



2023

Universal Registration Document

Including the annual financial report



Messages from BIC's Chief Executive Officer and from BIC's Chair of the Board of Directors	2		
General presentation of the Group	4		
1			
GROUP PRESENTATION, OUTLOOK, AND STRATEGY	17		
1.1. History	18		
1.2. Key figures	20		
1.3. Strategy and objectives	26		
1.4. Business presentation	30		
2			
RISK MANAGEMENT AFRI	41		
2.1. Main risks and risk assessment	42		
2.2. Description and mitigation of main risk factors	44		
2.3. Vigilance Plan	51		
2.4. Risk Management and Internal Control Procedures implemented by the Company and Insurance	60		
3			
ENVIRONMENTAL, SOCIAL AND SOCIETAL RESPONSIBILITY AFRI	69		
3.1. Strategy and business model, an overview [NFPS]	71		
3.2. Environment [NFPS]	82		
3.3. Social [NFPS]	100		
3.4. Ethics and Business conduct [NFPS]	121		
3.5. Milestones [NFPS]	123		
4			
CORPORATE GOVERNANCE AFRI	143		
4.1. Administrative and management bodies	146		
4.2. Corporate Officer remuneration	187		
5			
COMMENTS ON THE YEAR AFRI	211		
5.1. Operations and consolidated results	212		
5.2. Financial and cash positions	219		
5.3. Dividends	220		
5.4. Investments	221		
6			
FINANCIAL STATEMENTS	223		
6.1. Consolidated financial statements	224		
6.2. Statutory Auditors' Report on the consolidated financial statements	286		
6.3. Parent company financial statements of SOCIÉTÉ BIC (French Gaap)	290		
6.4. Statutory Auditors' Report on the financial statements	311		
6.5. Statutory Auditors' special report on regulated agreements	315		
7			
INFORMATION ABOUT THE ISSUER	317		
7.1. Information on the Company	318		
7.2. Share capital	320		
7.3. Shareholding	322		
7.4. Treasury shares and share buyback	324		
7.5. Investor relations	325		
7.6. Share information	326		
8			
BOARD OF DIRECTORS' REPORT AND DRAFT RESOLUTIONS OF THE SHAREHOLDERS' MEETING OF MAY 29, 2024	327		
8.1. Ordinary General Meeting	329		
8.2. Extraordinary General Meeting	340		
9			
ADDITIONAL INFORMATION	347		
9.1. Documents on display	348		
9.2. Main press releases	349		
9.3. Declaration by responsible person of the Universal Registration Document	350		
9.4. Statutory Auditors and fees	351		
9.5. Glossary	353		
Cross-reference table for Universal Registration Document AFRI	355		
Cross-reference table with the Annual Financial Report	358		
Cross-reference table with the management report	359		
Cross-reference table of ESG information	361		
Cross-reference table of the corporate governance report	362		

Elements of the Annual Financial Report
are identified in the content using the symbol [|AFRI](#)
Elements linked to the Non-Financial Performance Statement
are identified in the content using the symbol [|NFPS](#)



UNIVERSAL REGISTRATION DOCUMENT

including the Annual Financial Report

2023



This Universal Registration Document has been filed on March 28, 2024 with the Autorité des Marchés Financiers (AMF), as competent authority under Regulation (UE) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities and, where applicable, a summary and any amendments to the Universal Registration Document. The package then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

The Universal Registration Document 2023 is a reproduction of the official version of the Universal Registration Document 2023 which has been prepared in xHTML and is available on the AMF website: amf-france.org



"I am proud that our unwavering focus on the strategic goals we set out in the Horizon Plan, combined with a dedication to innovate our product range, our sustainability commitments and our collaborative culture led to further profitable growth."



For BIC, 2023 was a year of execution excellence which led to significant achievements. I am proud that our unwavering focus on the strategic goals we set out in the Horizon Plan, combined with a dedication to innovate our product range, our sustainability commitments and our collaborative culture led to further profitable growth. Despite the global economic challenges faced by the entire consumer goods industry, BIC has deployed its understanding of consumer trends, its integrated supply chain and its manufacturing agility to expand its product ranges and geographic reach. Our commercial capabilities were notably on display during the Back-to-School season in 2023, when for the 17th consecutive year BIC outperformed the stationery market in France.

Innovation remains at the heart of what we do, with products like the BIC® EZ Reach utility pocket lighter capturing the market's imagination and contributing significantly to our sales. BIC's ability to innovate is gathering momentum, as reflected in the latest INPI¹ report, which ranked BIC in 31st place for global patents filed by French companies. The resilience and momentum we built in 2023 has set us on a strong foundation for 2024, which we have started with vigor and confidence.

2024 will be a year of opportunity for BIC as we continue to focus on expanding our market presence, driving innovation, and leveraging new opportunities in B2B and in fast growing developing markets like Skin Creative. We are notably deploying AI-powered technology globally, that allows us to test and identify top-performing consumer promotions in real time and react quickly to invest wisely. We will achieve our growth, margin, and free cash flow targets through operational excellence with further manufacturing and sourcing efficiencies, focusing on what we can control. We will continue to leverage our distinctive manufacturing footprint and, with the new capabilities built under our Horizon Plan, we are well positioned to deliver on our strategic objectives.

Our ambition is matched by the commitment of our teams worldwide. The contribution of our people and the values they project daily are a cornerstone of our success. This was recognized in the latest Global RepTrak® 100 rankings, which placed BIC as the 12th most reputable company globally.

I extend my deepest gratitude to them for their contribution; to our Board for its invaluable counsel; and to our shareholders for their continued faith in our journey. Together, we are poised for another year of growth through continued focus on execution, reaffirming our commitment to value and making a positive impact on the world around us.

Gonzalve Bich

Chief Executive Officer

¹ 2022 list of the main patent applicants at the INPI, (INPI: The French National Institute for Industrial Property), March 2023.



“BIC is well prepared to navigate the evolving landscape while remaining true to its commitment to delivering long-term growth and lasting value to all its stakeholders.”



Reflecting on the transformative journey BIC has undertaken since the launch of its Horizon Plan in 2020, I commend the business and all our team members on its achievements. Guided by the Executive Committee's dedication and strategic focus, supported by the Board of Directors' insights and counsel, BIC's performance in 2023 was strong. Its deep knowledge of consumer trends, and its ability to quickly seize the opportunities they present, has resulted in strong net sales and margin growth and a reinforced position in the global market. This is testament to the Group's rich entrepreneurial heritage, the strength of BIC's iconic products, its culture of innovation, and its manufacturing excellence.

The synergy between BIC's values and its governance structure positions it well to swiftly adapt to evolving landscapes and the new opportunities they bring. The Board of Directors includes Independent Directors from blue chip global consumer brands and is able to harness a diverse array of perspectives while ensuring the oversight needed, aligning strategic trajectories with BIC's stakeholder interests. In addition to fulfilling its fiduciary responsibilities, the Board of Directors discussed and debated strategy, taking into account feedback from markets and BIC employees. The arrival of esteemed members Carole Callebaut Piwnica, Pascal Chevallier, Véronique Laury and Héla Madiouni, enriches BIC with new perspectives, reinforcing transparency and accountability. These new nominations are also in the continuation of our commitment to diversity and good governance practices, equally presenting women and men on the Board.

As we move forward, I am pleased to note the continued focus on stakeholder engagement and sustainability initiatives which will continue to guide BIC, and ensure it remains a resilient and relevant leader in its field. To that end, the Board will continue to review the important initiatives planned as part of BIC's Horizon strategy.

BIC is well prepared to navigate the evolving landscape while remaining true to its commitment to delivering long-term growth and lasting value to all its stakeholders. I extend my sincere thanks to BIC's Executive Committee, employees, and partners for their dedication and hard work and I look forward to the Board's ongoing contribution. Together, we are building a sustainable future for the company and the planet.

Nikos Koumettis

Chair of the Board of Directors



BIC at a glance

28 million BIC® products bought every day



160
countries

14,643
team members²

89
nationalities

€2,263m

Net sales in 2023, a 9.2% increase at constant currency

+13%

E-commerce net sales growth in 2023

14.7%

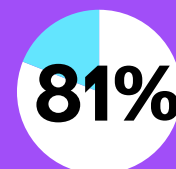
Adjusted EBIT margin in 2023, up 70bps compared to 2022

9.5%

Innovations launched in the last three years as a % of 2023 net sales

€249m

Free cash flow (before acquisitions and disposals) in 2023



of plastic packaging is reusable, recyclable or compostable



of electricity used is renewable

¹ BIC market shares in value. Sources: Euromonitor 2022 for writing instruments and shavers, BIC Estimates for lighters, excluding Asia.

² BIC workforce includes permanent employees, fixed-term contracts and agency temporary staff.



Delivering simplicity and joy



Our vision

To infuse simplicity and joy into every aspect of daily life. For people all over the world.

Our mission

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

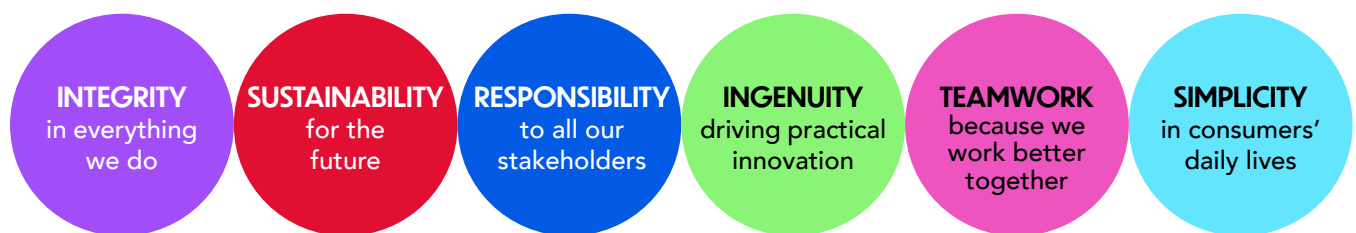
BIC is a world leader in Writing Instruments and Creative Expression, lighter and shaver products.

Since 1944, when Marcel Bich first established a writing instruments business in Clichy, France, our vision and values have always been at the heart of everything we do.

Over the last 80 years, we've evolved from a manufacturing-focused and distribution-led brand into a consumer-centric company with manufacturing excellence embedded in our everyday actions. We are constantly driven and inspired by the evolving desires and sustainability concerns of our consumers.

Our vision ensures we remain true to our original objectives of delivering high-quality and long lasting products. Our values remind us daily of our responsibilities: to our people, our consumers, our shareholders and the planet.

Our values



Strong fundamental principles

High quality

When we created our first product, the BIC® Cristal ballpoint pen, we focused on the essentials: a simple, high-quality, refillable product, sold at the right price to be used as part of everyday life, by anyone, anywhere.

Inventive

We constantly succeed in responding effectively to consumers' changing expectations. Our R&D teams work proactively to identify consumer needs and create inventive solutions to meet them.

Reliable

We build consumer trust through the reliability and quality of our products. That means more than 2km of writing from every BIC® Cristal ballpoint pen; 3,000 ignitions from one BIC® Maxi pocket lighter; and more than 20 shaves from a BIC® EasyRinse Refillable Shaver for men.

Sustainable

We are committed to creating long-lasting products, with minimal impact on the environment and its resources. Our eco-design approach is built on the principles of the circular economy.



Unique manufacturing network

Our integrated model reduces supply chain risks, cuts transportation and helps lower our environmental impact

160 countries

BIC's products are available to consumers in more than 160 countries around the world

24 factories

BIC has 24 factories across the world:

- 9 in Europe
- 3 in North America
- 12 in developing markets

92%

In 2023, 92% of BIC products were manufactured in BIC factories

Net Sales¹
39%
North America

Toronto, Canada

Milford, CT, USA

Gaffney, SC, USA

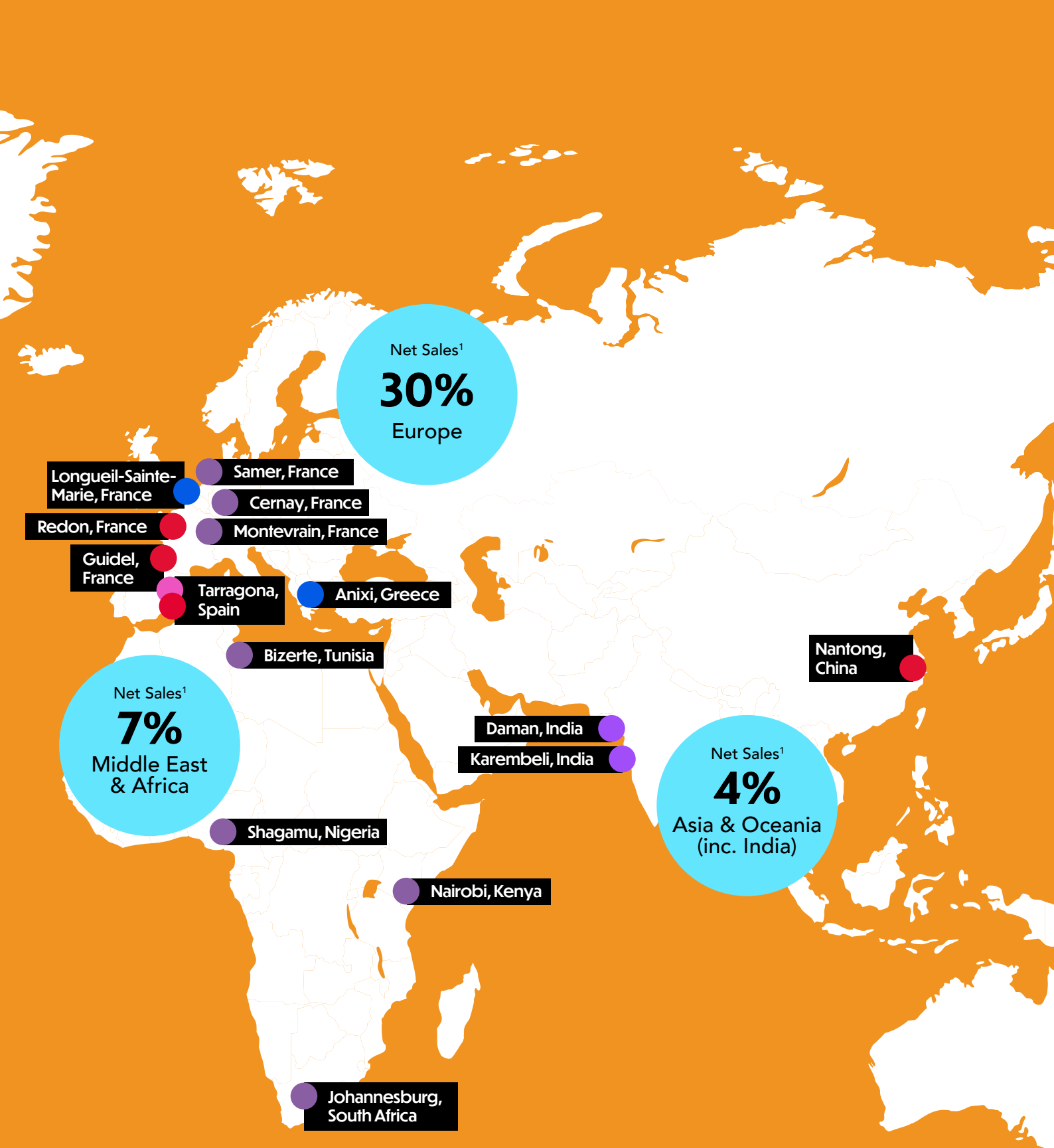
Saltillo, Mexico

Cuautitlan, Mexico

Net Sales¹
20%
Latin America

Manaus, Brazil

¹ Regional % of 2023 net sales.



BIC's Production facilities

- Stationery (Human Expression)
- Lighters (Flame for Life)
- Shavers (Blade Excellence)
- Advertising and promotional products



Horizon: Delivering our strategic growth plan

BIC is on a transformative journey. Guiding our way is the five-year Horizon Plan, launched in 2020 to ensure long-term and profitable growth. Horizon ensures we have the ability to expand our markets and capitalize on rapidly evolving and emerging consumer trends.

2023 marked the mid-way point for the rollout of Horizon and we are pleased to be on track to deliver against all our objectives. But more than that, the changes we are driving through the business are increasing the operational efficiency of the business which is contributing to improved margins and resilience to weather uncertain macroeconomic conditions.

Our strategic focus

Expand total addressable markets in fast-growing segments, and apply enhanced commercial execution

Leverage innovation capabilities and global manufacturing excellence

Capitalizing on BIC's unique identity, consumer-centric brands and market reach

2025 Financial Objectives for Horizon

Balancing key initiatives to maximize returns

Deliver Sustainable Growth

+5% to +7%

Annual net sales growth at constant currency.

Execute Operating Efficiencies

+150 basis points

Adjusted EBIT margin improvement versus 2022 level of 14%.

Capture Cash Every Day

>€220m

Free cash flow above €220m in 2024 and above €240m in 2025.



The Horizon plan has 5 key objectives:



01

Reframing our three categories to accelerate top-line growth

Reinvigorating our three historical categories has taken Human Expression from essential stationery items into rapidly expanding creative and digital expression segments. Flame for Life combines manufacturing excellence with sustainability to deliver innovative products for every flame occasion. Blade Excellence has seen us expand our traditional B2C business model and bring our blade expertise and innovation to power other branded companies.

In 2023, the innovative BIC® EZ Reach lighter, created to address all flame occasions, continued to be a success three years after its launch. It contributed to the Flame for Life division's net sales and captured additional market shares in the U.S. and Europe.

04

Maintaining strong cash-flow conversion

BIC is focused on improving operational efficiency and generate robust free cash flow. This is done through disciplined management of our operational investments as well as the reduction of our cash conversion cycle, through strict control of working capital. A critical part of our strategy is to facilitate faster cash collection in addition to optimizing inventory by reducing stock, while maintaining strong customer services.

In 2023, BIC generated €249 million in free cash flow, exceeding €200 million for the 5th successive year.

02

Taking our sustainable development journey to the next level

Combining innovation with manufacturing expertise, we are reducing the environmental impact of our products and increasing our positive contribution to society. Consumers are increasingly looking to support brands that lead by example. They want to buy from companies that are acting responsibly by limiting their impact on the environment. BIC's commitment to sustainability is exemplified through recent innovative and sustainable products like the BIC® Click Soleil 5 shaver with 40% recycled material in the handle and the BIC® Ecolutions lighter which has 30% less CO2 emissions.

In 2023, we reduced our carbon footprint both in our products and in our operations, with 91% of our electricity coming from renewable sources, up from 76% last year.

05

Sustaining solid returns to shareholders

Our Capital Allocation Policy funds organic growth through investments in our operations, and targets acquisitions to strengthen existing activities and develop adjacent categories. BIC demonstrates its commitment to delivering sustainable shareholder returns by offering ordinary dividends, with a pay-out ratio in the range of 40% to 50%, and regular share buybacks.

In 2023, BIC invested €105m in capex to fund growth and the Group's solid performance led to total shareholder return of €210m comprising of dividends and share buybacks.

03

Remaining on a mid-single digit growth trajectory while improving operating margins

Horizon has provided clear strategic focus and new capabilities, positioning us on a mid-single digit growth trajectory and Adjusted EBIT margin improvements. Disciplined commercial execution, innovation, and successful launches will be key drivers for long-term profitable growth. Our capacity to adapt to consumer trends ensures we meet our mid-term guidance and strategic goals.

In 2023, we continued to focus on solid commercial execution and geographic expansion, particularly in high-growth markets like Eastern Europe, and the Middle East and Africa, all of which grew net sales by double digits. Our Revenue Growth Management initiatives improved price and mix contributing to BIC's gross profit margin increase of 240 basis points versus prior year.



Unlocking new opportunities

Consumer needs are constantly evolving, responding to changing trends, lifestyles and interests. To capitalize on new opportunities, we adapt with our consumers, providing them with innovative new products and evolving and expanding our core ranges.

Our consumer centric approach is centered around:



Adapting to consumer trends



¹ Compound annual growth rate.

² BIC estimates.

³ IPSOS research October 2021.



Pivoting to meet consumer needs

Central to our five-year Horizon strategy is the need to understand consumers' evolving product requirements, ensuring the business is agile enough to rapidly respond. This is essential to maintaining brand relevance in the face of societal shifts and to achieve our growth targets.

We have transformed BIC into a truly consumer-centric company, based on extensive research into consumer attitudes and behaviours around the world. This drives the design, production and marketing of innovative products that capitalize on emerging consumer trends.

A clear example of this approach is the growth of our 'Skin Creative' range – temporary and semi-permanent tattoos, markers and decals that allow consumers to turn their own bodies into creative canvases. We first entered this market in 2018 as the trend for temporary body art was starting to emerge.

Commercial excellence

Our unwavering commitment to commercial excellence is driving the expansion of our market share across key regions. Our focus on revenue growth management improves product mix and maximizes SKU productivity to boost efficiency and reinforce sustainable growth. Meanwhile, a series of innovative marketing campaigns are helping to drive category growth.

In 2023, in our Blade Excellence division, we successfully outpaced our key markets (in value) in Europe, Latin America and the USA, boosted by reinforced marketing capabilities and innovative campaigns. At a group level, our strategic emphasis on crafting a consumer-focused product lineup led to a net sales per SKU growth of 21.4%.

E-commerce

Our online presence, especially in B2B channels, is bringing us closer to our consumers and is driving multi-channel distribution gains.

In 2023, e-commerce represented approximately 13% of our net sales, growing by about 13%, driven by the B2B channel in key countries notably US, France and Brazil.

Evolution of core products

Product innovation is as much about evolving our iconic core products that are loved and used around the world. It is a critical element to maintaining our market share.

In 2023, constant improvements to our classic BIC® 4-Color pen, supported by branding that reflects consumers interests and passions, contributed to net sales growth in Human Expression of approximately 10% globally.

Research and Development

Our year-on-year investment in R&D drives our innovation pipeline and ensures we stay ahead of the curve in terms of consumer requirements.

In 2023, 9.5% of sales were generated by products developed over the past three years.

Innovation and Sustainability

BIC helps consumers do more with less, supported by operational excellence and constant manufacturing efficiencies. This helps reduce our products' environmental impact, as we reduce our CO2 footprint, reduce plastic consumption and increase the recyclability of our packaging.

In 2023, we launched the BIC® EasyRinse shaver that saves water with up to 60% less time rinsing and for which the women's refillable version is made with 34% recycled plastic and 58% recycled rubber.



Delivering a sustainable future

At BIC, sustainability has guided our business for more than 20 years.

We see it as minimizing our impact on the planet and maximizing the way we can make a positive contribution to society. In 2018, we established our “Writing the Future, Together” program, which is a cornerstone of our Horizon strategic plan.

The program sets out our medium-term goals and provides a framework against which we can monitor, measure and report our progress.



“Writing the Future, Together” five commitments:

01

Fostering sustainable innovation in BIC® products:

We are focused on creating simple, inventive products, designed to use more sustainable raw materials and provide longer lasting performance. We strive to optimize existing products and packaging and to create more sustainable innovation for the future.

02

Acting against climate change:

We deploy a global approach to energy consumption, prioritizing energy efficiency and the use of renewable energy sources. This contributes to cost control and reduces our carbon footprint.

03

Creating and maintaining a safe working environment:

Our commitment to ongoing improvement of the safety, health and well-being of our team members is a priority for us.

04

Proactively involving suppliers:

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

05

Improving lives through education:

Education has the power to change the world. We are passionate in our work to ensure that children around the world have access to education.





Some key 2023 achievements:

81% of all consumer plastic packaging is reusable, recyclable, or compostable, compared to 70% in 2022.

91% of electricity we use is now renewable, up from 76% in 2022.

37% improvement in lost time incidents versus 2022.

83% of strategic suppliers have integrated the responsible purchasing program to ensure the most secure, innovative, and efficient sourcing.

199m children whose learning conditions we have improved.¹

¹ Cumulative estimated number since 2018.

Partnerships and collaboration

We are proud that BIC is contributing to the United Nations (UN) Sustainable Development Goals, a framework that brings governments, business and civil society together to address the world's most intractable challenges. We also recognize that solutions to these problems come from working together. That is why partnerships are central to our sustainability strategy.

Partnerships are essential to our 4R philosophy of **reducing** our consumption of materials, using **recycled** alternatives, designing and manufacturing **refillable** products and packaging, and developing **recyclable** products. This philosophy drives our approach to the circular economy.

We are delighted to partner with, among others, the **Ellen MacArthur Foundation** which has been crucial in guiding our transition towards a circular economy, fundamentally influencing our product design and material choices.

BIC is also part of the **UN 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.



Board of Directors

12 Directors

50% women

50% independents¹

4 nationalities

10 board meetings in 2023

96.5% attendance rate



Nikos Koumettis
Non-Executive Chair and Independent Director

Appointed Director on May 18, 2022 by BIC's AGM. Appointed Non-Executive Chair by the Board on the same day.



Gonzalve Bich
Director and Chief Executive Officer

Appointed Director on May 16, 2018. Chief Executive Officer since May 16, 2018.



Marie-Aimée Bich-Dufour
Director

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



Timothée Bich
Director

Coopted Director on December 10, 2019, ratified by BIC's AGM on May 20, 2020.



Carole Callebaut Piwnica
Independent Director

Appointed Director on May 16, 2023. Chair of the Remuneration Committee and Member of the Nominations, Governance and CSR Committee.



Maëlys Castella
Independent Director

Appointed Director on May 22, 2019. Chair of the Audit Committee and Member of the Remuneration Committee.



Pascal Chevallier
Director Representing the Employees

Appointed Director on October 25, 2023.



Véronique Laury
Director

Appointed Director on May 16, 2023. Member of the Remuneration Committee.



Héra Madiouni
Director Representing the Employees

Appointed Director on March 30, 2023. Member of the Remuneration Committee.



Candace Matthews
Independent Director

Appointed Director on May 10, 2017. Chair of the Nominations, Governance & CSR Committee, and member of the Audit Committee.



Jake Schwartz
Independent Director

Appointed Director on May 20, 2020. Member of the Audit Committee.

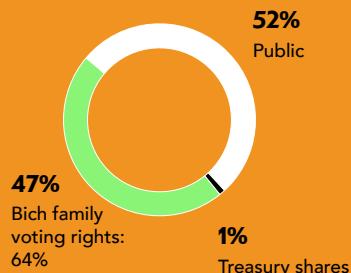


Société MBD
Director

Represented by Edouard Bich. Appointed Director on May 24, 2006. Member of the Audit Committee.

Shareholding structure

As of December 31, 2023, the total number of shares issued by SOCIÉTÉ BIC was 42,270,689, representing 62,516,167 voting rights.



The members of the Board of Directors have Executive Management experience and/or expertise in particular fields, notably finance, sales and innovation. Some also have in-depth knowledge of BIC and its environment.

¹ Excluding Directors representing employees according to recommendation n°10 of the AFEP-MEDEF Corporate Governance Code.

Board composition: as of December 31, 2023.

Executive Committee

10 members
40% women
5 nationalities

Gonzalve Bich
 BIC's Chief Executive Officer



Chad Spooner
 Chief Financial Officer

Goal: evolve to 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



Elizabeth Maul
 Group Insights, Innovation & Sustainability Officer

Goal: develop our portfolio of innovative products to match consumers' expectations, especially in response to their need for creativity, self-expression, and their expectations for sustainable development



François Clément-Grandcourt
 Group Lighters General Manager

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
 Group Supply Chain Officer

Goal: reinforce the efficiency of our production through centralized purchasing and an "end-to-end" supply chain while preserving the security, quality and accessibility of our products



Mallory Martino
 Chief Human Resources Officer

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



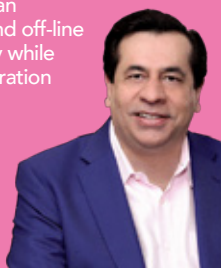
Sara LaPorta
 Group Strategy and Business Development Officer

Goal: develop a comprehensive corporate strategy, identify and analyze business growth opportunities



Chester Twigg
 Group Commercial Officer

Goal: lead commercial operations and drive an omnichannel online and off-line go-to-market strategy while integrating next generation capabilities



Esther Wick
 Group General Counsel

Goal: continue to build the legal function into a trusted partner who proactively enables the company to make balanced yet daring decisions in a fast changing environment to fuel BIC's sustainable growth



Jonathan Skyrme
 General Manager, Skin Creative

Goal: leveraging BIC's expertise across operations, supply chain, and commercial to transform our current and future skin creative brands into world-class omnichannel businesses



At the date of the Universal Registration Document publication.



Financial and non-financial performance overview

FINANCIAL PERFORMANCE

Key KPIs	2021	2022	2023	2024 Outlook
Net sales (€m)	1,831.9	2,233.9	2,263.3	Growth between 5% to 7% at constant currency ¹
Adjusted EBIT (€m)	279.8	311.7	333.1	
Adjusted EBIT margin (%)	15.3	14.0	14.7	Slight improvement in adjusted EBIT margin
Net income group share (€m)	314.2	198.6 ²	226.5	
Free cash flow before acquisitions and disposals	205.7	203.7	248.7	Expected to be above €220 million
Net cash position (€m)	400.1	359.9	385.4	
Earnings per share group share (€)	7.02	4.52 ²	5.30	
Adjusted earnings per share group share (€)	4.29	5.12	5.70	

NON-FINANCIAL PERFORMANCE

Key KPIs	2021	2022	2023	Objectives
Energy consumption (gigajoules/ton)	11.96	11.39	10.82	
% of renewable energy used	79	76	91	100% by 2025
Water consumption (m3/ton)	4.62	3.73	3.60	
GHG emissions scope 1 & 2 (tCO2/ton)	0.91	0.74	0.75	
% reusable, recyclable or compostable packaging	59.6	70	81	100% by 2025
Use of non-virgin petroleum plastic in products (%)	4	5.7	8.0	50% by 2030
Number of lost-time incidents ³	50	60	36	

¹ Excluding Argentina net sales due to hyperinflationary context.

² Corrected to take into account the Virtual Power Purchase Agreement accounting in 2022.

³ Lost Time Incident (LTI): Incident in the workplace resulting in an Injured Person (IP), unable to work for at least one day (the day of the incident is not included).



GROUP PRESENTATION, OUTLOOK, AND STRATEGY

1.1. HISTORY	18
1.2. KEY FIGURES	20
1.2.1 Key financial figures	20
1.2.2 Key non-financial figures	24
1.3. STRATEGY AND OBJECTIVES	26
1.3.1 BIC Horizon Strategic Plan	26
1.3.2 2024 Financial outlook	28
1.3.3 2024 Market trends assumptions	28
1.3.4 Long-term ambition	29
1.3.5 Risks and opportunities	29
1.3.6 Performance goals	29
1.3.7 Recent events	29
1.4. BUSINESS PRESENTATION	30
1.4.1 Business presentation by division	30
1.4.2 Research and innovation	38
1.4.3 Manufacturing footprint	39



1.1. HISTORY

- **1944**
Marcel Bich acquires a factory in Clichy, France, and starts a Writing Instruments business with his partner Édouard Buffard.
- **1950**
Launch of the "Pointe BIC®" in France, a revolutionary improved version of the Ball Pen invented by Hungarian Laslo Biro.
- **1953**
Creation of SOCIÉTÉ BIC to manufacture and distribute BIC® ballpoint pens.
- **1954**
Expansion into Italy.
- **1956**
Early ventures in Brazil.
- **1957**
Expansion into the United Kingdom.
- **1958**
Acquisition of the Waterman Pen company in the United States. Expansion into Africa and the Middle East.
- **1969**
Launch of the Promotional Products business via the Writing Instruments segment.
- **1972**
Listing of SOCIÉTÉ BIC on the Paris Stock Exchange on November 15.
- **1973**
Diversification of BIC's product portfolio and launch of the BIC® Lighter with an adjustable flame.
- **1975**
Launch of the first "one-piece shaver" by BIC.
- **1981**
Diversification into the leisure industry through its subsidiary, BIC Sport, specializing in windsurf boards.
- **1992**
Acquisition of Wite-Out®, the U.S. correction products brand.
- **1994**
Appointment of Bruno Bich as Chair of the Board and Chief Executive Officer.
- **1997**
Acquisition of Tipp-Ex®, the leading European correction products brand, and Sheaffer®, a high-end brand in Writing Instruments.
- **2004**
Acquisition of BIC's Japanese distributor, Kosaido Shoji. Acquisition of France-based Stypen®.
- **2006**
Mario Guevara becomes Chief Executive Officer of BIC in May. Acquisition of PIMACO, Brazil's leading manufacturer and distributor of adhesive labels.
- **2007**
Acquisition of Atchison Products Inc., a U.S.-based supplier of promotional printed bags.
- **2008**
November: opening of a new shaver packaging facility in Mexico.
December: acquisition of Antalis Promotional Products (Sequana Group).
- **2009**
March: Acquisition of 40% of six (of the seven) Cello group entities, a leading stationery group in India.
June: Acquisition of Norwood Promotional Products, a U.S. leader in calendars and promotional products.
- **2010**
June: Disposal of Norwood Promotional Products Funeral business.
- **2011**
First-half: Disposals of the PIMACO B-to-B division in Brazil and the REVA Peg-Making business in Australia.
November: Acquisition of Angstrom Power Incorporated, a company specialized in portable fuel cell technology.



2012

February: Disposal by DAPE 74 Distribution of its Phone Card Distribution business to SPF.

2013

September: Launch of BIC® Education, an educational solution for elementary schools, combining handwriting and digital technology. Completion of the share purchase following the call option exercised on September 17 on Cello. Increase of BIC's stake in Cello's seven entities from 40% to 55%.

October: Acquisition of land in Nantong, China (130 km North of Shanghai) to build a Lighter production facility.

2014

November: Disposal of Sheaffer®, BIC's Fine Writing Instruments business, to AT Cross.

2015

April: Sale of BIC's Portable Fuel Cell Technology business to Intelligent Energy.

December: Cello sells its remaining stake in Cello to BIC. This raises BIC's stake in Cello to 100%.

2016

May: Mario Guevara retires from his position as Chief Executive Officer. The Board of Directors decides to combine the roles of Chairman and Chief Executive Officer and appoints Bruno Bich as Chairman and Chief Executive Officer.

2017

June: Sale of BIC Graphic North America and Asian Sourcing operations to HIG Capital.

October: Opening of the new Writing Instruments facility in Samer (France).

2018

May: Bruno Bich retires from his position as CEO. The Board of Directors decides to split the roles of Chairman and Chief Executive Officer. Pierre Vareille is appointed Chairman of the Board and Gonzalve Bich becomes Chief Executive Officer.

October: Filing by BIC of an infringement complaint with the European Commission for lack of surveillance of non-compliant Lighters that are either imported into or sold in France and Germany.

December: Acquisition of manufacturing facilities of Haco Industries Ltd. in Kenya and its distribution activities of Stationery, Lighters, and Shavers. Disposal of BIC Sport, BIC's water sports subsidiary, to Tahé Outdoors and discontinuation of its Writing Instruments manufacturing operations in Vannes.

2019

January: Inauguration of BIC's Indian subsidiary BIC Cello, in Vapi (Gujarat state).

March: Inauguration of BIC's East Africa Facility in Kasarani, Nairobi.

July: BIC filed a complaint with the European Ombudsman claiming maladministration by the European Commission of the infringement procedure initiated in 2010 against the Netherlands due to their lack of actions to impose lighters safety standards compliance.

October: Completion of the acquisition of Lucky Stationary in Nigeria (LSNL).

2020

July: Acquisition of DjEEP, one of the leading manufacturers of quality Lighters, reflecting BIC's strategy of greater premiumization and personalization.

December: Acquisition of Rocketbook, the leading smart and reusable notebook brand in the United States, expanding BIC's business into the Digital Expression segment.

December: Signature of agreement to sell its Brazilian adhesive label business, PIMACO, to Grupo CCRR, reflecting BIC's portfolio rotation strategy and focus on fast-growing consumer segments.

2021

February: Completion of the sale of BIC's headquarters in Clichy-La-Garenne-based (France) and BIC Technologies sites for 175 million euros.

February: Completion of the divestiture of the Brazilian adhesive label business, PIMACO, to Grupo CCRR for 40 million Brazilian Real.

2022

January: Acquisition of Inkbox, the leading brand of semi-permanent tattoos.

May: Appointment of Nikos Koumettis as Chair of the Board.

August: Acquisition of Tattly, a leading decal brand based in the U.S.

September: Acquisition of AMI (Advanced Magnetic Interaction), a French start-up pioneer in augmented interaction technology.

2023

March: HÉLA Madiouni was appointed as Director representing the employees for the Board of Directors of Société BIC. She replaced Inna Kostuk who resigned on October 14, 2022.

May: Véronique Laury and Carole Callebaut Piwnica were appointed as Directors. Candace Matthews, Jacob (Jake) Schwartz and Timothée Bich were renewed as Directors.

September: The BIC 2023 Investor Update event took place in Paris, France, where BIC delivered an interim update on its five-year Horizon Strategic Plan, launched back in 2020.

October: Pascal Chevallier was appointed as Director representing the employees to the Board of Directors of Société BIC. He replaced Vincent Bedhome, whose term has expired.

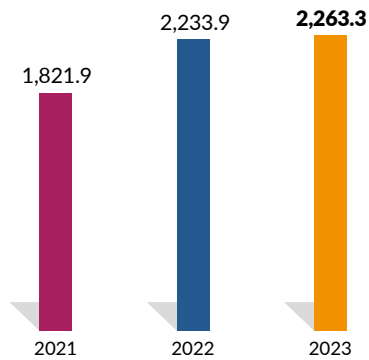


1.2. KEY FIGURES

1.2.1 KEY FINANCIAL FIGURES

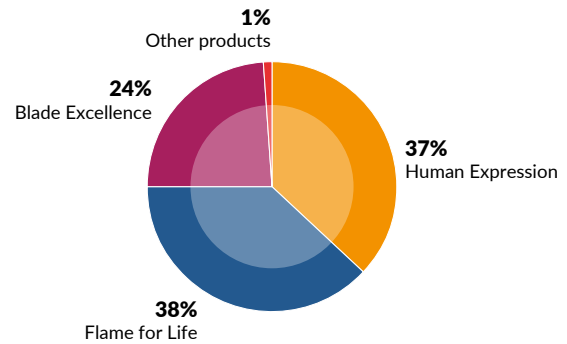
NET SALES

(in million euros)



2023 NET SALES BY DIVISION

(in %)



EARNINGS BEFORE INTEREST AND TAXES (EBIT)

(in million euros)



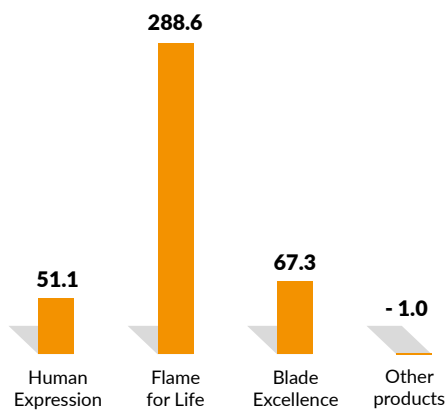
ADJUSTED EARNINGS BEFORE INTEREST AND TAXES (ADJUSTED EBIT)

(in million euros)

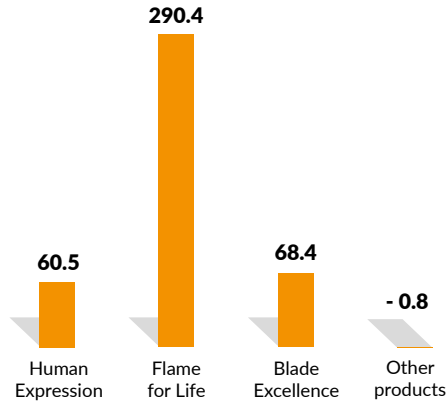




2023 EBIT BY DIVISION
(in million euros)⁽¹⁾



2023 ADJUSTED EBIT BY DIVISION
(in million euros)⁽¹⁾



EBIT MARGIN
(% of net sales)



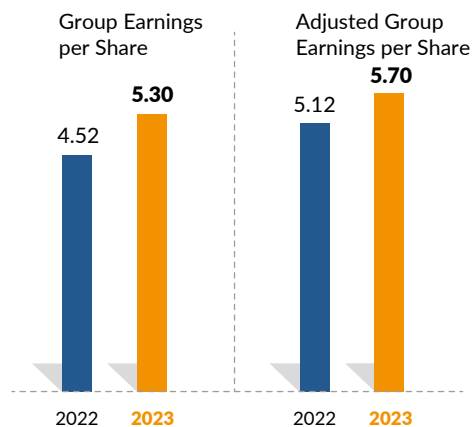
ADJUSTED EBIT MARGIN
(% of Net Sales)



NET INCOME GROUP SHARE
(in million euros)



GROUP EARNINGS PER SHARE AND ADJUSTED GROUP EARNINGS PER SHARE
(in euros)



(1) Does not include Unallocated costs, mainly related to corporate costs, amounting to (85.5) million euros in 2023.



SALES VOLUME TRENDS

<i>(in million units)</i>	2022	2023
Human Expression	6,524	6,073
Flame for Life	1,647	1,603
Blade Excellence	2,351	2,428

PRODUCTION VOLUME TRENDS

<i>(in million units)</i>	2022	2023
Human Expression	5,857	5,291
Flame for Life	1,610	1,577
Blade Excellence	2,322	2,312

NET SALES BY REGION

<i>(in million euros)</i>	FY 2022	FY 2023	Change as reported	Change on a comparative basis	Change at constant currencies
Group					
Net Sales	2,233.9	2,263.3	+1.3%	+9.2%	+3.5%
Europe					
Net Sales	636.7	665.9	+4.6%	+9.0%	+8.9%
North America					
Net Sales	954.9	882.9	(7.5)%	(4.8)%	(5.1)%
Latin America					
Net Sales	390.6	461.7	+18.2%	+42.6%	+12.0%
Middle East & Africa					
Net Sales	136.4	154.2	+13.1%	+26.6%	+26.6%
Asia & Oceania (including India)					
Net Sales	115.3	98.6	(14.6)%	(7.9)%	(7.9)%



MAIN INCOME STATEMENT INFORMATION

Condensed profit and loss account <i>(in million euros)</i>	FY 2022 ^(a)	FY 2023
Net Sales	2,233.9	2,263.3
Cost of goods	1,155.9	1,115.2
Gross Profit	1,078.0	1,148.1
Administrative & other operating expenses	774.5	827.6
Earnings Before Interest and Taxes (EBIT)	303.5	320.5
Finance revenue/costs	(26.1)	(7.5)
Income before tax	277.4	313.0
Income tax expense	(78.8)	(86.5)
Net Income Group Share	198.6	226.5
Earnings per share Group share <i>(in euros)</i>	4.52	5.30
Average number of shares outstanding (net of treasury shares)	43,974,525	42,740,269

(a) Corrected to take into account the Virtual Power Purchase Agreement accounting

KEY BALANCE SHEET AGGREGATES

<i>(in million euros)</i>	December 31, 2022 ^(a)	December 31, 2023
Shareholders' equity	1,866.0	1,846.6
Current borrowings and bank overdrafts	76.5	109.4
Non-current borrowings	42.8	46.8
Cash and cash equivalents – Assets	416.3	467.7
Other current financial assets and derivative instruments	17.3	19.8
Net cash position ^(b)	359.9	385.4
Goodwill and intangible assets	407.4	382.3
TOTAL BALANCE SHEET	2,686.9	2,647.3

NB: Société BIC has not sought any rating from any credit rating agency. It also has not, to the best of its knowledge, been the object of any unsolicited rating by any credit rating agency.

(a) Corrected to take into account the Virtual Power Purchase Agreement accounting

(b) See Glossary.

CONDENSED CASH FLOW STATEMENT

<i>(in million euros)</i>	2022	2023
Cash flow from operations	428.0	469.2
(Increase)/Decrease in net working capital	(29.2)	(27.4)
Other operating cash flow	(98.0)	(88.5)
Net cash from operating activities ^(a)	300.0	353.3
Net cash from investing activities	(172.5)	(114.1)
Net cash from financing activities	(175.2)	(192.1)
Net increase/(decrease) in cash and cash equivalents net of bank overdrafts	(47.6)	47.2
Closing cash and cash equivalents net of bank overdrafts	415.2	467.7

(a) See Glossary.



1.2.2 KEY NON-FINANCIAL FIGURES

SHARE OF RENEWABLE ELECTRICITY

(as % of total consumption)

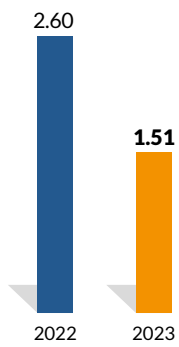


NUMBER OF TRAINING DAYS PER EMPLOYEE



INCIDENCE RATE

(Number of accidents leading to loss of work time – per million hours worked – BIC headcount)



SHARE OF REUSABLE, RECYCLABLE OR COMPOSTABLE PLASTIC IN PACKAGING





	Unit	2022	2023
Annual energy consumption	Gigajoules	1,136,505	1,081,299
Writing the Future, Together #2: Share of electricity from renewable sources	%	76	91
Total amount of annual greenhouse gas emissions (GHG) (location-based)	tCO ₂ eq	81,745	81,849
Total amount of annual GHG emissions GES (market-based)	tCO ₂ eq	47,682	23,495
Total annual Scope 3 GHG emissions (excluded indirect use phase emissions of sold products)	tCO ₂ eq	676,863	639,222
Total ratio of annual GHG emissions to production (scope 1 & 2)	tCO ₂ eq/ton	0.82	0.82
Annual water consumption	m ³	372,349	359,572
Annual waste production	Tons	20,713	19,790
Number of products certified with the French <i>NF Environnement</i> ecolabel	Number	16	16
Writing the Future, Together #1: Share of non-virgin petroleum plastic in BIC® products	%	5.7	8.0
BIC cardboard packaging from a certified and/or recycled source ^(b)	%	97.7	99.1
BIC PVC free plastic packaging ^(b)	%	96.2	98
Writing the Future, Together #1: Reusable, recyclable or compostable plastic in consumer packaging ^(b)	%	70	81
Writing the Future, Together #1: Recycled content of plastic packaging ^(b)	%	54.7	62.1
Total workforce	Number	15,898	14,643
• Permanent employees	Number	10,580	10,322
• Temporary workers	Number	4,441	3,059
Voluntary turnover	%	12	13
Percentage of permanent workforce by region			
• Europe	%	39.4	41.6
• North America	%	7.4	9.3
• Latin America	%	22.4	23.6
• Middle East & Africa	%	8.1	8.7
• India	%	21.7	16
• Asia-Pacific	%	1.0	1.0
Number of training days per employee	days	1.5	1.7
Percentage of women in management and workforce	%	43	44
• Board of Directors	%	50	50
• Executive Committee	%	36	40
• Level 4 and above (Executives & Excom)	%	32	33
Writing the Future, Together #3: Lost-time injuries ^(a)	Number	60	36
Incidence rate of occupational accidents – BIC headcount (accidents with temporary or permanent incapacity)	Number/ million hours worked	2.60	1.51
Severity rate of occupational accidents – BIC permanent and fixed-term employees (accidents with temporary incapacity)	Number/ thousand hours worked	0.10	0.08
Writing the Future, Together #4: Strategic suppliers integrated in the responsible purchasing program	%	65.5	83
Net sales from BIC® products manufactured in its own factories	%	92	92
Writing the Future, Together #5: Children with improved learning conditions (cumulative)	Millions	187	199

(a) In 2023, BIC recorded 36 lost-time injuries for BIC headcount, while 53 facilities had 0 accident.

(b) Excludes BIC Graphic, recent acquisitions and certain OEMs.



1.3. STRATEGY AND OBJECTIVES

For over 75 years, BIC® has met consumer needs and desires with high quality, simple, and affordable products and has become one of the most recognized global consumer goods brands, with products sold in more than 160 countries. Our **vision is to bring simplicity and joy to everyday life**, as we seek to create a sense of ease and delight in the millions of moments that make up the human experience.

Over time, the Group faced rapidly-changing industries and consumption trends affecting its three categories, as consumers habits and their interaction with brands continuously evolved. BIC's mission to offer high quality products to consumers everywhere and meet their fast-changing needs, drove the Group's transformation **from a manufacturing and distribution-led company into a consumer-centric one**.

1.3.1 BIC HORIZON STRATEGIC PLAN

BIC's **Horizon** strategy was launched in November 2020 to spur an in-depth transformation of BIC's business and create the innovative products and services of tomorrow with more focus on consumer needs and sustainability. The goal was not only to amplify our core capabilities, but to go beyond them into higher-growth adjacent segments to ensure long-term sustainable growth and profitability. Horizon is embedded in the Group's everyday operations and strategic goals.

As part of this transformation, BIC reframed its three core categories through a heightened consumer lens to tap into a stronger growth trajectory:

- **in Stationery**, BIC evolved its focus to "**Human Expression**", responding to shifting consumer habits and expanding into the faster-growing Creative and Digital Expression markets;

- **in Lighters**, BIC expanded to "**Flame for Life**", focusing on all consumer lighting occasions, including those non-related to tobacco, and driving towards a more balanced model between volume and value. Flame for Life is intended to drive incremental growth and maintain profitability, powered by trade-up and personalization, innovation, and a push toward sustainability;

- **in Shavers**, BIC decided to capitalize on its assets, ground-breaking innovation and manufacturing capabilities to leverage its "**Blade Excellence**" with the objective to maximize these assets by building a selective new business – named BIC Blade-Tech – as a high precision blade manufacturer for other brands.



Embedded in BIC's Horizon Plan are the following **strategic and financial targets**:

	Strategic and Financial Goals	Associated Targets
Growth acceleration	Deliver a mid-single-digit annual Net Sales growth trajectory	<ul style="list-style-type: none"> Significantly expand total addressable markets in fast-growing adjacent segments, and evolve BIC's business model to capture an increasing value share of our markets, with a strong focus on execution and return on investments. Leverage innovation capabilities and manufacturing excellence to generate incremental revenues through new routes-to-market. Capitalize on our brands in our core markets and build on new lifestyles to grow a comprehensive portfolio of consumer-led brands.
Cash flow generation	Improve efficiency and robust Free Cash Flow generation	<ul style="list-style-type: none"> Disciplined management of operational investments, with a target of 1 to 1.2 times Capex to Depreciation & Amortization. Strict control of Working Capital (Inventories, Receivables, and Payables).
Sustainable development	Take Sustainable Development to the next level and transform approach to recycling and plastics	<ul style="list-style-type: none"> By 2025: 100% of packaging will be reusable, recyclable, or compostable. By 2030: Use of 50% non-virgin petroleum plastic in our products.
Capital allocation	Fund organic growth and acquisitions in adjacent markets while ensuring sustainable shareholder returns	<ul style="list-style-type: none"> Investments into operations to sustain and enhance organic growth with approximately 100 million euros annual CAPEX investments. In 2024, CAPEX should be approximately 110 million euros. Targeted acquisitions to strengthen existing activities and develop in adjacent categories, with an average of 100 million euros invested annually. Objective of ordinary dividend pay-out ratio in the range of 40% to 50% of Adjusted EPS. Regular share buybacks. Up to 40 million euros Share Buyback program to be executed in 2024.

