELEVANT AND CONSUMER-CENTRIC BRANDS

Connect and engage more effectively with all consumers to continue to leverage BIC's unique brands, tailoring and strengthening our digital communications infrastructure and embracing new shopping trends such as personalization

OMNICHANNEL DISTRIBUTION

Sharpen commercial operations to become a genuine omnichannel specialist, offline and online, to drive value growth

2022 TARGET

Achieve 50 million euros in annualized savings

Increase the number of new patent submissions by 20% per year

Engage directly with consumers by allocating above 2/3rd of total brand support in Digital Media in its top markets

Reach 10% of Net Sales in e-commerce

2021 PERFORMANCE

50 million in savings from the improved efficiency of our Global Supply Chain and Commercial Operations

+21% increase of new patent submissions

83% media investment in digital

10% of total Net Sales from e-commerce, including Rocketbook

INVENT THE FUTURE

The transformation plan gave us the solid foundations on which to remain resilient:

- ▶ New organization
- ▶ Enhanced skills and capabilities
- ▶ Consumer-centric innovation
- ▶ Global end-to-end supply chain
- ▶ Reinforcement and consolidation of overall efficiency
- ▶ Omnichannel Go-To-Market Strategy
- ▶ Extended brand leadership
- ▶ Strengthened market positions
- ▶ Expansion in e-commerce



FROM TRANSFORMA TO ACTION



TION

OUR HORIZON STRATEGIC
PLAN SHINES A SPOTLIGHT
ON OUR CONSUMERS MORE
THAN EVER BEFORE.
GROUNDED ON SUSTAINABLE
INNOVATION, THIS NEW
CONSUMER-CENTRIC APPROACH
WILL HELP US RESPOND FASTER
AND BETTER TO EVOLVING
CONSUMER DEMANDS
WHILE KEEPING OUR BRAND
RELEVANT AND PURPOSEFUL
FOR DECADES TO COME.

TURNING HEADWINDS INTO OPPORTUNITIES

Our Horizon Plan inspires our team members to stretch the boundaries of what BIC can be, and how Consumers can incorporate our Products into their lives.

The Horizon Strategic Plan is focused on a set of initiatives that build on BIC's strengths, with an intensified focus on consumer needs and sustainability. The goal is not only to amplify the core capabilities that have propelled BIC for the last 75 years, but to go beyond them into adjacent segments to ensure our long-term sustainable growth, profitability, and return to shareholders.

Horizon builds on the *Invent the Future* transformation plan, which provided the company with a strong foundation to unlock long-term growth. The goal was to build muscle through centralized procurement, a redesigned supply chain, and reinforced core capabilities. With *Invent the Future*, BIC turned more resilient and equipped to weather the economic and financial disruption of the COVID-19 health crisis.



“Invent the Future was about setting the foundations for BIC’s long-term growth by reorganizing the company. Horizon is about putting bricks on that concrete foundation.”

SARA LAPORTA,
CHIEF STRATEGY &
BUSINESS DEVELOPMENT
OFFICER

The Horizon Plan takes a more aspirational view of our three Product Categories in order to help them thrive despite headwinds. The goal is to unlock Category growth by:

- ▶ Expanding total addressable markets in fast-growing segments and evolving BIC’s business model to capture an increasing value share of our markets, with a strong focus on execution and return on investments;
- ▶ Leveraging innovation capabilities and manufacturing excellence to generate incremental revenues through new routes-to-market;
- ▶ Capitalizing on the BIC® Brand in our core markets and building on new lifestyles to grow a comprehensive portfolio of consumer-led brands.

The goals of Horizon

Reframe our three Categories to accelerate top line Growth

Take our Sustainable Development journey to the next level

Remain on a mid-single-digit Growth trajectory

Maintain strong Free Cash Flow

Sustain solid Return to Shareholders

Human Expression

► Evolving focus from Stationery to “Human Expression”, moving beyond Writing Instruments into Creative and Digital Expression.



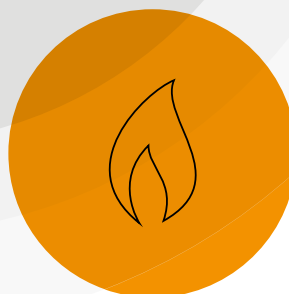
HORIZON: MOVING “BEYOND” WITH CONSUMERS’ LENS

Being Consumer-driven means going beyond our traditional products into new consumer occasions and categories. By thinking differently about our categories and capabilities, we can expand our horizons for growth.



Blade Excellence

► Growing our one-piece Shavers business with sustainable products, and capitalizing on our “Blade Excellence” assets to become a high-precision blade manufacturer to power other brands.



Flame for Life

► Expanding Lighters to “Flame For Life” to focus on all lighting occasions, and a more value-driven model.

ANTICIPATING CONSUMERS' DEMAND

The role of innovation is to drive sustainable and profitable growth through new and surprising technologies. BIC is harnessing the Internet of Things and Artificial Intelligence to capture in real time how consumers are using our products. This gives us insights on how the products could better meet their needs and desires.



ACCELERATING SUSTAINABLE AND CONSUMER-DRIVEN INNOVATION

R&D teams are working on how to develop products desired by consumers and examples of their research include:

- ▶ development of technologies to allow sustainable manufacturing process, and reduced overall CO₂ factories' footprint;
- ▶ development of solutions for increasing durability and extending coloring products' life in Stationery;
- ▶ development of innovative features in Shavers' products, aiming in excelling in shaving performance;
- ▶ development of sustainable solutions by designing refillable products with the minimum amount of material.