At our Investor Update on September 11, 2023, we outlined how our Horizon Plan has shaped the future of our business and accelerated sustainable, profitable growth since its launch in November 2020.

Confirming the following Horizon objectives by year-end 2025:

- annual net sales: growth of 5-7% at constant currencies;
- adjusted EBIT margin: approx. 150bps improvement from the 2022 level of 14.0%;
- free cash flow: above €220 million in 2024, above €240 million in 2025 ⁽¹⁾.

During 2023, we made great progress on our 2025 strategic goals:

Deliver more Sustainable Growth

- We reinforced our marketing capabilities and innovative campaigns to drive category growth. In the US, EZ Reach utility pocket lighters reached 5.8% of market share in value, up +0.4 points fueled by strong distribution and in-store visibility in the Modern Mass market. In the Blade Excellence division, our

latest shaver innovations Easy Rinse and Soleil Escape both outpaced the market and gained a combined total of 1.8 pts in value share.

- Innovation continued to flourish, with 9.5% of sales coming from new products introduced in the last three years, up 0.5 pts versus last year. The number of patents granted, one of our input indicators which reflects our innovation pipeline, remains strong and in line with our Horizon aspirations.
- We continued to focus on expanding our presence both offline and online. eCommerce online sales represented 12.7% of the Group's net sales in 2023, growing 13% at constant currency driven by the B2B channel in key countries notably US, France and Brazil.
- In line with our Revenue Growth Management discipline, our strategic emphasis on crafting a consumer-focused product lineup led to a Net Sales per SKU growth of 21.4% and a 9% reduction of total SKU count, outpacing our objectives. The resulting price and mix benefit successfully outpaced volume and inflation headwinds.

(1) above the initial >€200 million objective.



- Our B2B business BIC Blade Tech was impacted by clients' revised business plans. However, in the fourth quarter it secured agreements with three new clients. These partnerships are promising and are expected to bear fruit in 2024. Additionally, we have reached an agreement with our largest customer to test additional product launches in 2024.

Execute Operating Efficiencies

- We continued to drive excellence in procurement in 2023. We delivered additional direct and indirect savings mainly driven by plastics and packaging value engineering, as well as electricity hedging in France. This contributed, in part, to our

strong gross profit margin improvement of 240 basis points in 2023.

- After a strong start in 2022, we intensified our efforts in value engineering, identifying close to €10 million of savings validated to date.

Capture Cash Every Day

- Free cash flow in 2023 was strong at €248.7 million driven by strong operational performance coupled with an improved working capital control.
- Faster cash collection improved our accounts receivables in days (DSO), in addition to better inventory optimization that ensured strong customer services.

1.3.2 2024 FINANCIAL OUTLOOK

Full Year 2024 Net Sales are expected to grow between +5% and +7% at constant currency⁽¹⁾, driven by volumes, price, and mix. We expect to see a slight improvement in 2024 **adjusted EBIT margin** driven by operating leverage. We will continue to

drive EBIT expansion to deliver long-term profitable growth, in line with our 2025 targets.

Free Cash Flow is expected to be above €220 million in 2024.

1.3.3 2024 MARKET TRENDS ASSUMPTIONS

Our 2024 outlook is based on **the following market assumptions** ⁽²⁾:

Market trends (in value)

- **Europe:**
 - Low to mid-single-digit decrease in Stationery market
 - Low-single-digit decrease in Lighters market
 - Low to mid-single-digit increase in Shavers market
- **U.S.:**
 - Low to mid-single-digit decrease in Stationery market
 - Low to mid-single-digit decrease for total pocket lighter market
 - Flat to Low-single-digit decrease in the total one-piece Shaver market
- **Latin America:**
 - Low to mid-single-digit increase in Stationery market
 - Mid to high-single-digit increase in Lighters market
 - Mid to high-single-digit increase in Shavers market
- **India:**
 - Mid to high-single-digit increase in Stationery market

EBIT drivers

- **Gross Profit:**
 - Higher input costs inflation
 - Unfavorable fixed costs absorption
 - Unfavorable country mix due to growth in emerging markets
 - Slightly favorable pricing
 - Manufacturing and procurement efficiencies
- **Adjusted EBIT:**
 - Favorable operating leverage
 - Slight increase in Brand Support and R&D in line with Net Sales growth

Free Cash Flow before Acquisitions and Disposals drivers

- Reducing cash conversion cycle through Working capital improvements
- EBIT margin expansion
- Approximately €110 million in capital expenditures

Currency: 2024 EUR/USD average hedging rate: 1.08

(1) Excluding Argentina net sales due to hyperinflationary context.

(2) Euromonitor and BIC estimates.





1.3.4 LONG-TERM AMBITION

Embedded in its Horizon strategy, BIC's ambition is to transform into a fast-moving consumer-centric company, in both existing and fast-growing adjacent markets to accelerate growth and sustain profitability over the long term. To achieve this, the Group has embraced a set of strategic initiatives in line with its vision and mission, including:

- create high-quality, safe, affordable, innovative products trusted by everyone;
- invest in operations, people, innovation and new products to sustain growth;

- enhance BIC's existing portfolio of highly recognized consumer products, where different brands address diverse types of consumer groups while leveraging the BIC Brand heritage;
- target selected acquisitions to strengthen existing activities and develop higher growth adjacencies;
- deliver long-term sustainable value for all stakeholders: consumers, employees, local communities, customers, and shareholders.

1.3.5 RISKS AND OPPORTUNITIES

We foresee the following major challenges in 2024:

- ongoing economic uncertainty due to the global geopolitical environment;
- foreign currency volatility;
- uncertainty around input costs.

While many of these issues are beyond our control, BIC is relentlessly putting in place actions to minimize the related risks across our operations.

We, therefore, believe that our strongest growth potential remains the strength of our Brands, the efficiency of our global supply chain and procurement, our commercial excellence including Revenue Growth Management, and our drive towards sustainable innovation. All of these are led by the talents of our multinational team members across the globe.

The Company has no knowledge of any governmental procedures, legal or arbitration proceedings, which are pending or threatened, that may have, or have had over the last 12 months, material effects on the financial position or profitability of the Company and/or the Group.

1.3.6 PERFORMANCE GOALS

The Group's key performance indicators are: sales growth, market share gains, earnings before interests and taxes (EBIT), free cash flow generation and a strong balance sheet.

1.3.7 RECENT EVENTS

There has been no significant change in the financial position of the Company and its subsidiaries as a whole since December 31, 2023.



1.4. BUSINESS PRESENTATION

BIC is one of the leading players in the stationery, lighter, and shaver markets. Guided by our long-term vision, we provide high-quality, affordable products to consumers everywhere. This consistent focus has helped make BIC® one of the world's most recognized consumer products goods companies, with products sold in more than 160 countries.

1.4.1 BUSINESS PRESENTATION BY DIVISION

BIC's Horizon strategic plan launched in November 2020, aimed at driving sustainable growth by reframing our three categories to expand our total addressable markets in fast-growing segments.

1.4.1.1 Human Expression – Stationery

In line with its Horizon strategy, BIC's historical Stationery category evolved towards "Human Expression" to go beyond core Writing Instruments into Creative and Digital Expression. BIC constantly innovates to further strengthen its presence in both existing and adjacent segments.

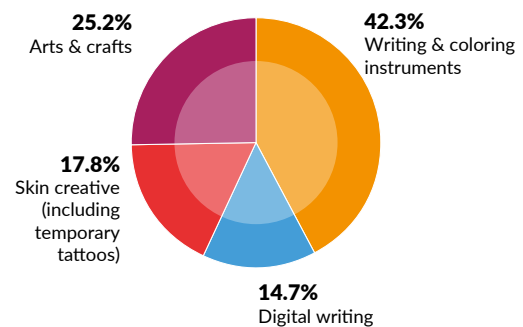
Human Expression encompasses Writing and Coloring Instruments, Creative Expression which includes Arts and Crafts, Skin Creative and Digital Expression. Human Expression is a mid-single-digit growth market, which should reach c.52 billion euros by 2026 ⁽¹⁾.

Since the launch of the BIC® Cristal® pen in 1950, BIC has continuously diversified its Stationery product range through more added-value products and innovative launches and with an increased focus on sustainability, simplicity and joy.

To name a few in the last three years, BIC launched BIC® Break-Resistant, a mechanical pencil with lead that is 75% stronger than the leading U.S. competitor, a BIC® Ecolutions Gel Pen made of 78% ocean-bound plastic, anti-bacterial pen BIC® Clic Stic® PrevaGuard™ a new coloring range called Intensity, its first rechargeable metallic ball pen BIC® Cristal® Re'New™. In 2020, BIC acquired Rocketbook® the leading brand in Reusable Digital Notebooks. In 2022, BIC diversified further its brand portfolio, with the acquisition of Inkbox, the leading brand of high quality semi-permanent tattoos (high-quality 10-14 days decals), and Tattly, a U.S. startup innovating in the field of high-quality temporary decals (2-4 days), which will diversify BIC's offering in the rapidly growing Skin Creative market. In the Digital Writing segment, BIC acquired AMI (Advanced Magnetic Interaction), a French innovative startup. AMI will strengthen BIC's R&D capabilities in Digital Expression.

In 2023, BIC's global product portfolio included writing, marking (classic, permanent and temporary tattoo markers), correction, coloring, drawing instruments, semi-permanent tattoo, and smart reusable notebooks.

BREAKDOWN OF THE HUMAN EXPRESSION MARKET SIZE PER SEGMENT IN 2022



Sources :

- Writing & coloring instruments - Euromonitor 2022.
- BIC estimates for the other segments:
- Arts & crafts: finger painting, watercolors, kits;
- Skin Creative: permanent, semi permanent tattoos, kids;
- Digital writing: digital slates, pens & stylus.

BIC's markets and positioning

Core Writing & Coloring Instruments Market

BIC's historical market Writing and Coloring Instruments amounted to 20.3 billion ⁽²⁾ euros in 2022. The Category is expected to grow at around 4.0% CAGR 2022-2026 ⁽³⁾ driven by the rising demand from developing countries and innovation which will fuel growth in the Developed countries. Although the market remains highly fragmented, with many local players and family-owned businesses, it is dominated by three players (BIC, Newell Brands and Pilot) with each recording an estimated market share of over 5%. In 2022, BIC attained the #2 global manufacturer position with 8.2% market share, benefiting from good positions in both Developed and Developing Markets.

Over the years, BIC strengthened its presence in Writing and Coloring Instruments' market through innovative launches enabling market share gains in key countries, whether it be in core writing instruments or in added-value segments. In 2023, BIC notably gained share in the Coloring segment in France, the UK and the US.

(1) Source: BIC estimates. Market estimates have been revised in 2023 based upon in depth analysis done by BIC's internal research teams to better evaluate the addressable market segments.

(2) Source: Euromonitor Writing & Coloring Instruments 2022 in retail value, incl. pens & pencils refills.

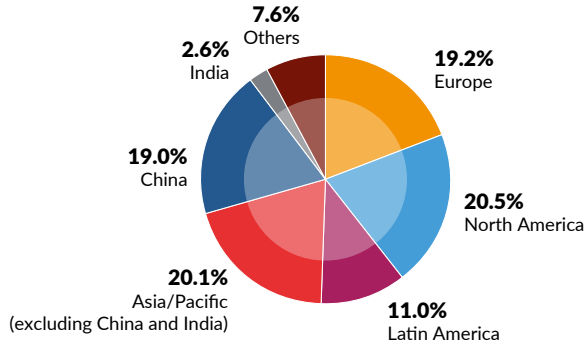
(3) Source: BIC estimates.



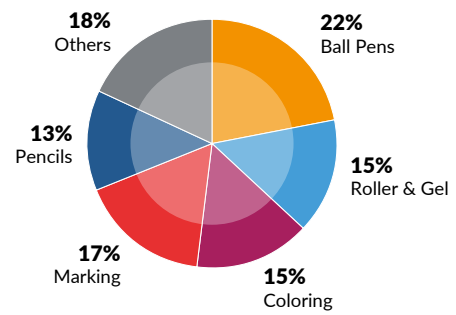
BREAKDOWN OF THE WRITING INSTRUMENTS MARKET

(In value – Euromonitor 2022)

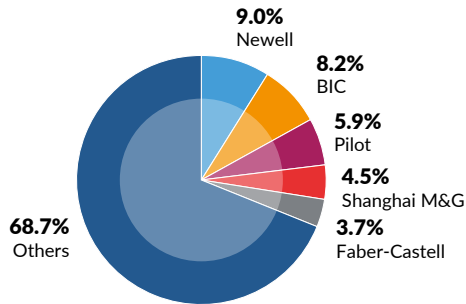
BY REGION



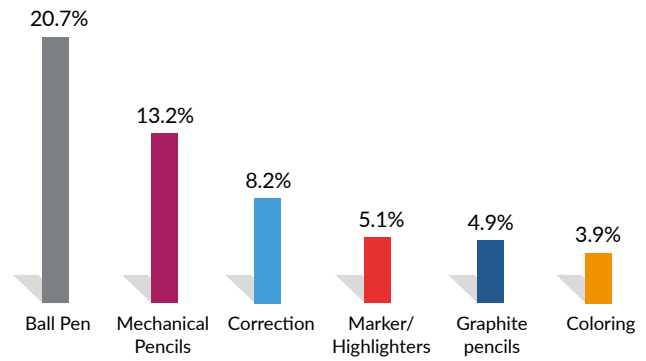
BY PRODUCT SEGMENT



MAIN MARKET LEADERS

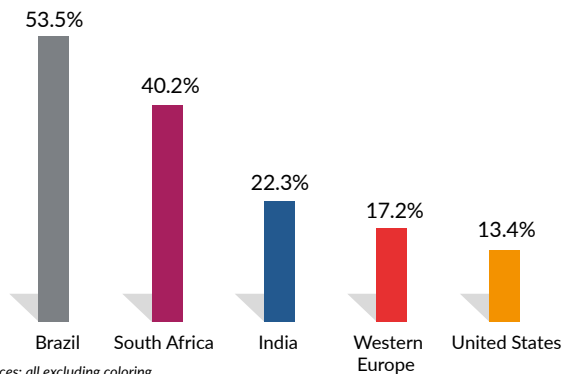


BIC'S MARKET SHARE BY SEGMENT



Source: Euromonitor Writing Instruments 2022 in value (excluding pen and pencil refills).

BIC'S MARKET SHARE BY REGION - 2023



Sources: all excluding coloring.

- Western Europe: GFK 7 countries - December 2023.
- Brazil: Nielsen December 2023.
- US: NPD December 2023.
- India: Market Pulse December 2023.
- South Africa: IRI December 2023.

Although BIC's portfolio is currently concentrated in historical core Writing Instruments segments, the Group's ambition is to shift towards more added-value and adjacent segments which are in growing. In 2023, 23% of Human Expression Net Sales came from the Creative and Digital Expression segments.



Creative Expression markets

The Arts and Crafts market is a large market experiencing mid-single-digit growth (estimated at 10.9 billion euros in 2022) ⁽¹⁾. The market is expected to grow by 3% (CAGR 2021 – 2026) thanks to the increasing demand of both kids’ and teens’ market as well as from adults asking for more creativity. Kids’ crafts account for more than 50% of the total. It includes a variety of sub-segments including Finger-painting, Watercolors, Kits, Crafting Accessories, Modeling Clay and Slime.

The Skin Creative market estimated at 7.7 billion euros includes the permanent tattoos and the “Do it Yourself” Skin Creative segments. The fast-growing “Do it Yourself” Skin Creative segment includes temporary tattoo markers, temporary decals, henna tattoos and semi-permanent tattoos. It is expected to exceed 1.3 billion euros in 2035, powered by the increasing desire of young consumers to be more fluid with their appearance and to express themselves using their body as a changeable canvas. Market players are mostly non-branded small companies:

- BIC entered the Skin creative market in 2018 through the launch of Bodymark[®], an innovative temporary tattoo marker to address consumers’ attitudes shift towards self-expression, individuality and creativity;
- the acquisition of Inkbox in 2022 elevates BIC to a leadership position in the Do-It-Yourself Skin Creative industry (high-quality 10-14 days decals) and further enhances the Group’s existing portfolio of recognized consumer products, where different brands address diverse types of consumer groups. With its unique ability to customize, Inkbox further strengthens BIC’s DTC business and reinforces existing digital and social media engagement capabilities;
- in August 2022, the Group acquired Tattly, a U.S. startup innovating in the field of small high-quality 2-4 days decals, diversifying BIC’s offering in the rapidly growing Skin Creative market and particularly in the kids’ segment.

Digital Expression market

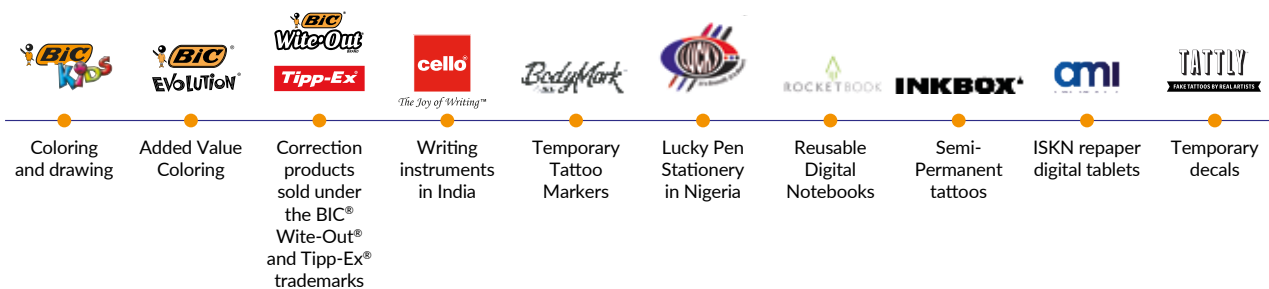
The **Digital Writing** market was estimated at 6.4 billion euros in 2022 ⁽¹⁾. As technology is improving and becoming more affordable, this market should grow by 6% CAGR 2021-2026 ⁽¹⁾ to weigh above 8 billion euros. It encompasses four main sub-segments: reusable notebooks, smart pens, slate tablets, and stylus for tablets:

- BIC’s entered into Digital Writing through the acquisition of Rocketbook[®] in 2020, the leading smart and reusable notebook brand in the U.S.;
- in 2022, BIC strengthened its R&D capabilities in Digital Writing with the acquisition of AMI (Advanced Magnetic Interaction), a French company specialized in the augmented interaction technology. AMI has designed the ISKN Repaper digital tablet, which allows users to capture paper writing and drawing in an electronic format;
- in 2023, BIC launched new products in its Rocketbook range.

BIC’s Brand Portfolio in Human Expression

BIC was built on the amazing power of its Brand, which is one of the world’s most popular household names. Over time, other brands have been added to our portfolio, most of them using BIC as an umbrella to drive attractiveness and consumer engagement, including Tipp-ex[®], Wite-Out[®] and, more recently BodyMark[®] by BIC.

With Horizon, BIC started to migrate to a “house brands” strategy, where each brand has a different meaning for consumers. The acquisitions of Rocketbook and more recently Inkbox and Tattly further strengthens this approach. BIC’s Human Expression division now offers a diversified panorama of brands, where consumers can each see themselves reflected and find their “own” brand favorites.



(1) BIC estimates.





BIC's Distribution Channels

Echoing its historical strategy "A BIC seen is a BIC sold", BIC's mission is to offer products available to consumers every day and everywhere.

BIC products are sold through a comprehensive range of channels worldwide as the Group pursues its objective to be an omnichannel specialist both offline and online. Products can be found in retail mass-market distributors, eCommerce channels (pure players, market places, B2B and B2C omnichannel retailers), traditional stores and Office Product suppliers (through contract or office superstores).

In the retail mass-market channel, Back-to-School season remains a key period. BIC offers consumers a tremendous range of school and college products through numerous displays, theatricalization (for example the iconic school bus display in Europe) and merchandising tools.

Office and school supply companies remains a critical distribution channel where BIC has a strong position thanks to the quality, reliability and value for money positioning of its product, all even more important for companies, administrations and schools.

In the last few years, BIC strengthened its distribution network by reinforcing **its e-commerce positions**. In 2023, BIC maintained its leading positions in Stationery online in key markets: the Group ranked number 1 in France with 21% market share, number 2 in the UK with 21% market share, and number 3 in the U.S. with almost 14% market share (in value YTD December 2023).

1.4.1.2 Flame for Life – Lighters

In line with its Horizon strategy, BIC's historical Lighter category evolved to "Flame for Life", focusing on all lighting occasions. Flame for Life aims to balance volume with a more value-driven model, powered by trade-ups, personalization and innovation, to respond to changing consumer trends, while focusing more on sustainability.

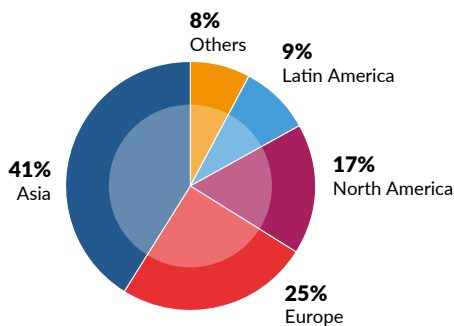
BIC's market and positioning

The worldwide pocket lighter market is estimated at 13.4 billion units (€4.9 billion in value) ⁽¹⁾.

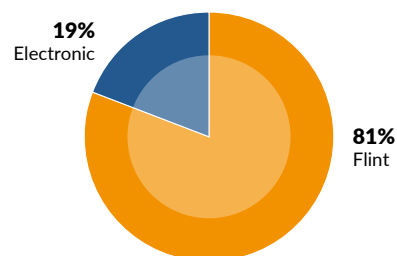
BREAKDOWN OF THE GLOBAL POCKET LIGHTER MARKET IN 2022

(BIC estimates – in value)

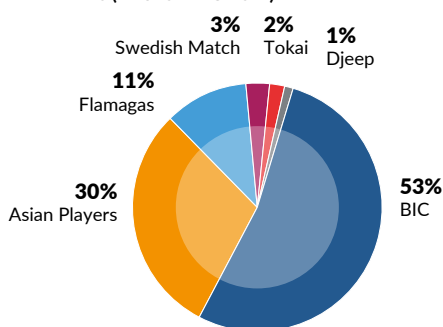
BY REGION



BY PRODUCT SEGMENT (EXCLUDING ASIA)



MARKET LEADERS (EXCLUDING ASIA)



BIC's leadership position and market shares

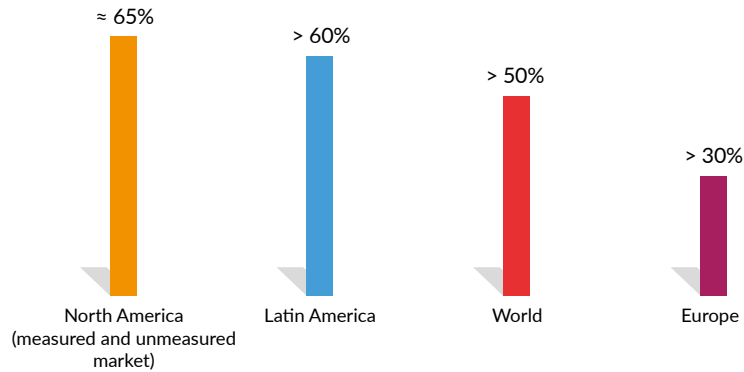
BIC is #1 worldwide in branded pocket lighters in value, with more than a 50% share in value in 2022 (excluding Asia) and leading positions in key geographies including North America, Latin America and Europe. The competitive advantages supporting BIC's leadership position include safety, quality, strong brand awareness, automated and highly efficient manufacturing processes, and a solid distribution network.

(1) Global Pocket Lighter Market Report 2022. BIC Estimates.



BIC® POCKET LIGHTER MARKET SHARE IN VALUE IN 2022 (EXCLUDING ASIA)

(BIC Estimates)

**Safety and quality, key differentiators for BIC**

BIC is well-known for providing safe, high quality and compliant lighters to consumers worldwide. A lighter is a plastic reservoir filled with pressurized gas that is lit by a flame. It can present a real danger if it is not designed and manufactured properly. The consequences can be severe and are often unknown to consumers. International Safety Standards protect consumers from unsafe lighters.

Two key standards apply to pocket lighters:

- international lighter safety standard ISO 9994, which sets out the basic safety requirements for a lighter. ISO 9994 is mandatory in major markets such as Canada (1989), Russia (2000), Brazil (2002), South Africa (2002), Argentina (2003), Thailand (2003), Mexico (2004), South Korea (2005), the 27 European Union member states (2006), Japan (2011), Indonesia (2011) and Turkey (2012);
- child-resistant requirements. A child-resistant lighter is purposely modified to make it more difficult to operate by children. Under this standard, the basic requirement is that a lighter cannot be operated by at least 85% of children under 51 months. Child-resistant legislation is mandatory in major countries such as the U.S. (1994), Canada (1995), Australia (1997), New Zealand (1999), the 27 members of the European Union (2006), Japan (2011), South Korea (2012) and Mexico (2016).

All too often, low-cost lighters too often fail to comply with safety standards. Since the late 1980s, lighter models imported from Asian countries have gained market share. They currently account for over half of the global market (in volume).

BIC has been defending its position in this competitive landscape since its creation and advocates for enhanced lighter safety and

quality. BIC® lighters comply with even more stringent safety, quality, and performance requirements. For example, the gas reservoirs of BIC® lighters are made from POM (PolyOxyMethylene), a high-performance resin with very high impact resistance. This means that BIC® lighters contain more gas, allowing more ignitions thanks to their wall's thinness. They are also filled with pure isobutane, which ensures the flame's stability throughout the lighter's life.

Towards a more value-driven model through trade-up and innovation

BIC offers a wide range of high-quality Pocket and Utility lighters manufactured with the highest safety standards.

While BIC's shift to balance more volume with value in the model for its Lighter business started years ago, this was accelerated with the launch of the Horizon Plan. More recently the following developments were made to support this transformation:

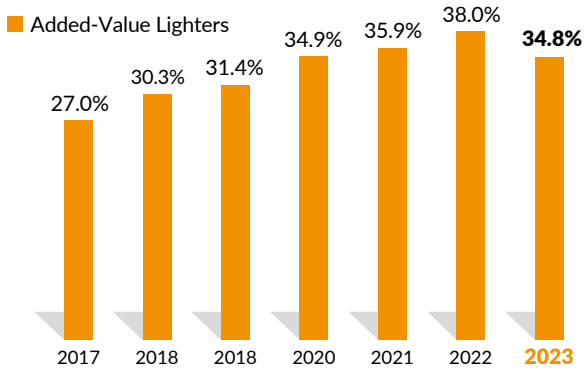
- the acquisition of **Djeep** in June 2020, which strengthened BIC's portfolio in the added-value segment of decorated lighters;
- the launch of **BIC EZ Reach™**, BIC's first pocket Utility lighter, in July 2020. The product has already reached 5.8% of the U.S. pocket lighter market (Source: IRI YTD December 2023). In Europe, The EZ Reach™ lighter which was launched into most major markets in Europe accounted for almost 20% of total division's growth versus last year;
- the deployment of **Revenue Growth Management** strategy to drive efficiency in promotional and pricing activities.

In 2023, added-value lighters, including BIC® EZ Reach™, Djeep®, utility and decorated lighters, represented 35% of BIC's total Lighter Net Sales.





ADDED-VALUE LIGHTERS AS A % OF TOTAL FLAME FOR LIFE DIVISION NET SALES



BIC LIGHTER BRAND PORTFOLIO

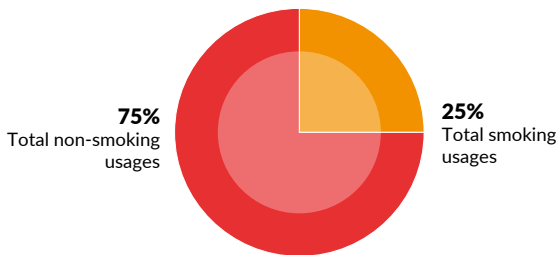


Addressing all lighting occasions including non-related to tobacco flame usages

An important pillar of BIC's Flame for Life strategy is to drive growth by expanding to all flame occasions through incremental usages, as lighters have extensive non-smoking-related usages among different consumer activities. For the last six years, BIC lighter teams have undertaken extensive research to deepen

their knowledge of the different flame usages. One of the main findings confirmed that candles and cooking are the most important non-tobacco-related flame usages in developed and developing regions (Ipsos study - October 2021). These lighting occasions represent a growth opportunity for BIC, well-positioned to answer the usages non-related to tobacco thanks to the strength of its brand.

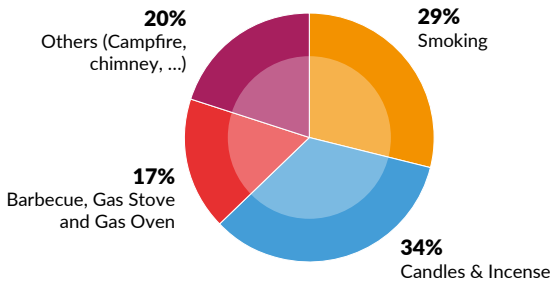
TOTAL FLAME DEVICES - SHARE OF LIGHTING OCCASION



Source : IPSOS / U&A (Usages & Attitudes) study - 2021

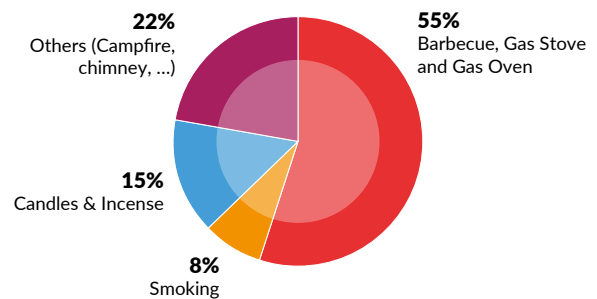
DETAILED BREAKDOWN OF FLAME OCCASIONS IN THE U.S. AND BRAZIL

U.S.



Source : IPSOS / U&A (Usages & Attitudes) study - 2021

BRAZIL



Source : IPSOS / U&A (Usages & Attitudes) study - 2021



BIC's Distribution Channels

BIC® lighters are sold through traditional distribution channels (such as convenience stores and tobacconists), retail mass-market distribution stores, and online in the United States. Online and offline, in-store visibility is key to driving impulse purchases, and part of BIC's historical strategy "A BIC seen is a BIC sold".

In the traditional channel, which is the leading channel for lighters, BIC has strong positions driven by full-distribution based on efficient routes-to-market, and relevant customer and consumer programs driving value to the business: BIC offers a large range of decorated lighters as well as bringing new products to market such as BIC® EZ Reach™, addressing everyday needs while generating impulse instore purchases.

In the mass-market channel, BIC focuses on relentless store visibility based on a multi-location presence in store: at the check-out but also throughout affinity aisles such as candle and barbecue.

In e-commerce, in 2023, BIC continued to expand its BIC.com website in the U.S., driven by the "Design my BIC" offer, enabling consumers to create sets of personalized lighters. They can also find appealing special editions, monochrome sets and brand-new series of lighters.

1.4.1.3 Blade Excellence – Shavers

BIC's Blade Excellence division focuses on reinforcing its one-piece business with consumer-driven and sustainable added-value products and capitalizing on our advanced R&D and manufacturing capabilities through the creation of BIC Blade-Tech, the Group's B2B business for the wet shave market.

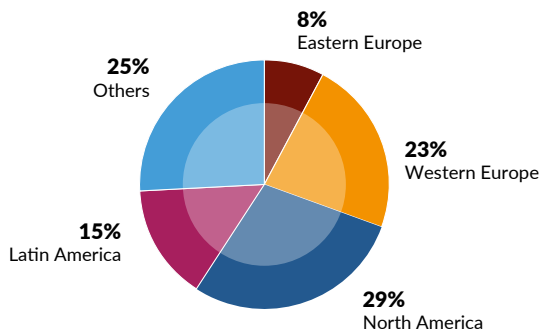
BIC's markets and positioning

The wet shave market was about 12.5 billion euros in 2022 and accounted for around 49% of the hair removal segment ⁽¹⁾ in value. The estimate 2022-2026 CAGR ⁽²⁾ for Total Wet-Shave market is +7.6%.

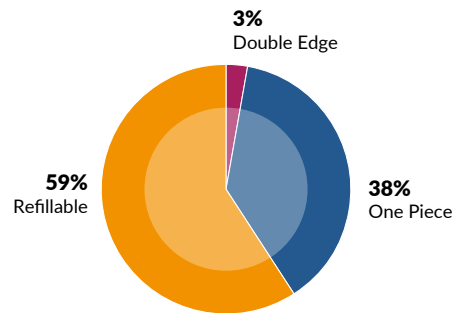
GLOBAL WET SHAVE MARKET

(Euromonitor – 2022- In value)

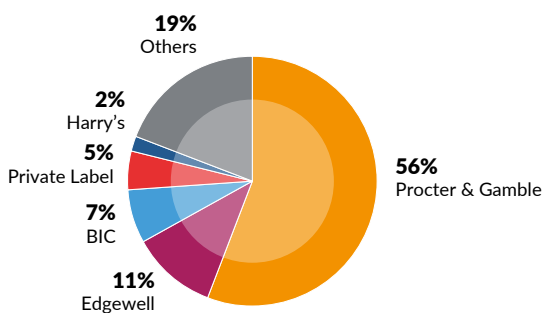
BY REGION



BY PRODUCT SEGMENT



MARKET LEADERS



The Wet-Shave market is split into three product segments: double-edge, one-piece and refillable. On the highly competitive environment of the one-piece and refillable segments, growth is mostly driven by new products which offer improved performance and added features. A constant ability to innovate is key to maintain a leadership position. With that objective, BIC has made the shift towards premiumization to gain market share on value-added segments, while keeping BIC's strength in offering products at the right value.

The global landscape is dominated by three legacy brands (Gillette, BIC®, Edgewell) though over the last decade "disruptors", primarily in the U.S. launching as direct-to-consumer brands, have emerged. While such brands have expanded presence by securing distribution in brick and mortar, they are not directly competing with BIC given their refillable segment focus.

(1) Hair-Removal segment includes disposable & system razors for wet shaving, depilatory creams/gels/sugars/waxes, bleaches for use at home, electric shavers & depilatories and Preps for men and women. Total Wet-Shave includes all the refillable and disposable Razor & Blades for men & women.

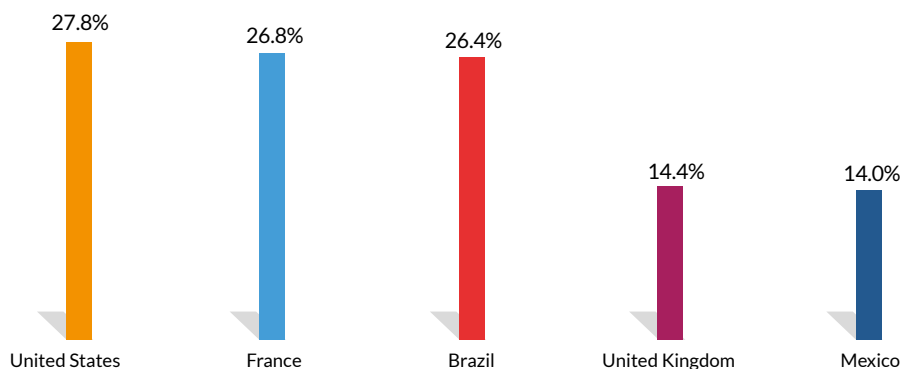
(2) Euromonitor 2022, Global stats. Fixed 2022 exchange rates.





BIC's market share in the non-refillable shavers segment

BIC is the #3 worldwide player, with almost 7%⁽¹⁾ of the total wet shave segment. In the non-refillable segment (disposable), BIC ranks #2 worldwide with a 23.7% market share⁽²⁾. The Group holds key positions in Europe, in the United States and in Latin America.



Source: IRI/NIQ FY 2023, disposable and hybrid brands included.

BIC's product portfolio aiming for more innovative and sustainable products

In the 1970s, BIC revolutionized wet shaving when it launched the first one-piece shaver: the single blade "classic".

Over the last decade and supported by the implementation of the Horizon strategy, BIC has focused its innovation, sales and marketing efforts on the high performance three, four, and five-blade sub-segments, offering thus a complete range of female and male products:

- for Men: BIC® 3, BIC® Comfort 3®, BIC® Easy/Hybrid 3-blade, BIC® Flex range, and BIC® Flex Hybrid range;
- for Women: BIC® Pure 3® Lady, BIC® Soleil® range including Bella®, Glow®, Balance and Miss Soleil; BIC® Soleil Escape, BIC® Click Soleil 5;
- for Men and Women: at the end of 2022, BIC launched BIC® EasyRinse online in the U.S. market, a new razor for men and women featuring a first-of-its-kind blade design and patented anti-clog technology. This new product has been rolled out throughout 2023, in stores in the U.S.

In 2023, 64% of Blade Excellence Net Sales was generated with added-value products.

In line with Horizon strategy, BIC also innovates with new products centered on sustainability and tailored to consumer evolving trends. As such, BIC recently launched:

- an innovative hybrid shaver range in Europe in 2021 made with recycled plastic handles and sold with recyclable packaging;
- BIC® Click Soleil 5 in 2022: a razor for women with a handle made from 40% recycled material and co-developed with the raw material supplier Avient.

BIC Blade-Tech

With Horizon, BIC created **BIC Blade-Tech**, aimed at leveraging BIC's leadership position as a high precision manufacturer to power other brands and thus expand our addressable market, in the wet shavers category, estimated to reach 14.9 billion euros for 2025⁽³⁾. A team including a commercial sales force dedicated to this new business, was created in 2021. BIC Blade-Tech started to ship its first customers, including both new and already established brands, in September 2021. In 2023, our B2B business BIC Blade Tech was impacted by clients' revised business plans. However, in the fourth quarter it secured agreements with three new clients. These partnerships are promising and are expected to bear fruit in 2024.

Other products

These include various strategic and tactical operations:

- **DAPE 74 Distribution**, which sells to tobacco shops in France;
- **BIC® and non-BIC®-branded products**: these include batteries and a line of shaving preps, all of which are designed to grow the BIC® Brand in key markets;
- **advertising and promotional products** in Europe.

(1) Source: Euromonitor 2022 - in value.

(2) Source: IRI/NIQ MAT December 2023 - in value.

(3) Source: Euromonitor, Global stats. YOY Exchange Rate.



1.4.2 RESEARCH AND INNOVATION

BIC's R&D organization goals and missions

Since its creation, one of BIC's core ambitions has been to **reimagine everyday essentials through new products and ground-breaking ideas**, making research and innovation part and parcel of the Group's DNA. BIC's R&D organization ensures product quality and reliability while developing and delivering winning solutions for all consumers that build loyalty, relevance, and satisfaction. BIC is focused on enhancing consumer insight capabilities and speeding up the pace of innovative new product launches internally or through partnerships **to address consumer needs and desires**, or anticipate them.

With the launch of the Horizon Plan in November 2020, BIC took another step towards accelerating **sustainable and consumer-driven innovation**. R&D teams are relentlessly working on how to develop products desired by consumers and examples of their research include:

- technologies to allow sustainable manufacturing process, replacing solvents and reducing overall CO₂ footprint of the plants;
- strong focus on health and safety of products by inspection and evaluation of materials which must comply with the strictest regulations;
- investigation and development of solutions for increasing durability and extending coloring products' life in Stationery;
- development of innovative features in shaver products, aimed at excelling shaving performance;
- development of sustainable solutions by designing refillable products with the minimum amount of material.

BIC is also expanding its **open innovation ecosystem** with the following recent initiatives:

- creation of an in-house Data-Driven Innovation (DDI) lab, aimed at identifying early-stage technologies and integrating them into the Group's innovation pipeline;
- partnership with Plug&Play, one of the largest startup incubators globally, allowing the Group to access a wide diversity of startups and talent;
- creation of the Partnerships and new Business division, aimed at focusing on new business models and partnerships that will foster long-term growth opportunities and support innovation.

In 2023, over 230 team members were involved in research, development, and innovation. BIC invested 1.2% of sales in R&D. In 2023 9.5% of BIC's Net Sales derived from innovations launched in the previous three years, compared to 9% in 2022. In 2023, 24 patents were filed and 303 were granted in total.

Product innovation

In Human Expression, BIC continuously innovates to bring state-of-the-art writing technology to its consumers. Some of the most recent product innovations include:

- Break Resistant mechanical pencils;
- a medium point felt pen, BIC® Intensity Medium;
- new Intensity coloring packs.

BIC's increased focus on sustainability has also led to the launch in the past years of several innovative products with environmental benefits, creating a step forward to reducing our carbon footprint:

- BIC® Ecolutions Gel made from 78% ocean-bound recycled plastic while the paperboard packaging is made of 100% recycled content and is recyclable;
- BIC® Cristal® Re'New™, our first rechargeable metallic Cristal Ball Pen, offering a metal body and a recycled plastic cap.

In Flame for Life, the category owns unique manufacturing processes and R&D, with a strong and ongoing focus on maintaining safety and quality. New product designs and process innovation in gas lighters are strictly controlled. A lighter not properly designed or manufactured can be potentially dangerous. Every BIC® lighter remains a safe and reliable product throughout its entire life cycle.

BIC® EZ Reach™ was launched in 2023 into most major markets in Europe and in Brazil following its successful launch in North America in 2020. BIC also launched the BIC® Maxi Ecolutions lighter on the U.S. and European markets, a new version of the BIC Maxi® lighter using alternative materials: bio-attributed plastic and 55% recycled metals.

In Blade Excellence, some of the most recent innovations include:

- for Men and Women: In 2023 BIC launched in the U.S., BIC® EasyRinse, a new razor in both disposable and hybrid versions, featuring a first-of-its-kind blade design and patented anti-clog technology;
- for Women: In 2023 BIC launched the new line BIC® Soleil Escape in the U.S. These razors have 4 flexible blades that individually adjust to the contours of the skin and have long-lasting lavender and eucalyptus scented handles. In addition, BIC launched a new version of BIC® Click Soleil 5 with a new handle containing more than 40% recycled material (recycled TPE- thermoplastic elastomer) co-developed with Avient, a raw material supplier.

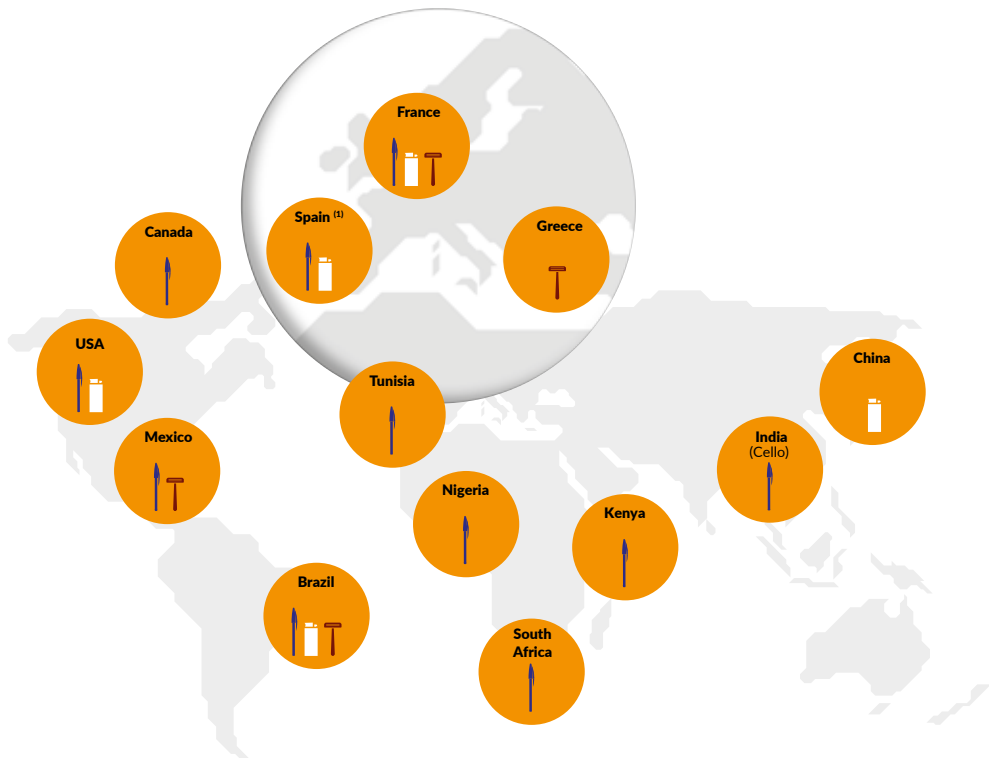


1.4.3 MANUFACTURING FOOTPRINT

92% of Group Net Sales are generated in BIC-owned factories. BIC owns and operates 24 manufacturing locations around the world:

- 13 locations are dedicated to manufacturing Human Expression products/Stationery;
- 6 locations are dedicated to manufacturing Flame for Life products/Lighters, including 2 in France;
- 4 locations are dedicated to manufacturing Blade Excellence products/Shavers, including 1 in France;
- 1 location is dedicated for advertising and promotional products.

MANUFACTURING LOCATIONS



(1) One factory in Spain is dedicated to Advertising and Promotional Products (BIC Graphic).



EXISTING OR PLANNED PROPERTY, PLANT AND EQUIPMENT (INCLUDING LEASED ASSETS) AND ANY MAJOR ENCUMBRANCES

The major related encumbrances correspond to depreciation.

Country	Use	Location	Own/lease	Main products manufactured
SOUTH AFRICA	Factory, warehouse, offices	Johannesburg	Lease	Stationery (ball pens, coloring felt pens, markers)
BRAZIL	Offices	Barueri	Lease	-
	Factory and warehouse	Manaus	Own	Stationery (ball pens, markers, graphic pencils, coloring pencils), lighters, shavers
CANADA	Offices & warehouse	Toronto	Own	-
	Factory	Toronto	Lease	Human Expression (tattoos)
CHINA	Factory	Nantong	Own	Lighters
SPAIN	Factories and offices	Tarragona	Own	Stationery (ball pens, mechanical pencils, sticky notes), lighters, printing
	Offices	Barcelona	Lease	-
UNITED STATES	Offices	Shelton, CT	Own	-
	Factory	Milford, CT	Own	Lighters
		Gaffney, SC	Own	Stationery (markers)
	Warehouse	Charlotte, NC	Own	-
FRANCE	Packaging	Charlotte, NC	Lease	-
	Offices	Clichy	Lease	-
	Factories	Cernay	Own	Stationery (dyes)
		Guidel	Own	Lighters
		Longueil-Sainte-Marie	Own	Shavers
Montévrain		Own	Stationery (ball pens)	
	Redon	Own	Lighters	
	Samer	Own	Stationery (pencils, coloring pencils, leads, mechanical pencils, markers, whiteboards)	
GREECE	Factory and offices	Anixi	Own	Shavers
INDIA	Offices	Mumbai	Lease	-
	Factories	Daman	Own	Stationery (writing instruments)
		Karembeli	Own	Stationery (writing instruments)
KENYA	Factory and offices	Nairobi	Lease	Stationery (writing instruments)
MEXICO	Offices	Mexico City	Lease	-
	Factory	Cuautitlan	Own	Stationery (ball pens, mechanical pencils, correction tapes)
	Warehouse, offices and factory	Tlalnepantla	Lease	Printing
	Factory	Saltillo	Lease	Shavers
NIGERIA	Factory	Shagamu	Lease	Stationery
	Offices	Lagos	Lease	-
SLOVAKIA	Packaging	Sered	Lease	-
TUNISIA	Factory	Bizerte	Own	Stationery (ball pens)





RISK MANAGEMENT

Introduction	42
2.1. MAIN RISKS AND RISK ASSESSMENT	42
2.2. DESCRIPTION AND MITIGATION OF MAIN RISK FACTORS	44
2.3. VIGILANCE PLAN	51
2.3.1 Introduction	51
2.3.2 Governance	51
2.3.3 Risk Mappings	51
2.3.4 Organization and measures to prevent major non-financial risks and risks relating to the duty of vigilance	53
2.4. RISK MANAGEMENT AND INTERNAL CONTROL PROCEDURES IMPLEMENTED BY THE COMPANY AND INSURANCE	60
2.4.1 Risk Management and Internal Control definitions and objectives	60
2.4.2 Components of risk management and internal control of the Company and its subsidiaries	61
2.4.3 Risk Management and Internal Control participants, specific structure(s) in charge/respective roles and interactions	65
2.4.4 Insurance – Coverage of risks	67



INTRODUCTION

BIC maintains a proactive approach to identify, assess, mitigate, monitor and manage key risks that could impact:

- employees, customers, shareholders' interest, assets, environment or reputation;
- ability to achieve its targets and strategy;
- ability to stay true to its values; and
- ability to comply with laws and regulations including codes of ethics.

The assessment of the main risks takes into account the control measures implemented to reduce the risk (net or residual risk).

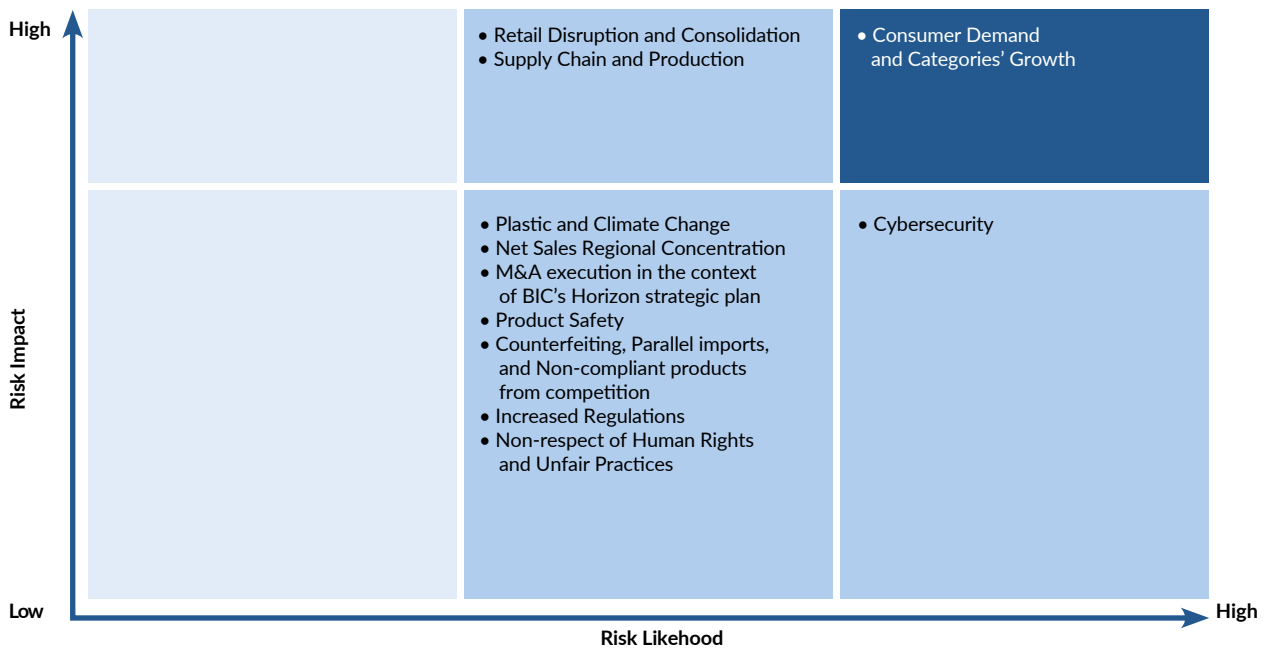
The risk factors set forth below regard matters that could have

an adverse effect, including a material one, on our business, financial condition, results of operations and cash flows. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our business, financial condition, results of operations and cash flows.