Avient: an example of Consumer-centric sustainable innovation

Hybrid shavers are an example of how BIC is putting sustainable innovation into action. Working with Avient, a founding member of the *Alliance to End Plastic Waste*, we have developed a new version of the BIC Click® Soleil 5 for women, with a new recycled material incorporated into the handle. The new shaver combines Avient's reSound R TPE with a transparent plastic with 40% recycled content. The product meets a growing consumer demand for high-quality refillable razors with a reduced impact on the environment.

Key innovations in 2021

▶ In April, we launched **ReVolution**, the first full range of eco-friendly Stationery products, such as high-quality, long-lasting ball pens, mechanical pencils, permanent markers and correction tape, each composed of at least 50% of recycled plastic

▶ Also in April, we launched in Europe the **BIC® Cristal® Re'New™**. This rechargeable metallic Cristal® Ballpoint Pen completes BIC's iconic Cristal® range, offering a metal body, and a recycled plastic cap.

▶ The **BIC® BAMBOO** shaver was launched in July. This five-blade Hybrid Flex 5® with a movable head has a handle made from responsibly sourced bamboo.

▶ Also in July, we brought our range of **hybrid razors** – the **Hybrid 5 Flex®** for men and the **Click® 3 Soleil** for women – to Europe. Both products come in 100% recyclable cardboard packaging.

An open innovation eco-system

Collaboration is a key element of our innovation strategy. We have entered into partnerships in order to gain access to new capabilities and to accelerate development of the



next generation of BIC® products. Our partnership with Plug & Play, the largest global innovation platform for startups and corporations and a member of the *Alliance to End Plastic Waste* gives BIC access to a wide range of startups and talent. It also enables BIC to stay on top of new trends and accelerate our creation of new sustainable products to meet rapidly changing consumer needs. The Data-Driven Invention Lab is another example. We are working with the technology company Iprova to gain early insights on technologies and trends and to integrate them into our innovation pipeline. Using Iprova's machine learning-based, data-driven approach to invention, the Lab helps BIC anticipate and answer rapidly to changing consumer needs with inventions using Iprova's technology.



“In 2022, we will double down on our focus areas in innovation to find new ways to surprise and delight consumers, always exceeding expectations.”

ELIZABETH MAUL,
GROUP INSIGHTS, INNOVATION
& SUSTAINABILITY OFFICER



In 2021, 8.1% of BIC's Net Sales came from innovation introduced in the last three years.

STRENGTHENING OUR SUPPLY CHAIN

BIC's end-to-end Global Supply Chain is designed to generate business value and create a competitive edge for BIC. It is the engine driving the company's transformation to a consumer-centric company.

Throughout 2021 the pressures on our Supply Chain intensified, including rising Energy costs, shortages of Raw Materials, higher Shipping costs, and historically high prices for Packaging and Metals. In the face of these obstacles, our Supply Chain proved resistant and we kept our factories open.

SEA FREIGHT

Rising shipping costs remained a major challenge for manufacturers everywhere. The COVID-19 pandemic caused a shortage of containers, with demand far exceeding the capacity offered by shipping lines. The result: higher shipping costs as BIC and other companies competed for limited spaces on board containers to secure their supply chains.

ACHIEVEMENTS

Steps taken in 2021 to reduce uncertainties and guarantee the supply chain

- ▶ To meet rising input costs, we launched a hedging program that mitigates the resulting price hikes for plastics; this resulted in a savings of around €2.5 million in 2021.
- ▶ To reduce pressure on our factories, we set a goal to lower by 20% the amount of single sourced materials.
- ▶ We strengthened our relationships with strategic suppliers in a number of ways:
 - by intensifying internal and external risk assessment;
 - by establishing a centralized point of contact with them;
 - and by offering long-term commitment and greater visibility – up to three years – on orders in exchange for guaranteed availability of supplies.
- ▶ We worked to speed up certification of materials.
- ▶ We set up savings initiatives that includes organizing tenders with business partners to reduce operating costs, and challenging the demand – design-to-cost exercise – for greater cost efficiency.

€20 million

savings from value
capture program
that tracked 600 projects

SIGNIFICANT PROGRESS IN SUSTAINABLE PROCUREMENT

The destabilization of the Supply Chain accelerated aspects of our Sustainable Development Program. The shortage of regular Plastics, for example, validated our decision to partner with Avient for Recycled Plastics or other Sustainable Materials. We transformed a crisis in Materials into an opportunity to advance on Sustainable Procurement.

ACHIEVEMENTS

Steps taken in 2021 for a more sustainable supply chain

- ▶ Reassessed BIC's "strategic suppliers".
- ▶ Launched Phase 2 of Lighters' study in 9 key markets with 26 suppliers in order to obtain full transparency on the whole supply chain.
- ▶ Initiated a study to reduce Scope 3 CO₂ emissions from suppliers which represent two thirds of BIC's emissions.
- ▶ Upgraded our renewable electricity target, committing to achieve 100% by 2025.

SUPPLIER DIVERSITY PROGRAM

2021 saw the kick-off of the US supplier diversity program (a proactive business program that encourages the use of businesses owned by women, minorities, veterans, the disabled, LGBT, as well as small businesses). The program aligns with our Horizon strategy by delivering growth through Consumer Centricity and rapid innovation; it is a way to gain access to a whole new network and a larger pool of qualified suppliers/contractors for cost savings, higher quality products, and services.

The challenges ahead

To meet 2022 challenges, we have set four priorities:

01

Profitability:
the goal is to outperform the market by reducing operating costs and mitigating price increases through "demand management."

02

Reliability:
increase dual sourcing, strengthen relationships with suppliers.

03

Sustainability:
look for more innovative suppliers and extract more innovation from existing suppliers.

04

Supporting the company's M&A activity:
integrating the suppliers for BIC's two major acquisitions in 2020 (Rocketbook and Djeeep).

RAISING THE BAR

Horizon is a strategy that focuses on accelerating and winning in the growing segments, channels, and markets, where consumers' desires and habits are changing. Built on stronger and agile commercial operations, Horizon raises the bar of commercial excellence to drive BIC's growth and profitability.

REDUCING COMPLEXITY

Two years ago, we began reducing our SKUs (stock keeping units) in Brazil; in 2021, we expanded the program globally. Reducing SKUs has three benefits: it solves the paradox of choice for the consumer; it improves space utilization on shelf, in warehouses and in transit; and it reduces our own manufacturing, warehousing, and shipping complexity and costs. In 2022, we will continue to eliminate some while adding other new products, for a net reduction.

60% to 70%

countries in which we held or gained market share across our three divisions

21%

growth of e-commerce sales

Three components drive our commercial transformation: Omnichannel distribution, Revenue Growth Management and Portfolio Management.

01

Omnichannel distribution

Today, BIC consumers buy our products both offline and online. Through its Omnichannel strategy, BIC is creating a seamless online/offline shopping experience.

The investments we have made in e-commerce over the past two years are paying off: we achieved our e-commerce Net Sales target of 10% of our business ahead of our 2022 commitment, including Rocketbook. Our core e-commerce sales grew 21% in 2021, and BIC holds leading positions online in all three product categories.

02

Revenue Growth Management

This is a data-based analytical approach to pricing, improved promotional efficiency, scaled personalization, and reduced internal complexity. It means using surgical pricing and selecting promotions that provide real value creation for the company and its customers. We have removed inefficient promotional spending, leading to a higher average selling price and increasing product gross profit, while actually increasing sales momentum.



“By raising the bar of Commercial Excellence, we will drive growth for our brands and ensure profitability and improvement in cash flow.”

CHESTER TWIGG,
GLOBAL CHIEF COMMERCIAL OFFICER

03

Portfolio management

BIC's portfolio management approach: allocate resources, change business models in lower potential markets and focus on profitability in mature markets.

- ▶ Targeting Invest to Grow geographies, such as Morocco and Nigeria, where BIC can grow in all categories.
- ▶ Supporting these markets with incremental advertising and brand support to drive brand awareness and conversion.
- ▶ Investing in distribution and go-to-market drivers.
- ▶ Identifying markets to exit completely or change the business model.

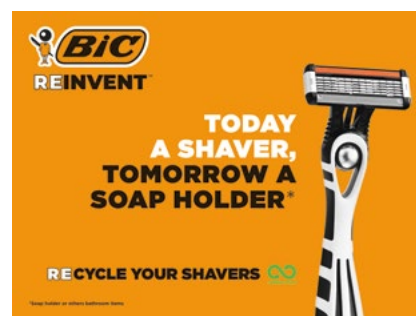
AT THE CORE OF EVERYTHING WE DO

Sustainable Development has guided BIC's approach to doing business for nearly twenty years. Our "Writing the Future, Together" program established five major commitments to acting as a responsible company, and limiting our environmental footprint.

Sustainability is a key element of our business model, underscoring all our activities and decisions. We are determined to reduce the environmental and societal footprint of our products and operations; this means a complete transformation of our approach to plastics. For BIC, doing business means respecting ethical principles and human rights in the workplace, and operating with integrity. We believe in providing our team members with a safe workplace, extending our responsible approach throughout our supply chain and investing in education. As a corporate citizen, we support the local communities where we operate. Through these and other actions, we strive to constantly improve our performance and help write a sustainable future for all. In December, BIC joined the United Nations Global Compact, the world's largest corporate sustainability initiative. By adopting the UN Global Compact's ten principles on human rights, labor, environment, and anti-corruption, BIC reaffirms the critical role that Sustainability has played in helping shape the company's long-term success.

RECYCLING RAZORS IN SPAIN

We have expanded our long-term partnership with TerraCycle® with the first free razor recycling program in Spain. Through this program, launched last July, BIC and TerraCycle® collect razors across the Spanish mainland and recycle them into soap holders or other toiletries to support the development of the circular economy for both the country and the company. BIC has worked with TerraCycle®, a world leader in the treatment of hard-to-recycle waste, since 2011. As a result of this partnership, BIC and TerraCycle® have recycled more than 64 million stationery items in Europe, the United States, Australia and New Zealand.



LIGHTERS' SUSTAINABILITY PROGRAM

Innovation and exploration drive sustainable development in the Flame for Life division. Our approach is based on the following principles:

- ▶ adopting a science-based approach;
- ▶ exploring new avenues and questioning all options;
- ▶ considering social and environmental impacts;
- ▶ promoting open dialogs and partnerships.

At each stage of the lifecycle of our lighters, we are transforming internal practices, thus addressing three major issues: climate change, resource depletion and plastic pollution.

We regularly launch new pilot projects, which evolve as we receive feedback and obtain satisfactory scalable results.

FOSTERING SUSTAINABLE INNOVATION IN BIC® PRODUCTS

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

2025-2030 commitments

- By 2025, the environmental and/or societal footprint of all BIC® products will be improved.
- By 2025, 100% of consumer plastic packaging will be reusable, recyclable, or compostable.
- By 2030, we will use 50% non-virgin petroleum plastic or alternatives in our products.

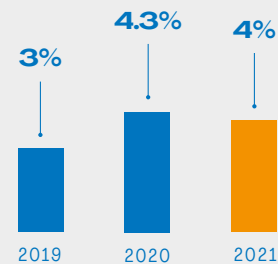
2021 key achievements and results

- We use EMA⁽¹⁾ in all innovation projects to evaluate products' environmental and societal impacts.
- The Environmental or societal performances of 12 products were improved.
- The tool for assessing and improving CSR packaging performance was finalized and integrated into the operational models. All new innovation programs were evaluated.
- 16 products labeled *NF Environnement*.