BIC has taken a series of measures to mitigate the risks as described in *Section 2.2 Description and mitigation of main risk factors*, *Section 2.3 Vigilance Plan* and *Section 2.4.4 Insurance - Coverage of risks*, as well as in *Chapter 3*.

Additionally, a description of the risk management system can be found in *Section 2.4. Risk management and internal control procedures implemented by the Company and Insurance*.

2.1. MAIN RISKS AND RISK ASSESSMENT



Risk Category	Risk Type	Risk Rating ^(a)		
		Low	Medium	High
Industrial and Commercial Risks	Consumer Demand and Growth ^(b)			X
	Retail Disruption and Consolidation ^(b)		X	
	Supply Chain and Production ^(b)		X	
	Cybersecurity ^(b)		X	
	Net Sales Regional Concentration		X	
	Mergers & Acquisitions within BIC's Horizon Strategic Plan		X	
	Product Safety		X	
Environmental Risks	Plastic and Climate Change		X	
Intellectual, Brand and Image Risks	Counterfeiting, Parallel Imports, and Non-compliant Products from Competition		X	
Legal and Regulatory Risks	Increased Regulations		X	
Social and Human Risks	Non-respect of Human Rights and Unfair Practices		X	

(a) Risk Rating is the product of Impact x Likelihood.

(b) Most material risks.

Geopolitical Landscape

The Group continues to closely monitor and mitigate the impact of geopolitical tensions and wars on our people and operations globally. The Group has no industrial presence in Russia and Ukraine. In 2023, Russia and Ukraine accounted for less than 3% total BIC Net Sales.

BIC does not manufacture product in or directly sources raw material from Russia. At this time, BIC has restricted its product range to cover essential grooming, writing, and household items

only, such as lighters, and has paused all advertising, promotion, and capital investment in Russia. As the situation evolves, we will continue to monitor and comply with any new regulatory decisions, such as sanctions, and remain diligent in protecting our team members in the region. BIC maintains complete control of its brand and intellectual property in Russia to counter any potential moves for brand appropriation.

Please refer to risks related to "Supply Chain and Production".

2



2.2. DESCRIPTION AND MITIGATION OF MAIN RISK FACTORS

Consumer Demand and Growth

BIC is exposed to changing consumer trends, preferences and needs impacting all three categories – Human Expression, Flame for Life and Blade Excellence. Global consumer trends may include:

- growth in Digital Writing technology;
- reduced tobacco use or switch to e-cigarettes;
- changing shaving habits.

Risk Rating: High

Potential Impact on BIC:

- A lack of viable responses would impact sales and profitability.
- Changing consumer habits impacting BIC's three categories might result in:
 - a shift to digital versus Stationery,
 - lower tobacco consumption and e-cigarettes impacting Lighters use,
 - less frequent shaving in Shavers.

Examples of Risk Mitigation:

- Focus Research & Development (R&D) on product innovations and brand positioning to address changes in consumer demand and needs (e.g. Lighter decors, personalization through BIC Graphic and Design my BIC).
- Adopt a Consumer-lens to category expansion (e.g. EZ Reach™ Lighter, Skin Creative).
- Expand in fast-growing Creative Expression and Digital Writing markets (e.g. Rocketbook and AMI acquisitions, Skin Creative: BodyMark Innovation plus Inkbox, and Tattly acquisitions).
- Focus on sales growth in Developing Markets including Nigeria and West Africa, Morocco, and Romania.

Retail Disruption and Consolidation

BIC® product sales may be adversely impacted by:

- the consolidation of retail customers via e-commerce; and
- the potential reduction in pricing power related to pressure from retailers for lower pricing, increased promotional programs and direct-to-consumer channels.

Risk Rating: Medium

Potential Impact on BIC:

- Changing consumer buying habits may reduce pricing power through e-commerce channels and impact BIC's sales.
- Retail Consolidation (e.g. buying alliances).

Examples of Risk Mitigation:

- Serve consumers wherever they shop across all channels from e-commerce to hypermarkets, stationery stores and small traditional trade stores.
- Expand in e-commerce by covering the spectrum from Pure-Play e-retailers to omni-retailers as well as Direct to Consumer (DtC).
- Compelling consumer displays in retail stores and strengthen search efforts in e-commerce to drive sales conversion.

Supply Chain and Production

As a consumer products manufacturing, distribution, and sales-oriented organization, BIC is exposed to the risk of interruptions to production and internal and external supply chains issues including:

- raw material shortages or operational disruptions at suppliers, particularly during “back-to-school” season in Stationery;
- manufacturing and warehousing facilities disruption. Certain products may be concentrated within specific regions, which may be impacted by a catastrophic event;
- storage and use of hazardous substances including gas for lighters, solvents for permanent markers and dry-wipe markers; and solvents for industrial cleaning processes.

Risk Rating: Medium

Potential impact on BIC:

- Shortage of raw materials due to supplier business disruption. Potential causes include catastrophic event, changes in formulation, environmental regulations.
- Significant supply chain disruption may lead to BIC’s inability to meet consumer demand and/or commitments.
- Manufacturing business disruption and interdependencies between manufacturing sites might impact finished goods distribution.
- The current crisis in Ukraine may continue to affect the supply and prices of certain raw materials.

Examples of Risk Mitigation:

- Focus on raw materials and packaging supplier risk management, seeking alternative suppliers sources.
- Integrated Business Plan platform to ensure sales and production product portfolio is “right-sized” by location.
- Focus on logistics supplier risk management and warehousing optimization plan to minimize disruptions to distribution (sea and road freight).
- People and Capabilities programs are in place to enhance the strategy and maturity of functions required for global supply chain disruptions.
- Continuous footprint review process in place to reduce business continuity risk by bringing manufacturing closer to markets where appropriate.

In all BIC factories:

- implementation and monitoring of preventive and safety measures for gas and solvent storage areas;
- suitable control devices and equipment are in place to minimize risks from hazardous chemical substances;
- prioritization of fire prevention systems including fire detection and control equipment;
- perform hazard and risk assessments;
- identify, assess and prevent incidents and accidents;
- on going compliance with local regulatory requirements;
- strategic inventories are held in some factories to cover critical materials and components;
- training programs to back up the critical processes, ensure flexibility to cover market needs; to recognize potential hazards, as well as to take preventive and corrective action;
- maintenance programs to protect key equipment and technical processes.

The European Union SEVESO Directive identifies industrial sites that could pose significant accident risks. The SEVESO classified plants have emergency procedure protocols (*plan d’opération interne* and *plan particulier d’intervention*) and a major hazard prevention policy. All our SEVESO plants (BJ75 and Tarragona lighter factory plus BIMA stationery factory) have implemented a safety management system according to SEVESO standards.

All other plants have equivalent emergency plans to address risks with potential local consequences.



Cybersecurity

In today's digitally connected world, the frequency and sophistication of cyber-attacks is increasing, and BIC depends on resilient information technology (IT) systems and networks to operate our business and deliver quality products to consumers.

A cyber-attack could result in:

- operational delays or production downtimes;
- loss, corruption or compromise of data, confidential information, intellectual property, or otherwise protected information;
- security or data breaches;
- failure, manipulation, or improper use of BIC or third-party systems and networks;
- inaccurate financial reporting, financial losses from remedial actions, loss of business, or potential liability, regulatory fines and/or reputational damage.

Risk Rating: Medium**Potential Impact on BIC:**

- Unauthorized access, use, or disclosure of confidential or sensitive information, such as customer data, trade secrets, intellectual property, or personal information.
- Disruption, misappropriation or damage to information systems, networks, or devices due to cyber-attacks, such as ransomware, malware, phishing, denial-of-service, or other malicious activities.
- Financial loss, data breach, reputational damage, or legal and regulatory consequences from cyber fraud, such as business email compromise (BEC).

Examples of Risk Mitigation:

- Established a cybersecurity organization and executing a multi-year strategy aligned with IT transformation.
- Application of preventative security controls (e.g., multifactor authentication and email filtering), detection and response capabilities.
- Require all employees to complete annual security awareness training and reinforce the training with periodic phishing and awareness campaigns.
- Conducted internal risk assessments and partnered with third parties to perform security assessments of BIC IT infrastructure and applications.
- Strict application of incident response plans and playbooks to minimize the impact and speed recovery from a cyber-attack.

Net Sales Regional Concentration

BIC's Net Sales are concentrated in a few key markets, notably the U.S., Brazil, and France.

Risk Rating: Medium**Potential impact on BIC:**

- Such concentration of revenue generation potentially exposes BIC to risks of shifting consumer demand or regulatory environment in those markets.

Examples of Risk Mitigation:

- Ongoing focus on sales in Developing Markets (Middle East and Africa, India, Mexico) and diversification in Europe.
- Roll-out of a portfolio approach (e.g. Europe focus on strengthening Lighters).

Mergers & Acquisitions within BIC's Horizon Strategic Plan

BIC's Horizon strategic roadmap includes targeted acquisitions to strengthen BIC's existing activities and expand into adjacent growth businesses.

Risk Rating: Medium**Potential impact on BIC:**

- Challenge to identify and successfully execute strategic acquisitions at attractive valuations.
- Difficulty to efficiently integrate acquired companies, resulting in a lower value capture impacting return on investment.

Examples of Risk Mitigation:

- Dedicated, centrally led M&A, Value Capture and Integration (VCI) teams are in place, made up of professionals with extensive M&A backgrounds.
- Disciplined M&A and Value Capture & Integration Processes & Playbooks have been established with strong governance and clear accountability.
- Disciplined governance process supports pipeline development, due diligence and financial return expectations of deals.
- Application of a VCI planning and execution process to govern cross-functional integration, focused on establishing the adequate Operating Model to enable delivery of the synergies and value capture initiatives.

Product Safety

The risk related to product safety and consumer health and safety by placing non-compliant or unsafe products on the market.

Risk Rating: Medium**Potential impact on BIC:**

- Impact on consumer health and safety.
- Impact on the Brand image (consumers), BIC's reputation and business interests.
- Potential costs associated with possible market withdrawal, recall, fines and lawsuits.

Examples of Risk Mitigation:

- The Product Safety Policy includes commitments to ensure that products designed and manufactured by the Group and sourced by the Original Equipment Manufacturers (OEM) suppliers are safe for health and the environment.
- BIC embeds regulatory compliance and product safety risk management into its strategy through a rigorous set of processes. The quality of the million products that BIC supplies every day are systematically controlled by multiple tests.
- Consumer health and safety concerns are part of product design and manufacturing. The Product Safety Team collects and shares crucial information about the chemicals used by the Product Development Team to ensure that responsible chemistry criteria are being met. The product Safety team works closely with the product Development teams and legal to stay abreast of regulatory changes and act proactively.

For further information please see *Section 3.3.4.2 Product Safety*.



Plastics and Climate Change

Major risks for BIC are:

- risks related to plastics encompass:
 - upstream risks: with this material being used in BIC® products this is subject to price volatility, and
 - downstream risks: with issues surrounding pollution from plastic waste. In addition, and although BIC® products are not single-use, the regulatory environment surrounding plastics is becoming increasingly stringent. Consumers and public opinion also hold increasingly negative views regarding such products;
- risks related to climate change include:
 - risk of an increase in raw material costs. Energy efficiency programs, carbon capture and other measures by suppliers might increase raw material production costs,
 - risk of an increase in the cost of alternative plastic sourcing due to growing competition,
 - increased cost of operations linked to the rise of carbon prices.

Risk Rating: Medium**Potential Impact on BIC:**

The potential impacts on BIC include:

- increased cost of raw materials;
- rarefaction and price volatility of plastics;
- brand image deterioration due to plastic in our products;
- heightened regulations on plastics, impacting BIC's direct or indirect operations;
- carbon regulations affecting operating costs;
- disruption or interruption to production activities due to extreme weather events or flooding related to climate change;
- environmental labelling of products, thereby impacting sales.

Examples of Risk Mitigation:

- A comprehensive **sustainable development Program** designed to limit the environmental impact of BIC's activities. This covers BIC's activities, products and supply chain, and it is embedded in our Horizon Plan strategy and commitments, including:
 - improving the environmental and/or societal footprint of BIC® products (2025 Commitment: #1 Fostering sustainable innovation in BIC® products),
 - rolling out a comprehensive eco-design process as part of each product category's innovation processes.
- This will allow BIC to mitigate the following risks:
 - the plastics challenge, and
 - the carbon footprint of its products,
 - the use of 100% renewable electricity by 2025,
 - reduce BIC's greenhouse gas emissions by purchasing renewable energy and evaluating potential production of renewable electricity on-site,
 - embrace a circular economy approach embedded into BIC's historical approach to its products, including its 4R philosophy (Reduce, Recycled or Alternative, Refillable, Recyclable).
- **Ambitious commitments on plastics:**
 - by 2030: BIC aims for 50% non-virgin petroleum plastic for its products, with a goal of 20% by 2025,
 - by 2025: 100% of BIC's consumer plastic packaging will be reusable, recyclable or compostable.

In 2022, BIC undertook a study in accordance with Task Force on Climate-related Financial Disclosures (TCFD) to review the physical risks from climate change to all its facilities and those of some contract manufacturers and suppliers. The analysis included 248 facilities globally, including manufacturing centers, offices, residential buildings, warehouses and land owned by a third-party supplier or owned and leased by BIC.

The climate hazards included in the analysis were heat stress, water stress, floods, sea-level rise, and hurricanes and typhoons (tropical cyclones).

The most prevalent hazards for BIC were found to be floods and heat stress.

Many of the exposed facilities are not owned by the Group.

All these initiatives and those mentioned in the Group's sustainable development Strategy in Chapter 3 help mitigate the risks.

Counterfeiting/gray goods, Parallel Imports and Non-compliant Products from Competitors

Counterfeits of the well-known BIC products circulate throughout Africa, the Middle East, Eastern Europe and South America. They are mostly manufactured in Asia. These counterfeits, often of low quality, are mainly focused on our products' shape and on the BIC® trademark. Gray goods (i.e., genuine BIC products made for specific markets and smuggled into another country) that violate regulations pose product recall risks, particularly in the U.S.

The Group also faces competition from low-cost lighters that often do not comply with safety standards, the ISO 9994 international safety standard, and the child resistance standard.

Risk Rating: Medium**Potential impact on BIC:**

- Impact on the Brand image (Consumers) BIC reputation.
- Unfair competition with non-conform or counterfeit products.
- Costs associated with possible market withdrawal or recall and/or fines.

Examples of Risk Mitigation:

- The Legal Department leads the relevant courses of action against such counterfeits, gray goods and non-compliant products by closely working with local authorities and law enforcement agencies including:
 - judicial and administrative actions,
 - monitoring program of leading e-commerce platforms,
 - market surveillance, traceability measures, and collaboration with local authorities to prevent illegal imports of gray goods to the U.S.
- BIC also targets non-compliant lighters through stakeholder engagement efforts geared towards customers, market surveillance authorities, European Union (EU) Commission, EU Parliament, etc.
- The Group continues to advocate to reinforce market surveillance in Europe and help shape regulations such as the EU's General Product Safety Regulation issued in 2023.
- Over the past years, BIC worked to improve lighter safety standards in Mexico, advocated in Brazil for the maintenance of strict legislation on lighter market surveillance and strengthened market surveillance campaigns in Argentina. For example, in 2023, following fruitful engagements, lighters should be placed again on the priority list for surveillance in Brazil, while in Mexico, an agreement was reached to enhance the ISO (International Standards Organization) lighter safety standard requirements.
- The ISO 9994 safety standard has become mandatory for the first time in a U.S. State (Connecticut) as of 2022.

Increased Regulations

Restrictions, prohibitions and proposed prohibitions are increasingly common in the fields of chemical substances and plastics, particularly in North America and Europe. In the EU, the "European Green Deal" scheme aiming at making Europe the first carbon neutral continent by 2050, includes an ambitious plan "the Ecodesign plan for Sustainable Products Regulation" (ESPR). The purpose of the regulation is to define rules to make products more reliable, sustainable.

Risk Rating: Medium**Potential impact on BIC:**

- Impact on manufacturing processes and business interests.

Examples of Risk Mitigation:

- BIC closely monitors announced regulatory changes and voices relevant technical and legal arguments:
- Together with other European manufacturers, BIC continues to sustain its interpretation of the scope of the EU's CLP regulation (Classification, Labelling, Packaging).
 - BIC participated in the revision process of this CLP regulation during 2023.



Non-respect of Human Rights and Unfair Practices

This risk includes non-compliance with fundamental human rights such as child labor, discrimination or forced labor, as well as corruption and unfair practices.

Risk Rating: Medium**Potential Impact on BIC:**

- Reputation Loss.
- Legal actions against BIC.
- Fines.

Examples of Risk Mitigation:

- BIC has a Code of Conduct to ensure respect for Human Rights. This Code of Conduct is regularly updated. It applies to BIC worldwide as well as to contract manufacturers and suppliers.
- BIC efficiently applies the principles of the Code of Conduct and regularly monitors their implementation through audits.
- 92% of BIC's net sales come from products made in its factories, thus, reliance on contract manufacturing is relatively low.
- BIC's Code of Conduct applies to suppliers and business partners, who are at all times requested to comply with applicable national and international legislations. This includes laws regarding anti-corruption, anti-trust, anti-bribery, fair competition and human rights.

Further information can be found in *Chapter 3 Non-financial performance statement: our environmental, social and societal responsibility (Section 3.3.2.2.1 BIC's human rights in the workplace policy)*.

2.3. VIGILANCE PLAN

2.3.1 INTRODUCTION

2.3.1.1 Regulatory framework

The French Law no.2017-399 of March 27, 2017, on the duty of vigilance of parent companies (“the **Vigilance Law**”) applies to French companies employing, for at least two consecutive years, at least 5,000 employees including in their direct or indirect subsidiaries whose registered office is located in France or at least 10,000 employees including in their direct or indirect subsidiaries whose registered office is located in France or abroad.

In accordance with the Vigilance Law, and with Article L.225-102-4 of the French Commercial Code, BIC implemented, through its Vigilance Plan, the necessary due diligence measures to identify, as an obligation of means, risks and preventive measures relating to the following themes:

- Human Rights and Fundamental Freedoms infringements;
- Health and Safety hazards; and
- Environmental damage.

Major risks which are targeted may arise from:

- BIC Group activities, which may include activities of the Group’s parent company, and subsidiaries controlled directly or indirectly by BIC within the meaning of Article L.233-16 of the French Commercial Code (the “Subsidiaries”); and
- Third-Party Risks related to the activities of its subcontractors and suppliers with whom Group companies have an “established business relationship” ⁽¹⁾.

2.3.2 GOVERNANCE

Representatives of various departments, including sustainable development, Purchasing, Legal and Group Risk Management continued working on the monitoring of the implemented measures regarding the Vigilance Plan.

In 2023, we re-assessed the Vigilance Plan and all other elements of BIC’s Compliance Program in an ongoing effort to ensure its constant effectiveness.

With BIC’s Compliance function, we have been continuously assuring that the Vigilance Plan reflects the current state of activities, including through the update of the required risk mapping exercise.

The Executive Committee will continue to monitor the key non-financial performance indicators.

2.3.3 RISK MAPPINGS

Methodology

We focused on five workstreams to carry out risk mapping to identify major risks:

- the first, overseen by the sustainable development Department and the Legal Department, focused on BIC’s operations;
- the second, overseen by the Purchasing Department, focused on BIC’s supply chain, as part of Writing the Future, Together program;
- the third, overseen by Enterprise Risk Management, focused on non-routine enterprise wide risks; and
- the fourth and fifth, both overseen by the Legal Department and Compliance Department, based on the legal requirements under French law Vigilance Law and Sapin II Law.

The working groups assessed major existing and potential risks

across the Group, as well as opportunities designed to create value for stakeholders and the Group. The risk mapping highlights the risks associated with the supply chain and corruption risks. An Integrated Risk Assessment initiative was led by the Enterprise Risk Management and Compliance functions using both top down and bottom-up approaches. The assessments’ results were shared with the Executive Committee and key leaders within the company. For further details please refer to Section 2.2. Description and mitigation of main risk factors.

In 2022, an external service provider, specialized in corporate social responsibility and responsible purchasing, supported the working group in developing the risk assessment. The tool included the same rating scale as used for Group risk mapping (presented in Section 2.4 Risk Management and Internal Control Procedures implemented by the Company and Insurance).

(1) Article L.225-201-4 (I) of the French Commercial Code [Unofficial Translation].



This risk assessment methodology of 2022 was namely built on:

- recommendations in the main relevant standards, such as ISO 31000 which provides a methodological risk management framework;
- expectations of outside stakeholders (e.g., French Anti-Corruption Agency, NGOs, clients) and internal stakeholders;
- requirements of the "Sapin 2" Law and EU Directive 2014/95/EU (on the non-financial performance statement) in terms of risk identification and prevention; and
- UN recommendations and OECD guidelines regarding due diligence.

We worked to identify and update the major risks and relevant actions on the four topics covered by the Vigilance Law as well as business ethics through approximately 60 topics designed to sharpen the analysis.

Perimeter

Specific risks were identified namely under the following purchasing category:

- plastics;
- ink & chemicals;
- gas;
- metals;
- services (utilities and other services);
- logistics;
- subcontractors.

Stakeholder Consultation

The Group involved stakeholders in the risk mapping process:

- internal stakeholders:
 - purchasers within the various purchasing categories,
 - Group Compliance Officer,
 - domain experts (EH&S, industrial facilities, sales in different geographical areas, HR, etc.); and
- external stakeholders: some suppliers (plastics).

BIC has continued updating its risk mapping under the Vigilance Plan in 2023, with an updated and revised methodology to evaluate its gross risks and net risks with the support of external experts and in accordance with the law, global standards and regulators' expectations.

Duty of Vigilance Risk Mapping Methodology

In accordance with the Vigilance Law, and with article L.225-102-4 of the French Commercial Code, BIC carries out required risk mappings to identify, analyze and prioritize major risks related to human rights and fundamental freedoms, health and safety as well as environment, as per the Vigilance Law requirements. This risk mapping exercise is part of BIC's different risk management initiatives as well as part of the vigilance plan (the "Vigilance Plan").

As required by law, the Vigilance Plan includes reasonable vigilance measures to identify risks and prevent serious harm resulting from BIC's activities and those of companies it may control, directly or indirectly, within the meaning of Article L.233-16 (II) of the French Commercial Code, as well as from the activities of any subcontractors and suppliers with whom it has an established business relationship.

BIC's Vigilance Plan complies with the provisions of the Vigilance Law and includes an assessment of the main actions implemented to remedy or mitigate the specific risks that BIC poses or is likely to pose to its environment.

This specific risk mapping is based on a comprehensive risk analysis methodology based on six steps. To ensure a thorough and up-to-date understanding of risks, this approach has included discussions with internal stakeholders involved in BIC's processes (included but not limited to sales, recruitment, procurement, etc.), analysis of those processes, factors that may impact any potential risks, and incorporated data regarding certain external stakeholders (such as certain suppliers or contractors).

In accordance with the Vigilance Plan, and regarding the related risk mapping methodology, BIC follows a six-step process:

- step 1: Identification of roles and responsibilities of the risk mapping stakeholders;
- step 2: Identification of the risks inherent to BIC's activities;
- step 3: Assessment of gross risks;
- step 4: Net or residual risk assessment;
- step 5: Prioritize net or residual risks and draw up an action plan; and
- step 6: Formalize, update and archive the risk mapping.

By using this methodology, BIC has finalized a complete, formalized, and evolving risk map covering Human Rights and Fundamental Freedoms, Personal Health and Safety, as well as the Environment.

BIC will continue to evaluate the impact and effectiveness of its actions in order to always improve its understanding of the risks it may face.

2.3.4 ORGANIZATION AND MEASURES TO PREVENT MAJOR NON-FINANCIAL RISKS AND RISKS RELATING TO THE DUTY OF VIGILANCE

The Chapter 3 of the Universal Registration Document explores in detail the issues, policies, initiatives in place and accomplishments over the past year and BIC's non-financial performance.

BIC has drawn up a series of documents to facilitate risk management. The ones that specifically address the areas covered by the Vigilance Law and provide the basis for BIC's Vigilance Plan are:

- **BIC Anti-Corruption Policy**, which reiterates BIC's intolerance of bribery and corruption and thus prohibits any form of illicit retribution, unjustified advantage, or bribery – promised, offered or received by all employees, officers, directors, subsidiaries and affiliates of BIC as well as by all outside parties and any other person acting on behalf of BIC;
- **BIC Group Code of Conduct**, which embodies BIC's principles and values and sets out its commitment to conducting its business in accordance with all relevant laws, regulations, and industry standards. The Group Code of Conduct also provides information on key areas of business activity and outlines the responsibilities of every BIC employee;
- **Environment, Health & Safety (EH&S) Policy**, codifies the Group's commitment to improving its industrial activity, from production to distribution, in order to protect the environment as much as possible;
- **BIC Charter of Diversity**, which was signed by the CEO and the Group's Human Resources Director, demonstrates BIC's commitment to diversity. It is shared by all of the Group's

entities worldwide and has been translated into the main languages spoken in the Group;

- **Supplier Code of Conduct**, which outlines the expectations from BIC's Suppliers and gives guidelines with respect to responsible sourcing including BIC commitments to human rights, the environment, health and safety, business ethics and the development of a diverse and sustainable supply chain;
- **Global Procurement Policy**, aims to ensure good practices around the management of BIC's external spend to suppliers, the supplier selection process, and adherence to the BIC Supplier Code of Conduct;
- **Global Purchase Order (PO) Policy**, outlines the PO process globally. POs are legally binding documents between companies and suppliers, including the terms and specifications of a purchase. POs help enhance efficiency and traceability, streamline approvals and payment process;
- **Responsible Purchasing Charter (incorporated in the Supplier Code of Conduct)**, which aims to ensure good practices around the management of BIC's external spend to suppliers, the supplier's selection process, adherence to the BIC Supplier Code of Conduct, and so that Procurement is continuously delivering value to the business.

These documents are detailed in Section 3.4. Ethics and Business Conduct

Within the scope of the law, the major risks listed below represent the most critical risks identified both in terms of probability of occurrence and seriousness of potential impact.



A. Major Risks Arising from BIC Group Activities [NFPS]

Major risks	Type of risks	BIC Policies	Risk Rating (Impact x Likelihood)	BIC Organization	Mitigation and remediation measures/Due diligence and regular assessment processes/ Results - Key non-financial performance indicators
Plastics: plastic waste and resource depletion	Environmental risks	2025 Commitment: #1 Fostering sustainable Innovation in BIC® products	Medium	Implementation by the Categories, by Global Procurement, with the support of the sustainable development Department	See the eco-design process in <i>Section 2.2 Risks related to plastics and climate change and 3.2.3. Circular economy and waste</i>
Climate change	Environmental risks	2025 Commitment: #2 Combatting climate change	Medium	Implementation by the sustainable development Department EH&S Officer in the factories	See the process for combatting climate change in <i>Section 2.2 Risks related to plastics and climate change and 3.2.1. Climate Change</i>
Product safety and Consumer Health and Safety	Risks to health and safety	BIC policies governing product safety	Medium	Implementation by the Product Safety Department	See the product safety policy in <i>Section 2.2 Risks related to product safety and 3.3.4.2 Product safety.</i>
Health and Safety of Team members	Risks to health and safety	2025 Commitment: #3 Committing to a safe work environment. EH&S Policy	Medium	Implementation by HR and each category EH&S Officer in the factories	See the workplace safety process in <i>Section 3.3.1.2 working conditions</i>
Non-respect of Human Rights and Fundamental Freedoms (child labor, International Labor Organization – ILO conventions)	Risks to Human Rights and Fundamental Freedoms	BIC Code of Conduct, HR Policies	Medium	Implementation by HR for team members Implementation by each Factory Director	See the measures to ensure Human Rights are respected in the workplace in <i>Section 2.2 Risk related to the non-respect of Human Rights and Unfair Practices and 3.3.2. Workers in the value chain</i>
Unfair practices (Corruption)	Risks of active or passive corruption	BIC Code of Conduct and BIC Anti-Corruption Policy	Medium	Implementation by a Group Compliance Officer, the Legal Department, and Global Procurement	See the process to combat corruption in <i>Section 3.4 Ethic and Business conduct.</i>

B. Major Supply Chain Risks

Purchasing Categories	Type of risks	BIC Policies	BIC Organization
Raw materials, Plastics, Metals, Inks and Chemicals	<p>Environment: Plastics consumption, water pollution and soil pollution related to the extraction of raw materials</p> <p>Human Rights: Exposure of local populations to releases from production sites</p> <p>Exclusion of conflict minerals</p> <p>Health and Safety: Impact of chemicals on health and safety of team members</p> <p>Consumer product safety</p> <p>Ethics: Regulatory compliance, corruption</p>	<p>The Supplier Code of Conduct</p> <p>Global Procurement Policy</p> <p>2025 Commitment: #4</p> <p>Proactively Involving Suppliers</p>	<p>Implementation by Global Procurement, Industrial Departments, and sustainable development Department</p>
Packaging	<p>Environment: Deforestation, overpacking, water pollution from the manufacturing process</p> <p>Health and safety: Environmental impact of chemicals used (inks, adhesives)</p> <p>Ethics: Regulatory compliance, corruption, use of wood from non-sustainable exploitation</p>	<p>The Supplier Code of Conduct</p> <p>Global Procurement Policy</p> <p>BIC Code of Conduct</p>	<p>Implementation by Global Procurement, Industrial Departments and sustainable development Department</p>
Transport & Logistics	<p>Environment: Greenhouse gas emissions, consumption of non-renewable energy sources</p> <p>Health and safety: Road accidents & handling accidents</p> <p>Ethics: Corruption</p>	<p>The Supplier Code of Conduct</p> <p>Global Procurement Policy</p> <p>BIC Code of Conduct</p>	<p>Implementation by Global Procurement, Industrial Departments and sustainable development</p>
Contract manufacturers	<p>Environment: Greenhouse gas emissions, consumption</p> <p>Societal and Human Rights: Compliance with ILO Conventions in terms of working conditions, forced labor, constrained work or child labor</p> <p>Employee Health and Safety</p> <p>Ethics: Regulatory compliance, corruption</p>	<p>The Supplier Code of Conduct</p> <p>Global Procurement Policy</p> <p>BIC Code of Conduct</p>	<p>Implementation by Global Procurement, Industrial Departments and sustainable development</p>
Indirect suppliers	<p>Environment: Water and energy consumption, water pollution especially for maintenance personnel</p> <p>Societal and Human Rights: Compliance with ILO Conventions in terms of working conditions, forced labor, constrained work or child labor</p> <p>Employee Health and Safety</p> <p>Ethics: Corruption</p>	<p>The Supplier Code of Conduct</p> <p>Global Procurement Policy</p>	<p>Implementation by Global Procurement</p>

C. Duty of Vigilance Risk Mapping - Risk Categories

Three risk categories have been identified in accordance with article L.225-102-4 of the French Commercial Code, namely: 1° human rights and fundamental freedoms, 2° health and safety as well as 3° environment. Each category is divided into specific topics:

- Human rights and fundamental freedoms:
 - Impact on Local Communities;
 - Inclusion and Diversity;
 - Human Rights (privacy, freedom etc.).
- Environment:
 - Pollution;
 - Climate Change;
 - Waste and Circularity.
- Health and Safety:
 - Employees Safety;

- Decent Workplace;
- Health and Safety.


The assessment includes the “risk of occurrence” – probability that the risk occurs -, along with the potential impact of the potential risk.

The Vigilance Plan mapping of analysed “gross risks” illustrates the assessment of the potential risk prior to the impact of mitigation and remediation measures (potential “gross risk”). These potential gross risks are attenuated by the mitigation and remediation measures (potential “risk net”) as described below (see *Mitigation and Remediation/Due Diligence Process related to Vigilance Plan*).

The levels are assessed on the following scale: “very low risk”; “low risk”; “medium risk” and “high risk”. It should be noted that no “high risk” has been identified.



The Vigilance Plan mapping “gross risks” may be represented as follows:



		Human Rights and Fundamental Freedom (Art. L. 225-102-4.1 French Code de Commerce)			Environment (Art. L. 225-102-4.-1 French Code de Commerce)			Health and Safety (Art. L. 225-102-4.-1 French Code de Commerce)		
		Impact on Local Communities	Inclusion and Diversity	Human Rights (privacy, freedom, etc.)	Pollution	Climate Change	Waste and Circularity	Employees' Safety	Decent Workplace	Health and Wellness
BIC activities	Sites and production in potentially sensible areas	●	●	●	●	●	●	●	●	●
	Treatment of single-use plastic				●	●	●			
	Treatment of used waste from products				●	●	●			
Suppliers / Contractors	Reliance on certain suppliers regarding certain materials	●		●	●	●	●			
	Cooperation limited form certain suppliers	●	●	●	●	●	●			
	Social and environmental impact on local communities	●	●	●	●	●	●	●	●	●
	Impact related to practices regarding the relationship between certain suppliers and their sub suppliers	●	●	●	●	●	●	●	●	●
	Potential reputational elements regarding chemical and metal suppliers	●		●	●	●	●	●	●	●
	Impact of components from potentially sensitive areas	●		●	●	●	●	●	●	●
	Purchasing of metals and components that could potentially come from rare earths	●		●	●	●	●	●	●	●

● Very low risk
 ● Low risk
 ● Medium risk
 ● High risk

Mitigation and Remediation/Due Diligence Process

- BIC relies on its Global Procurement organization to achieve an integrated best practice approach. To this end, BIC Purchasing teams and Supply Chain teams have merged into a global department. One of its key priorities is to continually and consistently implement the supply-chain aspects of the Vigilance Plan (suppliers, subcontractors, transporters).
- Global Procurement monitors Key Performance Indicators (KPIs) to identify key risk areas and establish mitigation plans.
- In addition, the Responsible Procurement 2025 Road Map aims to identify value creation drivers in the supply chain and assess and mitigate any sustainable development risks. The execution plan provides for appropriate actions to be rolled out for each category and supplier type. In 2023, 81% of strategic suppliers had been brought within the program for at least one of the responsible Procurement actions. The goal is for 100% of strategic suppliers to be part of the program by 2025.
- BIC Responsible Procurement Training Program is in place as a part of the BIC Capability Building Program.
- The Group's Supplier Code of Conduct is shared with all BIC suppliers.
- BIC third-party due diligence program is in place to monitor, identify, mitigate and document any exposure to corruption and unfair practice risks. The program leverages automated tools to assess supplier's risks and support BIC's commitment to do business with integrity.
- The third-party due diligence program is a risk-based approach that:
 - categorizes & identifies suppliers,
 - performs risk assessments,
 - mitigates risks; and
 - monitors and continuously reviews suppliers and reports any risks on an ongoing basis.
- The first phase of the updated third-party due diligence program focused on BIC's strategic suppliers and Contract Manufacturers.
- In parallel, BIC has updated the list of strategic suppliers using specific criteria and performed a strategic supplier's evaluation as part of our Vigilance plan.

For further information on responsibility in the value chain, the steps taken and the results achieved, please see *Section 3.4. Ethics and Business Conduct*

Regular Assessment Process

Global Procurement implemented the following process to ensure the risk mitigation measures are regularly assessed:

- monitoring, screening, vetting and mitigating risks of strategic and high-risk suppliers including delisting;
- monitoring of the CSR criteria in calls for tender or in referencing processes;

- monitoring of the supplier panel through audits, documentation reviews, assessments, etc.;
- monitoring of audit findings, documentation reviews, assessments, etc.;
- monitoring of the corrective actions requested;

In accordance with the Vigilance Law, and with article L.225-102-4 of the French Commercial Code, BIC continues to implement, through its Vigilance Plan, the necessary measures to prevent serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment.

As part of its Vigilance Plan, BIC also relies on its strategy "*Writing the Future, Together*" and pledged to achieve five sustainable objectives by 2025:

1. fostering sustainable innovation in BIC products:
 - 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 composable,
 - by 2030, BIC will use 50% non-virgin petroleum plastic or alternatives in its products;
2. acting against climate change:
 - by 2025, BIC aims for 100% renewable electricity use;
3. committing to a safe work environment:
 - by 2025, BIC aims for zero accidents across all operations;
4. proactively involving suppliers: By 2025, BIC will work responsibly with its strategic suppliers to ensure the most secure, innovative, and efficient sourcing;
5. improving lives through education: By 2025, BIC will improve learning conditions for 250 million children, globally.

Regarding the environmental aspect, BIC took several measures to mitigate the risks identified in the Vigilance Plan risk assessment and other risk assessments. As thoroughly addressed in this report, to reduce its greenhouse gas emissions, BIC is optimizing its product transportation. As an example, BIC limits its use of air freight and more than 78% of the products sold in Europe are manufactured on this continent.

BIC continues to strengthen its dedication to environmental sustainability and the fight against global warming by prioritizing the reduction of greenhouse gas emission in its long-term strategy, setting specific targets for emission cuts by 2030.

With regard to the treatment of single-use plastics, BIC made strong commitment towards circular economy and launched a pilot project for lighter recycling in Spain (Balearic Islands) with the objective to extend this program to other regions. BIC is also establishing processes to use non-virgin plastic.

The organization aims to minimize waste in its manufacturing facilities and prioritize its responsible elimination through material and energy recovery processes. BIC established a comprehensive waste management policy and has initiated factory-level programs to encourage waste reduction and recycling.



BIC products have been engineered to minimize raw material consumption. This approach at BIC aligns with the “4 Rs” philosophy for Reduce, use Recycled and alternative materials, Refill and Recycle, in accordance with principles of circular economy. BIC is committed to designing and manufacturing packaging that uses as little material as possible, with responsible products that are refillable, when possible, recyclable, or compostable.

The Environment, Health & Safety Policy (see Chapter 3) also reflects the Group’s pledge to reduce the environmental and safety impacts of its operations, in a constant effort to preserve the environment. In France, initiatives took place to study soil decontamination and to ensure the safety of employees through measures such as emergency plans (see in Section 3.2.2.2 *Policies, actions taken, results and outlook*).

The Product Safety Policy outlines BIC’s commitments to ensure product safety. In addition, BIC has committed to seven specific quality and safety standards for its lighters (see in Section 3.3.4.2 *Products safety*).

Concerning health and safety, BIC continues to be a leader, particularly in the lighter business. BIC offers safe products that meet consumer expectations and comply with safety requirements (see in Section 3.3.4.2 *Products safety*).



BIC also aims to guarantee physical and mental integrity of its employees by preventing workplace accidents and occupational illnesses.

As regard to human rights and fundamental freedoms, BIC’s social responsibility commitments are underscored by a rigorous audit program, ensuring adherence to its Supplier Code of Conduct across all manufacturing sites for its products. Audits are conducted by independent auditors via the Workplace Condition Assessment (WCA) platform, which aligns with international human rights standards and national laws, including the International Labor Organization (ILO) norms and best practices.

BIC is also committed to protect fundamental rights, including the rights to privacy and freedom of speech. It ensures that its compensation packages are competitive, adhering to the minimum wage standards of the region and aligning with both national and international legislation regarding compensation.

For local communities, programs supported by BIC can provide assistance in the areas of economic development, education, environmental protection etc.

The Vigilance Plan mapping “net risks”, after mitigation measures, may be represented as follows:

		Human Rights and Fundamental Freedom (Art. L. 225-102-4.1 French Code de Commerce)			Environment (Art. L. 225-102-4.-1 French Code de Commerce)			Health and Safety (Art. L. 225-102-4.-1 French Code de Commerce)		
		Impact on Local Communities	Inclusion and Diversity	Human Rights (privacy, freedom, etc.)	Pollution	Climate Change	Waste and Circularity	Employees' Safety	Decent Workplace	Health and Wellness
BIC activities	Sites and production in potentially sensible areas	●	●	●	●	●	●	●	●	●
	Treatment of single-use plastic				●	●	●			
	Treatment of used waste from products				●	●	●			
Suppliers / Contractors	Reliance on certain suppliers regarding certain materials	●		●	●	●	●			
	Cooperation limited form certain suppliers	●	●	●	●	●	●			
	Social and environmental impact on local communities	●	●	●	●	●	●	●	●	●
	Impact related to practices regarding the relationship between certain suppliers and their sub suppliers	●	●	●	●	●	●	●	●	●
	Potential reputational elements regarding chemical and metal suppliers	●		●	●	●	●	●	●	●
	Impact of components from potentially sensitive areas	●		●	●	●	●	●	●	●
	Purchasing of metals and components that could potentially come from rare earths	●		●	●	●	●	●	●	●

● Very low risk
 ● Low risk
 ● Medium risk
 ● High risk

Results – Key Non-Financial Performance Indicator

Key non-financial performance indicators were defined and will be implemented according to the various purchasing categories.

D. Whistleblower Hotline

The “BIC Speak-Up” hotline, which is accessible to all BIC team members and third parties, allows for any breach, or potential breaches, of the BIC Anti-corruption Policy, BIC Code of Conduct, other BIC policies as well as breaches or, potential breaches, of laws and regulations to be reported (see Section 3.4

Ethics and Business Conduct). This offers a possibility for whistleblowers to also disclose in confidentiality any risks that they might be aware of and which may be covered by the Vigilance Law, in accordance with all legal provisions regarding the protection of whistleblowers, the process of investigation and the treatment of the alert. The hotline is accessible from BIC’s intranet and websites. Alerts coming through any other channel will also be considered and treated according to the law.

In 2023, 24 new cases were reviewed and investigated thoroughly.



2.4. RISK MANAGEMENT AND INTERNAL CONTROL PROCEDURES IMPLEMENTED BY THE COMPANY AND INSURANCE

2.4.1 RISK MANAGEMENT AND INTERNAL CONTROL DEFINITIONS AND OBJECTIVES

2.4.1.1 Adoption of the Principles of the AMF's⁽¹⁾ Reference Framework for Risk Management and Internal Control Systems

For the purposes of this section, the Group complies with the principles outlined in Part II of the Risk Management and Internal Control Systems – Reference Framework updated in July 2010 by the Working Group chaired by Olivier Poupart-Lafarge and established by the AMF. This represents a partial adoption of the full text that also provides an *Application Guide* for internal control procedures for the accounting and financial information published by the issuer.

The related specific control activities are the responsibility of the local subsidiaries. Those subsidiaries continuously adapt them in response to current circumstances, drawing guidance from the Group Accounting and Controllers' Manuals. The *Application Guide* has not been formally compared to existing procedures and processes, but the Group does not expect material differences given the similarities between the *Application Guide* and these two manuals.

a) Risk management

Risk management encompasses a set of resources, behaviors, procedures and actions that are tailored to the characteristics of the Company and its employees while observing legal requirements.

Risk represents the possibility of an event occurring that may affect:

- the Company's ability to achieve its business goals and core strategy;
- the Company's ability to abide by its values, ethics, laws and regulations;
- the Company's personnel, assets, environment, financials, or reputation.

Risk management also helps to:

- maintain and protect the Company's value, assets and reputation;
- safeguard the Company's decision-making and processes to achieve its objectives;
- ensure that the Company's actions are consistent with its values.

b) Internal control

The risk management process also incorporates the definition of internal control company-wide to ensure that:

- the Company remains in full compliance with evolving laws and regulations, and operates with the highest level of ethical business standards;
- the instructions and guidelines issued by Executive Management are followed;
- the Company's internal processes remain effective and continuously improve, particularly those involving the protection of its assets. Assets are understood to be both tangible and intangible (know-how, brand, image or reputation) and are used throughout existing Company processes;
- financial information is reliable.

BIC's internal controls are designed to provide reasonable assurance on:

- compliance with all applicable laws and regulations governing the Company and its daily operation;
- providing ongoing communication and guidance to employees to ensure they understand the full scope of their responsibilities and expected contributions to the Company;
- providing guidance for operational, industrial, commercial and financial processes;
- producing reliable financial statements⁽¹⁾. The reliability of such information depends on the quality of the associated internal control procedures and system (see reporting procedures *Section 2.4.2.4 Internal Control procedures*) including:
 - the segregation of duties principle, enabling a clear separation between input, operating and retention duties,
 - guidance regarding the identification of the source of the information and materials produced,
 - transactions recorded in accordance with applicable accounting standards.

2.4.1.2 Scope of Risk Management and Internal Control

Risk management and internal control, as defined in this report, apply to SOCIÉTÉ BIC as Group parent company and all Group consolidated entities.

(1) These include full, interim and condensed financial statements and selected financial data derived from such statements, such as net sales releases.

The internal controls in place have been designed for all entities to reflect:

- the existing organization;
- the objectives set out by the Board of Directors and the Executive Committee (see *Section 2.4.3 Risk Management and Internal Control Participants, Specific Structure(s) in Charge/ Respective Roles and Interactions*); and
- compliance with laws and regulations.

Supporting principles and systems have been set up in all relevant areas and subsidiaries, considering local specificities and regulations. These principles are also known to and followed by the various centralized Group departments.

The Risk Management principles also apply to any entity joining the Group. Whenever possible, the Group asks its

subcontractors and suppliers to also comply with these principles.

2.4.1.3 Limitations of Risk Management and Internal Control Systems

Risk management and internal control systems have inherent limitations and cannot provide an absolute guarantee that the Company's objectives will be met. Despite the control measures we currently have in place, our systems and those of our third-party service providers are subject to the ever-changing risk of compromised security, acts of vandalism, human errors and other unforeseen events.

Moreover, any time a control activity is to be implemented, the comparative cost/benefit must be considered, ensuring reasonable coverage of the necessary controls.



2.4.2 COMPONENTS OF RISK MANAGEMENT AND INTERNAL CONTROL OF THE COMPANY AND ITS SUBSIDIARIES

The effectiveness of risk management and internal control systems depends on their fundamentals and adoption by the company.

2.4.2.1 Control Environment

a) Organization

The Group has implemented a structured internal control system giving the appropriate guidelines and responsibilities to achieve the objectives laid down by the Board of Directors and Executive Committee. This organization is based on the definition of responsibilities and objectives by Management and then shared individually with team members.

b) Main Tools and Procedures

Various tools and procedures have been put in place to support this structure and measure its effectiveness. The primary tools shared by all Group entities include:

- Code of Conduct (see *Section 2.4.3.6 Team Members*);
- Group Anti-Corruption Policy (see *Section 2.4.3.6 Team Members*);
- Group Vision and Values (see *Section 2.4.3.6 Team Members*);
- Group Accounting and Controllers' Manuals. These manuals, distributed to all entities and available on the Group intranet, provide guidelines on:
 - bookkeeping and financial reporting under IFRS, and
 - procedures to respect the internal control system throughout the Company (i.e., Purchasing, Treasury, Tax, Sales, etc.);
- Fraud Reporting Protocol: The purpose of the Fraud Reporting Protocol is to ensure that all suspicions of fraud or actual cases are reported in a timely, consistent and uniform manner and to coordinate the subsequent investigations. A fraud reporting template has been provided to all BIC subsidiaries;
- BIC Speak-up hotline (see *Section 2.4.3.6 Team Members*);
- Human Resources Management Policy:
 - see *Section 3.3. Social*,

- Human Resources Management plays a full part in the effectiveness of internal control, in particular, it ensures that the recruitment process reflects the knowledge and skills needed by the Group. Furthermore, it communicates Management's objectives to each individual in accordance with their role and responsibilities, for example, the Performance, Évaluation and Development (PED) tool was created to effectively achieve the following goals:
 - cascading of the Company's objectives to the team members throughout the year,
 - training and development: see *Section 3.3. Social*;
- Information Systems: Various IT systems are used depending on the business processes they support. They are organized primarily by continent. However, consolidation procedures are in place to provide access to consolidated results that Group Management can use to monitor performance and manage operations.

Most BIC entities use fully integrated systems (ERP) to help manage the business and report financial data using consolidation and management software (see *Section 2.4.2.4 Internal Control Procedures*).

Continents and countries oversee implementing operating procedures to secure access, back-up and recovery of critical system data.

2.4.2.2 Dissemination of relevant and reliable information

The Company has implemented efficient information dissemination processes and systems that allow accurate communication to be shared with the appropriate level of responsibility and authority. The tools used to accomplish this range from IT (Information Technology) solutions (including the Group intranet, the financial consolidation software, the integrated system implemented per continent, etc.) to existing procedures that encompass information management.

These information tools support the Company's overall internal control system and to help with decision-making and follow-up for the achievement of Management's objectives.



2.4.2.3 Risk Management Process

One of the goals of risk management is to address key existing, new, evolving and emerging risks that may significantly impact the Company by leveraging a variety of internal and external mitigation processes and/or external insurance protection.

The Group Risk Management Department consists of Enterprise Risk Management (ERM), Insurance Risk Management and Risk Advisory.

BIC's ERM framework leverages a five-step approach:

- risk identification;
- risk assessment;
- risk mitigation;
- risk monitoring;
- risk management.

a) Risk Identification

Risk identification establishes the exposure of the Company to risk and uncertainty. The process highlights the main risks arising from both external and internal sources. All risks are categorized into a standard hierarchy based on common root causes that begins with four primary risk categories (Strategic, Regulatory, Financial, and Operating). The risk register contains risk types and respective statements.

The ERM team conducts an annual global risk mapping exercise, challenging the answers received when necessary. It also consolidates the documents and weighs the impact as input for the Group Risk Matrix. This matrix provides the impact for BIC for all risk under the risk register.

In addition to the annual risk mapping assessment led by Enterprise Risk Management team, in 2023, two legally required risk mapping exercises have also been conducted. They include the required anti-corruption risk mapping under the French law 2016-1691 of 9 December 2016, also known as the Sapin II Law, as well as the duty of care risk mapping required under French law 2017-399 of 27 March 2017, also known as the Duty of Vigilance.

Identified risks proceed to the next step in our risk management process.

b) Risk Assessment

Once a risk is identified, its profile is assessed to develop a common understanding of the top drivers and evaluate potential scenarios. A standardized risk assessment methodology is applied to define the Risk Rating, Risk Mitigation Effectiveness, Course of Action, Risk Outlook and Velocity.

The risk assessment process helps to prioritize risks. Prioritized risks then proceed to the next step.

c) Risk Mitigation

Under the ERM framework, risk owners are assigned. This individual oversees the development and execution of an aligned mitigation plan which includes an overview of the risk, most likely scenario, specific mitigation plans (short and long term), and progress against initiatives. Since these risks have the potential to impact our ability to deliver our strategic plans, mitigation plans are embedded into the Company's planning processes and risk owners' objectives as appropriate.