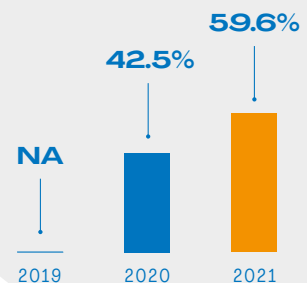


(1) Environmentally & socially measurable advantage.

% of recycled/alternative plastics in BIC® products (% of volumes purchased)



% of reusable, recyclable or compostable plastic packaging



THE 4 Rs – Reduce, Recycled, Refillable, Recyclable – applied to BIC® products

In 2021, we launched several innovative products with environmental benefits, moving a step forward to reducing our overall carbon footprint.

Use recycled or alternative materials

- BIC USA launched BIC® ReVolution, a full range eco-friendly Stationery line made of at least 50% recycled plastic. The BIC® ReVolution Ocean Retractable Ball Pen comprise 73% recycled ocean-bound plastic.
- The BIC® BAMBOO five-blade Hybrid Flex 5® shaver with a movable head has a handle

made from responsibly-sourced bamboo. BAMBOO comes in 100% recyclable cardboard packaging made of 50% recycled paper, including refills in 95% recycled paper packaging.

- We introduced our new Hybrid shaver range in Europe. Made with recycled plastic handles and with recyclable packaging, this range was deployed in North America and Latin America in the third quarter.

Design and manufacture Refillable products and packaging when possible

- The BIC® Cristal® Re'New™, our first rechargeable metallic Cristal Ball Pen, was introduced in Europe in January. This refillable premium ball pen completes BIC's iconic Cristal® range, offering a metal body and a recycled plastic cap.

Design and manufacture Recyclable products and packaging

- Almost all our packaging comes from recycled sources. In Lighters, we have started, production of full cardboard and cellulose packaging: trays and multipacks, with an environmental impact reduced by 1/3.

#02

ACTING AGAINST CLIMATE CHANGE

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

2025 commitment

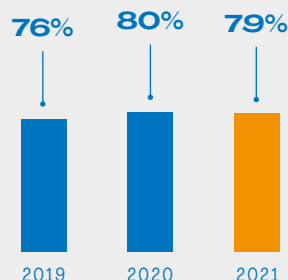
By 2025, BIC will use 100% renewable electricity.

2021 key achievements and results

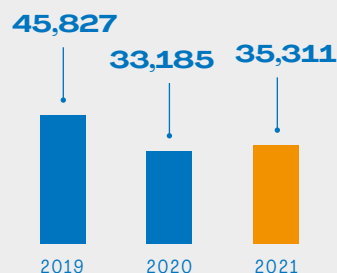
- ▶ In 2021, 79% of electricity came from renewable sources.
- ▶ Our future headquarters in Clichy (France) will be certified BREEAM (Building Research Establishment Environmental Assessment Method), meeting the highest requirements for environmental performance and energy efficiency.
- ▶ BIC was awarded an A- leadership 2021 CDP score on Climate Change.



% of electricity from renewable sources



Total annual greenhouse gas (GHG) emissions (scope 1 + scope 2 market based) in t_{eq}CO₂



#03

COMMITTING TO A SAFE WORK ENVIRONMENT

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

2025 commitment

By 2025, BIC aims for zero accidents across all operations.



2021 key achievements and results

- ▶ Roll-out of the safety culture to sales teams
- ▶ Reinforcement, with a health and safety dimension, of the due diligence processes in merger and acquisition procedures
- ▶ Integration of the HSE aspect into BIC's new team member onboarding process

#04

PROACTIVELY INVOLVING SUPPLIERS

Being a responsible company requires control of our entire value chain. Our purchasing teams analyze all risks and select and collaborate with our most strategic suppliers on implementing a responsible approach.

2025 commitment

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



2021 key achievements and results

- ▶ Integration of 52.3%⁽¹⁾ of strategic suppliers of the responsible purchasing program
- ▶ Training on the environmental and social impacts of supply chains and responsible purchasing practices for purchasing teams
- ▶ Value chain analysis of 9 raw materials and 26 suppliers resulting in the identification of supply areas at risk
- ▶ Consultations with over 30 relevant stakeholders to identify actions to leverage a more responsible supply chain
- ▶ Identification of risk reduction solutions for each material category (metal, gas and plastic)

(1) Excluding Cello, BIC Graphic, new acquisitions and certain OEMs.

#05

IMPROVING LIVES THROUGH EDUCATION

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

2025 commitment

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

2021 key achievements and results

- ▶ Learning conditions improved for more than 158 million children since 2018
- ▶ 73% of philanthropic contributions promoted education



SHARING VALUE WITH ALL STAKEHOLDERS

In March, BIC launched an innovative €40 million ESG Impact Share Buyback Program. This program is consistent with BIC's mission to create and share value with all stakeholders. The outperformance was allocated to the Abdul Latif Jameel Poverty Action Lab's (J-PAL) tutoring and parental programs in Europe and the US, and, to the BIC Corporate Foundation for Education.

A REINFORCED COMMITMENT TO DIVERSITY, EQUITY & INCLUSION

BIC's Diversity, Equity, and Inclusion (DE&I) Policy expresses our Commitment to being an equal opportunity employer and maintaining a workforce that reflects the diversity of the communities in which we live and operate.

Promoting a culture of inclusion

At BIC, we consider cultural and individual diversity an essential element of team culture. We try to ensure that our teams reflect as closely as possible the diversity of the Group's customers and consumers around the world. We welcome them and give them a sense of responsibility through a culture of inclusion founded on practices of responsible leadership and management. And we encourage the diversity and dynamism of our teams as drivers for innovation and a key factor for our success.

DE&I values drive BIC's training, promotion, and recruitment policies. In 2021, we took a number of initiatives to further our role as an agent of positive change. In January 2021, Gonzalve Bich joined the "CEO action for diversity and inclusion™", the largest CEO-driven business commitment of its kind. By taking this pledge, Gonzalve Bich is committing to take action to ensure the company's culture celebrates and welcomes diverse perspectives and experiences and encourages open conversations about DE&I.

"SHARING HORIZON"

In the spirit of sharing value with all team members, BIC launched its "Sharing Horizon" Employee shareholding plan. With "Sharing Horizon", all BIC team members have been granted 5 shares. With this plan, BIC acknowledges the critical role team members play in the success of the achievement of Horizon plan.

Our global Diversity Equity & Inclusion (DE&I) strategy has set a series of strategic objectives and KPIs to measure our progress in the areas of belonging, attraction, promotion and influence

Influence

GOAL

Improve involvement in external organizations to show our commitment to DE&I

ACHIEVEMENT

- Participation in the "Break the Ceiling Touch the Sky®" summit in New York and Dubai, which offered companies an opportunity to learn DE&I best practices and connect with women leaders from around the world.
- Senior Leader involvement and speaking engagements in Network of Executive Women, Break the Ceiling Touch the Sky® and Enactus.

Attract

GOAL

Increase the number of mid-management women and other underrepresented minorities through promotions and new assignments

ACHIEVEMENT

► Partnership with a female-owned consultancy firm to facilitate a series of listening sessions with 70 women in 22 countries. The program provided valuable insights into the challenges our female team members face and the necessary changes in career development, wellness programs and manager training.

Belong

GOAL

Set a baseline for the inclusion metric as measured through quarterly pulse surveys

ACHIEVEMENT

► 2 pulse surveys were launched measuring Engagement, Inclusion, Trust, and Manager Effectiveness. Results were shared with all business units which have developed action plans to address key areas of opportunity with regular updates to our team members in Global and Regional Town Halls.

► Our Allyship program continues to grow with almost 100 team members around the globe volunteering to help roll out the Group's DE&I strategy. They organize local events to celebrate Regional and International Diversity days such as International Women's Day, Pride Month, World Day for Cultural Diversity for Dialogue and Development.

► Launch of mandatory Inclusive Leader learning journey for General Managers, Plant Managers, Directors and above. Two more courses will be launched in 2022 on "Being an Inclusive Leader" and "Building an Inclusive Culture".

Promote

GOAL

Increase female representation in Director and above positions to 40% in 2027

ACHIEVEMENT

► Continued focus on delivering a gender balanced slate of candidates in mid-management and above positions with 44% of all hires being females.

► Participation in the Black Leadership Academy. Led by McKinsey & Company to support black executives and leaders around the world, it comprises two distinct programs:

the Black Executive Leadership Program, which is designed for targeted managers and takes the form of facilitated small group discussions;

a Management Accelerator that targets leaders at the beginning or middle of their career.

DIVERSITY EQUITY & INCLUSION (DE&I) REGIONAL ALLIES



“Getting all team members to support diversity was initially a challenge. The first conversations gave me insights which I used to raise awareness. I could then network and participate in internal and external DE&I activities.”

KHYATI AMLANI

REGIONAL ALLY INDIA

LEGAL COUNSEL - INDIA & APAC



“The most rewarding aspect of being a DE&I Ally is the awareness of being part of something great. The objective is to make the workplace more equitable and more inclusive for everyone, and this can have a very positive impact on all employees, on BIC, and, if many other companies do the same, on the society at large.”

ALESSANDRO MOLESI

REGIONAL ALLY EUROPE

BUSINESS DEVELOPER - IMAGE CHANNEL IN SPAIN



“Being more diverse and inclusive allows us to widen our comprehension of new trends and societal issues, accelerating innovation and enhancing our relevance in the consumers’ view.”

DECIO DUARTE

REGIONAL ALLY LATIN AMERICA
REGIONAL COMMUNICATIONS MANAGER - LATIN AMERICA



“When employees feel good where they are and can be who they really are, they bring out the best of themselves, whether in their personal or professional lives. We work with people, and they are very important for the sustainability of our business. Seeing the sparkle in our people’s eyes is what motivates me!”

TATIANA CONTI

REGIONAL ALLY LATIN AMERICA
LATAM RECRUITER




“In 2021, BIC clearly prioritized DE&I initiatives, and the result is a company culture which is truly inclusive. The Allyship Team was very active and committed to developing programs and monthly diversity initiatives, such as MLK Day, Black History, Women’s History, Hispanic Heritage, Juneteenth, Veteran’s Day, Pride Month and National Immigrants Day.”

PATRICK SCALES

REGIONAL ALLY USA
EASTERN REGIONAL MANAGER
- OFFICE PRODUCTS BIC USA





FROM ACTION TO **PERFORMANCE**



OUR STRATEGY IS PROVING SUCCESSFUL, RESULTING IN ROBUST FINANCIAL PERFORMANCE AND SOLID VALUE CREATION FOR ALL STAKEHOLDERS. WITH OUR NEW CONSUMER-CENTRIC BUSINESS MODEL, WE ARE IN THE BEST POSITION POSSIBLE TO MEET THE NEEDS OF CHANGING CONSUMER BEHAVIOR WITH PRODUCTS THAT WILL CONTINUE TO SURPRISE AND DELIGHT.