To document and track progress against mitigation plans, we use identified Key Performance Indicators (KPIs).

The Executive Committee manages the major risks identified in BIC's risk mapping. All other risks identified are managed by their respective entity following the ERM framework. Group Risk Management reviews risk mitigation actions and partners with the organization to enhance them as appropriate.

In addition, there are a series of procedures (see *Section 2.4.2.4 Internal Control Procedures*). The Executive Committee, Group Functions, and Management monitor risks across the organization on an ongoing basis, including:

- Group Treasury monitors interest rate exposure and foreign exchange exposure daily along with liquidity risk;
- Legal Department monitors changes to laws and regulations and ongoing litigation;
- Management and the sustainable development Department monitors industrial and environmental risks;
- Commercial organization monitors market and consumer trends;
- Executive Committee monitors significant strategic and operational risks.

An annual review of the Insurance coverage process also takes place: see *Group Presentation - Section 2.4.4 Insurance - Coverage of risks*.

d) Risk Monitoring

Once mitigation plans are aligned, ERM team governs the process with the risk owners to review the effectiveness of risk actions and adjust as necessary. Standardized risk templates are leveraged to help guide these discussions, providing summary information by risk. The cadence and level of these reviews varies based on the type and magnitude of the risk.

Executive Risk Owners lead the discussions for the major risks with the Executive Committee supported by the ERM team. The ERM team debriefs the Audit Committee and Board of Directors on major risks at least once a year, post Executive Committee Risk Reviews.

Locally identified risks are reported to the ERM team annually and reviewed by the local leadership team prior to submission.

e) Risk Management

Risks impact and mitigation plans are embedded in core processes as appropriate such as Strategic Planning Process, Capital Planning, Core Operating Processes, Vigilance Plan, Project Management, etc. The prioritization of investments due to risk exposure and the need to improve risk mitigation efforts is another example of how the organization embeds risk management into core processes.

2.4.2.4 Internal Control Procedures

a) Internal Control Procedures Related to the Preparation of Accounting and Financial Information Published by the Company

The accounting and financial information is prepared in compliance with the IFRS (International Financial Reporting Standards) as adopted by the European Union, for both internal and external reporting.

The information follows a bottom-up reporting process from the local statutory accounts to the consolidated and management financial statements. This reporting is done using consolidation software following each monthly closing.

Finance teams in each subsidiary report accounting and financial information to the business unit finance teams and then to the Group.

Local External Auditors audit the IFRS package (country financial statements) for the largest entities. Statutory Auditors prepare memorandums and a summary of significant comments for the Group.

Cost controllers work closely with operations and report to local Management and functionally to the continent/category Finance Director.

The Group developed a Controllers' Manual of policies and internal procedures that is observed by Finance Directors in the subsidiaries. This review is ongoing, with key policies and procedures updated and validated by functional managers as required. When a new policy is established, or an existing policy is updated or enhanced, the information is communicated and posted on BIC's intranet and is also cascaded down to all subsidiaries by the Executive Committee.

The reporting procedures within the Group are as follows:

- a Group financial information system is used to consolidate statutory and management reporting within the same reporting parameters;
- a detailed sales reporting system is also leveraged. A monthly reconciliation is prepared between the sales reporting and financial information systems. Any meaningful variance is explained;
- the Group financial information system is used in all subsidiaries. This allows analysis at each reporting level (subsidiaries, continents, Group or by product category) starting from the same source data and using the same reporting parameters;
- the Group internal financial information is analyzed monthly and compared against the budget at subsidiary level. The Executive Committee also reviews the consolidated data and related analysis monthly;
- financial performance analysis is performed to compare actuals, budget, forecasts, strategic plan and is reviewed by the Executive Committee;
- the Group Chief Financial Officer validates the consolidated financial information. Significant variances are reviewed with the Chief Executive Officer;
- the Audit Committee reviews and validates this information and provides the Board of Directors with a report, if necessary;

- External Auditors are involved in the annual validation of the financial information production process.

The account closing process includes the following:

- communication of accounting rules by Group Finance via the Group Accounting Manual;
- communication of calendar and instructions to the affiliates by the Consolidation Department at each monthly closing;
- checklist with the corresponding tasks to be performed by the subsidiary for the account closing.

b) Other Internal Control Procedures

As mentioned, internal control is decentralized within the Group. It is thus the responsibility of each organization (subsidiary, department, category, continent, etc.) to establish the relevant procedures in all relevant sectors to support the objectives and definition of internal control.

However, as a global framework, the Group Controllers Manual, which includes the Global Risk and Control Matrix, provides general guidelines for internal controls.

The Group's main procedures are described below.

Purchasing and Capital Investment Procedures

Any commitment to purchase capital investments and goods and services is subject to proper authorization. Authorization drives all other steps in the process, from acknowledgment of receipt of the purchased goods or service to payment of vendors.

The Group has implemented an authorization matrix that identifies the level of responsibilities required in accordance with the amount to be committed. All authorizations must be formalized in the appropriate form or via the IT systems.

This approval process is the cornerstone of the three-way matching procedure applied within the Group. Starting with an approved purchase order, it requires that matching is performed at the following stages:

- upon delivery/provision of service with proof of delivery or completion;
- when receiving the supplier's invoice for the purposes of generating payment.

The three-way matching process ensures the segregation of duties principle is applied and allows clear tracking of the validity of transactions throughout the purchasing process.

In terms of capital expenditure, an additional step is required to approve the purchase. Prior to any investment, proper documentation is required. It contains all necessary information such as description and return on investment, approvals to reflect the level of commitment. Once implemented, approved capital expenditures are reviewed to ensure alignment with original business case financial targets.

In terms of organization, procurement is segregated from the purchasing function. The goal is to mitigate any risk of overlapping responsibilities. This process also centralizes the procurement flows for strategic materials at Group level. This is intended to better control demand and the level of financial commitment.

Finally, vendor management, including the suppliers' database, also follows specific control procedures and rules.



Selling Procedures

The selling procedures follow common rules and principles. They are tailored for local markets and customers, based on the existing nature of transactions.

These common principles mainly address:

- the validity of selling prices and selling terms and conditions (price list set-up process, special pricing authorization schemes, etc.);
- the completeness and accuracy of the selling orders received through different channels;
- timing recognition with an emphasis on cut-off processes and adjustment procedures;
- the fair value of trade receivables with procedures for bad debt reserves and credit note issuance.

Similar to relationships with suppliers, procedures address customers' master file management, including the creation of new accounts, the cash allocation process for payment receipts and credit management.

Inventory Management Procedures

Inventory Management procedures cover physical possession of goods and their valuation plus monitoring of related flows.

In terms of physical possession, Group policies are provided on top of local regulations. They address:

- the safety objectives for the team members involved in inventory management;
- asset security with clear guidelines in terms of storage conditions, stock-take processes and segregation of duties.

In terms of valuation, BIC's costing procedure provides local controllers with Group guidelines and includes local accounting and financial standards. The Group rules can be found in "Note 1 to the consolidated financial statements – Main Rules and Accounting Policies".

Cash Management Procedures

Mostly centralized within Group Treasury, some aspects of cash management are kept at local level. In both instances, procedures are in place to cover:

- cash balance and payment management including physical protections, bank reconciliation performance and segregation of duties;
- bank mandates and management of authorized signatures;
- debt financing – both short and long-term.

Centrally, the Group Treasury follows specific procedures regarding its investment portfolio and foreign exchange exposure management. All positions are monitored on a daily basis and are fully marked-to-market at each monthly closing in accordance with the International Financial Reporting Standards (IFRS).

Fixed Asset Management Procedures

As indicated above, asset security is a top internal control priority with relevant procedures in place within the Group.

With it being essential to ensure that assets are properly recorded, local sites are instructed to perform regular physical inventories and reconcile them with the financial systems.

In addition to the investment authorization process, there are dedicated procedures for all fixed asset movements (i.e., transfers, disposal and sales).

Finally, specific rules are required for the management of the Fixed Asset Registers to support compliance with both local and Group accounting standards and to permit efficient control activities.

2.4.2.5 Control activities

All Group levels are involved in control activities to ensure that Group rules, guidelines and procedures are properly applied.

Moreover, the Internal Control & Audit Department provides assurance through its annual audit plan that there is no material discrepancy within Group procedures.

This control covers both operational and financial environments and focuses on:

- the validity of operations and transactions, including the authorization processes for expenditure and investment;
- completeness of transaction reporting;
- proper evaluation and recognition of transactions for accurate information availability and disclosure.

2.4.3 RISK MANAGEMENT AND INTERNAL CONTROL PARTICIPANTS, SPECIFIC STRUCTURE(S) IN CHARGE/RESPECTIVE ROLES AND INTERACTIONS

2.4.3.1 The Board of Directors

The Board of Directors of SOCIÉTÉ BIC, which represents the Shareholders, always acts in the Company's interests. It must also review and approve the Company's strategic objectives.

2.4.3.2 The Executive Committee

The BIC Executive Committee consists of leaders who meet regularly and work closely with Gonzalve Bich, Chief Executive Officer, to set the Group's long-term vision and strategy for profitable growth. (see *Section 4.1.1.4 Executive Committee as of the date of this Universal Registration Document*).

Including Gonzalve Bich, the Executive Committee consists of:

- François Clement-Grandcourt: Group Lighter General Manager;
- Gary Horsfield: Group Supply Chain Officer;
- Sara LaPorta: Global Strategy and Business Development;
- Mallory Martino: Chief Human Resources Officer;
- Elizabeth Maul: Group Insights, Innovation and Sustainability Officer;
- Chad Spooner: Chief Financial Officer;
- Chester Twigg: Group Commercial Officer;
- Esther Wick: Group General Counsel;
- Jonathan Skyrme: General Manager Skin Creative.

The Group Supply Chain Officer and the Group Insights and Innovation Officer are directly responsible for Manufacturing, New Product Research and Development, and Quality Assurance.

The Executive Committee also monitors the strength of internal control processes and the implementation of risk coverage. It also ensures, with the support of the Group Chief Financial Officer, that indicators:

- are consolidated to measure operational performance *versus* budget; and, if necessary;
- focus on variances and any corrective measures that may be necessary.

In addition to the budget, forecasts are prepared and revised during the year to monitor target achievement and gain insights into current marketplace dynamics. A three-year strategic planning process is in place to help identify future growth opportunities.

2.4.3.3 The Audit Committee

The Audit Committee (see *Section 4.1.4.3 Committees of the Board of Directors*), as part of its remit to support the CEO, regularly monitors the risk management and internal control systems. The Committee holds reviews with the Internal Control and Audit Director and Group Risk Management Director for updates on the work done during the year and gives its opinion on the

department's organization. A summary of internal audit findings, Insurance and ERM programs are shared with the Committee annually.

2.4.3.4 The Internal Control & Audit (IC&A) Department

The Internal Control and Audit Department reports operationally to the Chief Financial Officer and, upon request, to the Executive Committee and the Audit Committee.

This department reviews both financial and operational activities and provides an independent assessment regarding the level of compliance with the Group's policies, rules and controls. The IC&A Department focuses on:

- business cycle and process reviews ⁽¹⁾ at both subsidiary and Corporate level;
- testing of existing controls to ensure effectiveness and efficiency;
- coordination with functional managers on the ongoing updating of the Controllers' Manual;
- issuance of guidance and recommendations to improve existing processes, including sharing of Group best practices.

The IC&A Department also:

- assists with timely and specific engagements, such as external acquisitions and internal restructuring;
- provides assistance on fraud prevention, awareness and any investigations into reported fraud within the Group;
- looks at Group information systems through reviews of Information Technology accesses and business continuity procedures;
- presents an annual audit schedule to the External Auditors, provides updates and shares site review findings;
- coordinates site reviews with Group Finance and the External Auditors to ensure coverage of any specific areas.

a) The IC&A Department's Work in 2023

A multi-year audit rotation schedule is in place to ensure that all major sites and key processes are reviewed every five years, on average. The 2023 schedule saw the IC&A Department do five audits in manufacturing and distribution entities, combining initial and follow-up visits and investigations.

These audits were done in line with the methodology and procedures established by the IC&A Department, including:

- performance of tests (walkthroughs and detailed testing) and interviews with the contributors to the cycles reviewed on a risk-based approach;
- the issuance of a post-audit report, listing recommended improvements for the site/department, with a clear action plan and deadlines. The IC&A report plays an important role in the ongoing improvement of controls within the Group.

(1) Such as sales and collection, purchasing and disbursements, fixed assets, inventories, payroll, cash management, and accounting entry processing.



No significant issue was identified from these audits, however, findings highlighted necessary improvements to increase the effectiveness of select controls. Local Management has shared its response to these recommendations and proposed action plans, together with the related implementation dates and the control owner who is responsible for their implementation.

The IC&A regularly follows up on these action plans through its Issue Management Process to ensure timely remediation. The follow-up process includes an automated workflow which allows for efficient monitoring of progress on recommendations on key audit matters. Finally, the best internal control practices identified during these reviews are shared within the Group.

The IC&A Department collects and analyzes the data reported by subsidiaries to enhance the risk-based approach used to establish the annual audit plan and undertake audit work. The results are shared with Group Statutory Auditors and the Audit Committee.

A summary of the work done by the IC&A Department during the year is presented to the Executive Committee and the Audit Committee. This includes an overview of the main audit findings and recommendations, as well as a summary of the risk analysis and progress on action plans.

b) Outlook and Action Plan for 2024

The IC&A Department will continue to focus on:

- financial audits to ensure the appropriateness of the financial statements;
- process and efficiency improvements;
- testing of operational effectiveness of key controls; and
- enhancing the overall review process.

The risk based annual audit schedule, prepared by the IC&A Department is reviewed by the Chief Financial Officer, approved by the Audit Committee, and satisfies the multi-year rotation principle for site and process reviews.

2.4.3.5 The Risk Management Department

The Group Risk Management Department reports to the Chief Financial Officer. Its mission is to deliver strong risk capabilities to protect the Company and its assets. Group Risk Management is responsible for:

- the Enterprise Risk Management framework;
- the Insurance Risk Management Program; and
- providing Risk Advisory to the organization.

Enterprise Risk Management is a framework encompassing processes, capabilities, and culture within the organization to identify, assess, mitigate, monitor, and manage potential enterprise-wide non-routine risks to strengthen the Company's ability to achieve its strategic objectives.

Insurance Risk Management is the practice of identifying and analyzing loss exposures to minimize the potential financial impact using insurance and preventive risk management practices.

Risk Advisory is designed to ensure decision-making aligns with risk appetite and tolerance and to further enhance business resiliency.

In the course of the above work, Group Risk Management also coordinates risk monitoring in tandem with the Executive Committee, Commercial and Operations Organizations.

2.4.3.6 Team members

All team members are involved in internal control processes and risk management activities in line with their respective scope of work. They have access to information used to design, operate and monitor the internal control system. Company's policies are posted on the intranet site in addition to the Global Risk and Control matrix, and the Speak Up line (*refer to 2.3 Vigilance Plan and 2.4.2.4 Internal Control Procedures*).

To strengthen the commitment of all team members to internal control, the Group's values are posted at all Group locations so that all team members have access to them.

The Company performs an anonymous pulse survey and engagement survey annually to measure multiple aspects of engagement. Team member sentiment is gathered and consolidated in a best-in-class survey tool containing benchmark information. Results are analyzed by the various leadership teams around the globe and then communicated to all participating team members. In partnership with our team members, we develop action plans to address key areas of opportunity and measure progress against those actions throughout the year. In the latest survey run in 2023, we achieved an outstanding 91% response rate. Employee engagement was favorably assessed at 79%, a 4-point increase (+4) versus 2022 results and 5 pt above the market norm. This improvement reflects our continued commitment to an engaging, inclusive, and productive workplace. Amongst the key drivers, the majority of our team members feel that they are treated with respect at work and are proud to work for BIC.

2.4.4 INSURANCE – COVERAGE OF RISKS

2.4.4.1 Insurance

BIC Group has a comprehensive insurance program which is used as a risk financing solution to transfer major risks to the insurance marketplace. The Group's insurance program provides a uniformly high level of risk management and insurance protection for all BIC operating entities. It helps to protect assets and revenue from risks that are insurable or controllable.

Group Risk Management acquires insurance on two tiers:

- the Global Insurance Program addresses all Group affiliated companies, except where legally prohibited; and
- locally placed policies address compulsory insurance where required. Some local affiliated companies as well as recently acquired companies may also choose to obtain or keep additional insurance for special and/or specific needs.

BIC Group purchases insurance policies from reputable insurers through broker partners.

BIC Group maintains the following main international insurance programs:

- Liability insurance including risks related to products. This covers losses from third-party claims of bodily injury and property damage, including operational and product liability;
- Environmental Impairment Liability insurance related to gradual pollution and accidental pollution;
- Property Damage and Business Interruption insurance. This covers risks of loss due to fire, explosion, water damage and other natural disasters;
- Goods-in-Transit insurance covering loss or theft of goods and/or products during shipment;
- Crime insurance related to the risks of fraud, theft and falsification;

- Employment Practices Liability insurance covering alleged discrimination, wrongful termination and sexual harassment;
- other types of insurance in line with legal requirements in the countries in which it operates.

As a general standard, coverage is based on replacement cost valuation of the insured property and business disruption costs. Some coverage may, however, be capped and/or sub-limited as to total payouts under the terms of the policy.

The overall cost of Group insurance programs with third-party insurers was estimated to be around 7.2 million euros in 2023.

2.4.4.2 Self-Insurance

Self-insured or retained risks are also held by BIC Group. This is typically in the form of insurance policy deductibles, retentions, or other uninsured exposures that may not be insurable in the traditional marketplace.

Additionally, BIC Group is self-insured through its captive, SLS Insurance Company (SLS), for specific risks faced by its operations in the United States (U.S.). These include:

- Commercial General Liability and Products Liability coverage for alleged third-party bodily injury and property damage;
- DIC/DIL providing Difference in Conditions/Difference in Limits insurance to supplement certain other traditional insurance policy coverage and/or deductibles;
- Medical Stop Loss coverage relating to the employee benefits health program;
- TRIA (Terrorism Risk Insurance Act) NBCR (Nuclear, Biological, Chemical, and Radiological Terrorism).

The other Group entities are insured under traditional insurance programs.



2

RISK MANAGEMENT



ENVIRONMENTAL, SOCIAL AND SOCIETAL RESPONSIBILITY

3.1. STRATEGY AND BUSINESS MODEL, AN OVERVIEW [NFPS]	71
3.1.1 Strategy and business model [NFPS]	71
3.1.2 Governance [NFPS]	80
3.1.3 Main CSR risks and opportunities [NFPS]	81
3.2. ENVIRONMENT [NFPS]	82
3.2.1 Climate change [NFPS]	82
3.2.2 Pollution and water [NFPS]	91
3.2.3 Circular economy and waste [NFPS]	93
3.3. SOCIAL [NFPS]	100
3.3.1 Our Workforce	100
3.3.2 Workers in the value chain [NFPS]	112
3.3.3 Communities	115
3.3.4 Customers and consumers expectations and product safety [NFPS]	117
3.4. ETHICS AND BUSINESS CONDUCT [NFPS]	121
3.4.1 Risks mapping and identified risks [NFPS]	121
3.4.2 Policies, actions taken, results and outlook [NFPS]	121
3.5. MILESTONES [NFPS]	123
3.5.1 Summary table of the non-financial performance statement [NFPS]	123
3.5.2 Non-financial ratings	126
3.5.3 Perimeter and selection of indicators	126
3.5.4 Indicator table	129
3.5.5 Taxonomy Annex I, II and III	132
3.5.6 Independent third party's report on consolidated non-financial statement presented in the management report	139



General characteristics of BIC'S sustainability reporting

To help its readers better understand the information provided, BIC covers the items required by French executive order No. 2017-1265 of August 9, 2017 ⁽¹⁾ in the following chapters of its management report:

Business Model	Presented in Section 3.1.1.6
Major Risks	Also discussed in Section 2.1.
CSR Risks	Listed and described in Section 3.1.3
Chapter 3	<p>This chapter describes:</p> <ul style="list-style-type: none"> • the sustainable development challenges in the introduction to each section; • the risks and opportunities in the "Risks and Opportunities" sections; • the policies and actions implemented under the "Policies, actions taken, results and outlook" sections; • due diligence work to identify, prevent and reduce the frequency of risks or take the opportunities identified; and • the results of these policies – notably, key performance indicators – and, where applicable, the relevant outlook.

In 2020, BIC released its first Climate-Related Performance Report based on the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). This report is now part of Section 3.2.1, and its sections are therefore structured as suggested by the TCFD.

BIC identifies information expressly required in the Non-Financial Performance Statement with the initials [NFPS] and [NFPS Risk X]. The Group also includes all the action plans related to its Sustainable Development Program, including those that do not directly help prevent or reduce a major risk. The

Group has, however, reorganized this chapter to give precedence to the information directly related to the Non-Financial Performance Statement.

In 2022, BIC decided to start aligning the structure of its Non-Financial Performance Statement with the upcoming Corporate Sustainability Reporting Directive's (CSRD) Sustainability reporting standards, hence Chapter 3's new outline.

A summary table of the Non-Financial Performance Statement can also be found in Section 3.5.1.

Main CSR risks and opportunities are outlined in Section 3.1.3.

(1) Pursuant to Decree No. 2017-1180 dated July 19, 2017 on the disclosure of non-financial information by certain large companies and corporate groups.



3.1. STRATEGY AND BUSINESS MODEL, AN OVERVIEW ^[NFPS]

Sustainability is rooted in BIC's Values and is an integral part of its day-to-day operations. It has played a fundamental role in enabling BIC's strategy, especially its social and societal actions, for over 20 years.

In keeping with its core mission, the Group's ambition is to ensure that it has a limited impact on the environment and a positive impact on society, while making a meaningful contribution to consumers' and team members' lives as well as to the long-term well-being of our planet.

In its "Writing the Future, Together" program, BIC seeks to build on its long-standing sustainable development efforts and to bolster its engagement by pledging to five commitments for the 2018 to 2025 period (see Section 3.1.1.3).

3.1.1 STRATEGY AND BUSINESS MODEL ^[NFPS]

3.1.1.1 The history of BIC's Sustainable Development Program

Launched in 2003, BIC's Sustainable Development Program continues to evolve and addresses major environmental and human issues as well as stakeholder expectations. It also benefits from advances in R&D, innovation, and evolutions in the Group's operations.

Since 2018, the program has been guided by the five ambitious commitments that make up "Writing the Future, Together". In 2020, this program was reinforced with additional commitments on its use of plastic. Furthermore, in 2022, BIC announced its Greenhouse Gas (GHG) emission reduction targets.

3.1.1.2 BIC's ambition

Our approach to sustainability is one of our Values and is an integral part of our day-to-day operations. Staying true to our philosophy of honoring the past and inventing the future, we want our ongoing commitment to sustainable development to be long-lasting and far-reaching.

Our ambition is to ensure that we limit our impact on the planet and make a meaningful contribution to the lives of our employees and society over the long term.

To shape our business tomorrow and ensure we create a sustainable future, we believe it is essential to:

- promote sustainable innovation in our products;
- act against climate change;
- provide our team members with a safe workplace;
- make our supply chain more responsible; and
- reinforce our commitment to education.

3



3.1.1.3 Writing the Future, Together, a commitment for 2025

In 2017, BIC defined ambitious commitments that enable the Group to create value over the long term for all stakeholders. They are based on the principles of its sustainable development Program – materiality assessments and the UN Sustainable Development Goals – and on regulatory requirements, consultations with stakeholders, and lessons drawn from regular benchmarking.

This vision is defined in its “Writing the Future, Together” program. It is driven by BIC’s ambition for sustainability (see Section 3.1.1.2) and comprises five commitments which are an integral part of the Group’s strategic *Horizon* plan.



WRITING THE FUTURE, TOGETHER – THE COMMITMENTS

#1 Fostering sustainable innovation in BIC® products:

- by 2025, the environmental and/or societal footprint of BIC® products will be improved compared to their baseline (SDG 3, 6, 8, 12);
- by 2030, BIC aims for 50% use of non-virgin petroleum plastic in its products (SDG 14, 15);
- by 2025, BIC will use 100% reusable, recyclable or compostable plastic in consumer packaging (SDG 14, 15).

#2 Acting against climate change: by 2025, BIC will use 100% renewable electricity (SDG 7, 8, 9, 12, 13).

#3 Committing to a safe work environment: by 2025, BIC is aiming for zero lost-time incidents ⁽¹⁾ across all operations (SDG 3, 8).

#4 Proactively involving suppliers: by 2025, BIC will work responsibly with its strategic suppliers to ensure the most secure, innovative and efficient sourcing (SDG 8, 12, 16).

#5 Improving lives through education: by 2025, BIC will improve learning conditions for 250 million children globally (SDG 1, 4, 5, 6, 8, 13).

(1) BIC has specified its commitment wording and is now using “lost-time incident” instead of “accident”.



3.1.1.4 Writing the Future, Together – Progress chart [NFPS]

WRITING THE FUTURE, TOGETHER

	5 Commitments	Progress as of Dec. 2023	Other factors: approach and performance	Section	UN SDG (a)	Issues and risks addressed (b)
	By 2030, BIC aims for 50% non-virgin petroleum plastic in its products. By 2025, 100% of BIC consumer plastic packaging will be reusable, recyclable, or compostable. By 2025, the environmental and/or societal footprint of BIC® products will be improved compared to their baseline.	<ul style="list-style-type: none"> 8.0% of non-virgin petroleum plastic in BIC® products (5.7% in 2022); 81.0% of reusable, recyclable or compostable plastic in consumer packaging; 62.1% recycled content in plastic packaging; 98.0% PVC-free packaging; 99.1% of BIC paper and cardboard packaging comes from certified and/or recycled cellulosic sources; new products manufactured are subject to environmental and societal measurement thanks to the usage of EMA (c) to the extent of the categories' coverage of the tool; for the product categories covered by this tool: 7 products were improved in 2023. 	<ul style="list-style-type: none"> 16 BIC® products with the NF Environnement ecolabel; at end-2023, over 86.7 million writing instruments collected through TerraCycle. 	3.2.3		[NFPS Risk 1]: risks related to plastics. [NFPS Risk 2]: risks related to climate change. [NFPS Risk 3]: risks related to product safety and consumer health & safety.
						
						
						
						
						
	By 2025, BIC will use 100% renewable electricity.	91% of BIC's electricity comes from renewable sources (d).	BIC's use of renewable electricity is part of a comprehensive energy approach that also includes improving the energy efficiency of its operations. The Group continues to progress in energy efficiency. Over the last 10 years, its energy consumption per ton of products has decreased by 11%.	3.2.1		[NFPS Risk 2]: risks related to climate change.
						
						
						
						

(a) UN Sustainable Development Goals.




(b) Risks identified as part of the NFPS reporting process.

(c) "Environmentally & socially Measurable Advantage" scorecard. Coverage and methodology are reported in section 3.5.3.

(d) Electricity generated from biomass (including biogas), geothermal, solar, water (including hydro power) and wind power is considered renewable.



WRITING THE FUTURE, TOGETHER

	5 Commitments	Progress as of Dec. 2023	Other factors: approach and performance	Section	UN SDG (a)	Issues and risks addressed (b)
	 <p>By 2025, BIC aims for zero lost-time incidents (f) across all operations.</p>	<p>The Health & Safety approach continues to be rolled out across the whole Group.</p>	<p>Identification of two key focus areas to achieve the Zero Lost-Time Incidents (c) target by 2025:</p> <ul style="list-style-type: none"> raise machine safety thresholds and standardize them across the Group; increasing levels of safety culture awareness among our team members; <p>Promote one EH&S topic a month, with material provided by the EH&S teams for the local teams; Celebrated World Day for Safety and Health at Work on April 28th, 2023, and organized several health & safety activities at all Group Supply Chain facilities (d);</p> <ul style="list-style-type: none"> 36 lost-time incidents (c) for BIC headcount (e); 1.51 incidence rate for the BIC headcount (e); 0.08 severity rate (number of calendar days lost due to an incident per thousand hours worked) for BIC headcount (e); 53 facilities with 0 lost-time incidents for BIC headcount (e). 	3.3.1.2	 	[NFPS Risk 4]: risks related to the health and safety of team members.

(a) UN Sustainable Development Goals.

(b) Risks identified as part of the NFPS reporting process.

(c) Lost Time Incident (LTI): Incident in the workplace resulting in an Injured Person (IP), unable to work for at least one day (the day of the incident is not included).












(d) Lighter factories excluded.

(e) BIC headcount includes permanent employees, fixed-term contracts, apprentices and interns.

(f) BIC has specified its commitment wording and is now using "lost-time incident" instead of "accident".



WRITING THE FUTURE, TOGETHER

5 Commitments	Progress as of Dec. 2023	Other factors: approach and performance	Section	UN SDG (a)	Issues and risks addressed (b)
 <p>By 2025, BIC will work responsibly with its strategic suppliers (c) to ensure the most secure, innovative and efficient sourcing.</p>	<p>By the end of 2023, 83% of strategic suppliers have been assessed on sustainability performance and practices, with no minimum score required, through the supplier sustainability assessment tool, a part of BIC global responsible procurement program (d).</p>	<p>CSR assessments (via supplier sustainability assessment tool) of strategic suppliers since 2011. Innovative new tools implemented, such as:</p> <ul style="list-style-type: none"> • Buy4BIC global procurement platform; • PowerBI for sustainability reports; and • a digital procurement ecosystem that combines sustainable procurement tools (e.g. supplier sustainability assessment tool, CO₂ measuring tools) with Buy4BIC modules. <p>The tools are used to create supplier sustainability profiles. The Global Procurement team continues to enhance the digital procurement ecosystem with sustainable procurement and other tools.</p>	3.3.2	  	[NFPS Risk 5]: risks related to non-respect of Human Rights (child labor, ILO (e)'s international conventions).
 <p>By 2025, BIC will improve learning conditions for 250 million children globally.</p>	<p>At the end of 2023, it has been estimated that the learning conditions of over 199 million children - of which 12 million children in 2023 - have been improved since 2018 through direct actions targeting children or teachers and parents.</p>	<p>Organization of activities and workshops in schools to raise awareness of the importance of education, writing, creativity, written composition, etc., and themed coloring contests for younger children.</p> <p>Design of activity sheets and workshops for teachers on topics such as motor skill development and writing exercises.</p> <p>Promotion of education in disadvantaged communities through Global Education Week and other local CSR activities.</p> <p>Promotion of creativity in education by the BIC Corporate Foundation, through several initiatives, e.g. the Creativity Community of Practice network.</p>	3.3.3	     	

(a) UN Sustainable Development Goals.

(b) Risks identified as part of the NFPS reporting process.

(c) For direct and indirect spend suppliers, BIC has set up criteria to qualify them as strategic. The criteria are linked to BIC's spending, the uniqueness of a supplier, its impact on BIC's business continuity, growth and development, and the sustainable advantages brought to BIC.

(d) Excluding BIC Graphic, new acquisition and certain Original Equipment Manufacturers (OEM).

(e) International Labour Organization.



3.1.1.5 BIC contributes to the UN Sustainable Development Goals (SDGs) through its “Writing the Future, Together” commitments



SUSTAINABLE DEVELOPMENT GOALS



#1 Fostering sustainable innovation in BIC® products	By 2025, the environmental and/or societal footprint of BIC® products will be improved.
#2 Acting against climate change	By 2025, BIC will use 100% renewable electricity.
#3 Committing to a safe work environment	By 2025, BIC aims for zero accidents across all operations.
#4 Proactively involving suppliers	By 2025, BIC will work responsibly with its strategic suppliers to ensure the most secure, innovative and efficient sourcing.
#5 Improving lives through education	By 2025, BIC will improve learning conditions for 250 million children, globally.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
#1			x			x		x				x		x	x		
#2								x	x	x			x	x			
#3			x														
#4								x					x			x	
#5	x			x	x	x		x						x			



The table above charts how “Writing the Future, Together” contributes to the UN SDGs. BIC primarily contributes to the following two SDGs through the products it manufactures and markets, and its monitoring and compliance program, which ensures its products are safe and comply with health and environmental standards (see Section 3.3.4).

SDG 8. Decent work and economic growth. BIC contributes by designing products and developing production methods that use resources efficiently and include recycled materials (see Section 3.2.3.2).

SDG 12. Responsible consumption and production. BIC contributes, through its eco-design program, which provides consumers with information to help them make their purchasing choices.

The Group also contributes to the following UN Sustainable Development Goals within the direct scope of its operations or its sphere of direct influence:

SDG 1. End poverty;

SDG 3. Good health and well-being;

SDG 4. Quality education;

SDG 5. Gender equality;

SDG 6. Clean water and sanitation;

SDG 7. Affordable and clean energy;

SDG 9. Industry, innovation and infrastructure;

SDG 10. Reduced inequalities;

SDG 13. Climate action;

SDG 14. Life below water;

SDG 15. Life on land;

SDG 16. Peace, justice and strong institutions.

It does so by:

- making simple, reliable products that meet essential needs available to everyone;
- taking initiatives that support its team members;
- offering various products and programs that promote access to education;
- reducing the environmental impact of its factories;
- ensuring respect for Human Rights in its own factories and by its suppliers and subcontractors; and
- the actions of the BIC Corporate Foundation.



3.1.1.6 Our Business model

● RESOURCES

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 has also developed a strong Diversity, Equity & Inclusion program.

14,643 workforce ⁽¹⁾
568.6 million euros payroll costs
17,418 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
92% of Net Sales from products
manufactured in BIC factories

Sustainable procurement strategy

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

1,221.6 million euros purchases of raw
materials, consumables and services
189 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.

1,846.6 million euros Shareholder Equity
353.3 million euros Net Cash
from Operating Activities
385.4 million euros of Net Cash Position

Innovation

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

303 patents granted at the end of 2023
1.2% of Net Sales invested in R&D

(1) BIC workforce includes permanent employees, fixed-term contracts and agency temporary staff.

Sustainability

Acting on our "just what's necessary" philosophy to reduce our environmental impact

● HORIZON STRATEGY to ensure long-term profitable growth

Expand total addressable
markets in fast growing
segments, and apply
enhanced commercial
execution

Leverage innovation
capabilities and
global manufacturing
excellence

Capitalize on BIC's
consumer-centric
brands and market reach

Consumer Trends

Desire for authenticity,
individuality and
creative expression



Committed to a safe work environment, and promoting diversity, equity and inclusion

Create long-term value for all stakeholders

● VALUE CREATION

Well-being and security at work

We strive to ensure that everyday tasks are fulfilling and safe.

36⁽²⁾ work accidents⁽³⁾

1.20% rate of absenteeism

(2) BIC headcount (includes permanent employees, fixed-term contracts, apprentices and interns)

(3) lost-time incidents.

Reduced environmental footprint

We reduced our footprint from a product's creation through to the end of its lifecycle, including a recycling strategy and controlling emissions from BIC's factories and headquarters.

-3.6% water consumption⁽⁴⁾

-5.1% energy consumption⁽⁴⁾

-4.7% waste production⁽⁴⁾

+0.1% greenhouse gas emissions (scope 1 & 2 location based)⁽⁴⁾

-6% greenhouse gas emissions (scope 3)

(4) per ton of production between 2022 and 2023.

Long-lasting products

We innovate to respond to consumer needs and create high-quality, safe, affordable, essential products trusted by everyone.

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

Long-term profitable growth

We remain committed to ensuring financial value creation and sustainable returns to shareholders.

2,263.3 million euros Net Sales

226.5 million euros Net Income

104.6 million euros Capital Expenditure

210 million euros of return to shareholders

248.7 million euros Free Cash Flow

Education as a priority

We are committed to improving learning conditions for children around the world.

Estimated number of children whose learning conditions have improved: 199 million (cumulative)



Acceleration of online consumption

Demand for eco-responsible products



3.1.1.7 Stakeholders' views, interests and expectations

BIC's stakeholder engagement strategy is executed by the Head of Investors Relations and BIC's management. The strategy's objective is to establish and strengthen relationships with financial investors and multi-stakeholder initiatives that help us support our sustainable goals by regularly participating in ESG conferences, roadshows and webinars. This strategy serves to anticipate stakeholders' expectations and identify future collaborations as well.

In 2023, BIC received the Transparency Award for the best Universal Registration Document of the French SBF120 and also ranked fourth in the Labrador Transparency Awards which reward the Company's communications in terms of transparency and quality.

Year after year, BIC fulfills its commitment to answer questions from the following non-financial ratings agencies: Vigeo, Sustainalytics, MSCI, GAIA, FTSE, ISS ESG.

3.1.2 GOVERNANCE [NFPS]

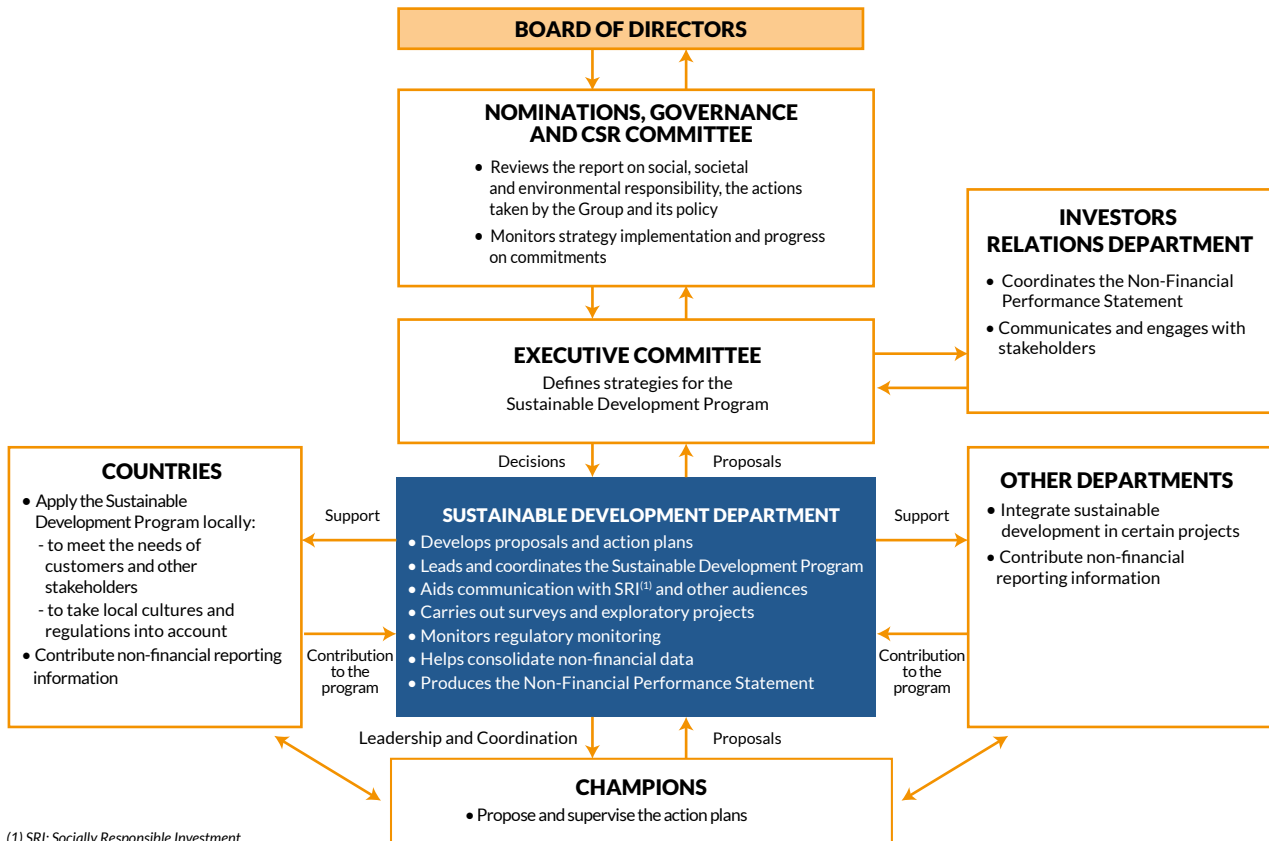
3.1.2.1 Sustainable development as a key factor in the decision-making process

Sustainable development is incorporated into the Company's decision-making process from the perspective of risks to be controlled and opportunities to be explored. The Executive Committee regularly discusses and deals with sustainable development topics, notably:

- issues concerning plastic;
- the "Writing the Future, Together" program; and
- development of responsible products (see Section 3.2.3).

The Sustainable Development Program's goals and progress are presented to the Board of Directors at least once a year and at the Annual Shareholders' Meeting. In 2023, the Board reviewed the progress of "Writing the Future, Together" commitments. The Audit Committee is also informed of the policies and programs implemented.

Since 2017, the Nominations, Governance and Corporate Social Responsibility (CSR) Committee reviews the actions taken by the Group as part of its Sustainable Development Program. It also monitors the implementation of the "Writing the Future, Together" strategy and the Group's progress in responsible innovation, the circular economy and the development of new responsible products.



(1) SRI: Socially Responsible Investment

How sustainable development is organized at BIC

BIC's Sustainable Development Department is part of the Group Insights & Innovation (GI&I) and Sustainability division. As well as working on cross-functional tasks, the Sustainable Development Teams work closely with the innovation and product design teams.

The integration of sustainability strategies and performance incentive schemes is detailed in Chapter 4: Corporate Governance (see Section 4.2.2).

3.1.3 MAIN CSR RISKS AND OPPORTUNITIES [NFPS]

BIC has identified eight main non-financial risks resulting from its operations and the use of its goods and services:

1. risks related to plastics: plastic waste and resource depletion [NFPS risk 1] (see Section 3.2.3.1);
2. risks related to climate change [NFPS risk 2] (see Section 3.2.1.1);
3. risks related to product safety and consumer health & safety [NFPS risk 3] (see Section 3.3.4.2.1);
4. risks related to the health & safety of team members [NFPS risk 4] (see Section 3.3.1.2.1);
5. risks related to the non-respect of human rights (child labor, international conventions, ILO) [NFPS risk 5] (see Section 3.3.2.1);
6. risks related to unfair practices (corruption) [NFPS risk 6] (see Section 3.4.1);
7. risks related to our operations and the environment [NFPS risk 7] (see Section 3.2.2.1);

8. risks related to reputation and brand [NFPS risk 8] (see Section 3.3.4.1.1).

The risks related to experienced team members and skills is no longer major for BIC, as the Group has implemented skills and workforce management processes in all its factories. New initiatives will continue to be developed to prevent any major impact on the Group. Local initiatives are also being taken, in order to take into account the local situation at each plant, particularly to anticipate requirements.

The method for identifying these risks and evaluating their degree of criticality is described in Chapter 2 of this Universal Registration Document, which also includes the method for identifying, evaluating, analyzing and mapping the risks related to the French Duty of Vigilance law.

The summary table of the Non-Financial Performance Statement in section 3.5.1 summarizes the information required by French executive order No. 2017-1265 dated August 9, 2017 ⁽¹⁾.



(1) Pursuant to Decree No. 2017-1180 dated July 19, 2017 on the disclosure of non-financial information by certain large companies and corporate groups.



3.2. ENVIRONMENT [NFPS]

3.2.1 CLIMATE CHANGE [NFPS]

3.2.1.1 Risks and opportunities [NFPS]

[NFPS risk 2] In 2022, BIC completed a physical and transitional climate change risk analysis of its value chain. The Company identified the following upstream and downstream transitional and physical risks related to climate change as being among its main CSR risks (see Sections 2.1. and 2.2.):

Location in value chain, risk type & primary climate-related risk driver	Climate-related risk	Potential financial impacts	Time horizon & likelihood
Upstream Transition to lower emissions technology Increased cost of raw materials	As suppliers are driven to decarbonize, BIC expects an increase in raw material costs. Energy efficiency programs, carbon capture and other measures taken by suppliers might increase raw material production costs.	Increased indirect (operating) costs	Medium-term (three to eight years) & very likely ⁽¹⁾
	The cost of alternative plastic sourcing could rise due to growing competition. Because plastic represents 72% of BIC's raw materials, this increase could impact production costs.	Increased indirect (operating) costs	Medium-term (three to eight years) & likely ⁽²⁾
Direct operations Emerging regulations Rising carbon prices	Increased operating costs due to carbon price rises.	Increased indirect (operating) costs	Medium-term (three to eight years) & likely

The challenges of global warming are also a source of opportunities for BIC. These include:

Location in value chain, opportunity type & primary climate-related opportunity driver	Climate-related opportunity	Potential financial impacts	Time horizon & likelihood
Upstream Products and services: Development and/or expansion of low-emission goods and services	Improve its products' environmental performance, in particular through Commitment #1 of the "Writing the Future, Together" program: Fostering sustainable innovation in BIC® products and obtaining voluntary labels awarded to products based on environmental criteria.	Higher revenues boosted by access to new and emerging markets	Medium-term (three to eight years) & about as likely as not
Downstream Products and services: Shift in consumer preferences	Changing consumer behavior creates new market opportunities for products that consume less or use lower-impact raw materials.	Higher revenues boosted by access to new and emerging market	Medium-term (three to eight years) & about as likely as not

(1) Very likely: certainty or highly probable that the event or condition will occur (>90% probability)

(2) Likely: strong possibility that the event or condition will occur (around 75% probability)



3.2.1.2 Policies, actions taken, results and outlook ^[NFPS]

3.2.1.2.1 Policies and management systems implemented to manage climate change mitigation and adaptation ^[NFPS]

BIC's longstanding commitment to sustainability started in 1994 with its first Life Cycle Product Analysis. BIC has been working to reduce its environmental impact for more than 20 years and has integrated climate change into its business strategy by implementing risk and mitigation plans, tracking greenhouse gas (GHG) emissions for all scopes, and publicly disclosing its annual GHG emissions. These actions to increase environmental performance transparency were rewarded by a confirmed A-leadership 2023 CDP score on Climate Change. BIC continues its commitment to the French Business Climate Pledge.

Over the years, BIC's sustainable development efforts evolved into the "Writing the Future, Together" Sustainable Development Program, launched in 2018, which established five major environmental, social, and societal commitments, and made additional commitments to transform the way the Group uses plastic in 2020. This program led BIC to create innovative processes and increase its use of renewable electricity.

In 2022, BIC announced ambitious greenhouse gas (GHG) emission reduction targets (see Section 3.2.1.2.2). Based on the Company's "Writing the Future, Together" Sustainable Development Program and years of innovation resulting in long-lasting products with low environmental footprints, these targets reinforce BIC's contribution to creating a sustainable future for all.

Governance

Every year the Executive Committee reviews the progress of the "Writing the Future, Together" program, which includes goals that contribute to the fight against climate change (commitments #1, #2 and #4). In 2020, the Group fulfilled Commitment #2 to use 80% renewable electricity for its plants and offices. A new target of 100% renewable electricity has therefore been set for 2025.

Risk management

Identifying and evaluating risks related to climate change

Climate risks related to direct, upstream, and downstream operations are incorporated into the Group-wide risk identification, evaluation and management processes. The Group Risk Management Department is responsible for identifying and analyzing risks.

The identification process highlights risks arising from both external and internal sources. The key consideration is the potentially significant impact on the Group's strategy, objectives, personnel, assets, environment and/or reputation. To enable a fluid approach, the risk identification and analysis process comprises two complementary components: a "bottom-up" free approach and a "top-down" structured approach. This two-fold approach makes it possible to identify redundancies and discrepancies (see Section 2.4.2.3).

Management of risks related to climate change and incorporation of climate-related risks in the overall risk management system

The Executive Committee is responsible for managing the risks identified in BIC's major risk mapping. Progress reports on the action plans to address certain key risks are also reviewed at meetings of the Board of Directors.

The Executive Committee and the central Group departments, including the Legal Department and the Sustainable Development Department, monitor the risks on an ongoing basis.

BIC is committed to ensuring that its facilities, including both factories and offices, operate in an environmentally responsible way. BIC strives to reduce the impact of its manufacturing operations and optimize product shipping.

BIC exerts strong environmental control over its entire supply chain and favors in-house production over contract manufacturing: 92% of the Group's net sales are generated by products manufactured in its own factories.

To manufacture its products, BIC uses raw materials (plastics, inks, paperboard, metals, butane, etc.), consumes resources (water, energy) and produces waste. The Group is aware of the environmental impact of its production activities and is committed to minimizing it. While demand for raw materials is mainly determined by product design (see Section 3.2.3), BIC's factories are tasked with optimizing water and energy consumption, as well as reducing greenhouse gas (GHG) emissions and waste production.

In 2022, the Corporate Stakeholder Engagement Department conducted a study on the physical and transitional risks due to climate change in compliance with TCFD, to better understand these risks in BIC's value chain.

The resilience of BIC's strategy, based on different climate related scenarios, including a 2°C or lower scenario

In 2022, BIC employed the RCP 2.6, SSP2, RCP 6, SSP3 and SSP4 to build its own bespoke physical scenario to evaluate physical and transitional risks. The results were communicated to relevant leadership members.



3.2.1.2.2 GHG emission reduction targets

In 2022, BIC committed to eliminating 50% of Scope 1 GHG emissions and 100% of Scope 2 GHG emissions by 2030. These objectives are in line with the Paris Agreement targets and endorsed by the fact that BIC has already nearly met its target of

procuring 100% renewable electricity for all sites by 2025 (91% in 2023). Its Scope 3 objective is an overall 5% reduction by 2030, including -30% in the Flame for Life division.

In 2023, BIC made the transition to a specific carbon accounting tool which will facilitate data control, consolidation, and auditing from 2024.

	Reference year	Absolute target for 2030	Main drivers
Scope 1	2019	-50%	<ul style="list-style-type: none"> • Use of alternative heat sources • Switch to low impact refrigerants
Scope 2	2019	-100%	<ul style="list-style-type: none"> • Source all electricity from renewables
Scope 3 ^(a) (Group)	2019	-5%	<ul style="list-style-type: none"> • Upgrade EMA^(b) with relevant CO₂ reduction criteria and threshold • Strengthen strategic partnerships with its main plastic and metal suppliers • Implement innovation and renovation programs to improve product design and integrate more sustainable materials
o/w Flame for Life	2019	-30%	<ul style="list-style-type: none"> • Work with suppliers to obtain low-carbon raw materials • Use biofuel in freight transport • Used Lighters Recovery and Restoration scheme

(a) Scope 3 reduction targets represent at least 66% of total Scope 3 emissions, in line with current target-setting best practices.

(b) Environmentally & Socially Measurable Advantage scorecard, co-developed with a specialist in 2020.

Scope 1 and 2 targets were defined using the principles of the Paris Climate Protocol and based on the 1.5°C pathway methodology. The Group's Scope 1 and 2 commitments exceed recommended targets. The Scope 3 target was weighted using a 2.0°C pathway methodology and is reviewed every year by the Sustainable Development Teams.

3.2.1.2.3 Climate change mitigation and adaptation action plans

Using renewable electricity at BIC facilities

Electricity consumption at BIC facilities accounts for 9.34%⁽¹⁾ of the Group's total emissions. As expressed in Commitment #2 – Acting Against Climate Change of its “Writing the Future, Together” program, BIC aims to use 100%⁽²⁾ renewable electricity by 2025.