ROBUST FINANCIAL AND EXTRA-FINANCIAL PERFORMANCE

KPIs	2019	2020	2021	OBJECTIVES	UN SDGs ⁽¹⁾
FINANCIAL PERFORMANCE					
Net Sales (in million euros)	1,949.4	1,627.9	1,831.9		
Adjusted EBIT (in million euros)	331.8	229.1	279.8		
Adjusted EBIT margin (in %)	17.0%	14.1%	15.3%		
Net Income Group share (in million euros)	176.1	93.7	314.2		
Free Cash Flow before acquisitions and disposals	204.6	274.5	205.7		
Net Cash position (in million euros)	146.9	183.9	400.1		
Earnings per share – Group share – (in euros)	3.91	2.08	7.02		
Adjusted earnings per share – Group share – (in euros)	5.47	3.54	4.29		

NON-FINANCIAL PERFORMANCE					
Energy consumption (gigajoules/tons)	12.59	12.96	11.96		
% of renewable electricity used (WTFT ⁽²⁾)	76%	80%	79%	100% by 2025	7, 8, 9, 12 and 13
Water consumption (m ³ /tons)	4.87	5.22	4.62		
Greenhouse gas emissions normalized to production (tCO ₂ /tons – Scopes 1 & 2)	1.07	1.03	0.91		
Number of training days	16,629	24,202	12,085		
% of reusable recyclable or compostable packaging	NA ⁽³⁾	42.5% ⁽⁴⁾	59.6%	100% by 2025	
Use of non-virgin petroleum plastic in BIC's products	3%	4.3%	4.0%	20% by 2025 & 50% by 2030	
Number of products with improved environmental or societal footprint (WTFT ⁽²⁾)	NA	9	12		3, 6, 8 and 12
Number of accidents across all operations (WTFT ⁽²⁾)	74	50	58	0 by 2025	3 and 8
Number of children whose learning conditions were improved (cumulative) (WTFT ⁽²⁾)	61	118	158	250 M by 2025	1, 4, 5, 6, 8 and 13

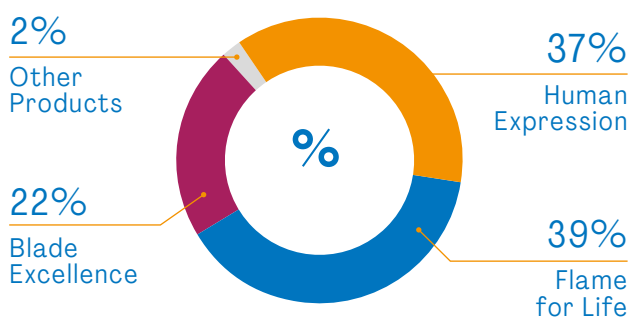
(1) United Nations Sustainable Development Goals.

(2) Writing the Future, Together.

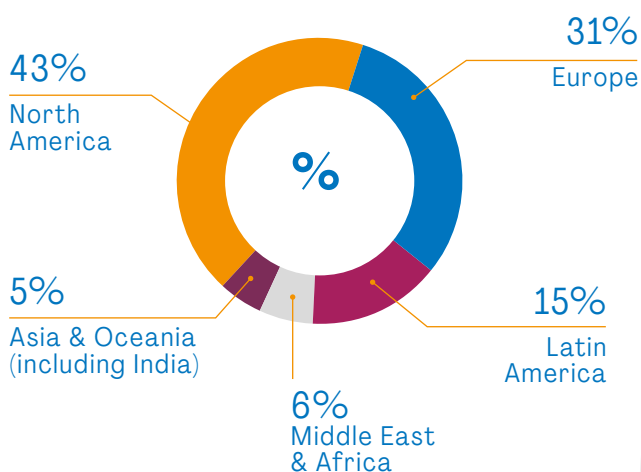
(3) KPIs measured for the first time in 2020 to monitor the engagement taken by BIC.

(4) The 2020 figure (49.3%) was revised following a test audit in 2021. BIC decided to publish the revised figure.

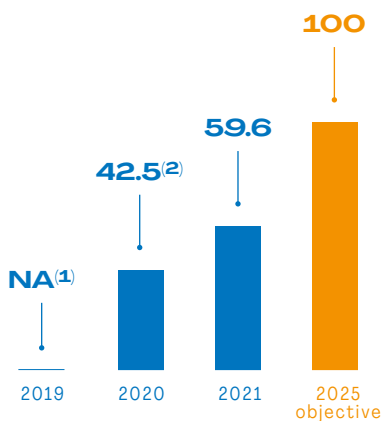
% of Net Sales by category



% of Net Sales by geography

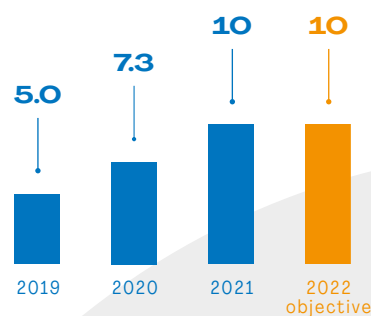


% of Reusable, Recyclable or Compostable Packaging



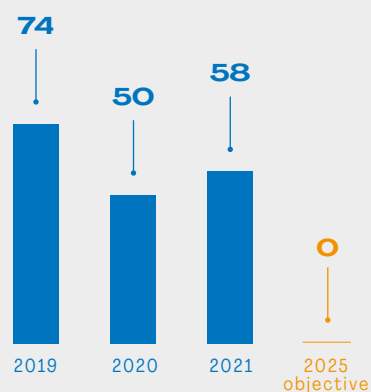
(1) KPIs measured for the first time in 2020 to monitor the engagement taken by BIC.
 (2) The 2020 figure (49.3%) was revised following a test audit in 2021. BIC decided to publish the revised figure.

% of e-commerce in Net Sales objective

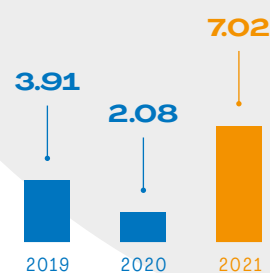


Number of accidents across all operations - BIC workforce and temporary workers

(accidents with temporary or permanent incapacity)



Earnings Per Share – Group share (in €)



SHARING VALUE AMONG ALL STAKEHOLDERS

Through a global approach to deliver long-term growth for all stakeholders, we ensure a sustainable balance between distribution of generated profits and investments in BIC's future.