The roadmap established by BIC to meet this goal reflects a strategy in which each country or facility reviews its opportunities to source renewable electricity based on its own regulatory and operational restrictions. To keep pace with the frequent market and regulatory changes in this sector, BIC focuses on renewable electricity⁽³⁾ certificates, green contracts and long-term Power Purchase Agreements as well as the electricity generation potential of certain facilities.

Key actions taken over the years and in 2023:

- in France, BIC purchased renewable electricity certificates (Guarantees of Origin – GoO) for all its factories and its Clichy head office. This means that all BIC® products manufactured in France were produced using renewable electricity. In 2023, BIC signed a renewable electricity Power Purchase Agreement (PPA);
- in Greece, BIC has purchased GoO certificates for the electricity consumed by all its facilities since 2016, and also signed a renewable electricity Power Purchase Agreement (PPA) in 2023;
- in the United States, the purchase of renewable wind energy certificates (U.S. Renewable Energy Certificates – RECs) covers the energy needs of all American facilities;
- in Mexico, BIC completed a Power Purchase Agreement (PPA) tender process for renewable electricity;
- in South Africa, the purchase of GoO certificates covers all the factory's consumption;
- since 2018, all BIC's lighter factories have been powered by renewable electricity, and the Group is researching ways to develop its facilities' energy self-sufficiency (waste heat recovery, photovoltaic and solar thermal energy, etc.); and
- the Cello Stationery Products site installed solar panels in 2019, and began purchasing iREC certificates in 2023.

(1) Location-based.

(2) The initial Writing the Future, Together – #2 Acting Against Climate Change target of 80% renewable electricity was achieved in 2020 and a new target of 100% was therefore established.

(3) Electricity generated from biomass (including biogas), geothermal, solar, water (including hydro) and wind power is considered renewable.





Action plan to reduce our transport operations' carbon footprint

The goal of BIC's shipping management system is to ensure product availability while:

- maximizing customer satisfaction;
- reducing the environmental impact of its transport operations; and
- optimizing costs.

BIC has factories worldwide, which tends to limit the need for product shipping. For example, over 80% of the products sold in Europe are manufactured there.

BIC uses two types of transport for its products ⁽¹⁾:

- "intra-Company transport" which refers to factory-factory and factory-warehouse shipments (inter- and intra-continental); and
- "distribution shipping" which refers to shipments from factories or warehouses to the end customer.

Due to the environmental and financial impact of air freight, the Group strives to minimize its use. In 2023, due to global supply chain challenges and to mitigate business risk and support our customer service levels, 1.06% of total tonnage of intra-company transport (excluding raw materials, components, tools, and machinery) was shipped *by air* which accounted for 42% of the Group's total emissions from transport in that year.

BIC pays close attention to air freight and intends to continue to keep it under 2.3% for intra-company transport.

BIC outsources its transport operations but maintains a high level of internal expertise in the management of service providers, flow engineering and transport management tools.

BIC's responsible shipping approach has three objectives, which it intends to meet by implementing the following measures:

Objectives of the responsible shipping approach

Actions taken

Raise awareness and measure emissions	Since 2014, a steering group has been tasked with identifying solutions to significantly reduce air freight over the long-term. This involves working closely with all the relevant functions and teams in all categories and worldwide. Transport companies committed to sustainable development are also regularly consulted. In 2020, a system to oversee air freight was rolled out Group-wide. It requires teams to submit many explanations and approvals prior to authorization of any air shipment. Since 2020, BIC has been developing a digital platform to capture all its downstream transportation flows and thereby better track associated emissions. This platform will be tested in 2025.
Optimizing shipments and routes	In shipping, the main ways to cut emissions are to reduce the distances travelled, choose appropriate shipping modes, and optimize loads. BIC's teams work on all three points.
Selecting responsible carriers	Logistical operations are carried out by transport companies selected by BIC. Therefore, their equipment, methods, and monitoring systems determine the level of GHG emissions. In line with its responsible purchasing policy, BIC selects carriers that can help it reduce the environmental footprint of its shipping operations. For example, in the U.S. and Canada, the Group only works with SmartWay [®] certified carriers, a program designed by the U.S. Environmental Protection Agency. To encourage its transport service providers to adopt responsible practices, BIC includes GHG emission reduction in its carrier selection criteria.

Emissions related to purchases

These emissions are mainly related to the Group's purchases of materials, especially plastics.

In 2020, BIC announced two new ambitious goals as part of its "Writing the Future, Together" program. These two goals, which are also part of the Group's Horizon corporate strategy plan, will help significantly reduce its GHG emissions:

- by 2025, BIC aims for 100% of its consumer plastic packaging to be reusable, recyclable, or compostable; and
- by 2030, BIC aims for 50% non-virgin petroleum plastic for its products.

The Group will achieve these goals by implementing its "4 Rs" philosophy (described in Section 3.2.3.2). They could help reduce its GHG emissions by about 10% (at constant perimeter).

(1) Excluding raw materials, components, tools, and machinery.



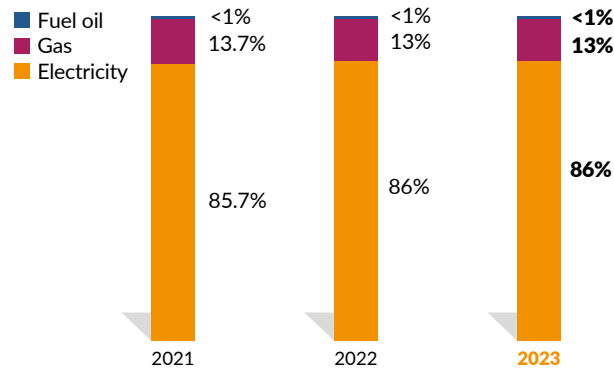
3.2.1.2.4 Results

Energy

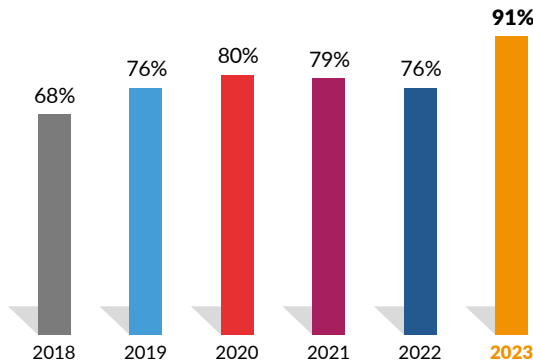
To manufacture and distribute its products, BIC uses raw materials (plastics, inks, packaging, metals, butane, etc.), consumes resources (water, energy), produces waste, and uses transportation services, all of which are responsible for greenhouse gas emissions.

Energy consumption and mix

BREAKDOWN OF BIC'S ENERGY CONSUMPTION



SHARE OF RENEWABLE ELECTRICITY - AS % OF TOTAL CONSUMPTION



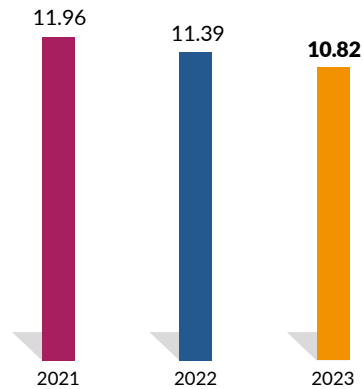
The increase in the share of renewable electricity vs. total electricity consumption is due to the initiation of the Power Purchase Agreement (PPA) in Mexico and the purchase of Renewable Energy Certificates (RECs) in India.

Optimizing energy consumption

The Group has improved its energy efficiency by 11% in ten years.

BIC launched a number of energy efficiency projects in 2023 in accordance with the GHG emissions reduction plan started in 2022, which focuses on cutting fossil-fueled energy consumption. The projects included setting up heat recovery systems at plants, installing heat networks, replacing standard light bulbs with LED bulbs, optimizing processes, conducting energy consumption studies, and introducing more energy-efficient equipment.

ANNUAL ENERGY CONSUMPTION NORMALIZED TO BIC PRODUCTION - IN GIGAJOULES/TON



Greenhouse gas emissions

In 2020, BIC reviewed its method for evaluating Scope 3 emissions, in line with the GHG Protocol. This was to provide an annual report on all emission sources related to its operations. BIC already reported on other emission sources related to raw material procurement and intra-Company transport in previous years.

A study of BIC's global carbon footprint shows the following breakdown of greenhouse gas emissions:



GREENHOUSE GAS (GHG) EMISSIONS ^(a) – IN TEQCO₂

Sources and scope	2021	2022	2023	Change 2023/2022
SCOPE 1 ^(b)				
Oil and gas	8,226	8,376	7,556	-10%
Car fleet emissions	5,450	5,450	4,870	-11%
Loss of refrigerant gases	3,308	1,986	2,056	4%
TOTAL ANNUAL GHG EMISSIONS (SCOPE 1)	16,984	15,812	14,483	-8%
SCOPE 2 ^(b)				
Location-based	75,231	65,933	67,366	2%
Market-based	26,938	31,870	9,012	-72%
SCOPE 3				
Asset	73,638	81,939 ^(c)	88,892	8%
End of Life	57,130	56,289	53,896	-4%
Freight ^(d)	77,619	69,580	49,937	-28%
Purchased Goods and Services ^(e)	400,678	400,301	377,490	-6%
Travel and commute	20,331	21,992	22,523	2%
Direct use phase emissions of sold products	18,598	19,872	19,301	-3%
Waste	4,085	4,306	4,003	-7%
Energy-related ^(f)	18,651	22,584	23,180 ^(j)	- (j)
TOTAL ANNUAL SCOPE 3 GHG EMISSIONS (EXCLUDED INDIRECT USE PHASE EMISSIONS OF SOLD PRODUCTS)	670,730	676,863	639,222	-6%
TOTAL ANNUAL GHG EMISSIONS (LOCATION-BASED) ^(g)	762,945	758,608	721,070	-5%
TOTAL ANNUAL GHG EMISSIONS (MARKET-BASED) ^(h)	714,652	724,545	662,716	-9%
SCOPE 3 OPTIONAL GHG EMISSIONS				
Indirect use phase emissions of sold products ⁽ⁱ⁾	272,818	275,545	293,756	7%
TOTAL ANNUAL SCOPE 3 OPTIONAL GHG EMISSIONS	272,818	275,545	293,756	7%

(a) TeqCO₂/ton.

(b) Due to an issue with our reporting tool, we have estimated the value from October to December 2023 with 2022 values.

(c) An adjustment was made for 2022 value due to an overprovision of 5M€ Capex.

(d) Excluding:

- purchases of products and services outside the BIC group procurement tool;
- packaging purchases of new acquisitions (from 2019) entities, BIC Graphic and MEA distributors, OEM outside SSO (BIC Shanghai Sourcing Office);
- raw materials, components, tools, and machinery for GHG emissions from intra-Company transport that are included in "Freight".

(e) Excluding:

- purchases of products and indirect services outside the BIC group procurement tool;
- packaging purchases of new acquisitions (from 2019) entities, BIC Graphic and MEA distributors, OEM outside SSO (BIC Shanghai Sourcing Office).

(f) Including fuel, oil, gas and electricity.

(g) Total annual GHG emissions (location-based) = Scope 1 + Scope 2 location-based + Scope 3 (excluding indirect use phase emissions of sold products).

(h) Total annual GHG emissions (market-based) = Scope 1 + Scope 2 market-based + Scope 3 (excluding indirect use phase emissions of sold products).

(i) The source of emissions is the consumption of energy to heat water used in shaving.

(j) BIC has not been able to precisely calculate the value for 2023. 65% of the data is coming from 2022 data. The calculation methodology will be updated next year to improve the accuracy.

3



GREENHOUSE GAS EMISSIONS (GHG) SCOPES 1, 2 AND 3 REDUCTION TARGET PROGRESS

Sources and scope ^(a)	2019	2023	Progress
SCOPE 1 ^(b)			
Oil and gas	9,276	7,556	-19%
Car fleet emissions	5,450	4,870	-11%
Loss of refrigerant gases	9,230	2,056	-78%
TOTAL ANNUAL GHG EMISSIONS (SCOPE 1)	23,956	14,483	-40%
SCOPE 2 ^(b)			
Location-based	88,432	67,366	-24%
Market-based	36,546	9,012	-75%
SCOPE 3			
Asset	83,668	88,892	6%
End of Life	60,942	53,896	-12%
Freight ^(c)	71,392	49,937	-30%
Purchased Goods and Services ^(d)	393,133	377,490	-4%
Travel and commute	25,946	22,523	-13%
Direct use phase emissions of sold products	17,975	19,301	7%
Waste	6,121	4,003	-35%
Energy-related ^(f)	17,320	23,180 ^(e)	34%
TOTAL ANNUAL SCOPE 3 GHG EMISSIONS (EXCLUDED INDIRECT USE PHASE EMISSIONS OF SOLD PRODUCTS)	676,497	639,222	-6%
TOTAL ANNUAL GHG EMISSIONS (LOCATION-BASED) ^(g)	788,885	721,070	-9%
TOTAL ANNUAL GHG EMISSIONS (MARKET-BASED) ^(h)	736,999	662,716	-10%
SCOPE 3 OPTIONAL GHG EMISSIONS			
Indirect use phase emissions of sold products ⁽ⁱ⁾	309,438	293,756	-5%
TOTAL ANNUAL SCOPE 3 OPTIONAL GHG EMISSIONS	309,438	293,756	-5%

(a) TeqCO₂/ton.

(b) Due to an issue with our reporting tool, we have estimated the value from October to December 2023 with 2022 values.

(c) Excluding:

- purchases of products and services outside the BIC group procurement tool;
- packaging purchases of new acquisitions (from 2019) entities, BIC Graphic and MEA distributors, OEM outside SSO (BIC Shanghai Sourcing Office);
- raw materials, components, tools, and machinery for GHG emissions from intra-Company transport that are included in "Freight".

(d) Excluding:

- purchases of products and indirect services outside the BIC group procurement tool;
- packaging purchases of new acquisitions (from 2019) entities, BIC Graphic and MEA distributors, OEM outside SSO (BIC Shanghai Sourcing Office).

(e) BIC has not been able to precisely calculate the value for 2023. 65% of the data is coming from 2022 data. The calculation methodology will be updated next year to improve the accuracy.

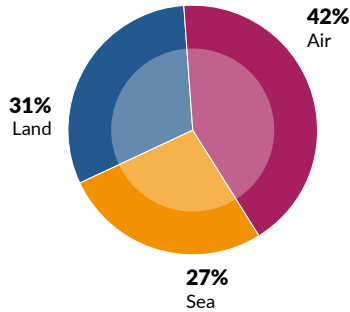
(f) Including fuel, oil, gas and electricity.

(g) Total annual GHG emissions (location-based) = Scope 1 + Scope 2 location-based + Scope 3 (excluding indirect use phase emissions of sold products).

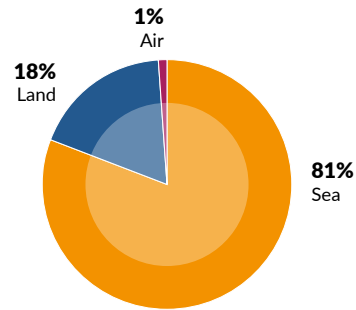
(h) Total annual GHG emissions (market-based) = Scope 1 + Scope 2 market-based + Scope 3 (excluding indirect use phase emissions of sold products).

(i) The source of emissions is the consumption of energy to heat water used in shaving.

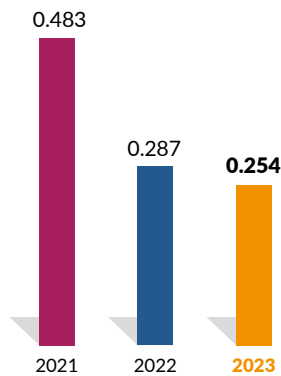
BREAKDOWN OF GHG EMISSIONS BY MODE OF TRANSPORT - AS % OF TOTAL



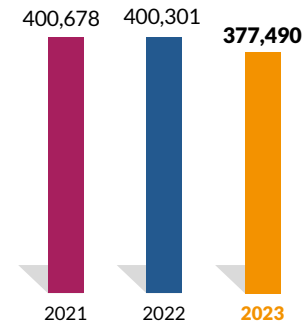
BREAKDOWN OF TONNAGE SHIPPED BY MODE OF TRANSPORT - AS % OF TOTAL



GHG EMISSIONS FROM INTRA-COMPANY TRANSPORT (1) - TEQCO₂/TON OF PRODUCTS



GHG EMISSIONS RELATED TO PURCHASED GOODS AND SERVICES - IN TEQCO₂ - BIC



Goals and results

Goal	Perimeter	Deadline	2021	2022	2023
100% electricity from renewable electricity sources ^(a)	Facilities	2025	79%	76%	91%
Keep air freight below 2.3% for intra-company transport ^(b)	Transport	Annual	2.82%	1.84%	1.06%
BIC's goal is to use 50% non-virgin petroleum plastics in its products	BIC [®] products	2030	4.0%	5.70%	8.0%
100% of BIC consumer plastic packaging will be reusable, recyclable or compostable ^{(c) (d)}	Packaging	2025	59.6%	70%	81%
100% of BIC paper and cardboard packaging will be from certified and/or recycled sources ^(d)	Packaging	2025	97.4%	97.7%	99.1%
100% of BIC plastic packaging will be PVC-free ^(d)	Packaging	2025	95.6%	96.2%	98.0%
75% of the materials used in BIC plastic packaging will be from recycled content ^{(c) (d)}	Packaging	2025	52.1%	54.7%	62.1%

(a) In % of total consumption.
 (b) In ton-kilometers - % of the total.
 (c) Indicator calculated for the first time in 2020 following the Group's commitment that year.
 (d) BIC Graphic, recent acquisitions from 2019, and certain OEMs are excluded.

(1) Excluding road transport to and from ports and airports from the calculation of sea and air freight; excluding raw materials, components, tools, and machinery.



3.2.1.3 BIC's activities disclosure on the European Green Taxonomy ^[NFPS]

In this section, the Group discloses the information required by the European regulation 2020/852 of June 18, 2020.

Eligible but not environmentally sustainable (not Taxonomy-aligned activities) revenue - see Section 6.1. for details on the total revenue amount

BIC is committed to the ecological transition. However, its core activities do not directly correspond to those retained in the delegated act on climate change adaptation, mitigation, water, pollution, circular economy and biodiversity, for which the highest emitting activities on scopes 1 and 2 with a potential for transformation have been prioritized. Thus, the share of BIC's eligible revenue for the year 2023 is zero (some secondary activities might be eligible but are not significant for the Group and so not included in the calculation of the eligible revenue).

For detailed results please visit Annex I, II and III (Section 3.5.5).

Eligible but not environmentally sustainable (not Taxonomy-aligned activities) OpEx- see Section 6.1. and Scope and Methodology for details on the total OpEx amount

The share of BIC's eligible OpEx for the year 2023 is zero (some secondary activities might be eligible but are not significant for the Group and so not included in the calculation of the eligible operating expenditures).

For detailed results please visit Annex I, II and III (Section 3.5.5).

Eligible but not environmentally sustainable (not Taxonomy-aligned activities) CapEx - see Section 6.1. for further details

The CapEx definition according to the Taxonomy is the following: "acquisitions / increase flows of property, plant and equipment, right of use and intangible assets (gross amounts) before revaluation, depreciation, amortization and changes in fair value, including acquisitions through business combinations".

BIC's eligible but not environmentally sustainable (not Taxonomy-aligned activities) capital expenditures relate primarily to expenditures associated with the following European green taxonomy activities (and their code) contributing to climate mitigation:

- 3.6 Manufacture of other low carbon technologies;
- 7.3 Installation, maintenance and repair of energy efficiency equipment ; and
- 9.1 Close to market research, development and innovation.

These capital and operating expenditures include the following BIC projects ⁽¹⁾:

- investments in technologies that mix virgin plastic material with recycled plastic material; and
- investment in equipment with lower energy consumption, but not included in the taxonomy.

As a result, BIC's share of Taxonomy-eligible but not aligned capital expenditures for the year 2023 amounts to 3% out of a total of €137 million (see Note 9 to the Consolidated Financial Statements, Chapter 6.1.).

Sustainable activities (Taxonomy-aligned activities) CapEx

BIC's environmentally sustainable activities' (Taxonomy-aligned) capital expenditures relate primarily to expenditures associated with the following European green taxonomy enabling activities (and their code) contributing to climate mitigation:

- 3.6 Manufacture of other low carbon technologies;
- 4.1 Electricity generation using solar photovoltaic technology;
- 4.23 Production of heat/cool from renewable non-fossil gaseous and liquid fuels;
- 4.29 Electricity generation from fossil gaseous fuels;
- 4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system;
- 5.3 Construction, extension and operation of waste water collection and treatment;
- 5.9 Material recovery from non-hazardous waste;
- 7.2 Renovation of existing buildings;
- 7.3 Installation, maintenance and repair of energy efficiency equipment;
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings);
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings;
- 9.1 Close to market research, development and innovation.

These capital expenditures include the following BIC projects ⁽²⁾:

- Investments in the recycling of non-hazardous waste back to the manufacturing process;
- Investment in lighting system replacement as well as guardhouse boiler replacements;
- Investments in charging stations for electric vehicles;
- Investments in smart meters for gas, heat, cooling and electricity; and
- Investments in air renewal management.

The share of Taxonomy-aligned BIC capital expenditures for the year 2023 amounts to 2% out of a total of €137million. For detailed results please visit Annexes I, II and III (Section 3.5.5).

(1) Non-exhaustive list of eligible capital and operating expenses under the EU Taxonomy.

(2) Non-exhaustive list of aligned capital expenses under the EU Taxonomy.



Scope and methodology

Scope

The revenue, capital expenditures and operating expenses considered cover all of the relevant BIC activities corresponding to the financial consolidation scope.

The financial data is taken from the consolidated financial statements (see Section 6.1.) as of December 31, 2023, and the revenue and capital expenditures can therefore be reconciled with the financial statements. For Capital Expenditures, the total included tangible assets (Note 9-1; 126,848K€) and intangible assets (Note 11; 10,268K€).

Operating expenses total includes OpEx with the definition for Taxonomy: "costs related to research and development, building renovations, short-term lease, maintenance and repair". The total amount is 58,704,700€ which equals to 11% of Total OpEx for BIC which is not significant and representative of BIC operational activities. The Group has decided to apply the exemption of eligibility and alignment calculation for OpEx.

Companies in which the Group exercises joint control or significant influence are excluded from the calculation of the ratios defined by the delegated act known as "Article 8" of the taxonomy regulation ⁽¹⁾.

Methodology to determine the ratio of eligible and aligned activities

BIC carried out its assessment of its business activities, eligible and aligned costs and investments and the determination and allocation of revenue, capital expenditure (CapEx) with reference to the climate delegated acts of the taxonomy, in the following manner.

In 2023, each BIC business unit (GI&I ⁽²⁾, Group Supply Chain, Lighters, Group Commercial & Corporate, and Total Group Partnerships & New Business) proceeded to identify potential eligible capital expenditures by employing existing internal sustainability criteria which included: energy reduction, decrease in raw material use and an other positive impact on the environment among others. To ease the identification of eligible activities, each business unit then referred to the Taxonomy Compass, which lists all European activities eligible.

Once eligibility was established, the internal teams proceeded with the alignment assessment of these capital expenditures. The Group assessed the project's compliance with the substantial criteria for each of the EU Taxonomy activities as well as the Do Not Significantly Harm criteria when applicable. The Do Not Significantly Harm criteria for climate adaptation was assessed at a Group level as a result of a Group physical climate risk analysis carried out in 2022. The minimum safeguards were screened at a Group level to ensure alignment with the four key topics: human rights, bribery and corruption, taxation, and fair competition.

The sustainable development teams in consultation with the Finance Department obtained the corresponding eligible and aligned capital expenditures (CapEx). These results were verified by the EU Taxonomy project coordinator and discussed with the interested parties. Once approved, the amounts collected in local currency were uploaded to the Group's financial consolidation system to guarantee coherency with the Group's consolidated financial statements and published in the Non-Financial Performance Statement Taxonomy Annexes I, II and III (see Section 3.5.5).

The Group has based its analysis on a list of CapEx projects which are all unique and reconciled to financial statements. Therefore, we are confident in avoiding double-counting.

3.2.2 POLLUTION AND WATER ^[NFPS]

BIC is committed to ensuring that its facilities, including both factories and offices, operate in an environmentally responsible way. BIC strives to reduce any impact of its manufacturing operations and optimize product shipping.

BIC exerts strong environmental control over its entire supply chain and favors in-house production over contract manufacturing: 92% of the Group's net sales are generated by products manufactured in its own factories.

3.2.2.1 Risk and opportunities ^[NFPS]

^[NFPS risk 7] BIC has identified risks related to its operations and the environment as among its main CSR risks. The environmental

impact of BIC's manufacturing operations, primarily molding and assembly of plastic products, remains relatively low.

Reducing the environmental footprint of its factories is also a source of opportunity for BIC and includes:

- optimizing production costs by limiting resource consumption (water, energy, etc.) and the production of factory waste;
- facilitating the integration of factories into their local surroundings by reducing their environmental footprint, adopting best practice and reaching out to local communities; and
- reviewing processes to reduce carbon emissions in the coming decades.

(1) Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021.

(2) Group Insights and Innovation.



3.2.2.2 Policies, actions taken, results and outlook [NFPS]

Introduced in 2005, the **Environment, Health & Safety (EH&S) Policy** defines the Group's commitment to minimizing the environmental and safety impact of all its operations to better protect the environment. The policy reflects BIC's dedication to:

- pollution prevention;
- health and safety risk prevention;
- regulatory compliance;
- continuous improvement; and
- awareness and involvement.

The EH&S Policy has been deployed at all BIC's industrial facilities since 2010. BIC maintains a formal procedure to review the BIC EH&S Policy to ensure that it remains relevant and appropriate to the business. This procedure notably includes a periodic (annual) assessment and revision of the policy to ensure it remains appropriate in light of any changes to the Group's activities and products, including acquisitions and changing stakeholder expectations. An updated EH&S Policy was signed by the CEO in November 2022 and published in January 2023.

Since 2018, all BIC facilities (factories, packaging or distribution centers, head offices and other offices and installations) have been equipped with a system for documenting and managing safety incidents. This is part of the implementation of Commitment #3 of the "Writing the Future, Together" program (see Section 3.3.1.2).

At industrial facilities

The EH&S Policy requires factories to implement pragmatic management systems designed to involve all stakeholders, and to drive continuous improvement of operational performance. Every BIC factory has a local EH&S manager in charge of rolling out these management systems. The Group also has a central EH&S manager who guides and coordinates the network of factory EH&S managers. This person ensures that all facilities comply with the Group's policy and objectives, and monitors facility performance by consolidating, analyzing, and communicating the results achieved.

The environmental management system helps ensure compliance with applicable environmental laws and regulations. This may include daily or periodic checks to comply with local regulations. These may be done internally or with the assistance of an independent service provider. An action plan is drawn up to correct any compliance issues that are identified.

The management systems comprise an in-depth review of all aspects of the facility's environmental impact (water, air, soil, noise, etc.). Action plans are then drawn up to limit this environmental impact. Simple improvement targets are set for the factories, which therefore contribute to the Group's overall environmental performance while resolving their own specific challenges (production, resources, geographic location, etc.).

The environmental management systems rolled out at the Group's industrial facilities include emergency prevention and response plans to deal with pollution accidents that could have consequences outside the sites.

In particular, in France, the two SEVESO plants (BJ 75 and BIMA) have emergency procedure protocols (*Plan d'opération interne* and *Plan particulier d'intervention*), and a major accident prevention policy (*Politique de prévention des accidents majeurs*). They also have a Safety Management System. Since 2022, BIC Conté in France has been carrying out soil decontamination analyses at the Boulogne site. Clean-up work will begin in early 2024.

Outside France, notably in the U.S., some factories have equivalent emergency plans that address risks with potential off-site consequences.

Management systems and certification

BIC management systems implementation continued in 2023. Each Group industrial facility is responsible for implementing these systems for itself, in order to monitor its impact on the environment and on health and safety.

As well as implementing management systems, BIC also continually invests in obtaining and renewing certifications:

- **ISO 14001:** BIC Ecriture 2000, BIC South Africa, BIC CORP – Milford, BIC Rasoirs, BIC Shavers Mexico – Industrial de Cuautitlan, BIC Violex, BIC Conte-Samer, BIC Mexico Cuautitlan Izcalli, BIC Amazonia, BIC Bizerte;
- **ISO 45001:** BIC Rasoir, BIC Violex, BIC Amazonia; and
- **ISO 50001:** BIC Violex, BIC Amazonia.

In our offices

To ensure best practices, BIC's sustainable development approach covers all its operations, including its offices, although they represent a non-significant part of the Group's environmental impact. The environmental performance of the Group's four main offices (Clichy in France, Shelton in the U.S., Barueri in Brazil and Sofia in Bulgaria) is presented together with the performance of the Group's industrial facilities.

Initiatives have been taken at these facilities to reduce their environmental footprint. The offices in Shelton, U.S., are powered by renewable electricity. BIC Clichy teams moved to a brand new BREEAM (Building Research Establishment Environmental Assessment Method) and HQE-certified building in June 2022. This building is powered by 100% renewable electricity. The move enabled more flexible working arrangements which significantly improved local team members' working conditions. To encourage eco-responsibility in the building, the local teams organized a series of workshops to raise awareness of the impact of climate change (Climate Fresk) and communicate on BIC's sustainability progress.

In the supply chain

As well as accounting for its own environmental impact, BIC looks at the impact of its supply chain. Since 2014, the Workplace Conditions Assessment (WCA) platform (see Section 3.3.2.2) used to audit its subcontractors' working conditions has included a comprehensive questionnaire on environmental performance, accounting for 6% of questions. In 2023, 33% of subcontractors were audited.

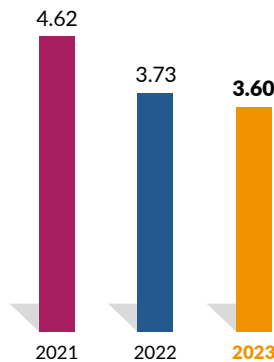


Water [NFPS]

Seven facilities show a moderate risk of water stress (in Europe, India and Mexico), according to a global risk assessment of climate change risks including a water stress test completed by BIC in 2022. The Group will continue to seek to improve its water consumption ratios and factor in scarcity of this resource when prioritizing its action plans for the reduction of water consumption.

BIC consumed 359,572 m³ of water worldwide in 2023.

ANNUAL WATER CONSUMPTION NORMALIZED TO BIC FACTORY PRODUCTION - BIC - IN M³/TON



There was a 4% decrease in water consumption per ton of production between 2022 and 2023. BIC production is not water intensive and most of the consumption is due to potable water use. In 2023, water management, improvement in cooling process and overall maintenance contributed to this decrease in water consumption.

In addition to the volumes consumed, it is essential to consider where this consumption takes place. It can be in so-called water stress zones. The uneven distribution of water across the planet, and limited access to it, may give rise to severe political and social tensions.

3.2.3 CIRCULAR ECONOMY AND WASTE [NFPS]

BIC produces and markets consumer products that are lightweight, long-lasting and affordable for all. From day one, BIC® products have been designed and made with minimum use of raw materials.

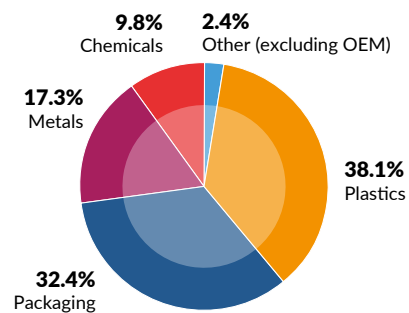
At BIC, this approach is reflected in the “4 Rs” philosophy (Reduce, use Recycled and alternative materials, Refill, Recycle) based on circular economy principles. Through its “Writing the Future, Together” program, the Group goes even further. It commits to accelerating the integration of recycled and alternative materials ⁽¹⁾ into its products and improving their environmental, social and societal performance. A dedicated sustainable scorecard has been incorporated into product design process, called “EMA” (Environmentally & socially Measurable Advantage).

BIC contributes to the development of the circular economy by establishing partnerships to use secondary raw materials. It is involved in creating a pilot channel for the recycling of stationery products, shavers and lighters.

BIC® products are designed to meet and anticipate the expectations of all consumers in both developed and developing countries. The Group takes all necessary steps to uphold its brand image and preserve its reputation.

3.2.3.1 Risks and opportunities [NFPS]

BREAKDOWN OF RAW MATERIAL PURCHASES IN 2023 ⁽²⁾



Product life cycle studies show that a product’s environmental impact is primarily determined by the raw materials used and its service life. The challenge is therefore to minimize raw materials and maximize the product’s lifespan. In fact, the more lightweight a product and the longer it lasts, the better its environmental performance.

Starting in 1994, when BIC conducted its first life cycle studies, the Group defined its founding principle of “just what’s necessary” ⁽³⁾. The idea is to offer fairly priced products with lower environmental impact.

(1) Alternative materials are defined as plastics that are not made of petroleum (bio-based plastics, mass-balanced bio-based plastics).

(2) Spent in Euros.

(3) “Il y aura l’âge des choses légères” by Thierry Kazazian, Victoires Éditions, 2003.



ENVIRONMENTAL PERFORMANCE MEASUREMENTS FOR THREE LEADING BIC® PRODUCTS (1)



Life cycle analysis approach—ReCiPe (version 1.12)
Endpoint (H/A) Europe

	Raw materials	Production	Distribution	End of life
BIC® Cristal® ball pen	81%	12%	4%	3%
BIC® Maxi lighter	81%	11%	5%	3%
BIC® Classic single-blade shaver	79%	14%	4%	3%

BIC has identified the following risks among its major CSR product-related risks:

- risks related to plastics [NFPS risk 1], including:
 - upstream: the use of plastic in BIC® products. This contributes to the depletion of a non-renewable resource, which is therefore subject to scarcity and price volatility; and
 - downstream: pollution from plastic waste.

In addition to these issues, there is also the ever-growing body of regulations on the use of plastics as well as the perception of consumers and citizens;

- risks related to climate change [NFPS risk 2] resulting from the use of petroleum-derived raw materials (plastics). A plan to manage these risks includes an effort to reduce the use of petroleum-derived raw materials and to employ more recycled and alternative ones (also see Writing the Future, Together # 1 Section 3.1.1.3).

The challenges related to plastic waste and resource depletion also offer opportunities. These include:

- increasing the use of recycled and alternative materials in products to foster more responsible consumption;
- creating circular economy loops that enable product collection, recycling and reuse; and
- offering unique BIC® products with environmental and social benefits in its markets.

3.2.3.2 Policies, action taken, results and outlook [NFPS]

The circular economy at BIC: the “4 Rs” philosophy

The circular economy consists of producing goods and services in a sustainable way by limiting the consumption and wasting of resources and the production of waste. The goal is to transition from an extraction-production-waste model to a more circular economic model (2):

At BIC, the principles of the circular economy are embodied in the Group’s “4 Rs” philosophy. This serves as a guide for all its “product” processes:

- reduce the consumption of materials;
- use recycled or alternative materials;
- design and manufacture refillable products and packaging whenever possible; and
- design and manufacture recyclable products and packaging.

3.2.3.2.1 Ambitious goals for products and packaging, in keeping with the “4 Rs”

In 2020 in line with its “4 Rs” philosophy, the Group made new commitments to:

- use more recycled and alternative materials in its products; and
- speed the transition toward reusable, recyclable or compostable packaging.

In practice this means that:

- by 2030, BIC aims for 50% use of non-virgin petroleum plastic in its products; and
- by 2025, 100% of BIC consumer plastic packaging will be reusable, recyclable, or compostable.

In addition:

- by 2025, 100% of BIC paper and cardboard packaging will be from certified cellulosic sources (3) and/or recycled;
- by 2025, 100% of BIC plastic packaging will be PVC-free; and
- by 2025, 75% of the material used in BIC plastic packaging will be from recycled content.

3.2.3.2.2 Applying the “4 Rs” philosophy to products [NFPS]

The “4 Rs” – Reduce the consumption of materials

An expert in plastic processing, BIC seeks to minimize raw material usage and regularly updates its product designs to optimize and reduce its consumption of materials.

In the Human Expression division, the BIC® Cristal® ball pen, one of the Group’s flagship products, exemplifies this approach. Even though its design already optimized the use of materials in 1950, it continues to benefit from ongoing research to minimize the materials used. In its classic ink medium tip version :

- it has a minimum writing length of over 2 km; and
- it uses less than 2.8 grams of material per kilometer of writing, and teams are constantly working to optimize its weight even more.

In the Blade Excellence division, BIC stands out thanks to its highly competitive price/quality ratio. For each product range, this price/quality ratio is made possible by developing products with an optimal quantity of materials and keeping them as simple as possible.

(1) BIC analysis.

(2) Source: website of the French Ministry of Ecological Transition.

(3) Made from certified cellulose from responsibly managed forests endorsed by independent certification schemes (FSC / SFI / PEFC).



For example, the BIC® Simply Soleil® shaver is designed to weigh as little as possible. Although it is hollow, its handle nonetheless ensures a high level of performance, quality and comfort in shaving.

BIC's Flame for Life division is recognized as a champion in manufacturing safe, long-lasting high-performance lighters, using a minimum amount of materials while offering the best service to consumers. For example, the BIC® Maxi lighter (#1 bestseller) provides up to 3,000 flames with less than 24g of raw material. Between 2020 and 2022, the division launched BIC® EZ Reach™ lighter, a multi-purpose lighter which reduces plastic waste by four, packaging waste by 30% and carbon emission by 66% compared to regular and larger multi-purpose lighters.

In 2022, BIC launched a value engineering approach that aims to reduce the use of plastics in products and packaging even further, with the principle of "just what's necessary" in mind. For example, at the end of 2023, it released a lighter cap version of the iconic BIC® 4 Colours™ ballpoint pen.

The "4 Rs" – Use Recycled or alternative materials

Since 2014, the Group has been exploring how to maximize the use of recycled and alternative materials in BIC® products. The research teams have identified all BIC® products that could be made using alternative/recycled materials without sacrificing quality. The challenge is how:

- to ensure a perennial source of materials that meet these specifications; and
- to convert any products that lend themselves to such adaptation.

BIC's Research and Development teams work with the Procurement Departments to find recycled or alternative materials, taking two approaches:

- **using existing innovative materials.** An inventory of innovative materials for industrial use is kept up to date. From this list, engineers select materials that satisfy industrial and economic requirements and conduct feasibility tests. Depending on product applications and implications, the Group's marketing teams are consulted to anticipate potential consumer reactions; and
- **collaborative research** with suppliers to identify new materials (e.g. plant-based or recycled, etc.), new concepts (materials from new recycling techniques) or hybrid materials ⁽¹⁾. Many materials are considered and then analyzed, including potato starch, sugarcane, plant fibers, wood chip, etc. Once a formulation is ready, it is tested to ensure that it meets industrial quality and safety specifications, sometimes going all the way to the finished product approval stage.

Exemplifying this approach, the BIC® Ecolutions® range is a complete stationery line that consists of products manufactured using recycled materials in compliance with ISO 14021. All BIC's stationery lines now include at least one product made with alternative materials (in particular recycled materials).

In 2023, a retractable gel pen made from 78% recycled ocean-bound plastic was added to this range in the U.S.

BIC launched in 2022 the upgraded BIC Click 5 Soleil® following a partnership with its supplier Avient to incorporate recycled-content thermoplastic elastomer in the handle – a first in the Blade Excellence division – and reach over 40% of recycled content in its handle.

In 2022, BIC launched the new BIC® Maxi Ecolutions®, a new version of the BIC® Maxi Lighter made with alternative materials such as bio-attributed plastic and 55% recycled metals.

The "4 Rs" – Design and manufacture Refillable products

In keeping with its "4 Rs" philosophy, BIC endeavors to launch refillable products. However, consumer demand for refills is virtually non-existent in everyday stationery products. With lighters, BIC's highest priority is ensuring consumer safety.

In the Human Expression division, BIC continues to offer refillable pens: the BIC® Gel-ocity® line of gel ink pens and the BIC® 4 Colours™ line are all refillable. For example, in France and the UK, pen refills can be ordered on www.bic.com.

In the Blade Excellence division, the BIC® hybrid shaver has one handle and several razor cartridges sold in the same pack. In its three-blade hybrid shaver version for men, the underside of the handle is also ribbed to reduce the use of plastic without altering the shaver's ergonomic characteristics, which are the same as conventional handles. Over its life cycle and for one year of shaving, the environmental impact of this product is 28% lower than that of a similar non-refillable BIC® model for men, such as BIC® Comfort 3® Action®.

The innovative BIC® EasyRinse™ shaver line, launched in 2023 in the U.S., is also available in a hybrid version, for both men and women.

The Flame for Life division developed a new-purpose lighter that can be reloaded with a BIC Max lighter: BIC® EZ Load lighter. The launch is scheduled for January 2024 in the U.S. and Canada.

The "4 Rs" – Design and manufacture Recyclable products and explore new recycling channels

In keeping with its "4 Rs" philosophy, BIC constantly strives to make its products more recyclable. It does this by improving their design and by exploring all available recycling channels to understand the product end-of-life phase.

Since 2011, BIC has been exploring ways of recycling its products. Working collaboratively with different stakeholders, BIC initiated an independent recycling industry, which offers a unique circular economy model in France. This circular economy sector is built on two key partnerships:

- **A partnership with TerraCycle®** for the collection of used writing instruments, which started in Europe in 2011. This pioneering program organizes the collection and recycling of all types of writing instruments, including non-BIC® products. In return for the items collected, a sum is donated to a charity or non-profit. In the case of schools, the money is donated directly to the school to fund educational projects. In 2023, BIC focused on collection efforts in the following countries: France, UK, Spain, Belgium, Netherlands, and Australia. At end-2023, over 86.7 million pens had been collected and €930,000 in donations made worldwide since the launch of the program.

(1) A composite material consisting of a thermoplastic - which may be recycled, biobased, or virgin - compounded with non-thermoplastic fillers - including natural organic, inorganic, or synthetic elements.



In France, BIC's largest collection market, it continues to test new solutions. For example, in 2023, BIC teamed up with Carrefour France and TerraCycle® to create the first recycling kiosks in six Carrefour stores alongside four other brands: Dim, Hasbro, Philips and Tefal. This initiative enables consumers to return their used products to a single location in exchange for a purchase voucher.

BIC also repeated its back-to-school seasonal recycling operation for used writing instruments at large retail chains. It was present in around 1,000 stores and collaborated with Carrefour, Leclerc, the *Furet du Nord* & Decitre group, Cultura and *Bureau Vallée*.

- **A partnership with Govaplast and Plas Eco** for the design, manufacture and distribution of "Ubicuity™", the 'write' kind of bench™ furniture. Used pens are collected, sorted and shredded by a recycler. The plastic is shipped to Govaplast, which converts it into recycled plastic boards. The boards are in turn used by Plas Eco, which designs, manufactures, distributes and markets the products in the Ubicuity™ line. Made entirely from recycled plastic, these products are themselves recyclable, resistant to rot, ultraviolet radiation and graffiti as well as very durable (guaranteed ten years). Long-lasting and easy to maintain, they also have a smaller environmental footprint than outdoor furniture made from farmed wood.

For more than four years, the Flame for Life division has been testing several collection and recycling loops, to understand consumer behavior. In 2021, collection and recycling loops were implemented in the Balearic Islands, in response to local authorities' requirements. BIC took advantage of the islands' new 2021 regulation, which encourages manufacturers to collect every product sold on the market, to test one possible collection model. BIC also took the opportunity to design other collection models to test alternative options and better understand consumer behaviors when they return their used lighters. It did this in partnership with Consupal, a local Balearic consumer association, and UQAM, the University of Quebec in Montreal's specialized laboratory (Responsible Consumption). Consupal helped BIC communicate about and promote the collection of lighters in the Balearic Islands. In the meantime, Plastic@Sea analyzed – in real life – plastic flows in the region to estimate the quantity of plastic and understand where it came from, how it got to the islands, and what caused the plastic pollution. By analyzing lighter collection parameters, consumer behavior and real lighter flows, BIC intends to develop and test models to find the most efficient collection loops and then scale them up.

In 2019, the Flame for Life division signed a 5-year partnership with Plastic@Sea, a scientific laboratory expert on the lifespan and effects of plastic in marine ecosystems. With this partnership, simulations of debris diffusion from land to the sea are conducted, the toxicity of products is tested and eco-friendly alternatives for packaging are explored.

The BIC ecosystem, promoting the circular economy

Over the years BIC has joined forces with key players to facilitate its shift toward the circular economy:

- BIC continues to support the **Ellen MacArthur Foundation**. The Foundation's various programs will help BIC's teams develop their knowledge and skills, as well as network and collaborate with key organizations on circular economy;
- with its partners **TerraCycle®**, **Govaplast** and **Plas Eco**, BIC is driving an innovative new channel that fosters a circular economy, and exploring plastic recycling techniques to further investigate and pioneer various options;
- the BIC Lighters division continues to support the **Tara Ocean Foundation**. Its oceanographic research vessel sails the world's oceans, bringing scientists together in an effort to understand the dynamics of plastic breakdown at sea. This research program also documents the impact of plastic waste on the oceans, with the long-term goal of identifying substitute materials;
- BIC has been a member of **Bio-speed** since 2014, alongside major European corporate organizations, like Danone, Faurecia, Lego, Michelin, L'Oréal and Givaudan. This consortium explores "sustainable" building blocks and polymers derived from biobased sources and other technologies such as recycling technologies;
- to assist its search for alternative materials, BIC has developed strategic R&D partnerships for over 15 years; and
- in 2022, BIC joined the **ABSoleU project** alongside research and industrial actors. The project aims to improve knowledge of ABS ⁽¹⁾ plastic recycling and pave the way for an ABS plastic recycling revolution in the European Union.

Results

The "4 R's" in the product teams' everyday operations

BIC is making responsible innovation and improving the environmental and societal footprint of its products an integral part of everyday activities. To support this objective, the Group has developed a tool to evaluate its products: the EMA (Environmentally & socially Measurable Advantage) scorecard.

EMA reflects the "4 Rs" philosophy as well as other environmental (green chemistry, efficient manufacturing) and social considerations (benefits for society, responsible chemistry, etc.). The goal is to stimulate and facilitate sustainable innovation by adopting an objective, scientific approach to design. EMA is directly linked to BIC's existing eco-design tools and helps focus all R&D efforts on product improvement. It is fully integrated into the innovation process and as of 2023, relevant product improvements are also evaluated using the EMA tool.

By the end of 2023, seven BIC® products have been improved compared to the relevant baseline.

In 2023, BIC worked on an update of the EMA tool, which will be effective from the beginning of 2024. The current methodology has been strengthened by improving indicators and highlighting better specific life cycle indicators such as GHG emissions.

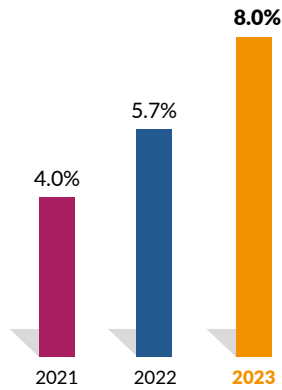
Another version of this tool exists for packaging and is used to support the development teams' day-to-day decisions concerning packaging.

(1) Acrylonitrile, Butadiene, Styrene.



PERCENTAGE OF RECYCLED/ALTERNATIVE PLASTICS IN BIC® PRODUCTS

(% of volumes purchased)



In 2023 the percentage of non-virgin plastic used was 8.0%. This increase is due to the Blade Excellence and Flame for Life programs boosting the use of non-virgin materials in their products.

3.2.3.2.3 Applying the “4 Rs” philosophy to packaging [NFPS]

Packaging is needed at various stages in a BIC® product's life cycle, to protect, transport, store, sell, and promote it. BIC's packaging primarily consists of boxes and cases made of plastic, paper, and cardboard. This packaging has an environmental impact during its manufacturing, shipping, and at end-of-life.

Historically, BIC advocates selling products without consumer packaging or in value packs, as is the case with the Cristal® pens box of 50 or the lighters tray of 50. In Europe:

- 78% of writing products are packaged in boxes, trays or pouches of at least ten products (87.1% in North America);
- 79% of lighters are sold in trays of at least 50 (66.2% in North America); and
- 82% of shavers are marketed in packs of five, ten or more (67% in North America).

BIC has launched several Group-wide initiatives in keeping with its “4 Rs” philosophy. A few examples are given below.

The “4 Rs” – Reduce the consumption of materials

BIC actively seeks to reduce the weight and volume of its packaging, and has implemented a range of targeted initiatives around the world adapted to local distribution models.

In France, cardboard parcels were redesigned, resulting in a saving of 46.4 tons of cardboard thanks to quality optimization and downsizing. BIC also brought out a smaller 50-lighter tray made with recycled and recyclable plastic, saving 3.7 tons of plastic in the first weeks after its market launch.

The “4 Rs” – Use Recycled or alternative materials

BIC estimates that at the end of 2023:

- 62.1% recycled materials are used in BIC plastic packaging. The 7.4 points increase vs 2022 is mainly due to more recycled content in PET blisters and 100% recycled content for lighter counter displays in the U.S. (66 tons per year); and
- 99.1% of BIC paper and cardboard packaging came from certified and/or recycled sources. Cardboard inserts in shaver packaging are now 95% recycled.

The “4 Rs” – Design and manufacture Recyclable or reusable packaging

At the end of 2023, 81.3% of all packaging used by BIC was cardboard (including primary packaging, cardboard outer boxes, and displays), and 18.7% was plastic.

Several products switched from plastic to cardboard packaging, or were directly launched with cardboard packaging, including:

- BIC® Hybrid Flex® and BIC Click Soleil® shaver ranges in 2021;
- BIC® Mechanical Pencil 8-packs, 10-packs and 12-packs in the U.S. in 2022;
- Maxi Lighter 4-packs and BIC® Ecolutions® Lighters two- and four-packs in Europe, in 2022; and
- packs of 14 and 16 shavers in the U.S. in 2023, which saved 38 tons of plastic.

By the end of 2023, 81% of plastic used in consumer packaging was reusable, recyclable or compostable. This is an 11-point increase compared to last year due mainly to the move from:

- PETG to PET ARA at the shaver factories in South America and Greece (363 tons in 2023); and
- PVC to PET ARA at the shaver factory in South America (103 tons in 2023). At the end of 2023, 98% of BIC plastic packaging was PVC-free.

BIC uses semi-permanent “refillable” plastic displays and recyclable cardboard displays to sell several product ranges in the three categories.

Its European copacking and hub center in Slovakia used more reusable pallets in 2023 (+33.5% vs 2022).

Since April 2023, the Group has been involved in the Circul'R coalition of companies called “La Fabrique PLV”, which aims to develop a reusable, sustainable, and cost-effective display for super and hypermarkets, and thus avoid material waste once in-store operations are over.



PROGRESS IN PACKAGING

	2021 (a)	2022 (a)	2023 (a)
Percentage of cardboard packaging from certified and/or recycled sources	97.4%	97.7%	99.1%
Percentage of plastic packaging that is PVC-free	95.6%	96.2%	98.0%
Percentage of reusable, recyclable or compostable plastic in consumer packaging	59.6%	70.0%	81.0%
Percentage of recycled content in plastic packaging	52.1%	54.7%	62.1%

(a) Excluding BIC Graphic, new acquisitions since 2019, and certain OEMs.

3.2.3.2.4 Waste [NFPS]

Total waste production

As part of its operations, BIC generates both Hazardous and Non-Hazardous waste. Non-Hazardous waste accounts for 85% of the total (in tons) and includes, for example:

- packaging waste;
- manufacturing waste (production scrap, plastics, metal, wood, cardboard, etc.);
- maintenance waste (metal, paper); and
- waste from employee activities.

Hazardous waste, which accounts for 15% of total waste (in tons), is mainly generated by the manufacturing processes and includes for example:

- absorbents (filters, activated carbon, etc.);
- chemical substances (solvents, inks, etc.);
- WEEE ⁽¹⁾ (lamps, batteries, etc.); and
- manufacturing waste (such as paper/cardboard, metal or wood polluted with chemical substances, etc.).

Over the years, BIC has developed a global waste management policy and many programs at factory level to promote waste reduction and ensure waste is suitably recovered.

In 2023, various projects were undertaken at BIC facilities, for example:

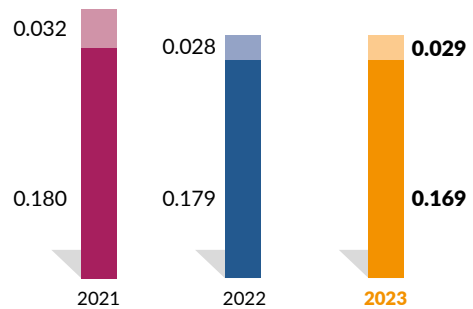
- BIC Bizerte devised a plastic scrap reintegration process with the goal to eliminate 5% of the total scraps in 2023. Likewise, this facility introduced a program to reuse wooden pallets;

- BIC Nigeria (Sagamu), in compliance with local environmental regulations, improved its waste collection process to identify recyclable waste and to implement waste reduction plans;
- BIC Rasoirs is looking into innovative solutions to prevent plastic pellet waste; and
- BIC Shavers Mexico (Saltillo) is collaborating with its waste management service CEL provider to reduce non-recyclable waste sent to land disposals.

ANNUAL PRODUCTION OF WASTE NORMALIZED TO PRODUCTION - IN TONS/TON - BIC

■ Hazardous waste

■ Non-hazardous waste



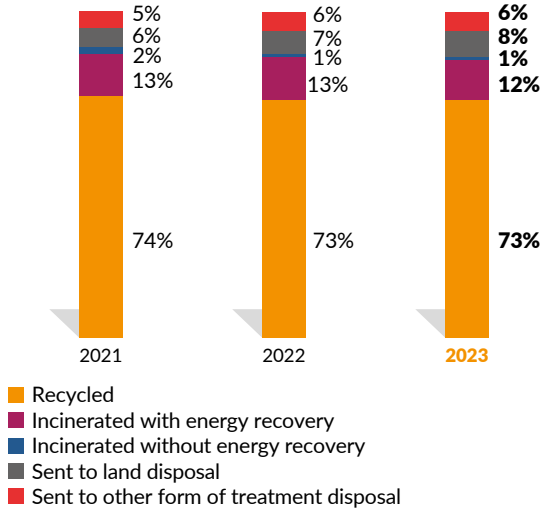
(1) Waste Electrical and Electronic Equipment



Non-hazardous waste

In 2023, BIC reduced by 5% its quantity of non-hazardous waste generated per ton of production, in comparison to 2022.

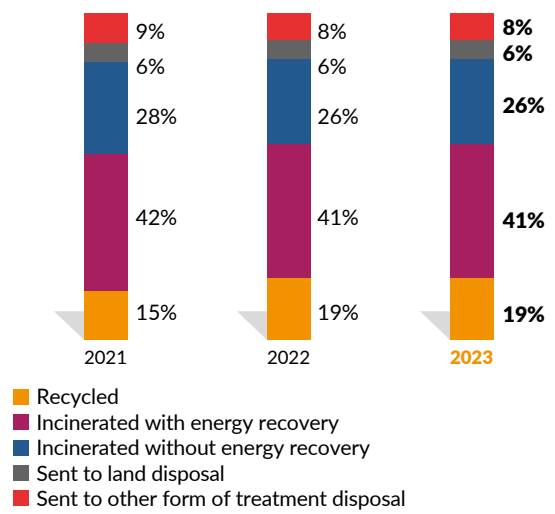
BREAKDOWN OF NON-HAZARDOUS WASTE TREATMENT - % OF TOTAL EXPRESSED IN TONS - BIC



Hazardous waste

Some factories are equipped with wastewater treatment plants to treat hazardous waste. For example, water from surface treatment workshops is transformed into metal hydroxide sludge that can be processed to eliminate almost all environmental risks. In 2023, BIC's production of hazardous waste has increased by 3%.

BREAKDOWN OF HAZARDOUS WASTE TREATMENT - % OF TOTAL EXPRESSED IN TONS - BIC



3.3. SOCIAL [NFPS]

For over 75 years, BIC has been creating ingeniously simple and joyful products that are a part of every heart and home. The hard work and dedication of the Group’s team members from across the globe has been key to its success as a business.

The Group’s workforce of more than 14,000 people supports operations in more than 160 countries, with approximately 4 million sales outlets worldwide. This makes BIC a truly global business, reflecting the diverse backgrounds and experiences of the communities where BIC’s products are available globally.

As the Group perpetuates its vision of bringing simplicity and joy to everyday life for consumers in collaborative, sustainable, and responsible ways, the BIC Human Resources team, along with senior leaders, continues to foster a shared corporate culture that is deeply rooted in our BIC Values, philosophy and rich history. All team members clearly understand how their work directly influences the Group’s organizational success as the team guides BIC into the future.

In 2023, BIC prioritized several key initiatives to help align its organization with the *Invent The Future* strategy and *Horizon* plan, including:



3.3.1 OUR WORKFORCE

3.3.1.1 The workforce

For the year ended December 31, 2023, BIC had 10,322 permanent team members, 1,262 fixed-term contracts, interns and apprentices, and an average of 3,059 temporary staff in 43 countries.

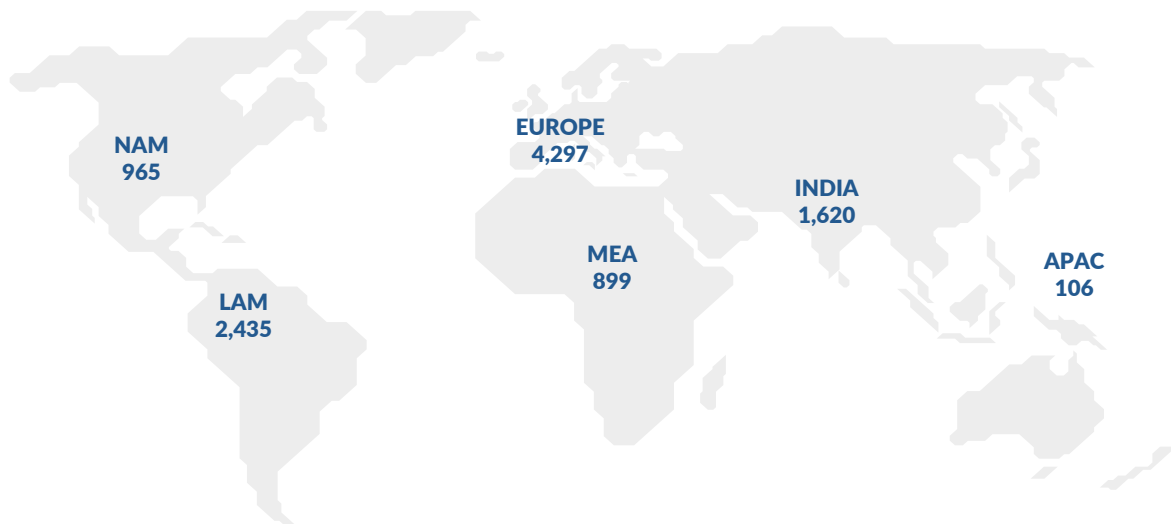
3.3.1.1.1 Breakdown of workforce by region, activity, and age

BIC continued to focus on continuing the transformation of the business and ensuring the right organization is in place to support the growth ambitions outlined in the *Horizon* plan.

To achieve these goals, the Group’s global workforce will need to adapt to evolving business processes and meet consumer needs. It is critical that BIC’s team members come together to contribute their unique perspectives, experiences, and ideas.

In 2023, the global workforce shrank as a result of a reduction in headcount in India, and a reduction globally in the use of agency temporary workers.

PERMANENT WORKFORCE BY REGION



WORKFORCE PER REGION – AT DECEMBER 31

Workforce per region	2021	2022	2023	Variation 2023/2022
Europe	4,022	4,170	4,297	3.0%
North America	729	786	965	22.7% ^(b)
Latin America	2,297	2,371	2,435	2.7%
Middle East and Africa	725	856	899	5.0%
India	2,606	2,293	1,620	-29.4%
Asia-Pacific	92	104	106	1.9%
TOTAL PERMANENT STAFF	10,464	10,580	10,322	-2.4%
Temporary Staff, Including Fixed-Term Contracts, Interns & Apprenticeships	3,641	5,318	4,321	-18.7%
• Average FTE temps through agency	2,935	4,441	3,059	-31.1%
• Interns & apprenticeships ^(a)	-	96	106	10.4%
• Fixed-term contracts	716	781	1,156	48.0%
TOTAL	14,115	15,898	14,643	-7.9%

(a) Interns & apprentices were reported within fixed-term contract data prior to 2022.

(b) Reflects integration of headcount from recent acquisitions

PERMANENT TEAM MEMBERS – BIC BUSINESS UNIT

	2022	2023
Group Commercial	2,004	2,097
Graphic	271	320
Group Supply Chain	6,594	6,190
Lighters	973	1,011
Group Insights & Innovation	193	130
Group BIC Services	232	201
BIC Group	1	3
BIC Foundation	1	1
Corporate Stakeholder Engagement	3	4
Group Communications	16	15
Group Finance	50	69
Group HR	58	67
Group IT	108	112
Group Legal	33	49
Strategy & Business Development	15	20
Group Partnerships & New Business	28	33

PERMANENT TEAM MEMBERS – AGE GROUP

	2022	2023
Under 20 years	0.3%	0.05%
20 to 29 years	12.7%	12.3%
30 to 39 years	31.5%	30.5%
40 to 49 years	32.5%	32.4%
50 to 59 years	20.2%	21.2%
Over 60 years	2.8%	3.5%



3.3.1.1.2 Recruitment and talent attraction

BIC's strategic approach to talent attraction and retention is critical. BIC's Recruitment Center of Excellence (COE) works to support the continued upskilling of its teams worldwide.

With team members across the globe, the Talent Acquisition team continues to reinforce best-in-class recruitment techniques/processes and has expanded the breadth and depth of their work with the key initiatives outlined below for 2023.

- BIC continued its strategic rollout of the new Employee Value Proposition to position the organization as an employer of choice. By amplifying the team member experience *via* team member-focused stories, the applicant flow to the careers website has increased and influenced employee retention;
- Various interview resources were deployed on a global scale, including the Global Interview Matrix, delineating the specific interview steps for candidates at different role levels. In addition, Global Interview Guides were introduced, detailing BIC's strategic approach to competency-based interviewing. These resources aim to enhance the knowledge and preparedness of hiring managers, ensuring a consistent, unbiased and fair experience for all candidates. To continue to position BIC as an engaged employer, the HR teams continue to post content and respond to reviews on Glassdoor. BIC's overall score averaged 4.1 out of 5 for the year, consistent with our 2022 score;
- in the spirit of continuously improving the recruitment process, HR teams measure satisfaction and effectiveness through a "Net Promoter Score" (NPS), which provides an indication of loyalty and likelihood to recommend BIC to others. Candidates, new hires and hiring manager NPS scores fall into the "Excellent" category for satisfaction;
- BIC continued to support the development of the next generation entering the workforce through university recruiting efforts for internships in the U.S. and Latin America and apprenticeship programs across Europe. Members of the Talent Acquisition team attended local university and college recruitment events/career fairs to increase interest in our early career opportunities and converted several students into full-time roles upon completion of their apprenticeship/internship; and

4.1
GLASSDOOR
RATING

- recruiting team members worked with students in underserved communities across the globe, by sharing their insights and best practices to help support early career development. Team members hosted and participated in several recruiting-related workshops, including resume reviews, job search, networking sessions and more.

For more details on BIC's diversity, equity and inclusion policies, see section 3.3.1.5.

3.3.1.2 Working conditions [NFPS]

For the Group, workplace safety means ensuring the physical and mental well-being of team members by preventing accidents and occupational diseases.

The health and well-being of team members also means reducing the incidence of work-related diseases, primarily musculoskeletal disorders and psychosocial risks (PSR) such as stress. BIC keeps a close watch on these issues and constantly strives to reduce all forms of job-related suffering.

To this end, in conjunction with the above-mentioned approaches, programs to promote well-being at work are coordinated Group-wide and rolled out locally as required by each facility.

3.3.1.2.1 Risks and opportunities [NFPS]

[NFPS Risk 4] BIC has identified "health-safety in the workplace" as one of the major CSR risks resulting from its operations. BIC's operations, both industrial and commercial, expose workers to various occupational risks (physical, chemical, psychosocial, biological, ergonomic) that differ from function to function (headquarters, factories, sales force). Managing this risk is an opportunity to position BIC as a desirable employer through its health and safety policy.

For the Group, a commitment to improving safety in the workplace is key to team member engagement. This helps build loyalty.

The information on health and safety in the workplace presented in this chapter covers all the Group's operations. The policies, actions taken and results are disclosed with their respective application perimeters.



TEAM MEMBER SECURITY IN TERMS OF GEOPOLITICAL RISKS

BIC relies on its globally recognized partner, International SOS, to help its employees plan business travel in optimum health and safety conditions. This involves providing them with all necessary information and assistance prior to departure and when carrying out travel formalities.

Employees are informed of all potential health and safety risks as well as political and climatic conditions prior to arrival. International SOS also provides immediate logistical assistance if an unforeseen development affects international travelers and the health and safety of expatriates. BIC also subscribes to an emergency service to keep tabs on any serious events that may impact its employees.

BIC Middle East uses Travel Tracker, a tool offered by International SOS, to pinpoint each traveler's location without compromising any private information.

These initiatives are part of a proactive risk reduction strategy in which safety and assistance are the guiding principles.

3.3.1.2.2 Policies, actions taken, results and outlook ^[NFPS]

Writing the Future, Together – #3 Committing to a safe work environment ^[NFPS]

Safety in the workplace is a fundamental priority for BIC. The “Writing the Future, Together” program embodies this commitment by targeting zero lost-time incidents ⁽¹⁾ at all BIC facilities by 2025.

The Group uses all available means:

- health and safety management;
- ongoing improvement of working environments;
- working time arrangements; and
- raising awareness of safety issues.

Inspired by the “Vision Zero” approach developed by the International Social Security Association ⁽²⁾, the Group is developing a program that incorporates health, safety and well-being at work, at every level. The goal is zero sick leave days due to on-site accidents for everyone who works for BIC.

This is based on the ISSA’s Seven Golden Rules:

1. Take leadership – demonstrate commitment;
2. Identify hazards – control risk;
3. Define targets – develop programs;
4. Ensure a safe and healthy system – be well-organized;
5. Ensure safety and health in machines, equipment and workplaces;
6. Improve qualifications – develop competence;
7. Invest in people – motivate by participation.

This Zero Lost-Time Incidents ⁽¹⁾ goal requires extra effort to improve on the Group’s safety culture and policies across all operations and requires the implementation of specific local actions.

BIC’s Environment, Health & Safety Policy ^[NFPS]

BIC adopts a Health & Safety program that contributes to a healthy and safe working environment that protects the physical and mental integrity of team members. In keeping with its Environment, Health & Safety (EH&S) Policy, BIC strives to prevent or at least reduce health and safety risks for its team members, subcontractors and those living or working near its production facilities.

The Group rolls out safety management systems at its production facilities. Each facility has an EH&S manager in charge of rolling out the EH&S Policy and following up with efforts to reduce the health and safety risks team members face. They report to the industrial directors.

Within the Global Supply Chain business unit, the Group’s health-safety program is built around a number of tools that continue to evolve in line with the organization’s needs:

- the “**Service Now**” platform, launched in August 2023 for all BIC sites, monitors and manages workplace accidents

(evaluating risks, recording and documenting accidents, defining corrective action plans), allowing each entity in the organization to define an effective action plan;

- **safety reporting**, which has been extended to all BIC facilities since November 2023 (factories and headquarters);
- an **Environment, Health & Safety reference system**, also called the EH&S maturity reference system;
- **safety watches** (behavioral observation visits) in factories. During visits, team members are asked about unexpected behaviors in a spirit of ongoing improvement and dialogue;
- **Global Safety Calls** each month; these gatherings are attended by all factory directors, their EH&S managers and the Management team at GSC sites ⁽³⁾; and
- **Central and cross audits** conducted by the EH&S Director and EH&S members respectively. Audits take place at least once a year at each site (except in lighter factories). The focus of the cross audits is decided annually, based on the priorities set by the EH&S Team, and audit checklists are communicated in advance. Detailed reports are shared with all stakeholders at the end of the audit. The action plan progress is then monitored on a monthly basis.

Roll-out of the health and safety culture ^[NFPS]

In 2022, the Group identified two key focus areas to achieve the Zero Lost-Time Incidents ⁽¹⁾ target by 2025:

- raising machine safety thresholds and standardizing them across the Group; and
- increasing levels of safety culture awareness among our team members.

Based on these key focus areas, the Group launched or continued several initiatives in 2023, including:

- conducting ISBTs (Individual Safety Behavioural Trainings) on site to improve employees’ perception of danger and enable them to acquire a new mindset;
- organizing a World Health & Safety Day, when various health and safety activities are held at every GSC site at the same time ⁽⁴⁾;
- organizing additional safety days at several sites to engage and train team members on EH&S topics;
- promoting one EH&S topic each month, on which EH&S teams provide material for the local teams;
- sharing knowledge on selected EH&S topics within the EH&S team. Every month, a member of the team chooses a specific subject and trains the rest of the team on it. Examples include Machinery Safety in February, and Ergonomics in May 2023 ⁽⁵⁾;
- updating the Group’s EH&S policy, signed by the CEO and shared with all facilities;
- encouraging team members to proactively report unsafe events through the 2023 edition of the key performance indicator campaign. This year, the safety threshold was raised in order to include more events and thus better prevent harmful ones. The campaign began in July 2023 and lasted until the end of September 2023;

(1) BIC has specified its commitment wording and is now using “lost-time incident” instead of “accident”.

(2) The International Social Security Association (ISSA) is an international organization uniting social security authorities and institutions around the world.

(3) This tool is not implemented in lighter factories.

(4) This Day is not organized in lighter factories.

(5) Lighter factories do not take part in this initiative.



- focusing specifically on the sites with more than two incidents, identifying root causes, and designing specific action plans using inputs from other sites;
- reestablishing ISSA's Seven Golden Rules, which are customized to each facility's major hazards and risks and woven into management responsibilities;
- reviewing critical standards such as incident investigation, reporting, and change Management;
- sharing lessons and best practices in the EH&S SharePoint, which is open to all internal stakeholders;
- choosing certain reported incidents as examples to be shared among all facilities to promote knowledge sharing and implementation of key measures when required;
- organizing safety stand-downs to raise team members' awareness about serious incidents;
- instituting monthly training sessions for EH&S teams on advanced technical subjects;
- inviting external stakeholders to train EH&S team members on machine safety, as well as to discuss relevant EH&S topics;
- implementing machine safety assessments at all facilities; and
- prioritizing action plans to improve machine safety across all facilities.

Across all BIC facilities, accidents resulting in lost work time for BIC team members are mainly caused by same-level falls and the handling of materials and machines. In 2023, there were 36 lost-time incidents for BIC headcount, while 53 facilities achieved zero lost-time incidents.

These figures reflect a significant improvement in the number of lost-time incidents reported at all facilities for BIC headcount (36 in 2023 vs 60 in 2022).

The incidence rate for the BIC headcount was 1.51 and the severity rate 0.08, both decreasing in comparison to previous years.

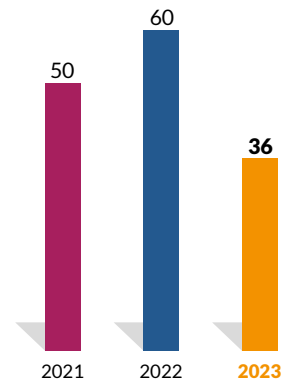
The development and implementation of action plans continued in 2023 with a view to an increased safety culture and a decrease in both rates. We renewed the 2022 Safety Focus Action Plan for the Top 5 Factories, with adjustments based on the 2022 results. The update involved:

- analyzing incidents in 2023, especially those with a high number of lost workdays, and seeking patterns;
- based on the findings of the incidents analysis, taking targeted actions – e.g. training by a third party, raising awareness through knowledge sharing with all facility employees – and prioritizing those that eliminate the risk;
- setting targets, monitoring, and acting upon the leading indicators (first aid cases, near misses, behavior-based safety); and
- strongly communicating the importance of the plan to teams and urging leadership teams to be an example.

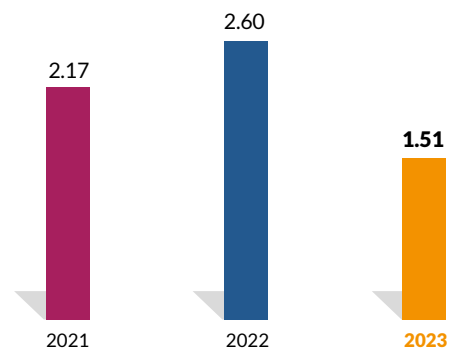
The plan will evolve in 2024, as incident rates in two of the top five factories dropped dramatically in 2023. In the coming year, those plants will share their good practices with the remaining three so that their local expertise will help increase safety throughout the Group.

Most occupational diseases, which so far have only been monitored in France, are related to musculoskeletal disorders.

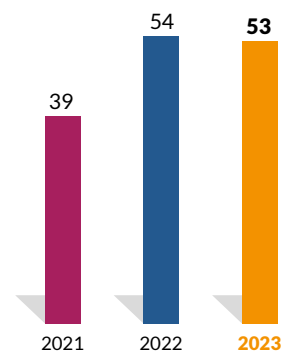
NUMBER OF LOST TIME INCIDENTS – BIC HEADCOUNT



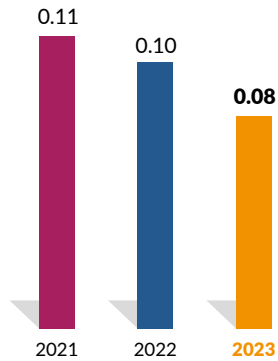
INCIDENCE RATE - BIC HEADCOUNT



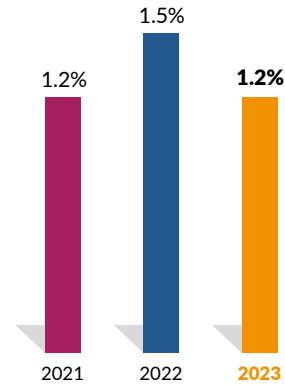
NUMBER OF FACILITIES WITH ZERO LOST TIME INCIDENTS – BIC HEADCOUNT



SEVERITY RATE: NUMBER OF CALENDAR DAYS LOST DUE TO AN INCIDENT - PER THOUSAND HOURS WORKED - BIC HEADCOUNT



ABSENTEEISM RATE FOR ILLNESSES LESS THAN THREE MONTHS OLD (EXCLUDING ON-SITE ACCIDENTS AND MATERNITY) - PERMANENT EMPLOYEES



Team member well-being campaigns and services

Well-being at work is defined by the World Health Organization (WHO) as “a state of mind characterized by a satisfactory harmony between the skills, needs and aspirations of the worker on the one hand and the constraints and possibilities of the work environment on the other”.

The Group strives to build a collaborative, performance-oriented environment while preserving the health and well-being of team members in the workplace.

This has led, in particular, to the development in some countries of agreements with trade unions based on principles such as work-life balance.

The Group is actively involved in preventive actions in terms of safety, occupational health, and well-being, such as preventing and monitoring occupational diseases and psychosocial risks. It also relays public health prevention campaigns (for example: Pink October, World Mental Health Day, International Women’s Day, International Day of Happiness).

An Employee Assistance Program (EAP) has been in operation for several years in the United States (at BIC CORPORATION), in France (the PASS program), in the Asia-Pacific region, and in Latin America. This service, set up for BIC team members and their families, offers a 24-hour helpline and face-to-face meetings with professionals.

Local Leadership Teams orchestrate communication about the various campaigns so all employees know what is on offer.

In 2024, all sites will be required to develop an employee well-being plan, monitored at Group level.

BIC’s absenteeism rate remains low, and we continue to actively monitor data across all sites in order to adapt action plans to local situations.

3.3.1.3 Team member development and equal opportunities [NFPS]

At BIC, development goes beyond just training. Team members are empowered to take ownership of their career paths and have access to the opportunities and resources they need to grow. For example, 2023 initiatives involved:

- implementing comprehensive learning paths designed to empower team members to cultivate and embody the Company’s core competencies, which are integral to our organizational culture and success and serve as benchmarks against which all employees are evaluated during performance reviews;
- launching learnings focused on the critical aspects of feedback for managers and team members, so team members understand the profound importance of feedback in individual and collective development, and so managers provide feedback in a manner that is fair, equitable and development-focused; and
- in the spirit of continuous improvement, launching a new approach to feedback so comments are given and received more consistently.



There have been several initiatives launched to support the transformation of the organization and team member expectations of development opportunities.

Our Learning & Development Strategy is linked to *Horizon* and focused on strategic capability growth by providing purposeful investment through simple, engaging and personalized experiences. These experiences are delivered to team members through a variety of mediums (i.e. e-learning, virtual instructor-led training, programmatic learning and learning journeys) to increase engagement across the organization. All offerings are aligned with business priorities and team member development needs, empowering individuals to unlock the power of their potential while sharing their own learning experiences and key findings with one another.

Our learning eco-system and the related initiatives include:

- **our On-Demand Digital Learning Offering**, which includes our new learning experience platform (Degreed) in combination with our new learning management system (SuccessFactors). It provides team members with the opportunity to build the right skills with a skills profile that they own, learning opportunities tailored to their goals and interests, and content curated (from millions of resources) to boost learning in the flow of work. The global learning paths included:
 - **Degreed@BIC** to help our team members discover how this digital learning platform can boost their professional development,
- **Core Competencies** to assist our team members in developing and embodying the behaviors crucial to our organizational culture and success. These competencies act as standards against which all team members undergo evaluation during performance reviews and form the foundation for all leadership development programs,
- **Feedback** with a specific focus on the essential elements of giving and receiving feedback, targeting both managers and team members. The objective is that team members understand the significant role feedback plays in individual and collective development. The initiative also aims at helping managers provide feedback in a fair, respectful, and development-oriented way,
- **Code of Conduct** compliance training, along with the related policy, which establishes our core values and outlines the rules and behaviors that each team member is obligated to adhere to. This ensures the preservation and enhancement of our reputation;
- **our Team Empowerment Offering**, which delivers tailored solutions to boost business, team, and individual performance and growth. The aim is to foster high-performing teams and improve connection, collaboration, and communication. In 2023, 671 team members actively engaged in 47 sessions, resulting in an impressive 91% satisfaction rating; and
- **our Experiential Leadership Signature Series**, which focuses on leadership development, including coaching and mentoring.

The Illuminate Program is a 14-week experiential program for people managers leading individual contributors. We continue to partner with the Blanchard Company to create an innovative and modern learning experience leveraging assessments, coaching, e-learning, virtual sessions, and leadership debriefs. Grounded in our new Core Competency model and Leadership Framework, the program's goal is to develop the essential capabilities required to be a successful leader at BIC. This includes: Building Trust, Situational Leadership, Giving and Receiving Feedback and Using Conversational Capacity. In 2023, a total of 101 team members attended and graduated from the program with an 83% overall satisfaction rating.

The Ignite Program is a 17-week experiential program for leaders of other leaders. This program is the second in the series designed in partnership with Blanchard. The program includes skill building in the following areas: Situational Leadership, Servant Leadership, Coaching, Team Leadership and Leading People through Change. In 2023, a total of 51 team members attended and graduated from the program with an 84% overall satisfaction rating.

The Global Mentoring Program is a six-month development experience that is aligned with our *Horizon* Strategy and runs alongside other talent initiatives like driving capability growth and peer feedback. The goal is to connect experienced professionals (Mentors) with team members seeking to develop in their career and achieve their professional goals (Mentees). The current cohort consists of 75 mentors and 75 mentees. In 2023, four cohorts of 411 members successfully completed the program and rated their satisfaction 4.6 out of 5.

The Women's Leadership Development Program (WLDP) is a new leadership development program focused on providing development opportunities for our female BIC team members in senior manager and above positions. It is a three-month immersive program run in partnership with ExecOnline. The program is made up of seven learning experiences that participants may enroll in. We launched the first edition in October 2023, and 41 participants graduated.

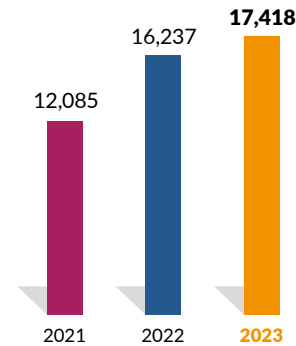


At the core of everything mentioned above is our aspiration to **foster a Feedback Culture**, crucial in an environment that prioritizes continuous improvement. Consequently, a range of tools from Performance Touchpoints to 360 Feedback were introduced to streamline the solicitation and provision of feedback.

Furthermore, in addition to group-wide learning initiatives, each of our Business Units concentrates on developing functional capabilities aligned with *Horizon*. Here are some illustrative examples:

- in 2022, the **Group Commercial Capabilities Center of Excellence** initiated and launched the Commercial Academy. The pilot program was designed to equip over 140 members of our sales force at all levels with workshops, offering best-in-class tools and resources. The focus was on empowering them to effectively contribute to our *Horizon* strategy, with specific emphasis on acquiring growth insights, selling tailored solutions, and executing with excellence. As a foundational component of the Academy, all global Commercial team members were mandated to complete our Sales e-learning course, which imparts the fundamentals of our BIC selling model. Ongoing efforts involve the continuous addition of courses to the Commercial Academy, covering key commercial capability areas such as eCommerce, or RGM, with a significant emphasis on Marketing slated for 2024;
- the **Group Supply Chain** has persistently rolled out various upskilling initiatives to address the developmental requirements of our manufacturing workforce. These programs center around five key priorities: emphasizing the significance of Environment, Health & Safety (EH&S) through preventive measures and training, implementing lean methods (value stream mapping/six sigma) to enhance efficiency and engagement, aiding the digital transformation of our processes, introducing processes and tools to boost workforce flexibility and streamline production management, and creating internal certifications linked to training programs to facilitate the generational transition.

NUMBER OF TRAINING DAYS 2023 - PERMANENT EMPLOYEES



The total number of training days increased due to further development of e-learning tools and the addition of several programs aligned to our continued commitment to the professional development of our team members globally.



Mobility and succession plans

The People and Culture Team, in partnership with Human Resource Business Partners (HRBP), held Talent Review sessions in every business unit across every function. The sessions focus on effectively and consistently identifying critical roles and high potential team members. They help match talent to the roles that are most critical for business success. Analysis of the Group's bench strength and development needs for BIC's high potential team members are key outputs that directly impact the priorities of the Group's learning and development strategy. Raising the visibility of BIC's high potentials has channeled the best talent into roles that drive the most value.

INTERNAL DEVELOPMENT 2023 (PERMANENT HEADCOUNTP)

	2021	2022	2023
Recruitment			
External Recruitment	1,473	1,750	1,148
Promotions	223	234	180



3.3.1.4 The compensation system

BIC's remuneration policy is designed to recognize performance, rewarding team members with fair and competitive remuneration, in line with market conditions.

BIC's coherent compensation and benefits policy is designed to attract, motivate and retain our talent.

Competitive and equitable

The Company policy for all team members combines both market competitiveness and internal equity. Internal equity is measured using a global classification system.

Focus: Gender pay gap

In France and Italy, in compliance with national laws, BIC Group entities publish their gender equality index. Initiatives are taken each year to improve these indexes. Some of these ongoing initiatives are included in equality programs and agreements, particularly in France.

Short-term and long-term incentives

Recognizing both individual and collective performance is an essential part of our total remuneration policy.

Short-term incentives exist in two forms:

- monthly or quarterly incentives for the sales force, based on both financial and non-financial criteria, which help drive profitable growth in all areas of the world with a motivated sales team,
- an annual short-term incentive plan for all non-sales, management level (cadre) team members across the world. Payout is based on collective financial criteria and individual performance objectives designed to drive achievement of the *Horizon* strategy. The financial objectives defined at Group level, and cascaded into the regions, are identical to those used to calculate the annual short-term incentive of the Chief Executive Officer and the Executive Committee members.

The long-term incentive plans, which all senior managers are eligible for, are designed with a three-year vesting period and ambitious objectives, driving the long-term success of the Company by focusing on free cash flow, innovation and sustainability.

Recognizing the contribution of all team members to the success of our *Horizon* transformation journey, in October 2021 the Board of Directors, based on the recommendation of the Management Team, granted five free shares to over 11,000 team members worldwide, giving them the opportunity to share in the value that will be created by the future success of the Company (Plan Sharing *Horizon*).

The free shares were delivered in October 2023, at the end of the agreed two-year vesting period, allowing recipients to become BIC shareholders.

We use comprehensive salary survey data from specialized consultancy firms so our team members receive a total remuneration package in line with the market in which they work.

BIC ensures that all entities respect local legislation with regard to minimum salary levels as defined either by law or by collective bargaining agreements.

Gender pay equity is considered a priority across the Company, and specific attention is paid to establishing pay equity in areas of the organization where a gap is identified. During the annual salary review process, regional and business management teams are encouraged to pay particular attention to the topic.

Benefits

- *Health care and life insurance*

At BIC, health care and the protection that we provide our team members and their families is a priority. For this reason, in 2022, we conducted a worldwide audit of existing plans and coverage. The audit identified areas of improvement, and in 2023, we considered how to implement improvements over the 2023-2025 period.

- *Well-being in the workplace*

The Company seeks to provide a collaborative workspace for its team members that is geared towards performance yet contributes to the overall well-being of our team members in the workplace.

This orientation has led us, in certain countries, to sign agreements with employee representatives covering topics such as work-life balance, remote working, and other related topics.

Around the world, the Company actively engages in preventive action plans around health and safety and well-being action plans, including workshops on preventing work-related illness and managing stress. We also ensure that government campaigns are actively relayed to our team members.

Some initiatives were relayed at the global level in 2023, with the aim of creating a regular calendar and raising the profile of well-being issues for all our team members. We published quarterly newsletters on our intranet website to communicate about all these initiatives and share ideas from all over the world.

For example, during International Women's Day in France and Bulgaria, we held discussions and conferences on Unconscious Gender Bias and shared advice and inspiration on personal career growth and development.

International Day of Happiness was recognized in Bulgaria: a campaign encouraged team members to share their favorite positive thoughts, quotes, or songs.



In Brazil, weekly mindfulness activities are now available. Australia and New Zealand continued their three-year partnership with SmilingMile and we held awareness workshops in North America and many other countries.

On October 10, 2023, we launched World Mental Health Day initiatives in many countries. One example: BodyMark and BIC's SWIM Employee Resource Group partnered with The Yellow Tulip Project (YTP) to start conversations about mental health with team members across North America. To support efforts to smash the stigma around mental health, Shelton team members came together at the office to plant a yellow tulip garden as a symbol of hope and community for years to come.

During Pink October, BIC in France supported breast cancer research. Many team members participated in the Odyssée race in Paris, and we collaborated with our health insurance partner on a webinar about preventing and detecting breast cancer.

We provided medical and mental health screening for team members of BIC East Africa, in partnership with ICAS, an international counselling service provider.

3.3.1.5 Promoting diversity, equity, and inclusion

BIC is a truly global business, with a workforce reflecting the diverse backgrounds and experiences of the communities where its products are available worldwide.

As stated in the BIC Code of Conduct, the Group values diversity, equity and inclusion (DE&I) and does not tolerate discrimination or harassment based on grounds such as:

- age;
- religion;
- color;
- ethnicity;
- national origin;
- disability;
- sexual orientation;
- gender;
- gender identity;
- gender expression;
- marital status; or
- any other characteristic which is protected under local law.

The Group wants to create an environment in which employees, suppliers, business partners and its communities feel valued and respected. As an organization, BIC looks to be a positive change agent in the many communities where it operates across the globe.

At BIC, cultural and individual diversity is an essential part of team culture, which is why the Group strives to foster an inclusive environment for all. In its continued commitment to diversity, equity, and inclusion, BIC seeks to:

- take action to ensure that BIC teams reflect as closely as possible the diversity of the Group's customers and consumers around the world;
- welcome team members, giving them a sense of responsibility through a culture of inclusion founded on responsible leadership and management practices; and
- encourage the diversity and dynamism of its teams as drivers for innovation and a key factor for its success.

The Diversity, Equity & Inclusion Credo, signed by the CEO and the CHRO in 2019, reinforces BIC's commitment to Diversity, Equity, and Inclusion by acknowledging that blending different backgrounds, experiences, and perspectives in a collaborative environment where they are valued makes the organization stronger and better prepared for challenges.

As part of its Diversity, Equity & Inclusion strategy, BIC has made a number of declarations, including:

- signing the UN Standards of Conduct for Business "Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex People" (1);
- in January 2021, Gonzalve Bich, BIC's CEO, joined the "CEO Action for Diversity and Inclusion™" (2), 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; and
- leadership messaging and corporate social media/blog posting to recognize important DE&I-related calendar events, including Global Pride Month, International Women's Day, Asian American and Pacific Islander Heritage Month, Hispanic Heritage Month, and more.

As part of our global DE&I strategy, we have set a series of strategic objectives and KPIs to measure progress in the areas of belonging, attraction, promotion and influence:

Belong: create a culture where all team members feel comfortable bringing their full selves to work. Notable achievements in 2023 include:

- the 2023 edition of BIC's yearly engagement survey that assesses various aspects of engagement, and incorporate employee feedback and experiences to shape its policies and programs. This year, we achieved an impressive 91% response rate. The evaluation of employee engagement showed a positive outcome at 79%, marking a four-point increase compared to the 2022 results and surpassing the market norm by five points. In terms of Inclusion, the assessment was favorable at 80%, consistent with 2022, and five points above the market norm. Overall, our team members express a sense of being treated with respect and feel comfortable expressing their ideas and opinions, even when they differ from others;

(1) <https://www.unfe.org/wp-content/uploads/2017/09/UN-Standards-of-Conduct-Summary.pdf>

(2) <https://www.ceoaction.com/pledge/ceo-pledge/>



- continuing to promote the use of the Employee Resource Group toolkit to encourage team members to create networks of team members who share common characteristics and backgrounds. These groups advocate for themselves, and in addition to fostering their own professional development, are a valuable resource to BIC, providing information about their

identities, undertaking community outreach, opening new networks for recruiting, and serving as a visible sign of BIC's commitment to a diverse, equitable and inclusive workplace. As a result, five new employee-led resource groups (ERGs) are promoting local DEI initiatives in North America:

Black Leaders Influencing Sustainable Success (BLISS)	Women Empowerment at BIC (WEB)	Asian and Pacific Islander Alliance (APIA)	Hispanic/Latino Organization for Leadership and Advancement at BIC (HOLA BIC)	Supporting Wellness and Improving Mental Health (SWIM)
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- Over 150 team members from the Allyship Program/ERGs helped deploy the Group's DE&I strategy, by organizing local events to celebrate several diversity days such as Black History Month, International Women's Day, Pride Month, Veterans Day and many others. Team members across the globe took part in local and global events, such as speakers series, panels, training, and more;
- hosting three-part Inclusive Leadership Series for all Level 4 and above team members. In the first workshop, "Conscious Inclusion", the participants built a shared understanding of inclusive leadership, explored ways to lead teams toward conscious inclusion and to develop a greater sense of belonging and trust at BIC. The second workshop explored the role leaders play to effectively influence and establish an inclusive culture at BIC. The third and final workshop, focused on further building resilience as leaders, boosting optimism in teams and encouraging activism at BIC and beyond.

Attract: increase representation of women and other underrepresented minorities (as defined by country leadership teams). This work begins at entry level, through external recruitment and internal promotions. Notable projects in 2023 included:

- promoting BIC as an inclusive employer by showcasing successful female team members in relation to its Employer Brand and Employee Value Proposition. For instance, blog articles and social media highlights were published, and a video segment highlighting women in leadership was broadcast during the 2023 Annual General Meeting;
- mitigating bias when searching for recruitment sourcing initiatives on LinkedIn, by choosing to hide the names and pictures of potential candidates;
- launching a "Diversity at Work" training course to educate hiring managers and internal stakeholders about the importance of hiring diverse talents and on how to eliminate bias from recruitment processes;
- participating in McKinsey's study on women in corporate America along with 276 organizations. This study looks at the number of men and women at all levels across the organization, and the flows in and out of these levels through promotions, hiring and attrition, as well as the organizations policies and practices. The qualitative and quantitative data is

used to create goals for the organizations which took part in the study and help them understand where to invest their efforts to create a fair and equitable environment for all;

- as a result, 58% of all 2023 hires were female, a 2% increase on 2022.

Promote: striving to increase female representation does not stop at entry level; BIC intends to increase diversity in Director and above positions to 40% in 2027. Notable achievements in 2023 include:

- continuing to implement BIC's Human Capital Management System, SuccessFactors, to improve talent identification and management processes, and facilitate access to the data needed to support these processes;
- systematically submitting a gender-balanced list of candidates in Level 4 and above positions; and
- reaching 33% female representation in Level 4 and above leadership roles by continuing to attract and retain female talent.

Influence: improve visibility, demonstration and celebration of BIC's commitment to DE&I externally. Notable achievements in 2023 include:

- continued participation in the "Break the Ceiling Touch the Sky" summit editions in New York (U.S.), India, and Dubai, which offered companies an opportunity to learn DE&I best practices and connect with women leaders from around the world;
- several of BIC's female leaders were recognized by the House of Rose Professional as the "Most Inspirational Women in Leadership" in the US, Asia, Africa and the Middle East for their support of women across the industry and within their professional networks;
- additionally, our General Manager for the Middle East & Africa and our Group Commercial Officer were each featured on the House of Rose Professional's "Break the Ceiling Touch the Sky" 2023 list of Male Champions for Gender Equality; and
- senior leaders got involved and spoke before the Network of Executive Women, Break the Ceiling Touch the Sky, Enactus, Girls Write Now and Life Project 4 Youth (LP4Y) Global Youth Inclusion Forum.



PERCENTAGE OF WOMEN IN THE PERMANENT WORKFORCE BY LEVEL - BIC

	2021	2022	2023
Board of Directors	50%	50%	50%
Level 4 and above (Executives, including Executive Committee)	29%	32%	33%
Level 3 (Senior Managers)	40%	40%	40%
Level 1 and 2 (Managers & Professionals)	40%	41%	43%
Non-managers	46%	44%	45%

PERCENTAGE OF WOMEN IN THE PERMANENT WORKFORCE BY REGION - BIC

	2021	2022	2023
Europe	38%	39%	39%
North America	47%	46%	46%
Latin America	51%	51%	52%
Middle East and Africa	37%	37%	36%
India	48%	42%	33%
Asia-Pacific	43%	44%	45%

3.3.1.6 Other work-related rights**Social dialogue**

BIC strives to use all the means available to engage in dialogue with its team members. In this spirit, it sets up forums to listen to team members. To maintain team member engagement and remain attentive to their needs, the Group strives to cultivate high-quality social dialogue, either between management and the team members themselves, or through employee representatives and labor union representatives at unionized sites.

In every country where the Group has operations, it complies with all applicable collective agreements. In addition, as far as their resources permit, each subsidiary strives to improve working conditions by offering:

- wages above the legal minimums;
- superior team member benefits; and
- investments to improve the working environment.

The topics discussed in the negotiations are related either to local obligations or to the previously mentioned management points. For example, many mechanisms to promote health and safety in the workplace and new working conditions, like remote working, have been initiated through social dialogue.



The following table gives a few examples of such agreements.

Perimeter	Topics
Europe – France	Social dialogue continued in 2023 in all French entities with ongoing exchanges and constructive discussions, particularly regarding industrial projects and their implications for French sites, the implementation of the new collective bargaining agreement for cardboard packaging, and the changes in the collective bargaining agreement for those within the Metallurgy sector.
Africa	BIC East Africa successfully completed the Collective Bargaining Agreement in March 2023, which required few amendments: this completed Collective Bargaining Agreement enhances collaboration and a positive work environment.
Mexico	Through open lines of communication and the maintenance of a positive relationship, the Union in Mexico successfully negotiated a salary review to ensure alignment with local and global practices. This social dialogue continues to continuously improve the employee experience at BIC.

The Group supports France's national defense interests and the commitment made by its military reservists. In France, operational reservists serving in the military and national police

are legally entitled to at least ten days' annual leave for training and duties. BIC releases them for ten days on full pay to join their units.

3.3.2 WORKERS IN THE VALUE CHAIN ^[NFPS]

Upholding and promoting human rights and preventing violations is an important aspect of corporate social responsibility. Respect for basic human rights is a key concern for BIC and for all the corporations across its entire value chain, from the parent Company to subsidiaries and subcontractors. Beyond the moral necessity of creating value in an acceptable, sustainable way, it is a practical necessity to protect the Group's reputation, legal certainty, and operational efficiency, as well as the cohesion of its employees.

3.3.2.1 Risks and opportunities ^[NFPS]

^[NFPS risk 5] BIC has identified risks related to the non-respect of human rights (child labor, international conventions, ILO) among its main CSR risks. Non-compliance with fundamental human rights such as child labor, discrimination, or forced labor may result in legal action against BIC and have major reputational consequences.

Controlling its value chain is also a source of opportunities for BIC. These include:

- promoting the culture of quality control, cost, and production management BIC has pursued since its origins. 92% of the Group's products are manufactured in its own factories; and
- strengthening relations with strategic suppliers.

3.3.2.2 Policies, action taken, results and outlook ^[NFPS]

The challenges faced by BIC include maintaining control over its entire value chain, recognizing the importance of its suppliers and subcontractors' involvement in meeting its corporate responsibility to uphold ethics and human rights in the workplace and to combat corruption. To meet these challenges, the Group's operations and subcontracting activities are governed by its:

- updated Code of Conduct;
- Anti-Corruption Policy; and
- Supplier Code of Conduct.

3.3.2.2.1 BIC's human rights in the workplace policy ^[NFPS]

Limiting contract manufacturing

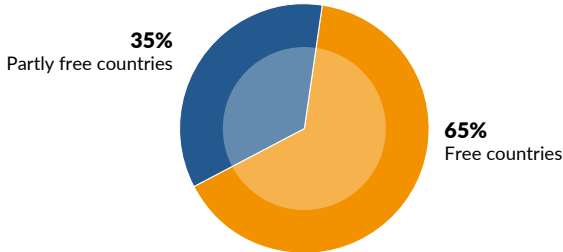
BIC uses little contract manufacturing. Overall, 92% of the Group's net sales are generated by products made in its own factories and 65% ⁽¹⁾ of these factories are located in free countries according to Freedom House.

BIC works with subcontractors primarily for Stationery products in the Consumer business and for Advertising and Promotional Products. Subcontracting gives the Group greater flexibility.

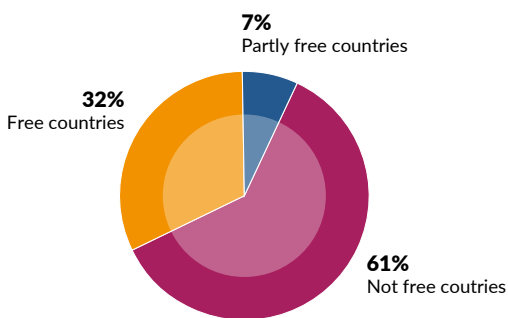
(1) Source: Freedom House ranking.



BIC FACTORIES BY CATEGORY OF COUNTRY IN RELATION TO HUMAN RIGHTS RISK ⁽¹⁾ IN 2023 – BIC



CONTRACT MANUFACTURERS BY CATEGORY OF COUNTRY IN RELATION TO HUMAN RIGHTS RISK IN 2023 – BIC



3.3.2.2.2 A responsible procurement approach

In the course of its operations, BIC works with over 13,400 suppliers and subcontractors. For the Group, being a responsible Company means maintaining control over the entire value chain. The Procurement Department analyzes all risks related to the sourcing of products and services:

- inventory levels;
- sourcing zones;
- single sourcing, etc.

The Supplier Code of Conduct

BIC's Supplier Code of Conduct explains the Group's responsible procurement approach, its commitments to its suppliers and the commitments that it requires from them. The latter encompass all aspects of sustainable development:

- integrity in business conduct;
- human rights and labor laws;
- health and safety;
- environmental impact; and
- the development of a sustainable supply chain.

The Supplier Code of Conduct also comprises the former Responsible Purchasing Charter, which defines the Group's six basic Values:

Integrity, Responsibility, Teamwork, Sustainability, Ingenuity, Simplicity

All suppliers and subcontractors, as well as their suppliers and subcontractors, must comply with the Supplier Code of Conduct. All suppliers must also comply with all national and local provisions, laws, and regulations in force in their respective markets. When local laws or standards differ from the current Supplier Code of Conduct, BIC requires its suppliers to comply with the stricter standards and principles.

In a spirit of ongoing improvement, BIC is committed to working with its suppliers and supporting their efforts to meet and exceed the standards of the Supplier Code of Conduct. This Code is one component of the overall BIC Code of Conduct, which also emphasizes the importance of the Group's responsible procurement approach.

The Supplier Code of Conduct is included in the calls for tenders issued by BIC and is appended to its contracts.

Writing the Future, Together – #4 Proactively involving suppliers ^[NFPS]

BIC has set the goal of making its responsible procurement approach a central element of its Purchasing function. This ambition is codified in the following commitment: by 2025, BIC will work responsibly with its strategic suppliers to ensure the most secure, innovative, and efficient sourcing.

The purchasing strategy aims to maximize the function's contribution to value creation for BIC, its suppliers, and subcontractors by:

- **securing created value:** ensuring continuous supply and consistent quality, consumer safety, regulatory compliance, and brand protection;
- **increasing created value:** optimizing the performance and costs, manufacturing processes, and the development of new customer benefits without technological or material disruption; and
- **creating additional value:** innovating to benefit consumers and overhauling the processes.