WHO ARE BIC'S STAKEHOLDERS?	WHAT DO THEY PROVIDE US?	WHAT DOES BIC PROVIDE THEM?	HOW DOES BIC ENGAGE?
EMPLOYEES BIC's team members are at the heart of the company's value creation, allowing the Group to achieve its objectives	<ul style="list-style-type: none"> Time Resources Skills and knowledge 	<ul style="list-style-type: none"> Fair salaries and benefits Training, development and career opportunities Open and collaborative working environment Health and well-being 	<ul style="list-style-type: none"> Engagement and Adherence to Values Survey Training sessions Regular performance reviews Relationships with trade union representatives Protection against the risks presented by the Covid-19 health situation
CONSUMERS BIC's consumers are those who buy and use the products	<ul style="list-style-type: none"> Revenues from their purchases and recommendations on BIC® products The feedback that drives BIC to continuously improve its products 	<ul style="list-style-type: none"> High-quality, inventive, reliable and sustainable products An ambitious innovation policy to meet their emerging needs 	<ul style="list-style-type: none"> Multiple channels including BIC's corporate and Direct to Consumer websites, as well as social media Regular surveys
CUSTOMERS BIC's customers are companies, public administrations and office supply distributors, as well as major mass-market retailers	<ul style="list-style-type: none"> Access to BIC's consumers Promotion and enhancement of BIC's products 	<ul style="list-style-type: none"> High-quality, inventive, reliable and sustainable products Reliable and efficient supply chain 	<ul style="list-style-type: none"> Regular interaction
PUBLIC AUTHORITIES Public Authorities establish the rules for the functioning of the markets in all the countries in which BIC operates	<ul style="list-style-type: none"> Public services Infrastructure Access to labor and markets License to operate 	<ul style="list-style-type: none"> Payment of taxes Contribution to public debates and reflections on subjects related to the Group's Economic Model 	<ul style="list-style-type: none"> Regular meetings with local, national and international representatives
COMMUNITIES BIC's communities are the people who live in areas where it operates, such as local residents, businesses, schools, and charities	<ul style="list-style-type: none"> Opportunity to underline the Group's civic commitment 	<ul style="list-style-type: none"> Philanthropic programs involving volunteering, product donations, and financial donations Fight against school drop-out rate through BIC Corporate Foundation 	<ul style="list-style-type: none"> Public consultations Regular meetings with community representatives
SHAREHOLDERS Shareholders invest in BIC to receive a return on investment and share the Group's industrial adventure	<ul style="list-style-type: none"> Capital through investments in shares 	<ul style="list-style-type: none"> A comprehensive, transparent and objective understanding of the business Regular and sustainable return on investment 	<ul style="list-style-type: none"> Annual General Meeting Quarterly updates on financial performance Regular one-to-one or collective meetings with top management
BANKS AND THE FINANCIAL COMMUNITY Includes all the institutions through which BIC finances its operations	<ul style="list-style-type: none"> Financing capabilities 	<ul style="list-style-type: none"> Interest payments 	<ul style="list-style-type: none"> Regular contact with Treasury Department Quarterly updates on Financial Performance
SUPPLIERS BIC's suppliers are commercial partners with whom it has a mutual interest in collaborating to satisfy the customer	<ul style="list-style-type: none"> High-quality materials and resources at best possible price Commitment to ethical business practices 	<ul style="list-style-type: none"> Expertise A reliable, professional relationship Partnership and knowledge sharing Close relationship with BIC's strategic suppliers as part of its Responsible Procurement 2025 Commitment 	<ul style="list-style-type: none"> Regular meetings Supplier responsibility survey

DISTRIBUTION TO STAKEHOLDERS⁽¹⁾

GOVERNMENTS

€110.7 M

Including €100.4 million paid around the world as corporate income tax and €10.3 million in other taxes

COMMUNITIES

€1 M

Donations of funds and products

SHAREHOLDERS

€80.9 M

dividends paid and €39.2 M share buyback

BANKS

+ €0.3 M

Net interest received

SUPPLIERS

€966.5 M

Purchased of raw materials, consumables, and bought-in services

Share the benefits of growth

2021 NET SALES

€1,831.9 M

Invest to ensure a sustainable growth

INVESTMENTS

CAPITAL EXPENDITURE

€74.9 M


TEAM MEMBERS⁽²⁾

€489.0 M

(1) Distribution to stakeholders does not take into account the change in working capital requirements.

(2) Payroll, bonuses and profit-sharing payment.

ENGAGING WITH STAKEHOLDERS



Our Horizon strategy has made it more important than ever to maintain a dialogue with all our stakeholders. By engaging with them on a continuous basis, we can better understand and respond to their evolving expectations.

BIC is committed to a dynamic and open dialogue inviting stakeholders to challenge the company's strategy. Together with research centers, NGOs, local associations, local authorities, consumer organizations and suppliers, BIC seeks to build constructive partnerships on an on-going basis. This commitment takes the form of partnerships, education support, mentoring development and contribution to the local economic and social dynamism.

Furthermore, dialogue with shareholders is an essential aspect of BIC's stakeholder engagement strategy. In 2021, BIC participated in a dozen investor roadshows and conferences to meet with both shareholders and non-shareholders. The Group also implemented new communications tools for its stakeholders to drive an in-depth understanding of its strategy and business, and to complement regulated financial disclosures and results presentations.



LIGHTERS: PARTNERING WITH STAKEHOLDERS

In line with our Flame for Life strategy, in 2021 the Lighters division took the lead in working with stakeholders on the twin issues of Safety and Sustainability.