In 2023, BIC updated its strategic suppliers list, which comprises 189 strategic suppliers from among the constantly evolving roster of 13,400 suppliers in its database. The strategic supplier list is updated every year according to business considerations.

BIC continued to incorporate existing and new tools into its responsible procurement approach such as:

- the Supplier Sustainability Assessment tool, which has been used continuously since 2011;
- new supplier sustainability assessment campaigns, which were launched in 2023 and cover the most strategic suppliers, evaluating them according to specific CSR criteria;
- the Carbon Emission Measurement Solution, which was implemented in 2023 and is operational;
- PowerBI, used for numerous data analyses of sustainability reports;

(1) Source: Freedom House.



- Buy4BIC, the global procurement platform which will become the main communication procurement tool;
- the Supplier Code of Conduct, created in 2020 and shared with suppliers in calls for tender;
- audit programs, which are carried out for OEM (see Section 3.3.2.2.2);
- a responsible sourcing policy, to be published in 2024; and
- the procurement digital ecosystem, which the Global Procurement team continues to improve by integrating sustainable procurement and other tools.

In order to monitor progress toward goal #4 Proactively Involving Suppliers, a new indicator was added to the Purchasing information system: the percentage of strategic suppliers involved in at least one responsible purchasing action. To that end, the Procurement Department keeps a continuously updated list of “responsible purchasing actions” for each procurement family in relation to the goal of “ensuring the most secure, innovative and efficient sourcing.” These actions include:

- conducting a strategic resilience study;
- the Supplier Sustainability Assessment campaign;
- working with suppliers to identify solutions to meet BIC’s commitments concerning its products (recycled or alternative plastics); and
- reducing the use of materials, etc.

All these actions help BIC make progress toward its goals regarding products and energy (see Section 3.2.1). This indicator reflects Procurement’s commitment to developing long-term supplier relationships keeping them informed of the Group’s sustainable development challenges, and helping them adopt more responsible practices.

In 2023, 83% ⁽¹⁾ of strategic suppliers were involved in at least one responsible purchasing action ⁽²⁾. BIC is aiming for 100% by 2025.

The social audit program [NFPS]

Compliance with the Supplier Code of Conduct is verified by an audit program covering factories where BIC® products are manufactured. BIC has had a specific audit program to ensure global manufacturers comply with its Supplier Code of Conduct. It also audits local contract manufacturers that make BIC® products for local markets, for example for BIC Graphic

(Advertising and Promotional Products). Regular audits are conducted to verify that standards are kept at a satisfactory level.

Audits are carried out by third party Auditors *via* the Workplace Conditions Assessment (WCA) platform. This assessment tool is based on international human rights principles and national laws, incorporating International Labour Organization (ILO) standards and best practices. It is consistent with the Supplier Code of Conduct.

The WCA comprises over 180 evaluation criteria covering a range of topics:

- child labor;
- forced labor;
- discrimination;
- harassment;
- freedom of association;
- working hours;
- salaries;
- employment contracts;
- health and safety; and
- environmental responsibility.

Contract manufacturers are audited and rated on each criterion and then given an overall score. This platform allows the Group to closely monitor a contract manufacturer’s performance for each indicator. Deficiencies in each evaluation criterion are rated as major, moderate, or minor, thereby allowing the implementation of targeted corrective action plans. Audit reports also include global benchmarks for each country and each Group business sector.

All contract manufacturers producing BIC® products are audited over a two-year cycle, during which improvement programs are implemented based on deficiencies identified during the assessment. BIC sees social responsibility as a partnership that requires shared values. In this spirit, BIC favors a common commitment to improvement rather than breaking off relations with a partner. BIC accepts an 85% minimum performance rating, with no major or moderate deficiencies of the audited manufacturers. The Group works alongside the manufacturer to raise their score by improving working conditions. The box below explains the main steps in the evaluation of contract manufacturers.



THE SIX STEPS TO EVALUATE CONTRACT MANUFACTURERS

- The BIC contract manufacturer signs the BIC Supplier Code of Conduct.
- An independent external monitoring agency conducts an initial announced social audit of the contract manufacturer.
- If the audit score is below 85%, BIC presents a corrective action plan (CAP) to the contract manufacturer.
- The contract manufacturer implements the CAP within an agreed upon, reasonable period.
- The Auditor conducts follow-up assessment(s) to confirm implementation of the CAP if necessary.
- The monitoring is completed once WCA is approved by the Legal Compliance team and ongoing assessments are conducted every two years.

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

(2) These actions included conducting a strategic resilience study and the Supplier Sustainability assessment campaign.



If the contract manufacturer holds an updated social audit report from a known standard like BSCI instead of WCA (BIC approved standard), this may be accepted once it has been approved by the Legal Compliance Team.

In 2023, two-year cycle audits were scheduled or completed for all contract manufacturers (Consumer Products or BIC Graphic), and the overall average performance rating was 84%. BIC held follow-up audits to monitor contract manufactures with a lower performance rate and ensure compliance with local regulations and processes.

3.3.3 COMMUNITIES

3.3.3.1 Global challenges

The UN sustainable development Program comprises 17 worldwide goals for combating poverty, inequality, and injustice. These goals emphasize the crucial role of universal access to education and hygiene. The Group strives to meet these challenges through:

- its local economic presence, with about four million points of sale offering BIC® products worldwide; and
- its global presence: BIC manufactures and distributes its products in 160 countries, supplying the most developed marketplaces as well as some of the most disadvantaged.

Lastly, BIC seeks to support local communities through the development of philanthropic policies that favor involvement at both Group and individual levels.

3.3.3.2 Policies, action taken, results and outlook

Writing the Future, Together – #5 Improving lives through education

The UN Sustainable Development Goal No.4 is to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.” It underlines the two key challenges for education:

- access to education; and
- equity in learning.

Through the design, manufacturing and distribution of writing instruments, BIC has played an integral part in the promotion of education. The Group is a firm believer that education is crucial for the development of free will, independence, and for combating poverty. The Group has been an active handwriting advocate, since before its importance in structuring children’s thought processes was proven. BIC has set the goal of improving lives through education and has translated this ambition into the following commitment: by 2025, BIC will improve learning conditions for 250 million children globally (see Section 3.5.3.3 for further details).

The Group has a three-pronged approach:

- actions to help improve learning conditions, including awareness of handwriting benefits in learning and memorization processes (discussed in Section Awareness and coaching actions);
- philanthropic actions (donations of products, funding and skills) undertaken by local entities for the benefit of their communities (discussed in Section Philanthropic actions by BIC and its subsidiaries); and
- actions undertaken by the BIC Corporate Foundation.

At end-2023, BIC estimated that the learning conditions of 199 million children – of which 12 million children in 2023 – had been improved through direct initiatives either involving children, teachers or parents since 2018.

Awareness and coaching actions

Handwriting is a basic skill that helps structure thought processes. Writing instruments are indispensable tools for advancing learning conditions. BIC teams support and facilitate handwriting and promote its importance in children’s development, especially by:

- developing activity sheets and workshops for teachers on topics such as motor skill development, sustainable development and writing exercises;
- running activities and workshops in schools, to raise awareness of the importance of education, writing and creativity, texts writings and themed coloring contests for younger children; and
- promoting education in disadvantaged communities by providing writing instruments for classrooms (stationery, learning supports, etc.) and helping refurbish support schools.

Philanthropic actions by BIC and its subsidiaries

The philanthropic actions of BIC and its subsidiaries take three forms:

- product donations;
- monetary gifts; and/or
- volunteer work/skills sponsorship.

BIC and its subsidiaries favor projects that benefit the people who live near its facilities.

Each year, BIC develops and markets charity-linked offers, some of which are useful in education. For the consumer, this means they can spend the same amount of money while making a charitable donation, because part of the purchase price is given to a charity.

2022 marked the return of the Global Education Week. This event has grown into one of the Group’s largest corporate giving initiatives. It contributes to the Company’s legacy of fostering warmth and appreciation in the hearts of all those who participate. It also unites teams around a common cause: giving children moments of creativity, simplicity, and joy. BIC’s commitment to the initiative continued in 2023. Supported by the BIC Corporate Foundation, we donated 4.4 million writing instruments to classrooms globally. Team members also dedicated over 4,000 hours to organizing engaging and creative experiences for students.



As part of this initiative, the BIC Corporate Foundation introduced the BIC Educator's Activity Guide for Classroom Creativity. The guide equips teachers with simple yet effective tools and methods that seamlessly integrate into their standard curriculum, stimulating pupils' curiosity. Educators who downloaded the guide were given a chance to enhance their teaching methods through a sponsored teacher training program.

The BIC Corporate Foundation

The Foundation's mission statement is: "We drive access to high-quality education programs for all. With a focus on building creative skills, our programs directly enable and empower our participants to build stronger, more inclusive, more creative communities, while inspiring and equipping our children and young adults to make their mark on our world". The Foundation's actions target children and youth from underserved communities.

In a context where society, economies, and workforces are rapidly transforming, creativity is one of the key skills to cultivate the spirit of lifelong learning, both in kids and during adult life. Educational systems around the world lack initiatives that foster creativity. They often don't encourage kids and adults to take risks, believe in their capacity to change paradigms, do their part and take responsibility for building a better, more sustainable world.

This is why the BIC Corporate Foundation decided to focus on creative skills, as it believes in the power of creativity as the driver of change. The Foundation has prioritized six areas of focus that it considers essential for the development of creative skills among children and youth: art, music, body expression, entrepreneurship, creative writing, and the spoken word.

The Foundation is governed by a Board of Directors comprised of nine members – six internal to BIC and three outside experts. The Board meets formally three times per year and votes to approve the application of Foundation funds. The support and insight of its Board members is key in widening the reach of the Foundation and identifying life-changing and impactful organizations.

Through a comprehensive grant process, the Foundation identifies partners, in alignment with its mission, and provides funding to support the delivery of programs across the world. Each not-for-profit partner is carefully selected and funded following a detailed review process. In 2023, the Foundation signed four new partnerships with NGOs that develop creativity in children and youth. Since its creation, the Foundation has supported 51 projects in 22 countries and impacted more than 250,000 lives.

To build long-lasting and holistic partnerships, the Foundation is

convinced that involving BIC team members with its partner NGOs is key. In 2023, the Foundation offered volunteering opportunities and organized events to allow BIC team members to give back and learn more about the partner NGOs and their actions. Through activities such as CV and interview counseling sessions and mentoring, the Foundation engaged more than 1,000 team members with 10 of its NGO partners.

The Foundation also seeks to be the bridge between the BIC Group and the not-for-profit sector, contributing to the creation of purposeful collaborations with BIC® products, coordination of product donations, and more.

In 2022, the Foundation officially launched the **Creativity Community of Practice**, a multidisciplinary and collaborative network of people working in the creativity and education space. The objective of this network is to advance and amplify the development of creative skills in education systems, through advocacy, upskilling, driving research and accessibility, and collaborations. As of 2023, the community has grown to more than 290 members. They participate in quarterly meetings facilitating knowledge exchange and collective initiatives to amplify creativity in education.

Social inclusion: non-discrimination and access to products and services

BIC is guided by a vision: "To offer simple, inventive and reliable choices for everyone, everywhere, every time". For BIC, making products that everyone can afford means adapting them to markets in developing countries. The pens and shavers marketed by BIC in over 160 countries promote access to education and personal care. BIC is thus contributing to social progress around the world.

BIC's approach consists of adapting all possible parameters to make its products affordable:

- building close relations between its production units and their distribution markets;
- creating products for growth markets;
- adapting BIC® products to the buying power of emerging countries;
- completely rethinking packaging, to market products in packs of only one or two items;
- offering the best functionality at the best price, setting an optimal fair price for BIC® products in collaboration with local retailers to reflect local consumption trends and selling price thresholds; and
- developing innovative and appropriate distribution models, relying on local retailers such as individual kiosks, micro-shops or service outlets near schools.



3.3.4 CUSTOMERS AND CONSUMERS EXPECTATIONS AND PRODUCT SAFETY [NFPS]

BIC distinguishes between “customers” (i.e., companies, public authorities, and office supply distributors plus major mass-market retailers) and “consumers” (the end users of its products). Customers and consumers are becoming increasingly demanding in terms of products’ environmental and social performance.

3.3.4.1 Products designed to meet and anticipate consumer expectations [NFPS]

BIC manufactures mass-market consumer goods. Since its founding, the Group has wanted to make products that satisfy and anticipate the expectations of all consumers. Retailers and wholesalers want their partners to show how they are helping reduce the overall environmental and societal impact of their operations. They impose increasingly strict requirements in terms of the packaging of products they carry.

3.3.4.1.1 Risks and opportunities [NFPS]

[NFPS risk 8] BIC has identified reputational and brand risks among its main CSR risks. Against the backdrop of increasing environmental awareness, the BIC brand could be associated with so-called disposable single-use products, leading to customer and consumer disaffection with BIC® products. BIC seeks to improve its communications, in particular on the environmental and social performance of its products, to ensure the Group can retain the confidence of stakeholders. Meeting consumer expectations is also a source of opportunities for BIC. They include:

- positioning BIC as a responsible brand that delivers quality and safety through its long-term commitments and ambitious programs; and
- launching BIC® products with social and environmental advantages.



➔ OVERCOMING THE DISPOSABLE/SUSTAINABLE DUALITY

BIC® products are often stigmatized as being “disposable”. Although not all of them are refillable, neither are they single use. Most offer long-lasting performance: over 2-km of writing for most ball pens; up to 3,000 flames produced by a lighter; and 17 shaves for a triple-blade shaver. In addition, most of them are designed with no superfluous parts or features using a minimum of raw materials. Each of BIC®’s various products, whether refillable or not, meets a specific consumer need.

3.3.4.1.2 Policies, actions taken, results and outlook [NFPS]

BIC strives to develop and offer simple, affordable products that meet consumer expectations and communicate clearly about their environmental and social performance. To that end:

- BIC is developing new products or improving existing ones to enhance their sustainable performance, as defined in “Writing the Future, Together”#1: Fostering sustainable innovation in BIC® products. Every new BIC® product is undergoing an analysis of its environmental and societal footprint compared to a baseline, using EMA scorecard. This process can allow to identify possible sustainability claims opportunities;
- the Group has put in place an internal process of claim validation regarding the environmental benefits of its products. Following this validation, key elements of the 4R philosophy (see Section 3.2.3.2.), such as material content, refillability, durability, packaging recyclability might be communicated on the packaging or on other communication material, such as on-line; and
- BIC partners with customers in highlighting the sustainability of its products, not only by answering their questionnaires regarding BIC® portfolio, but also to put in place eventual specific communication in-store or on-line, whenever relevant.

Encouraging consumers to buy more responsibly

All products that use recycled materials display the Möbius strip symbol as well as information to help consumers make their purchasing decisions. Some BIC® products are *NF Environnement* certified. Others supply information on their environmental and social qualities (eco-values) to help consumers choose products that match their expectations. The most appropriate approach is chosen for each continent and category. For example, communications in Europe emphasize the *NF Environnement* ecolabel certification of a given product, where it was manufactured, the amount of recycled materials used or its writing length. In the Flame for Life division, the packaging for the BIC® Maxi, the world’s bestselling lighter, mentions the number of flames (“Up to 3,000 lights”) and the BIC® Maxi Ecolutions® uses alternative materials such as bio-attributed plastic certified by ISCC - International Sustainability & Carbon.

Since 2019, BIC in North America has been a member of How2Recycle, an organization that promotes the use of clear, concise and consistent recycling labels. A program to introduce “H2R” labels on BIC®’s product packaging for the North American market was launched in 2020.

Since 2015, in compliance with French law, BIC has offered consumers recycling instructions for its packaging on the Group’s website. In 2023, BIC added sorting instructions to all packaging for products sold in France and Italy.



BIC® WRITING PRODUCTS EARN THE NF ENVIRONNEMENT ECOLABEL

The *NF Environnement* ecolabel granted in France by AFNOR Certification certifies products that have a reduced environmental impact for an equivalent performance in use. To obtain this ecolabel, a product must comply with certain functional and environmental guidelines designed to reduce its environmental impact over its life cycle.

In the case of BIC® writing products, the main criteria for receiving the ecolabel are limited quantities of raw materials or the use of recycled materials, a long performance life and the strength of the pencil leads. BIC was the first manufacturer of writing instruments to earn *NF Environnement* certification. Now, a full range of 16 BIC® products has been granted this ecolabel, including long-standing products like the BIC® Cristal® and the BIC® 4 Colours™ ballpoint pen, as well as the pens in the BIC® Ecolutions® line.

Results

All the environmental claims that appear on the packaging, in the catalogs and on the websites for BIC® products in Europe are approved by the Legal Department.

16 BIC® writing instruments have received the French ecolabel *NF Environnement* (NF 400).

3.3.4.2 Product safety^[NFPS]

BIC seeks to offer safe products that meet consumer expectations and comply with all relevant safety requirements and standards. This means incorporating consumer health and safety into the design and production of its products. Consumers want to be assured that the products they buy are free of certain substances and safe for them and the environment. The Group also strives to strictly comply with all regulations and the increasingly stringent, constantly evolving restrictions concerning chemical substances.

3.3.4.2.1 Risk and opportunities^[NFPS]

[NFPS risk 3] Product safety and consumer health-safety risks are one of the major CSR risks identified by BIC, i.e., the risk of placing non-compliant or unsafe products on the market.

The various actions taken to ensure product safety and the protection of consumer health and safety represent an opportunity for the Group. They include:

- remaining a leader in terms of the quality and safety of its products, meeting or surpassing the regulatory requirements in each market; and
- developing expertise in materials evaluation, especially for recycled and alternative materials.

3.3.4.2.2 Policies, actions taken, results and outlook^[NFPS]

Product safety and the protection of consumer health are of strategic importance for the Group. BIC incorporates regulatory compliance and risk management concerning product safety into its strategy with the primary goal of offering products that comply with all relevant safety requirements and standards. This is achieved through:

- a body of documents defining its commitment; and
- strict processes designed to ensure that it only markets safe products compliant with safety requirements and standards.

As a result, BIC supplies millions of products every day while maintaining consistent quality, checked through a vast array of tests and in compliance with national and international safety requirements.

The **Product Safety Policy** implemented in 2001 specifies the ten commitments adopted to ensure that the products developed and manufactured by BIC are safe for human health and the environment. They are as follows:

- implementing a systematic program of pre-market product qualification testing;
- taking a global approach, resulting in products that often exceed the safety requirements of local markets;
- expecting BIC suppliers to comply with safety standards;
- incorporating safety considerations right from product design, including toxicological evaluations and tests to assess potential physical and chemical hazards;
- anticipating product safety requirements through active regulatory monitoring at national and international levels. This is done in close cooperation with industry associations that share their members' expertise with the appropriate authorities;
- incorporating innovations into product safety processes;
- building awareness among all stakeholders about safety and the appropriate use of BIC® products;
- carefully reviewing all incidents involving the safety of BIC® products;
- taking appropriate measures for product recall or withdrawal when needed; and
- tasking a Product Safety Department with implementation of this policy.

[NFPS – the well-being of animals] BIC's position on animal testing – included in the Responsible procurement policy – is that it does not test or commissions the testing of its ingredients or products on animals. The Group is committed to using alternative testing methods, used for the vast majority of its products.

However, these tests can be necessary:

- if the alternatives do not provide sufficient guarantees that a new product is harmless for consumers; or
- if regulations do not recognize alternatives to animal testing.

BIC will continue to push regulators to recognize alternatives to animal testing to stop this practice.

**BIC'S SEVEN COMMITMENTS TO ENSURE THE QUALITY AND SAFETY OF ITS LIGHTERS**

1. All BIC® lighter plants are ISO 9001 certified production plants. BIC® lighter products meet or exceed the ISO 9994 international safety standard requirements.
2. BIC is an active member of various organizations (such as the European Federation of Lighter Manufacturers, working groups and technical committees for ISO and CEN, and numerous other national standardization bodies). This allows it to provide the latest and most reliable quality and safety information to its customers.
3. Each BIC® lighter undergoes over 50 separate automatic quality checks. Additionally, BIC conducts regular post-market product tests of its lighters.
4. BIC continuously develops and improves exclusive technology to ensure the quality and safety of all BIC® lighters, including factors like flame height and stability, extinction time, and a reservoir that can resist extreme drop tests and exposure to elevated temperatures.
5. BIC has an integrated production process. It designs and develops much of its own machinery and uses all the latest manufacturing technologies, from basic materials right down to the packaged lighter.
6. BIC employees are all guided by three principles: Method-Precision-Discipline. Each employee in the lighter plants spends close to 25% of his or her time checking product conformity and proper operation of the control equipment.
7. BIC has been committed to sustainable, long-term safety programs for over 30 years.

**Regulatory monitoring and compliance**

BIC has a comprehensive monitoring system based on a formalized regulatory monitoring process. This system complements internal and external resources and in particular the Product Safety teams' specific knowledge of BIC® products, their components and the materials used. The BIC Watch List extends the Group's monitoring system to include unofficial lists used by NGOs, future regulations and controversial substances that are not yet banned.

The Group always strives to anticipate the substitution of regulated substances. This Watch List is open-ended by its very nature. Since 2019, the Watch List has been factored into product ratings in BIC's product design process EMA. The Product Safety team works closely with the product design teams to stay abreast of changes to the list and ensure its incorporation into product improvement.

In 2023, BIC joined Personal Care Products Council (PCPC), a highly regarded cosmetic industry association. This association will provide the Product Safety team with knowledge and guidance in complying with the new U.S. federal cosmetic regulation (MoCRA), help prepare for new state laws impacting cosmetics, and support BIC's new Skin Creative team.

BIC, as a member of numerous industry bodies ⁽¹⁾, actively participates in regulatory monitoring. This is important to stay abreast of new requirements and take them into consideration.

In order to keep pace with future regulatory challenges, the Product Safety team takes part in numerous technical meetings as well as regulatory congresses in Europe and North America:

- EWIMA, TIE, CEFIC, and AIM technical committees in Europe;
- ACMI and WIMA technical committees in the USA;
- AFNOR Toy Standardization Commission;
- ASTM committee for the analysis of PFAS;
- FEBEA webinars;
- Biocides Congress in Lyon;
- Perfumes & Cosmetics Congress in Chartres;
- Personal Care Products Council; and
- Chemical Watch webinars (on PFAS and on upcoming European regulatory developments).

BIC also helped set up a razor/blade consortium with several razor manufacturers to prepare for the evolution of EU and North American regulations on PFAS.

(1) In particular, BIC is a member of: EWIMA (European Writing Instrument Manufacturers Association); WIMA (Writing Instrument Manufacturers Association); ACMI (Art & Creative Materials Institute); TIE (Toy Industries of Europe); EFLM (European Federation of Lighter Manufacturers); and Fédération des Entreprises de la Beauté in France.





COMPLIANCE WITH THE REACH REGULATION

The European REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemicals) establishes the regulatory framework for chemical substances and makes manufacturers responsible for showing that the chemicals they use are safe.

In 2013 and 2018, in response to REACH, BIC registered eight substances for two of its legal entities. Following the 2018 deadline for products representing one to 100 tons per year, the authorities are now evaluating whether the registrations they received are compliant. BIC remains on the lookout for potential impacts. The EU REACH regulation is under revision in response to the EU chemical strategy for sustainability. The product safety team is closely following this revision and its new requirements.

Many countries are adopting regulations similar to the EU REACH regulation. Since 2020, the Group has been in compliance with regulations in the countries where it operates, including: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, and Turkey. Following Brexit, in 2021 BIC reported more than 100 substances in the UK. The UK and Turkey registration processes are expected to end by 2026 or in some cases later, depending on the substances and quantities involved.

Marketing compliant products that are safe for human health and the environment

To ensure consumer safety, the Group Insights & Innovation Officer, the Group Supply Chain Officer and the Group Lighter General Manager are responsible for marketing safe products that comply with regulations. To this end, they rely on:

- BIC's commitment to ensure that its products comply with regulations and are safe for health and the environment (see above);
- monitoring by dedicated teams (see above); and
- a product safety qualification process for all products before they are put on the market (see below).

This solid, long-standing organization is constantly adapted and expanded to reflect changing regulations. The Executive Committee and management teams are systematically kept abreast of new developments in product safety and regulations.

Systematic testing and evaluation programs

Before they are released onto the market, all BIC® products, both new and modified, must undergo a comprehensive program of safety tests and qualification evaluations. These are designed to assess potential hazards, identify the chemical substances present, evaluate their risk level, verify their compliance with standards; and identify any adaptations to the formulas or substitutions that might be needed to reduce risks.

BIC faces competition from several low-cost lighters that too often do not comply with international safety standards. According to tests by independent accredited laboratories, over

three quarters of the lighter models in the European market fail to meet standards. The Group has taken steps to raise awareness among the various parties involved.

Training

The Product Safety team is committed to educating and updating key Group stakeholders on important product safety topics. In 2023, the team focused on regulation revisions and restriction proposals. The Product Safety team delivered more than 15 training sessions to Group Supply Chain and Group Insights & Innovation teams, and Quality & EH&S teams at manufacturing sites. During their onboarding process, all new safety team members receive training materials covering product safety.

Many regulatory changes are underway in Europe to support the EU Chemical Strategy for Sustainability. To anticipate changes, a team of 40 key people who play important roles in supporting BIC's products have been trained on the potential impacts of recent or ongoing regulatory revisions: REACH, CLP, Toys Safety Directive, General Product Safety Regulation, Ecodesign for Sustainable Products Regulation (ESPR), and cosmetics regulation.

In addition, since November 2021, the Product Safety Team has participated in numerous public consultations to ensure that certain positions are being expressed.

Outlook

The Group is constantly adapting its working methods to maintain its own product safety standards and compliance levels.



3.4. ETHICS AND BUSINESS CONDUCT [NFPS]

3.4.1 RISKS MAPPING AND IDENTIFIED RISKS [NFPS]

[NFPS risk 6] BIC has identified risks related to corruption among its main CSR risks. The risk of corruption and unfair practices can lead to legal actions against the Group and have major consequences in terms of reputation and attractiveness. Assessing, mapping and managing this risk gives BIC an opportunity to further develop its culture of ethics within the Group. As required by French law, BIC also conducted two additional risk mappings:

- one cover anti-corruption processes, as required by French law 2016-1691 of December 9, 2016, also known as the Sapin II Law; and
- the other deals with the prevention and vigilance associated with risks related to the environment, fundamental rights and freedoms as well as health and safety, as required by French law 2017-399 of March 27, 2017, also known as the Duty of Vigilance Law, as further detailed in Chapter 2.

3.4.2 POLICIES, ACTIONS TAKEN, RESULTS AND OUTLOOK [NFPS]

3.4.2.1 The BIC Code of Conduct

BIC continuously monitors compliance laws and ensures team members are kept up to date regarding the BIC Code of Conduct through training and awareness campaigns. Specific compliance training, including a session on the Code of Conduct, has also been reinforced for the employees of newly acquired companies.

In 2022, BIC reviewed its Code of Conduct to simplify it and to openly acknowledge the Group's willingness to comply with and abide by specific applicable French legislation.

This review ensured that the Group's team members were familiar with BIC's obligations and commitments regarding compliance with the Sapin II Law and the Duty of Vigilance Law.

Regardless of their role, seniority or location, all team members are required, at all times, to comply with this Code and the Group's policies and standards. The same is true of all applicable laws, regulations and industry standards that relate to their individual work. The new version of BIC Code of Conduct was deployed in 2023 with the visible support of the Group's CEO and Executive Committee. All employees in all locations with access to a professional computer were invited to complete an online training in the Company's LMS (Degreed) with a deadline by the end of the year. For the employees who do not use computers in their day-to-day work, there will be in-person training by location in 2024.

The Code of Conduct is made available and distributed to all new employees as part of the onboarding process. It is available on the BIC Intranet, as well as the website www.bic.com.

3.4.2.2 BIC Anti-Corruption Policy

The Group Anti-Corruption Policy defines the appropriate conduct which is mandatory for all BIC personnel. This includes team members, managers, Directors and all parties acting on the Group's behalf: subsidiaries, affiliate companies, partners under contract, wholesalers and consultants. The Policy describes how

business should be conducted with third parties to protect against corrupt practices. BIC does not tolerate corruption or bribery and is committed to fighting them in all their forms. The Anti-Corruption Policy covers the following topics:

- interactions with government officials, private entities, and persons who are not government officials;
- gifts, corporate gifts and sponsorship;
- relations with stakeholders;
- donations and contributions to communities and political parties;
- conflicts of interest; and
- monitoring, record keeping and reporting of any breaches of anti-corruption laws.

The Group Anti-Corruption Policy is on the home page of the BIC Intranet as well as the external website www.bic.com.

3.4.2.3 Internal Whistleblowing System

"BIC Speak Up", the Group's anonymous and confidential reporting system, is accessible to all current and former BIC team members. It is open 24 hours a day and is available in over 200 languages.

BIC has observed a decrease in cases connected to violation of policies (from 9 cases in 2018, to 1 in 2022 and 0 cases in 2023) and anti-competitive practices and a stable number of reports of embezzlement, misuse of assets, and conflict of interests. Compared to global benchmarking, the Company's cases involving EH&S (10% global benchmark to 0% in BIC), business integrity (29% globally to 5% in BIC), and misappropriation and misuse of assets (4% global benchmark to 0% in BIC) are showing positive results. The Company continues to monitor new local regulatory developments to help improve the whistleblowing system. BIC is committed to ensuring the confidentiality of the information gathered and protecting team members who report a breach of the BIC Anti-Corruption Policy or the BIC Code of Conduct in good faith from retaliation.

3



The alert hotline is accessible to third parties and is featured on the BIC Intranet and www.bic.com. This alert mechanism aims to call out any actions or conduct that may be contrary to the law, internal policies or to integrity, honesty or equity. BIC continues its efforts to continuously monitor and improve compliance with the BIC Anti-Corruption Policy, the BIC Code of Conduct and other legal requirements, policies and guidelines. BIC has reinforced its third-party due diligence program to monitor, identify, mitigate and document any exposure to corruption, unfair practice risks and other risks. Such due diligence and mitigating actions are managed and documented through an integrity tool. Individuals launching an alert may also use any channel of their choice, as per French law, to report an alert and will be protected, if the alert is deemed admissible according to the applicable legal criteria, against retaliation, obstruction and confidentiality breaches.

BIC took the compelling decision to further develop, enhance, improve and systematize the Group's third-party due diligence program to enable a holistic and consistent evaluation of all BIC's suppliers and business partners at all levels of the value chain.

As a result, the Group invested in a tool which can be integrated into the internal procurement systems thus taking the Company's compliance program to the next level. In 2023, this tool continued to be deployed, and employees received training. BIC will continue to improve the third-party policies and tools with new developments through 2024.

3.4.2.4 Responsible lobbying and participation in sector working groups

BIC considers lobbying to be a positive action, through which the Group makes its industrial and market knowledge known to the authorities.

BIC communicates lessons learned from its experience to decision makers and important players. In this way, the Group aims to contribute to the effectiveness of regulatory actions in applying regulations. It places particular emphasis on the safety of products placed on the market and the resulting consumer safety, while promoting fair competition.

BIC seeks to be recognized and consulted as a stakeholder in all decisions and actions affecting its operations.

3.4.2.4.1 Participation in sector dialogue

BIC continues its efforts to pursue its lobbying activities responsibly and ethically. The Group wants to ensure that legal

and regulatory decisions, as well as any actions taken to enforce rules, have realistic and effective technical and economic consequences. It also aims to maintain or restore fair and honest competition among market players.

Although BIC has no tradition of making public statements on major industrial or societal topics, the Group does address the public when it feels necessary. It also participates in industry discussions and seeks to exert its influence in four key areas that are directly related to its commitments as a responsible corporation:

- product safety;
- combatting counterfeiting;
- combatting unfair competition; and
- environmental protection.

BIC lobbies primarily as a member of various organizations, participating as needed in their working groups and the development of their positions.

BIC is a member of the Executive Committees of the main industry associations (EWIMA, ASTM, ISO, etc.), and in some cases, has been for many years.

Lobbying activities can also take the form of direct contacts with relevant authorities, institutions, governmental agencies and NGOs.

The Group's subsidiaries also cultivate direct relations with the national authorities in their countries of operation. However, the Group has no professional lobbyists on its payroll.

3.4.2.4.2 Clearly identified lobbying responsibilities

At the highest level within the Group, CEO Gonzalve Bich and the members of the Executive Committee are responsible for steering and monitoring all lobbying activities on a regular basis.

The operational responsibility for BIC's relationships with public authorities and institutions is delegated to a small number of named managers who represent the Group in the above-mentioned proceedings. The members of the Executive Committee are kept informed of the progress of laws and regulations that affect their operations.

BIC strictly complies with local laws and regulations when pursuing its lobbying activities. Like all the Group's activities, lobbying is always monitored by BIC's Legal Department, governed by the Anti-Corruption Policy and the BIC Code of Conduct, which names the people to be notified in the event of breaches.

3.5. MILESTONES [NFPS]

This document follows the methodological recommendations of the Global Reporting Initiative (GRI). The GRI indicators used here are included in the cross-reference table of ESG information on page 361.

3.5.1 SUMMARY TABLE OF THE NON-FINANCIAL PERFORMANCE STATEMENT [NFPS]

Non-financial risks	Description of the risks and opportunities	Policies and actions taken	Main results/indicators*
R1 – Risks related to plastics: plastic waste and resource depletion.	Section 3.2.3.1	<p>BIC's policies Writing the Future, Together #1 Fostering sustainable innovation in BIC® products. Writing the Future, Together: #2 Acting against climate change.</p> <p>BIC's approaches The "4 Rs" philosophy (Reduce, use Recycled and alternative materials, Refill, Recycle). An eco-design approach incorporating environmental and societal criteria. An approach to increase the use of recycled and alternative materials in all products. Systematic evaluation of all products based on environmental and societal criteria. Developing an innovative circular economy model. Partnerships for innovation approach.</p>	<ul style="list-style-type: none"> 8.0% of non-virgin petroleum plastic in BIC® products (5.7% in 2022). 81.0% of reusable, recyclable or compostable plastic in consumer packaging. 62.1% recycled content in plastic packaging. 98.0% PVC-free packaging. 99.1% of BIC paper and cardboard packaging comes from certified and/or recycled cellulosic sources. 7 products improved vs their baseline 16 BIC® products with the <i>NF Environnement</i> ecolabel. At end-2023, over 86.7 million pens collected through TerraCycle®.
R2 – Risks related to climate change.	Section 3.2.1.1	<p>BIC's policies Writing the Future, Together #1 Fostering sustainable innovation in BIC® products. Writing the Future, Together #2 Acting against climate change. Environment, Health & Safety Policy.</p> <p>BIC's approaches Purchasing electricity from renewable sources. Eco-design approach. Action plan with measures to mitigate climate-related risks at facilities. Environmental management systems at facilities. Energy efficiency approach.</p>	<ul style="list-style-type: none"> 8.0% of non-virgin petroleum plastic in BIC® products (5.7% in 2022). 91% share of renewable electricity. 81,849 teqCO₂ (location-based) direct and indirect GHG emissions (scopes 1 and 2) i.e. +0,1% compared to 2022. 0.82 teqCO₂/ton of production (scopes 1 & 2). 10.82 gigajoules/ton of production, i.e., -5% compared to 2022. 1.06% share of air freight in intra-Company transport ^(b) (in tons/kilometers) (vs. 1.84% in 2022).



Non-financial risks	Description of the risks and opportunities	Policies and actions taken	Main results/indicators*
R3 – Risks related to product safety and consumer health & safety.	Section 3.3.4.2.1	<p>BIC's policies Writing the Future, Together #1 Fostering sustainable innovation in BIC® products. Product Safety Policy. The seven BIC commitments to ensure the quality and safety of its lighters.</p> <p>BIC's approaches Regulatory watch and compliance. Process for marketing safe products that comply with health and environmental standards. Process for evaluating recycled materials. Systematic testing and evaluation programs.</p>	<ul style="list-style-type: none"> The Product Safety team held 15 training sessions for different Group departments such as the Group Insights & Innovation, Quality & EH&S teams in manufacturing site and IT department.
R4 – Risks related to health and safety of team members.	Section 3.3.1.2.1	<p>BIC's policies Writing the Future, Together #3 Committing to a safe work environment. Environment, Health and Safety (EH&S) Policy.</p> <p>BIC's approaches Roll-out of the EH&S Suite platform. Health-Safety reporting. Environment-Health-Safety guidelines. Safety watch. Safety certification (OHSAS 18,001) for four Stationery factories. "Quality of Life at Work" program.</p>	<ul style="list-style-type: none"> 36 lost-time incidents for the BIC headcount ^(c). 53 facilities without lost-time incidents. 1.51 incidence rate – BIC headcount ^(c). 0.08 severity rate (number of calendar days lost due to an incident per thousand hours worked) – BIC headcount ^(c).
R5 – Risks related to non-respect of human rights (child labor, international conventions, ILO).	Section 3.3.2.1	<p>BIC's policies Writing the Future, Together #4 Proactively involving suppliers. BIC's Code of Conduct. Supplier Code of Conduct</p> <p>BIC's approaches Social audit program. EcoVadis evaluation.</p>	<ul style="list-style-type: none"> 51% of permanent employees work in "free countries" with respect to human rights. 92% of all BIC® products are produced in the Group's own factories. 33% of contract manufacturers audited between 2022 and 2023. 65% of BIC factories are located in countries with no Human Rights risk.
R6 – Risks related to unfair practices (corruption).	Section 3.4.1	<p>BIC's policies BIC Group Code of Conduct. BIC Group anti-corruption policy.</p> <p>BIC's approaches Anti-corruption training. Deployment of the Group's Code of Conduct. BIC Speak-up hotline.</p>	



Non-financial risks	Description of the risks and opportunities	Policies and actions taken	Main results/indicators*
R7 – Risks related to our operations and the environment.	Section 3.2.2.1	<p>BIC's policies Environment, Health & Safety (EH&S) Policy.</p> <p>BIC's approaches Environmental management systems at the facilities (internal or ISO 14001). Various certifications for certain facilities:</p> <ul style="list-style-type: none"> • ISO 50001; • European Water; • Stewardship Gold; • BREEAM; • LEED. <p>Water consumption reduction approach. Waste reduction approach. See also Risk 2.</p>	<ul style="list-style-type: none"> • 3.60 m³/ton annual water consumption. • 0.169 tons of non-hazardous waste/ton of production. • 0.029 tons of hazardous waste/ton of production. • 73% of non-hazardous waste recycled (in tons). • 41% of hazardous waste incinerated with energy recovery (in metric tons).
R8 – Risks related to reputation and brand.	Section 3.3.4.1.1	<p>BIC's policies Writing the Future, Together #1 Fostering sustainable innovation in BIC® products. Responsible Communication Charter.</p> <p>BIC's approaches The "4 Rs" philosophy (Reduce, use Recycled and alternative materials, Refill, Recycle). An eco-design approach incorporating environmental and societal criteria. Increased use of recycled and alternative materials in all products. Systematic evaluation of all products based on environmental and societal criteria. Development of an innovative circular economy model. Partnerships for innovation.</p>	<ul style="list-style-type: none"> • BIC® products' performance in use: <ul style="list-style-type: none"> • more than 2-km of writing for most ballpoint pens; • up to 3,000 flames for a lighter; • 17 shaves for a triple-blade shaver: <ul style="list-style-type: none"> • 16 BIC® products have earned the <i>NF Environnement</i> ecolabel, • 100% of the environmental claims about BIC® products on packaging, in catalogues and on websites in Europe are validated by the Legal Department, • 8.0% of non-virgin petroleum plastic in BIC® products (5.70% in 2022), • 81.0% of reusable, recyclable or compostable plastic in consumer packaging, • 62.1% recycled content in plastic packaging.

(a) See also Section 3.5.4.

(b) The KPI's perimeter includes all products sold internally, from one BIC location to another. Products transferred within the warehouses of the same entity are not included. Raw materials, components, tools, and machinery are excluded.

(c) BIC headcount includes permanent employees, fixed-term contracts, apprentices and interns.



3.5.2 NON-FINANCIAL RATINGS

In 2023, BIC was listed on the following socially responsible investment indexes:

- CDP Climate 2023: Leadership Level A-;
- MSCI rating AAA;
- ISS ESG Corporate rating of C+ "Prime";
- Moody's ESG overall score of 58/100.

BIC also ranked 12th out of 120 companies in the SBF 120 Top Ranking for the number of women in companies' management bodies.

3.5.3 PERIMETER AND SELECTION OF INDICATORS

The reporting period covered by this report is from January 1 to December 31, 2023.

3.5.3.1 Information not included in the Non-Financial Performance Statement

In compliance with Article L.225-102-1 of the French Commercial Code, BIC does not include the following topics in its Non-Financial Performance Statement, because they do not represent major challenges, risks or opportunities for the Group.

Impact on biodiversity

The Group's impact on biodiversity is primarily through its land use (industrial, logistical and administrative facilities). The majority of BIC's factories are in non-sensitive (in most cases industrial) zones, and neither their land use nor their operations pose any evident risk to their surroundings. In places where there are specific obligations, the management systems address the problem and enable follow-up.

Air, water and soil releases that seriously affect the environment

The nature of the Group's manufacturing operations, primarily the molding and assembly of plastic products and printing of products, has a relatively low local environmental impact compared with other manufacturing sectors. Nevertheless, the BIC sustainable development Program, based on the EH&S Policy, requires each facility to measure, evaluate and reduce any significant environmental impact.

Soil use conditions

In Europe and the U.S., where most of the Group's facilities are located, whenever an industrial facility is closed, BIC ensures it is decommissioned in accordance with local laws and best environmental practice. When appropriate or when required by law, BIC studies the soil and subsoil although this is not required for most facilities. Pollution studies at European plants in operation for many years show that the Group's activities do not have a significant impact on soil or subsoil. For plants subject to specific regulatory requirements, the policy for preventing the risk of soil pollution is an integral part of the operating plan.

Noise and odor impact

Odor is considered an insignificant aspect in the Group's product molding, assembly and printing activities.

As regards noise impact, mitigation measures are taken along property boundaries in compliance with local regulations. If any noise pollution is brought to the Group's attention in the future, it will conduct studies and take appropriate corrective action.

Combatting food waste and food insecurity and promoting responsible, fair trade, sustainable food

Although these are not key issues for BIC, the Group holds regular awareness events for team members in its Company restaurants, especially in Brazil and France.

3.5.3.2 Reporting perimeter of indicators

Regarding indicators that refer to HR, the reporting perimeter encompasses the BIC workforce which includes permanent employees, fixed-term contracts, apprentices, interns, and agency temporary staff at all French and foreign operational units within the Group.

The environmental indicators pertain to operations that have a significant impact, namely the industrial activities owned by the Group. Therefore, these indicators concern BIC factories that produce finished or semi-finished products. They also apply to its engineering units and packaging operations with over 50 employees or where operations are subject to government regulations such as SEVESO (EU), PSM or RMP (U.S.). Group headquarters with over 200 permanent employees are also included in the reporting. Any new site meeting the above thresholds should aim to meet program requirements within five years of its first financial consolidation.

BIC Nantong is excluded from the reporting perimeter because the plant produces less than 1% of the Group's total lighter volume. Djeep is excluded as well.

For health and safety indicators, all Group facilities (offices, industrial facilities, and hosted contracts) are included in the perimeter except the Sibjet site. The reporting perimeter encompasses the BIC headcount which includes permanent employees, fixed-term contracts, apprenticeships and interns.

Since 2022, Pentex Pen & Stationery, Cello Writing Aids, Cello Writing Instruments & Containers were closed and are no longer within the reporting perimeter.

3.5.3.3 Indicators

BIC chooses published indicators that best represent its main social and environmental challenges.

The inventory of BIC's activities for communities is compiled from information and data sent annually by management at each subsidiary. This reporting is an estimate of project numbers and value.

Financial indicators, and those that refer to HR, occupational accidents and the environment, are compiled using multiple data collection systems, mostly via the Group's dedicated Intranet tools. The respective departments are responsible for compiling the data, and data consistency is verified before consolidation.

To ensure the accuracy of published data for environmental and health and safety reporting, and for packaging, information from previous years may be corrected when necessary.

The environmental indicators are normalized to production so that their measurements are less affected by changing production volumes. However, it should be noted that these indicators also include elements that are not correlated to production, such as energy consumption for the heating and lighting of buildings, which correlates more closely to climatic conditions. Waste treatment is classified based on the channels to which the waste is directed.

In addition, for BIC, the term "water consumption" is understood to mean total water inputs, regardless of any subsequent treatment or wastewater discharge.

Concerning the reporting of GHG emissions, the conversion factors for Scope 1 are from the French Environment and Energy Management Agency (ADEME) carbon database (version 2.20.0). Conversion factors for Scope 2 "location-based" emissions are those proposed annually by Electricity maps 2023.

BIC provides an annual report on its emissions that covers indirect emissions (Scope 3), and it regularly reviews the underlying assumptions and emission factors to ensure they continue to be relevant.

In addition, to ensure transparency, we provide further information on some indicators below.

GHG emissions related to purchased goods and services

This indicator covers the main raw materials used in the products of the three main categories, includes Cello (since 2018), and excludes purchases of raw materials realized outside the group procurement tool.

It also includes raw materials used in packaging reported depending on the scope of the indicators: percentage of reusable, recyclable or compostable consumer plastic packaging, percentage of responsibly-sourced cellulose packaging, PVC-free plastic packaging and recycled plastic packaging. Their scope, fixed at 2019, excludes new acquisitions since 2019 and BIC Graphics, MEA distributors and OEMs.

It also includes the purchase of external services provided to the Group.

Number of products improved compared to their baseline

Each year, the following products are assessed in EMA tool and compared to their selected relevant product baseline (already existing in EMA tool database):

- innovation products that within the year are officially approved by a dedicated committee for future industrialization and commercialization; and

- since 2023, existing products that are officially approved by a dedicated committee for a change in their specifications are included, when it is expected an impact on their life cycle assessment.

Products with their environmental and/or societal score improved compared to their baseline are reported in the "number of products improved compared to their baseline".

Share of the BIC® product portfolio assessed using EMA, in order to calculate the number of products improved compared to their baseline

In 2023, the perimeter of application for this indicator is as follows:

- Human Expression: all BIC® writing, marking, coloring and BIC® and Tipp-Ex® correction products excluding:
 - products under licence,
 - certain specific writing products (BIC® EasyClic®, Fountain Xpen®, Gilbert® and Criterium® wood pencils, Velleda® whiteboards),
 - some coloring products (premium wood pencils, paints, gouache, watercolor, glitter pens),
 - Bodymark products,
 - Blade Excellence: BIC® one-piece products, hybrid and system products. Products sold by BIC Blade Tech are excluded,
 - Flame for Life: BIC® pocket lighters, and excluding products from the Utility family;
- Products from the following entities are excluded: BIC Graphic, BIC Nigeria, Cello, Djeep, Rocketbook, AMI, Inkbox, Tattly. By-products. Unbranded products and Stationery accessories (such as glues, erasers) are also excluded.

Percentage of non-virgin petroleum plastic in BIC® products

This indicator covers recycled or alternative plastics purchased for the manufacture of BIC® products and internal recycled plastic. It is calculated based on the weight of plastic raw material and components purchased for products manufactured in the factories operated by BIC (excluding BIC Graphic, Nigeria and Djeep) as well as internal recycled plastic.

Percentage of reusable, recyclable or compostable consumer plastic packaging

This indicator corresponds to consumer packaging that is either reusable, recyclable or compostable. It is calculated based on the weight of the materials used in consumer plastic packaging (pouch, blisters, etc.). The indicator is calculated based on 2019 scope and concerns the products in the three main categories (excluding BIC Graphic, recent sales and acquisitions, and certain OEMs). It also excludes displays, industrial packaging such as outers, pallets and pallets films.

Reusable: Packaging is reusable if it has been designed to accomplish or proves its ability to accomplish a minimum number of trips or rotations in a system for reuse.

Recyclable: Packaging or a packaging component is recyclable if its successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale.



Compostable: Packaging or a packaging component is compostable if it complies with relevant international compostability standards and if its successful post-consumer collection, (sorting), and composting is proven to work in practice and at scale.

Percentage of responsibly sourced ⁽¹⁾ cellulose packaging (from recycled or certified cellulose), PVC free plastic packaging and recycled plastic packaging

This indicator includes all packaging for packaged BIC® products delivered to the Group's customers worldwide (except pallets and pallet films):

- consumer packaging (pouch, blister, cardboard box);
- outer/inner;
- shrink-wrap;
- lighter displays, etc.

It is calculated based on the weight of the materials and on 2019 scope. It covers the products of the three main categories (excluding BIC Graphic, recent sales and acquisitions, and certain OEMs).

Percentage of air freight

The scope of this indicator is intra-company transport, i.e., all factory-to-factory and factory-to-warehouse shipments (BIC factories and warehouses, contract manufacturers; inter and intra-continental). It is expressed in tons/kilometer and covers all Group activities (excluding recent sales and acquisitions). In 2018, the activities of Cello Pens were included in the reporting perimeter for this indicator. The scope excludes raw materials, components, tools and machinery. Road transport in sea and air freight is not taken into account in the indicator.

Emission factors were updated in 2019: the relevant emission factors are from the French Environment and Energy Management Agency (ADEME) carbon database (version 2.20.0).

Percentage of contract manufacturers audited

This indicator applies to all contract manufacturers of finished products. The rating system measures the level of performance of each contract manufacturer based on the social indicators in the Group Code of Conduct. This indicator covers all Group activities except Cello Pens.

Writing the Future, Together #4 Proactively involving suppliers

BIC engages with suppliers to improve the sustainability profile of BIC products, for example it proposes more sustainable raw materials and packaging, suggests actions to improve their production processes and supply chain, and puts in place sustainability sourcing documents and policies.

The indicator "percentage of strategic suppliers reached by a responsible procurement action/integrated into a responsible procurement program" corresponds to the number of strategic suppliers ⁽²⁾ which have been assessed through a Sustainability assessment tool, by responding to a questionnaire. The assessment results, without any minimum score required, provide BIC with an overview of supplier sustainability profile and contribute to implement action plan to improve it.

This indicator excludes Cello, BIC Kenya, Nigeria, Djeep, BIC Graphic, and certain OEMs.

Writing the Future, Together #5 Improving lives through education

The number of children whose learning conditions have been improved by BIC is an estimate of children impacted by direct actions and/or programs targeting teachers, deans or parents.

Since 2019, the methodology for estimating the number of children impacted by an action *via* teachers is as follows: one teacher directly impacted is reported as 90 children (indirect impact). This corresponds to the impact of the action on a teacher for at least three years and to the worldwide average class size of 30 children ($3 \times 30 = 90$ children per teacher).

(1) A cellulose package is considered to be responsibly sourced if at least 50% of the cellulose mass is certified or recycled.

(2) For direct and indirect spend suppliers, BIC has set up criteria to qualify them as strategic. The criteria are linked to BIC's spending, the uniqueness of a supplier, its impact on BIC's business continuity, growth and development, and the sustainable advantages brought to BIC.