1 Safety

► Quality and safety have always been top priorities for BIC lighters: Each BIC Lighter meets or exceeds international safety standards. Indeed, lighters can be potentially dangerous and put consumers at risk when they don't comply with international safety standards. To promote safety, BIC actively participates in the efforts of global standardization bodies. We also work with consumers and burn victim associations to raise awareness among institutions in Europe and worldwide. BIC has been collecting data on accidents linked to non compliant lighters and matches for many years. These insights fuel our fact-based dialogues with stakeholders and are shared with NGOs to help them build more efficient prevention programs and actions plans for stricter EU legislation.

2 Sustainability

► The BIC lighter Sustainable Development plan is based on three pillars.

Pillar #1: Improve our products to reduce their impact on the environment.

Pillar #2: Pioneer a circular economy model in partnership with the world-class Canadian university research group CIRAIG to develop efficient mechanisms to incite consumers to return their used lighters. To bring this project to life, after seven years of research and development, BIC has built the world's first lighter disassembly machine, sorting out all raw materials at a purity of up to 100%.

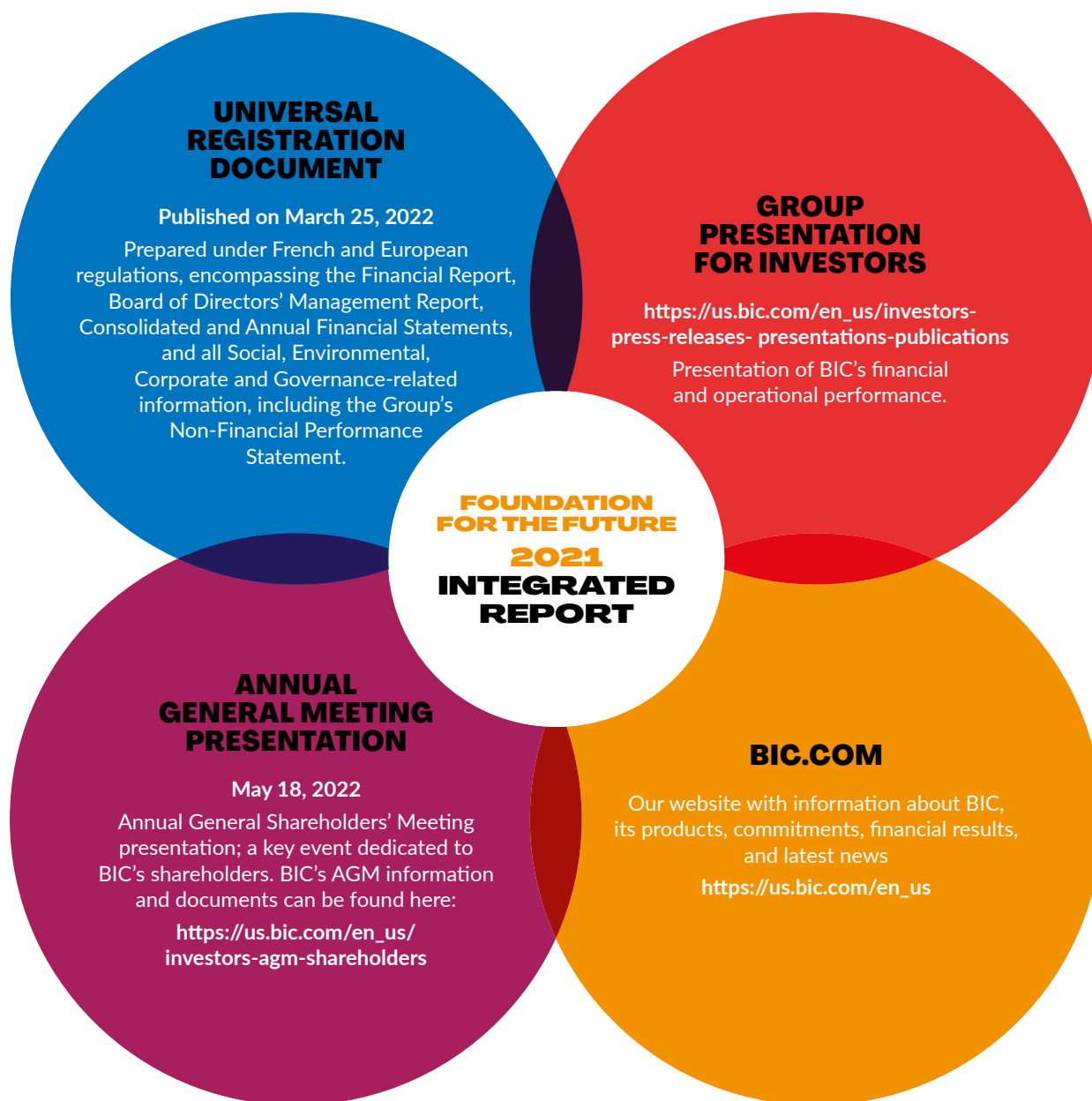
Pillar #3: Unfortunately, not all BIC Lighters find their way back into an appropriate recycling loop. To better understand the necessary steps to reduce the impact of lighters on the land, rivers, and sea, in 2019, we launched an extensive, five-year scientific research program in close collaboration with well-respected academic laboratories.



“Security and Sustainability are one interconnected topic. In partnership with our stakeholders, we will continue to work to prevent accidents and decrease the environmental impact of our products.”

FRANÇOIS CLÉMENT-GRANDCOURT,
GENERAL MANAGER OF BIC'S GROUP LIGHTERS

OUR PUBLICATIONS



All these documents are available on BIC's website:

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

Design and production: **HAVAS PARIS**

Photos: © Laura Kim - © Franck Juery - iStock - Société BIC

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