3.5.4 INDICATOR TABLE

Environmental indicators	Unit	2021	2022	2023
Energy consumption ^(a)				
Annual energy consumption	Gigajoules	1,097,484	1,136,505	1,081,299
Writing the Future, Together #2 Share of renewable electricity	%	79	76	91
Annual energy consumption normalized to production	Gigajoules per ton	11.96	11.39	10.82
Greenhouse Gas (GHG) emissions				
Total amount of annual GHG emissions (location-based)	tCO ₂ eq	92,215	81,745	81,849
• GHG emissions (Scope 1) (location-based) ^(a)	tCO ₂ eq	16,984	15,812	14,483
• GHG emissions (Scope 2) (location-based) ^(a)	tCO ₂ eq	75,231	65,932	67,366
Total amount of annual GHG emissions GES (market-based)	tCO ₂ eq	43,922	47,682	23,495
• GHG emissions (Scope 2) market-based ^(a)	tCO ₂ eq	26,938	31,870	9,012
Total ratio of annual GHG emissions to production (Scope 1 & 2 location-based)	tCO ₂ eq/ton	1.01	0.82	0.82
GHG emissions related to purchased goods and services (Scope 3) ^(b)	tCO ₂ eq	400,678	400,301	377,490
GHG emissions related to intra-Company transport ^(c) (Scope 3)	tCO ₂ eq	51,809	41,593	23,433
GHG emissions related to other Scope 3 categories (Travel and commute, waste, energy-related, asset, end-of-life, direct use phase emissions of sold product, part of the freight, upstream and downstream transportation and distribution)	tCO ₂ eq	323,339	348,744	336,543
Water consumption				
Annual water consumption	m ³	423,679	372,349	359,572
Ratio of annual water consumption to production	m ³ per ton	4.62	3.73	3.60
Waste production				
Annual waste production	Tons	19,487	20,713	19,790
• Non-hazardous waste	Tons	16,548	17,880	16,882
• Hazardous waste	Tons	2,939	2,833	2,908
Ratio of annual production of waste to production	Tons/tons	0.212	0.208	0.198
Recycled waste	%	65.4	65.6	65.6
Recovered waste (recycled or incinerated with energy recovery)	%	82.4	82.2	82.7
Transportation				
GHG emissions related to intra-Company transport ^(c)	tCO ₂ eq/ton	0.483	0.282	0.254
Intra-Company transport without air freight ^(c)	%	97.18	98.16	98.94
Products				
Writing the Future, Together #1 Percentage of non-virgin petroleum plastic in BIC [®] products	%	4.0	5.70	8.0
Number of products certified with the French <i>NF Environnement</i> ecolabel	Number	16	16	16
Number of BIC products which environmental and/or societal scores improved compared to their baseline.	Number	12	3	7
Packaging ^(d)				
BIC paper and cardboard packaging from certified and/or recycled cellulosic sources	%	97.4	97.7	99.1
BIC plastic packaging PVC free	%	95.6	96.2	98.0
Writing the Future, Together #1 Reusable, recyclable or compostable plastic in consumer packaging ^(e)	%	59.6	70.0	81.0
Writing the Future, Together #1 Recycled content in plastic packaging ^(e)	%	52.1	54.7	62.1
Other Indicators				
Provisions and guarantees for environmental risks ^(f)	Million euros	-	-	-
Compensation paid during the fiscal year under court order	Million euros	-	-	-

(a) Due to an issue with our reporting tool, we have estimated the value from October to December 2023 with 2022 values.

(b) Excluding purchases of products and services not realized via the Group procurement tool, excluding packaging purchases of new acquisitions (from 2019) entities, BIC Graphic and MEA distributors, OEM outside SSO (BIC Shanghai Sourcing Office).

(c) Excluding transport by road in sea and air travel; the KPI's perimeter includes all products sold internally, from one BIC location to another. Products transferred within the warehouses of the same entity are not included. Raw materials, tools, machinery, and components are excluded.

(d) Figures excludes BIC Graphic, recent acquisitions and certain OEMs.

(e) Indicator measured for the first time in 2020 as part of BIC's commitment that year.

(f) Environmental guarantees are listed in Note 26 "Off-balance sheet commitments: sureties, deposits and guarantees" to the consolidated financial statements for the year.

3



Social indicators	Unit	2021	2022	2023
Group workforce				
Total workforce ^(a)		14,115	15,898	14,643
• Permanent employees	Number of employees	10,464	10,580	10,322
• Fixed-term contracts	Number of employees	716	781	1,156
• Temporary workers	FTE	2,935	4,441	3,059
• Interns & Apprenticeships ^(b)	Number of employees	-	96	106
Permanent voluntary turnover ^(d)	%	16	12	13
Permanent headcount by region				
Percentage of permanent workforce by region				
• Europe	%	38.4	39.4	41.6
• North America	%	7	7.4	9.3
• Latin America	%	22	22.4	23.6
• Middle East & Africa	%	6.9	8.1	8.7
• India	%	24.9	21.7	16
• Asia-Pacific	%	0.88	1.0	1.0
Permanent headcount by activity				
Percentage of permanent workforce by activity				
• Group Commercial	%	18.44	18.94	20.32
• Graphic	%	2.2	2.56	3.10
• Group Supply Chain	%	64.2	62.33	59.97
• Lighters	%	8.89	9.20	9.79
• Group Insights & Innovation	%	1.82	1.82	1.26
• Group BIC Services	%	2.06	2.19	1.95
• BIC Group	%	0.08	0.01	0.03
• BIC Foundation	%	0.01	0.01	0.01
• Corporate Stakeholder Engagement	%	0.04	0.03	0.04
• Group Communications	%	0.14	0.15	0.15
• Group Finance	%	0.39	0.47	0.67
• Group HR	%	0.39	0.55	0.65
• Group IT	%	0.94	1.02	1.09
• Group Legal	%	0.34	0.31	0.47
• Strategy & Business Development	%	0.10	0.14	0.19
• Group Partnership & Business Development	%	-	0.26	0.32
Training, career management, and engagement ^(c)				
Percentage of Permanent TMs that have received training				
	%	71	63	65
• Number of training days ^(b)	Days	12,085	16,238	17,418
• Number of training days per employee ^(b)	Days	1.6	1.5	1.7
Number of Total Promotions (Superior Level)	Number	223	234	180
Diversity - percentage female				
Whole headcount				
	%	44	43	44
• Board of Directors	%	50	50	50
• Executive Committee ^(c)	%	30	36	40
• Level 4 and above (Executives & ExCom) ^(c)	%	29	32	33
• Level 3 (Senior Managers) ^(c)	%	40	40	40
• Level 1 and 2 (Managers & Professionals) ^(c)	%	40	41	43
• Non-managers ^(c)	%	46	44	45
• Europe ^(c)	%	38	39	39
• North America ^(c)	%	47	46	46
• Latin America ^(c)	%	51	51	52
• Middle East & Africa ^(c)	%	37	37	36
• India ^(c)	%	48	42	33
• Asia-Pacific ^(c)	%	43	44	45



Social indicators	Unit	2021	2022	2023
Safety				
Writing the Future, Together #3 Lost-time incidents - BIC headcount ^(e)	Number	50	60	36
Sites without lost-time incidents	Number	39	54	53
Incidence rate of workplace accidents – BIC headcount ^(e)	Number/million hours worked	2.17	2.60	1.51
Severity rate (number of calendar days lost due to an incident per thousand hours worked) – BIC headcount ^(e)	Number/thousand hours worked	0.09	0.10	0.08
Absenteeism				
Absenteeism rate for permanent employees (sickness absences under 3 months excluding on-site incidents and maternity)	%	1.1	1.52	1.2
<p>(a) A minor adjustment of +3 has been noted on the FY2021 headcount data (-7 permanent and +10 fixed-term contracts).</p> <p>(b) Prior to 2022, Interns and Apprentices were reported within Fixed term Contract data.</p> <p>(c) BIC permanent employees.</p> <p>(d) Voluntary turnover relates to resignations and retirements only.</p> <p>(e) BIC headcount includes permanent employees, fixed-term contracts, apprentices and interns.</p>				

Societal indicators	Unit	2021	2022	2023
Supplier relationships				
Writing the Future, Together #4 Percentage of strategic suppliers integrated in the responsible purchasing program	%	52.3	65.5	83
Respect for human rights in the workplace				
BIC permanent employees working in free countries ^(a)	%	58	57	51
BIC factories located in free countries ^(a)	%	65	60	65
Improving lives through education				
Writing the Future, Together #5 Estimated number of children with improved learning conditions (cumulative)	Million	158	187	199
Estimated number of children with improved learning conditions	Million	40	28	12
(a) Source: Freedom House.				



3.5.5 TAXONOMY ANNEX I, II AND III

PROPORTION OF REVENUE FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR FY2023

Fiscal year	Year	Substantial contribution criteria								
		Code(s) (2)	Absolute Revenue (3)	% of Revenue (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
Economic Activities (1)			Euros	%	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL
A. Taxonomy-Eligible activities										
A.1. Environmentally sustainable activities (Taxonomy-aligned)										
Total Revenue of environmentally sustainable activities (A.1)			0	0%	0%	0%	0%	0%	0%	0%
of which enabling				0%	0%	0%	0%	0%	0%	0%
of which transitional				0%	0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy aligned)										
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Total Revenue of Taxonomy-eligible but not environmentally sustainable activities (A.2)			0%	0%	0%	0%	0%	0%	0%	0%
Total Revenue of Taxonomy-eligible activities (A)			0%	0%	0%	0%	0%	0%	0%	0%
B. Taxonomy Non-eligible activities										
Revenue of non eligible taxonomy activities			2,263,342,229	100%						
TOTAL (A+B)			2,263,342,229	100%						

DNSh (do not significantly harm) criteria

Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy aligned proportion of Revenue (A.1.) or eligible (A.2.), year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
O; N	O; N	O; N	O; N	O; N	O; N	O; N	%	H	T
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%	E	
							0%		T
							0%		



PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE
COVERING YEAR FY2023

Fiscal year	Year	Substantial contribution criteria								
		Economic Activities (1)	Code(s) (2)	Absolute Revenue (3)	% of Revenue (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)
		Euros	%	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL
A. Taxonomy-Eligible activities										
A.1. Environmentally sustainable activities (Taxonomy-aligned)										
Total OPEX of environmentally sustainable activities (A.1)			0%	0%	0%	0%	0%	0%	0%	0%
of which enabling			0%	0%	0%	0%	0%	0%	0%	0%
of which transitional			0%	0%						
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy aligned)										
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Total OPEX of Taxonomy-eligible but not environmentally sustainable activities (A.2)			0%	0%	0%	0%	0%	0%	0%	0%
Total OPEX of Taxonomy-eligible activities (A)			0%	0%	0%	0%	0%	0%	0%	0%
B. Taxonomy Non-eligible activities										
OPEX of non eligible taxonomy activities			58,704,700	100%						
TOTAL (A+B)			58,704,700	100%						

DNSH (do not significantly harm) criteria

Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy aligned proportion of Revenue (A.1.) or eligible (A.2.), year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
O; N	O; N	O; N	O; N	O; N	O; N	O; N	%	E	T
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%	E	
							0%		T
							0%		



PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR FY2023

Fiscal year	Year	Substantial contribution criteria									
		Economic Activities (1)	Code(s) (2)	Absolute Revenue (3)	% of Revenue (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution and ecosystems (9)	Biodiversity (10)
			Euros	%	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	
A. Taxonomy-Eligible activities											
A.1. Environmentally sustainable activities (Taxonomy-aligned)											
		Manufacture of other low carbon technologies	3_6	9,500	0.01%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Electricity generation using solar photovoltaic technology	4_1	108,268	0.08%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Production of heat/cool from renewable non-fossil gaseous and liquid fuels	4_23	152,816	0.11%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Electricity generation from fossil gaseous fuels	4_29	7,740	0.01%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	4_31	24,693	0.02%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Construction, extension and operation of waste water collection and treatment	5_3	352,432	0.26%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Material recovery from non-hazardous waste	5_9	1,039,970	0.76%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Renovation of existing buildings	7_2	283,442	0.21%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Installation, maintenance and repair of energy efficiency equipment	7_3	521,469	0.38%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7_4	9,250	0.01%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7_5	2,748	0,002%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Close to market research, development and innovation	9_1	123,800	0.09%	O	N/EL	N/EL	N/EL	N/EL	N/EL
		Total CAPEX of environmentally sustainable activities (A.1)		2,636,128	2%	2%	0%	0%	0%	0%	0%
		of which enabling		666,767	0.5%	0%	0%	0%	0%	0%	0%
		of which transitional		315,875	0.2%						
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy aligned)											
						EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
		Manufacture of other low carbon technologies	3_6	1,381,728	1.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
		Material recovery from non-hazardous waste	5_9	420	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
		Installation, maintenance and repair of energy efficiency equipment	7_3	1,089,155	0.79%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
		Close to market research, development and innovation	9_1	1,462,364	1.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
		Total CAPEX of Taxonomy-eligible but not environmentally sustainable activities (A.2)		3,933,667	3%	3%	0%	0%	0%	0%	0%
		Total CAPEX of Taxonomy-eligible activities (A)		6,569,795	5%	5%	0%	0%	0%	0%	0%
B. Taxonomy Non-eligible activities											
		CAPEX of non eligible taxonomy activities		130,546,205	95.21%						
		TOTAL (A+B)		137,116,000	100%						



DNSh (do not significantly harm) criteria

Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy aligned proportion of Revenue (A.1.) or eligible (A.2.), year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
O; N	O; N	O; N	O; N	O; N	O; N	O; N	%	H	T
○	○	○	○	○	○	○		E	
○	○	○	○	○	○	○			
○	○	○	○	○	○	○			
○	○	○	○	○	○	○			T
○	○	○	○	○	○	○			T
○	○	○	○	○	○	○			
○	○	○	○	○	○	○			T
○	○	○	○	○	○	○	0.08%	E	
○	○	○	○	○	○	○	0.00%	E	
○	○	○	○	○	○	○	0.001%	E	
○	○	○	○	○	○	○	0.01%	E	
●	●	●	●	●	●	●	0.15%		
○	○	○	○	○	○	○	%	666,767	
○	○	○	○	○	○	○	%		315,875
							0.02%		
							0.29%		
							18.95%		
							19.10%		



	% of revenue/(absolute revenue)	
	Aligned	Eligible
Climate change mitigation (5)	0%	0%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)		0%
Circular economy (8)		0%
Pollution (9)		0%
Biodiversity and ecosystems (10)		0%

	% of CapEx/(absolute CapEx)	
	Aligned	Eligible
Climate change mitigation (5)	0%	1%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)		0%
Circular economy (8)		0%
Pollution (9)		0%
Biodiversity and ecosystems (10)		0%

	% of OpEx/(absolute OpEx)	
	Aligned	Eligible
Climate change mitigation (5)	0%	0%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)		0%
Circular economy (8)		0%
Pollution (9)		0%
Biodiversity and ecosystems (10)		0%

3.5.6 INDEPENDENT THIRD PARTY'S REPORT ON CONSOLIDATED NON-FINANCIAL STATEMENT PRESENTED IN THE MANAGEMENT REPORT

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

In our quality as an independent third party, accredited by the COFRAC (Accreditation COFRAC Inspection, n° 3-1681, scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the Statutory Auditors of your entity (hereinafter "Entity"), we conducted our work in order to provide a conclusion expressing a limited assurance on the compliance of the consolidated non-financial statement for the year ended 12 31, 2023 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

For the following two key performance indicators, deficiencies in the establishment and control procedures led to material misstatements that could be reproducible:

- absenteeism rate for permanent employees (sickness absences under 3 months excluding on-site incidents and maternity);
- percentage of Permanent Team Members that have received training.

Based on the procedures we have performed as described under the "Nature and scope of procedures", and the evidence we have obtained, except for the effect of the matter described above, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comment

Without modifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comment:

- the greenhouse gas emissions related to other Scope 3 categories (Travel and commute, waste, energy-related, asset, end of life, direct use phase emissions of sold product, part of the freight; Upstream and downstream transportation & distribution), bears an inherent uncertainty related to the methods of evaluation of the Energy-related sub-indicator. Indeed, the value of the Energy sub-indicator relies at 65% on 2022 data.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement and available on the Entity's website.

Limitations inherent in the preparation of the Information

As stated in the Statement, the information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

It is the responsibility of the Management to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks as well as the outcomes of said policies, including key performance indicators and, the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- prepare the Statement by applying the Entity's "Guidelines" as referred above; and to
- implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been endorsed by the Board of Directors.

Responsibility of the independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, *i.e.* the outcomes of policies, including key performance indicators, and measures relating to the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.



It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory requirements, in particular the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation;
- the fairness of the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A.225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes - Intervention de l'OTI - Déclaration de performance extra-financière*, our own procedures (*Programme de vérification de la déclaration de performance extra-financière*, July 7, 2023) acting as the verification programme and with the international standard ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the provisions of Article L.823-10 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our verification work mobilized the skills of 8 people and took place between October 2023 and March 2024 on a total duration of intervention of about 30 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some 20 interviews with the people responsible for preparing the Statement, representing in particular executive management, research and development, risk management, compliance, human resources, health and safety, logistics, sustainable development, environment, climate and sustainable purchasing departments.

Nature and scope of procedures

We have planned and carried out our work considering the risk of material misstatement of the Information.

We believe that the procedures we have conducted in the exercise of our professional judgment allow us to reach a moderate conclusion of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality, and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L.225-102-1 III of the French Commercial Code as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation and includes, where applicable, an explanation of the reasons for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks;
- we verified that the Statement presents the business model and a description of the main risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its their business relationships, its their products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- we verified that the Statement includes a clear and motivated explanation of the reasons for the absence of the policies implemented considering one or more of these risks required under Article R.225-105 I of the French Commercial Code;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (unfair practices (corruption), product safety and consumer health & safety, non-respect of human rights, reputation and brand, scope 3 greenhouse gas emissions), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities: *Ecriture 2000 et Briquet Jetables 75* (France); *Saltillo et Cuautitlan* (Mexico);
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L.233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;



- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 18% and 29% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (18% of hours worked, 25% of the number of accidents at work with lost time, 26% of energy consumption, 29% of total waste, 26% of consumer plastic packaging);
- we assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a basis for our limited assurance conclusion; review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, the March 26, 2024

French original signed by:

Independent third party
EY & Associés

Eric Mugnier

Partner, sustainable development

3

La CNCC considère que la traduction n'est pas signée, dans la mesure où il s'agit d'une traduction libre en anglais du rapport original établi en français. En effet, la signature est le graphisme par lequel une personne s'identifie dans un acte et par lequel elle exprime son approbation du contenu du document. En outre, l'apposition d'une signature sur un rapport lui confère la qualité d'être un original. Or, au cas particulier, l'original est représenté par la version française du rapport.



APPENDIX 1: THE MOST IMPORTANT INFORMATION

Social Information

Quantitative Information (including key performance indicators)

Total workforce
 Percentage of women in the permanent workforce and in leadership roles (Level 4 and above)
 Percentage of Permanent Team Members that have received training
 Absenteeism rate for permanent employees (sickness absences under 3 months excluding on-site incidents and maternity)
 Incidence rate – BIC headcount
 Severity rate (number of calendar days lost due to an incident per thousand hours worked) – BIC headcount

Qualitative Information (actions or results)

Existence of policies and actions aimed at improving the occupational health and safety of employees

Environmental Information

Quantitative Information (including key performance indicators)

Energy consumption and greenhouse gas emissions

Annual energy consumption normalized to production
Writing the Future, Together #2 Share of renewable electricity
 GHG emissions (Scope 1)
 GHG emissions (Scope 2) (location-based)
 GHG emissions related to intra-Company transport (Scope 3)
 GHG emissions related to purchased goods and services (Scope 3)
 GHG emissions related to other Scope 3 categories (except emissions related to the indirect use phase of sold product)
 Intra-Company transport without air freight

Qualitative Information (actions or results)

Existence of policies and actions to limit plastic waste and resource depletion
 Existence of policies and actions to fight climate change
 Existence of policies and actions to limit the impact of operations on the environment (pollution and water)

Waste

Ratio of annual production of waste to production
 Recovered waste (recycled or incinerated with energy recovery)

Packaging

BIC plastic packaging PVC free
 BIC paper and cardboard packaging from certified and/or recycled cellulosic sources
Writing the Future, Together #1 Reusable, recyclable or compostable plastic in consumer packaging
Writing the Future, Together #1 Recycled content in plastic packaging

Products

Writing the Future, Together #1 Percentage of non-virgin petroleum plastic in BIC® products
 Number of BIC products with environmental and/or societal scores improved compared to their baseline

Societal Information

Quantitative Information (including key performance indicators)

Writing the Future, Together #4 Percentage of strategic suppliers integrated in the responsible purchasing program
Writing the Future, Together #5 Estimated number of children with improved learning conditions (2023)

Qualitative Information (actions or results)

Existence of policies and action plans to improve product safety and consumer health and safety
 Existence of policies and action plans to address the risk of non-respect of human rights of workers in the value chain
 Existence of policies and action plans to fight unfair practices and corruption





CORPORATE GOVERNANCE

4.1. ADMINISTRATIVE AND MANAGEMENT BODIES	146
4.1.1 Governance structure	146
4.1.2 Composition of the Board of Directors	149
4.1.3 Changes in the composition of the Board	160
4.1.4 Operation of the Board of Directors	173
4.2. CORPORATE OFFICER REMUNERATION	187
Remuneration policy for Directors and corporate officers of Société BIC	187
4.2.1 Elements of Remuneration and benefits paid or awarded during FY 2023 to the Chief Executive Officer	188
4.2.2 Remuneration Policy for Executive Corporate Officers	194
4.2.3 Remuneration and benefits paid or allocated for FY 2023 to non-executive corporate officers and directors	203
4.2.4 Remuneration Policy for members of the Board of Directors	205
4.2.5 Additional information related to the Remuneration Policy	206



Board of Directors

12 Directors

50% women

50% independents¹

4 nationalities

10 board meetings in 2023

96.5% attendance rate



Nikos Koumettis
Non-Executive Chair and Independent Director

Appointed Director on May 18, 2022 by BIC's AGM Appointed Non-Executive Chair by the Board on May 18, 2022.



Gonzalve Bich
Director and Chief Executive Officer

Appointed Director on May 16, 2018. Chief Executive Officer since May 16, 2018.



Marie-Aimée Bich-Dufour
Director

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



Timothée Bich
Director

Coopted Director on December 10, 2019, ratified by BIC's AGM on May 20, 2020.



Carole Callebaut Piwnica
Independent Director

Appointed Director on May 16, 2023. Chair of the Remuneration Committee and Member of the Nominations, Governance and CSR Committee.



Maëlys Castella
Independent Director

Appointed Director on May 22, 2019. Chair of the Audit Committee and Member of the Remuneration Committee.



Pascal Chevallier
Director Representing the Employees

Appointed Director on October 25, 2023.



Véronique Laury
Director

Appointed Director on May 16, 2023. Member of the Remuneration Committee.



Héra Madiouni
Director Representing the Employees

Appointed Director on March 30, 2023. Member of the Remuneration Committee.



Candace Matthews
Independent Director

Appointed Director on May 10, 2017. Chair of the Nominations, Governance & CSR Committee, and member of the Audit Committee.



Jake Schwartz
Independent Director

Appointed Director on May 20, 2020. Member of the Audit Committee.

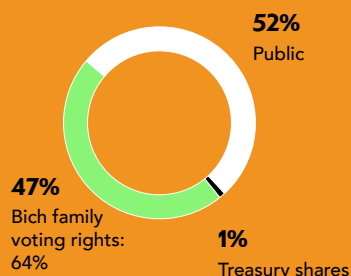


Société MBD
Director

Represented by Edouard Bich. Appointed Director on May 24, 2006. Member of the Audit Committee.

Shareholding structure

As of December 31, 2023, the total number of shares issued by SOCIÉTÉ BIC was 42,270,689, representing 62,516,167 voting rights.



The members of the Board of Directors have Executive Management experience and/or expertise in particular fields, notably finance, sales and innovation. Some also have in-depth knowledge of BIC and its environment.

¹ Excluding Directors representing employees according to recommendation n°10 of the AFEP-MEDEF Corporate Governance Code.

Board composition: as of December 31, 2023.



Executive Committee

10 members
40% women
5 nationalities

Gonzalve Bich
 Chief Executive Officer



Chad Spooner
 Chief Financial Officer

Goal: evolve to 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



Elizabeth Maul
 Group Insights, Innovation & Sustainability Officer

Goal: develop our portfolio of innovative products to match consumers' expectations, especially in response to their need for creativity, self-expression, and their expectations for sustainable development



François Clément-Grandcourt
 Group Lighters General Manager

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
 Group Supply Chain Officer

Goal: reinforce the efficiency of our production through centralized purchasing and an "end-to-end" supply chain while preserving the security, quality and accessibility of our products



Mallory Martino
 Chief Human Resources Officer

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



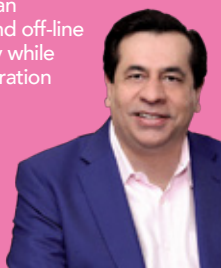
Sara LaPorta
 Group Strategy and Business Development Officer

Goal: develop a comprehensive corporate strategy, identify and analyze business growth opportunities



Chester Twigg
 Group Commercial Officer

Goal: lead commercial operations and drive an omnichannel online and off-line go-to-market strategy while integrating next generation capabilities



Esther Wick
 Group General Counsel

Goal: continue to build the legal function into a trusted partner who proactively enables the company to make balanced yet daring decisions in a fast changing environment to fuel BIC's sustainable growth



Jonathan Skyrme
 General Manager Skin Creative

Goal: leveraging BIC's expertise across operations, supply chain, and commercial to transform our current and future skin creative brands into world-class omnichannel businesses



At the date of the Universal Registration Document publication.



In accordance with Articles L. 225-37 et seq. and L. 22-10-9 and L. 22-10-10 of the French Commercial Code, this chapter deals with the conditions under which the work of the Board of Directors is prepared and organized, including the organizational principles that guarantee a balance of powers. It also describes the components of the remuneration of corporate officers, including the remuneration policy in accordance with the above-mentioned provisions of the French Commercial Code, as well as the transactions in BIC shares declared by corporate officers in 2023.

This chapter has been prepared with the support of the:

- Remuneration Committee;
- Nominations, Governance and Corporate Social Responsibility (CSR) Committee; and
- Audit Committee.

It includes the Corporate Governance Report referred to in Article L. 225-37 of the French Commercial Code. The Board of Directors approved it on February 19, 2024.

The Corporate Governance cross-reference table (page 362) indicates the sections of the Universal Registration Document corresponding to the sections of the Corporate Governance Report that are excluded from this chapter.

According to the “*apply or explain*” rule provided for in Article L. 22-10-10 of the French Commercial Code and Article 28.1 of the AFEP-MEDEF Corporate Governance Code, Société BIC refers to the provisions of the AFEP-MEDEF ⁽¹⁾ Corporate Governance Code whose last version was updated on December 20, 2022.

4.1. ADMINISTRATIVE AND MANAGEMENT BODIES

4.1.1 GOVERNANCE STRUCTURE

Since its creation, the Company has been a limited liability company (*société anonyme*) with a Board of Directors. Its strong family shareholdership allows it to evolve and adapt to any new challenges and requirements alongside its stakeholders. The composition of the Board of Directors reflects this family heritage, through the representation of the family shareholding and the presence of Independent Directors in compliance with the principles of corporate governance.

4.1.1.1 Our philosophy

The Group's history is deeply rooted in an entrepreneurial spirit. This has led to inventive expansion into new categories and dynamic expansion into new regions. We consider entrepreneurship to be in our DNA. It is vitally important for the Board and the Chief Executive Officer to foster that spirit and keep it alive for future generations.

The Board works with the Chief Executive Officer to build a vision and a set of expectations and guidelines. This includes setting our growth aspirations, determining what lines of business we should be in, setting our margin expectations, and determining how to pursue our goals.

The Chief Executive Officer and his team construct the long-term strategy and annual plans to achieve these goals. In turn, the Board reviews these plans, challenges them, and ultimately approves them. Upon approval, the Board becomes jointly accountable with the Chief Executive Officer, for the execution of the Company's long-term strategy.

The Purpose of BIC is to create high quality, safe, affordable, essential products trusted by everyone. Our vision is: “*to bring simplicity and joy to everyday life*”. Our Values are Integrity, Ingenuity, Responsibility, Sustainability, Simplicity and Teamwork.

The Board is also responsible for monitoring the performance of the Company. Establishing expectations and scope of activity is one of the most important Board functions. It is the Chief Executive Officer's responsibility to provide the necessary information, analysis, and insight for the Board to effectively carry out its duties.

The information includes:

- macro-economic trends;
- competitive environment;
- new technologies;
- potential acquisitions;
- analyses of strengths, weaknesses, opportunities, and threats (so called “SWOT” analyses);
- ROI projections; and
- retrospective analyses.

Our behavior is at all times consistent with the values and the DNA of BIC: responsibility, simplicity, agility, entrepreneurship, anti-bureaucratic spirit, quick decision-making, long-term thinking, measured risk taking, respect of the strong family heritage and the Company's Code of Conduct, belief in the Brand, product-focus, manufacturing excellence, low production costs, consistent high quality, solid balance sheet.

(1) This Code in its updated version is available on the website: chrome-extension://efaidnbmnncipqpcjplefindmkaj/https://afep.com/wp-content/uploads/2017/05/Afep_Medef-Code-revision-2022-version-EN_-mark-up.pdf



4.1.1.2 Corporate management

Since 2018, Chair of the Board and Chief Executive Officer are two separate functions. Gonzalve Bich holds the position of Chief Executive Officer since May 16, 2018. His mandate was renewed following the Annual Shareholders' Meeting of May 18, 2022. Succeeding John Glen in May 2022, Nikos Koumettis was appointed by the Board as Non-Executive Chair on the same date.

The Chair of the Board is in charge of leading the Board and its Committees, as well as of its governance and of ensuring that they operate in accordance with their mission. The Chief Executive Officer oversees business operations and reports to the Board of Directors. The responsibilities of the Board of Directors, the Chair and the Chief Executive Officer are described in more detail in § 4.1.4.1 - *Relationships between the Board and General Management*.

The Executive Committee reports to the Chief Executive Officer. The complete organization chart of the Group's Executive Committee is presented in § 4.1.1.4 - *Executive Committee at the date of this Universal Registration Document*.

4.1.1.3 Role and mission of the Lead Director

When the Chairmanship of the Board and the CEO are two separate functions, the Board's Internal Regulations ⁽¹⁾ do not require the appointment of a Lead Director. Nevertheless, in the event of unity of these two roles, and when the Chair does not meet all the independence criteria recommended by the AFEP-MEDEF Corporate Governance Code, the Board may decide to appoint a Lead Director for the duration of the non-independent Chair's term of office. The Lead Director is then selected among the Independent Directors, in accordance with Article 3.2 of the AFEP-MEDEF Corporate Governance Code.

The role and duties of the Lead Director are defined in Section 1, Article 1.1 "*Composition of the Board of Directors*" of the Company's Internal Regulations, as amended by the Board of Directors on March 17, 2023. The Lead Director is responsible for ensuring the proper functioning of the governance bodies. This includes involvement in the development of the agenda for the Board of Directors, as well as participation in the meetings of the Board of Directors' Committees, including those of which they are not a member. They strive to maintain adequate information for the Directors and play an active role in organizing Directors' meetings. Furthermore, they implement the necessary diligence in identifying conflicts of interest and inform the Board of Directors of any identified conflicted situations.

As of the date of this Universal Registration Document, the roles of the Chair of the Board of Directors and Chief Executive Officer are separate, and the Chair of the Board, Nikos Koumettis, is an Independent Director. In this context, the Board of Directors does not consider it necessary to appoint a Lead Director.



(1) In accordance with Title 1, Article 1.1. Composition of the Board of Directors of the Company's Internal Regulations.



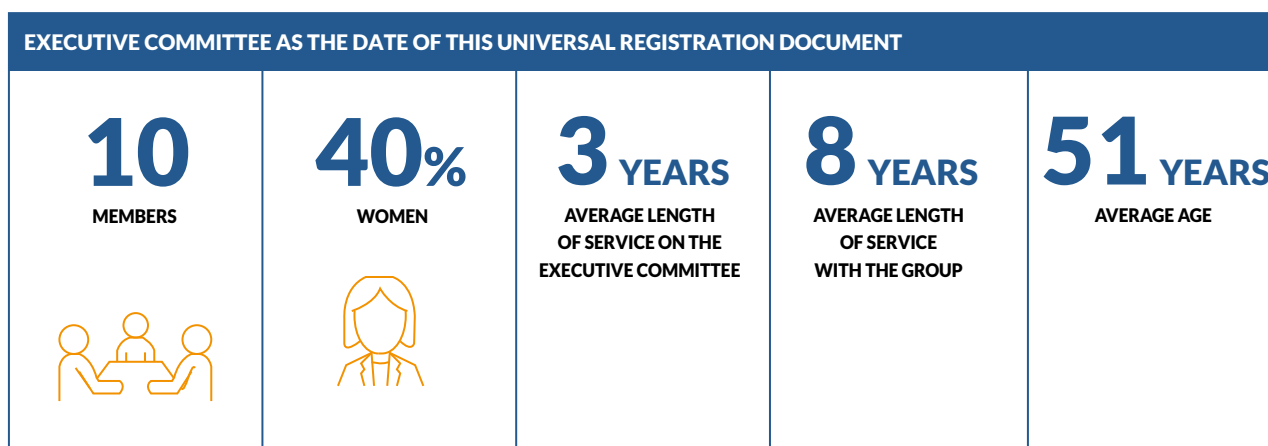
4.1.1.4 Executive Committee at the date of this Universal Registration Document

The General Management of the Group is ensured, around the Chief Executive Officer, by a team of managers, each with a defined role and remits, and they are gathered within an Executive Committee.

This Committee meets regularly, thus playing a central role in the management of the Group. Its responsibilities are twofold: on one hand, the Executive Committee engages in discussions and

makes recommendations to the Board of Directors; on the other hand, it oversees the implementation of strategies established by the latter. In this context, the Executive Committee monitors the progress of action plans, evaluates the performance of various operational entities, identifies growth opportunities, and assesses the inherent risks in the activities. Further information is provided in § 2.4.3.2 *The Executive Committee*.

COMPOSITION AT THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT



Gonzalve Bich (French- American)	Chief Executive Officer
Chad Spooner (American)	Chief Financial Officer
Jonathan Skyrme (British)	General Manager, Skin Creative
François Clément-Grancourt (French - Swiss)	Lighter General Manager
Gary Horsfield (British)	Chief Supply Chain Officer
Sara LaPorta (British)	Group Strategy and Business Development Officer
Mallory Martino (American)	Chief Human Resources Officer
Elizabeth Maul (American)	Group Insights, Innovation & SD Officer
Chester Twigg (Indian)	Group Commercial Officer
Esther Wick (French -Swiss- American)	Group General Counsel

4.1.1.5 Summary table of the implementation of the AFEP-MEDEF Corporate Governance Code

The Company considers that its practices are compliant with the recommendations of the AFEP-MEDEF Corporate Governance Code in all respects.

4.1.2 COMPOSITION OF THE BOARD OF DIRECTORS

4.1.2.1 Our Board of Directors as of December 31, 2023

	Personal information				Experience			Position on the Board			
	Main position	Age	Gender	Nationality	Number of shares	Number of directorships in listed companies ^(a)	Independence	Initial date of appointment	Term of office	Length of service on the Board	Participation in Board Committees
Company Officers											
Gonzalve Bich (Executive)	Chief Executive Officer of Société BIC	44	M	FR U.S.	^(b)	-		2018	2025	6 years	-
Nikos Koumettis (Non-Executive)	President Europe of Coca-Cola	59	M	Cypriot/Greek	10,501	1	✓	2022	2025	2 years	-
Directors											
Marie-Aimée Bich-Dufour	Director of Société BIC	65	F	FR	^(b)	-		2019	2024	5 years	Nom., Gov. and CSR Committee
Timothée Bich	Analyst	38	M	FR	^(b)	-		2019	2026	5 years	-
Carole Callebaut Piwnica	Director	66	F	BE	500	-	✓	2023	2026	8 months	Remuneration Committee (Chair) Nom., Gov. and CSR Committee
Maëlys Castella	Director of Société BIC	57	F	FR	500	1	✓	2019	2025	5 years	Audit Committee (Chair) Remuneration Committee
Véronique Laury	Director	58	F	FR	500	2		2023	2026	8 months	Remuneration Committee
Candace Matthews	Director	65	F	U.S.	500	2	✓	2017	2026	7 years	Nom., Gov. and CSR Committee (Chair) Audit Committee
Jacob (Jake) Schwartz	Co-Founder of Brave Health	44	M	U.S.	500	-	✓	2020	2026	4 years	Audit Committee
Société M.B.D. (Édouard Bich)	Managing Director of Société M.B.D.	59	M	FR	12,886,000	-		2006	2024	18 years	Audit Committee
Director representing employees											
Pascal Chevallier	Machine Design Manager and Coordinator	52	M	FR	80	-		2023	2026	2 months	-
Héla Madiouni	Group Consolidation and Reporting Director	40	F	FR	703	-		2023	2026	10 months	Remuneration Committee

(a) Number of directorships held by the Director in listed companies outside the Group, including foreign companies, assessed in accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code.

(b) Holds over 100,000 BIC shares directly and indirectly through the family holding Company, Société M.B.D. On December 31, 2023, the holding Company had 12,886,000 shares, i.e., 30.48% of Société BIC's share capital and 41.22% of the voting rights.



4.1.2.2 General rules relating to the composition of the Board of Directors and the appointment of Directors

The Board of Directors is chaired by Nikos Koumettis since May 18, 2022.

The Company's Articles of Association and the Internal Regulations of the Board of Directors define the following principles:

- **number of directors:** The Board of Directors shall have a minimum of three and a maximum of twelve members, in accordance with the maximum number of members allowed by the applicable legal and regulatory provisions;
- **term of office of directors:** Directors are elected for a three-year term of office and are eligible for renewal (subject to the provisions relating to the age limit). As an exception to the above-mentioned three-year term of office, a Shareholders' Meeting may set the duration of a director's term office at one or two years, in order to enable staggered renewal of the members of the Board of Directors;
- **age limit for directors:** The age limit for Directors is 70;
- **chairmanship of the Board of Directors:** The Chair shall be appointed by the Board of Directors, from among its members. The latter must not be older than 72 years. The Chair who reaches this age limit shall be deemed to have resigned automatically at the end of the Ordinary Shareholders' Meeting which voted on the approval of the accounts of the past financial year and held in the year during which the age limit is reached. Subject to the foregoing age limit, the Chair is eligible for re-election;
- **cooptation:** When the legal conditions are met, the Board of Directors may appoint Directors on a provisional basis for the remaining term of their predecessor. In accordance with the law, provisional appointments are subject to ratification by the next Ordinary Shareholders' Meeting.

4.1.2.3 Diversity policy applied to the composition of the Board of Directors

Société BIC's Directors are appointed by the Annual Shareholders' Meeting, with the exception of Directors representing employees. The Board of Directors, on the basis of the recommendations of the Nominations, Governance and CSR Committee, submits to the Shareholders' Meeting the nomination and renewal of mandates of Directors. Proposals for appointment and renewal are made in accordance with legal and regulatory provisions and the recommendations of Article 7 of the AFEP-MEDEF Corporate Governance Code, which relate to the guiding principles for the composition of the Board of Directors.

As of the date of the current Universal Registration Document, the twelve members of the Board of Directors of Société BIC include:

- **six women:** Marie-Aimée Bich-Dufour, Carole Callebaut Piwnica, Maëlys Castella, Véronique Laury, Héra Madiouni and Candace Matthews, *i.e.*, 50% ⁽¹⁾ female Board members;
- **two employee representatives:** Pascal Chevallier and Héra Madiouni;
- **four different nationalities;**
- **five Independent Directors** within the meaning of the AFEP-MEDEF Corporate Governance Code: Carole Callebaut Piwnica, Maëlys Castella, Candace Matthews, Nikos Koumettis and Jacob Schwartz, *i.e.*, 50% independent members on the Board ⁽²⁾.
- **100% of the Board Committees** are chaired by an Independent Director.

The Board strives for a balanced membership that reflects the challenges the Group is facing. The Board can rely on the recommendations of the Nominations, Governance and CSR Committee to perform this task. This review is conducted every year.

(1) Excluding Directors representing employees in accordance with Articles L. 22-10-7 and L. 225-27-1 of the French Commercial Code.

(2) Excluding Directors representing employees with recommendation n°10 of the AFEP-MEDEF Corporate Governance Code.

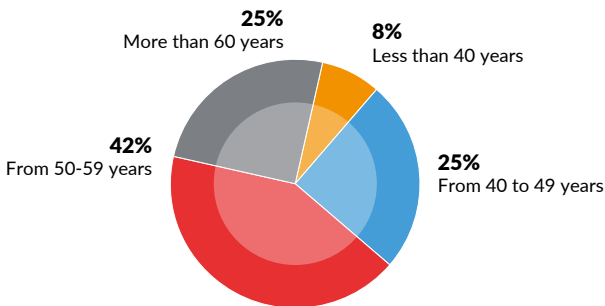


The Board of Directors is composed of members with qualifications or professional experience that enable them to contribute effectively to the work of the Board, in all its areas of intervention, and to ensure the quality of its discussions. The Directors have general management experience, expertise in a particular field (such as finance, manufacturing, and HR) and/or governance experience. Some of them also have long-standing and in-depth knowledge of Société BIC and its environment. They complement each other due to their diverse professional experiences, skills, and international exposure. In addition, the Directors representing the employees, with their particular knowledge of the Company, provide additional insights and enrich the quality of the Board's discussions. The quality of the Board's decisions is thus ensured by the diversity of the Board's membership, in terms of qualifications and professional experience, as well as the nationality and age of its members.

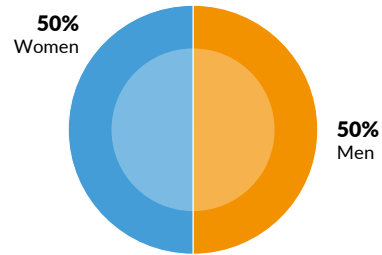
Considering these factors, the Board of Directors considers that its composition in 2023 met the diversity criteria examined. However, it remains attentive to any potential changes that might be consistent with the Group's development and dynamism.

In addition, information on the Company's initiatives to achieve a balanced representation of women and men on the Executive Committee as well as gender balance within the top 10% of the most senior positions is presented in § 3.3.1.5. *Promoting diversity, equity and inclusion.*

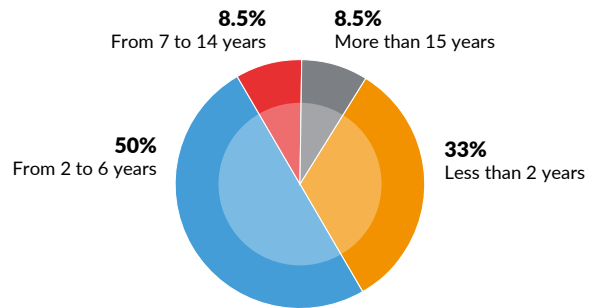
AGE DISTRIBUTION



GENDER DISTRIBUTION ⁽¹⁾



SENIORITY IN THE MANDATE



Expertise of the Directors

The Board of Directors commits to promoting diversity among its members, taking into account their skills and professional experience, their nationality and their age. All Directors bring the following skills to the Board of Directors:

- Executive Management of companies;
- Finance;
- Sustainable development – Societal Commitment and Human Resources;
- In-depth Group Knowledge;
- International Perspective;
- Innovation;
- Clients/Sales.

Competence Matrix

The diagram below shows the number of directors who have the competencies considered to be important for the Board:



Executive Management of companies

Experience as a managing Chief Executive Officer, Executive Committee member or senior manager in a large entity or in a group with a worldwide presence.



Finance

Solid expertise in corporate finance, including in-depth knowledge of financial reporting processes, risk management, accounting, treasury, taxation, M&A transactions and financial market mechanisms.



Sustainable development – Societal Commitment and Human Resources

Experience in managing environmental, social and governance (ESG) issues, as well as in human resources management.



In-depth Group Knowledge

Directors and/or Group employees who have acquired in-depth knowledge in-house, as well as members of the Bich family.



International Perspective

Directors with in-depth knowledge of foreign markets and who have been directly responsible for them.



Innovation

Expertise or direct technical or managerial experience in developing and implementing technology and/or digital strategies, digitization and innovative technologies in relevant sectors.



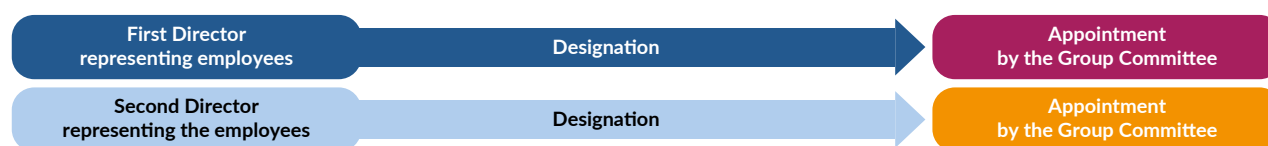
Clients/Sales

Experience in marketing, distribution, brand management and commercial activities.

4.1.2.4 Selection process for Directors

The appointment of Directors is subject to a transparent selection process before being submitted to Shareholders for approval at the General Meeting. The aim of this selection process is to determine the profile of Directors the Company needs in terms of skills, qualifications and experience, with a view to enriching those already present on the Board of Directors. Particular attention is paid to the availability and independence of Directors, as well as to the fact that they must not hold multiple directorships in other companies.

	MISSION	RECRUITMENT	SELECTION	DESIGNATION
Independent directors	Definition by the Nominations, Governance and CSR Committee of the profile sought for the new director with regard to the objectives set by the Board of Directors concerning changes in its composition	Selection of candidates by the Nominations, Governance and CSR Committee, with the assistance of a recruitment firm if necessary	<ul style="list-style-type: none"> Pre-selection by the Chair of the Nomination, Governance and CRS Committee and the Chair of the Board Interview of successful candidates with the other members of the Committee and with the CEO For the selection of a new Chair, the permanent Director representing Société M.B.D is also included in the interview process Committee's recommendation to the Board of Directors 	<ul style="list-style-type: none"> Review by the Board of the selection work carried out by the Nomination, Governance and CSR Committee and its recommendation Deliberation by the Board of Directors and submission to the Shareholders' Meeting
Directors representing a shareholder	Definition by the relevant shareholder of the profile sought for the new director taking into consideration the objectives set by the Board of Directors	Selection of candidates by the relevant shareholder with the assistance of a recruitment firm if necessary	Presentation of selected candidates to the Chair of the Board of Directors, the CEO, and to the members of the Nomination, Governance and CSR Committee	<ul style="list-style-type: none"> Submission of the nomination to the Board of Directors Deliberation by the Board of Directors and submission to the Shareholders' Meeting



In accordance with this procedure and in the context of the expiry of Marie-Pauline Chandon-Moët's mandate, the Board of Directors decided to propose, on February 14, 2023, the candidacy appointment of Véronique Laury to replace Marie-Pauline Chandon-Moët, upon the recommendation of the Bich Family. The General Assembly held on May 16, 2023 appointed Véronique Laury as a Director.

This procedure was also followed in 2023, in the selection of the new Independent Director to replace Elizabeth Bastoni. In this respect, the Board of Directors meeting of March 17, 2023, decided, upon the recommendation of the Nominations, Governance, and CSR Committee, to propose the candidacy of Carole Callebaut Pivnica as Independent Director. The General Assembly on May 16, 2023 appointed Carole Callebaut Pivnica as an Independent Director.

Following the resignation of Inna Kostuk on October 14, 2022, the Group Committee met to deliberate on the appointment of a new Director representing employees. As a result, Héra Madiouni was appointed by the Group Committee on March 30, 2023.

The term of office of Vincent Bedhome, Director representing employees, having expired, the Group Committee met on October 25, 2023. Pascal Chevallier was appointed to replace Vincent Bedhome.

4



On the date of this Universal Registration Document, the two Directors representing employees are Pascal Chevallier and H la Madiouni. Their mandates will be put to the vote of the Group Works Council to be held in 2026.

Renewal

Proposals for the renewal of Board members are made with a view to maintaining the various balances and ensuring that the skills and expertise available are in line with the Company's activities and strategic priorities, as well as with the specific missions of the Board Committees. In particular, account is taken of:

- their desire to be involved in the Company's development;
- their contribution to the work of the Board;
- their availability given the frequency of Board and committee meetings.

The Nominations, Governance and CSR Committee submits its recommendations to the Board of Directors, which decides whether or not to propose the renewal of Director to the General Meeting.

In accordance with the AFEP-MEDEF Corporate Governance Code (Article 15), the duration of Directors' terms of office is staggered, enabling Shareholders to vote regularly and frequently on the composition of the Board of Directors. This system ensures the continuity of operation of the Board of Directors and encourages the smooth and regular reappointment of its members.

At the General Meeting on May 29, 2024, Shareholders will be invited to renew the terms of two Directors: Marie-Aim e Bich-Dufour, appointed Director on May 22, 2019, and Soci t  M.B.D., represented by  douard Bich, appointed Director on May 24, 2006.

OVERVIEW OF DIRECTORS' TERM STAGGERING

Director	2024 AGM	2025 AGM	2026 AGM
Gonzalve Bich		•	
Nikos Koumettis		•	
Timoth�e Bich			•
Marie-Aim�e Bich-Dufour	•		
Carole Callebaut Piwnica			•
Ma�lys Castella		•	
Pascal Chevallier			• ^(a)
V�ronique Laury			•
H�la Madiouni			• ^(a)
Candace Matthews			•
Soci�t� M.B.D. (�douard Bich)	•		
Jacob Schwartz			•

(a) Directors representing employees are appointed by the Group Committee on a different date from that of the Annual General Meeting, as detailed in the procedure outlined in section 4.1.2.4 - Selection Process for Directors. Their mandates will be renewed by the Group Committee scheduled for 2026.

4.1.2.5 Independence of Directors

A Director is independent when he or she has no relationship of any kind whatsoever with the Company or the Group's management that might compromise his or her freedom of judgment or be likely to place him or her in a situation of conflict of interest with management, the Company or the Group. The qualification of an Independent Director is evaluated at the time of each appointment in accordance with the criteria and procedures set out in point 10 of the AFEP-MEDEF Corporate Governance Code and explained below in the sections relating to Independent Directors. This qualification is also reviewed annually.

Selection Process for Independent Directors

Independent Directors are selected by the Board of Directors and appointed by the Shareholders' Meeting pursuant to the process detailed in paragraph 4.1.2.4 above.

In accordance with this procedure and to replace Elizabeth Bastoni, Independent Director, the Nominations, Governance, and CSR Committee had initiated a search process for a new candidate to fill the vacant position of Independent Director. The Board of Directors, upon the recommendation of the Nominations, Governance, and CSR Committee, proposed the candidacy of Carole Callebaut Piwnica as a new Director to the General Meeting.

In accordance with the Article 16.1 of the AFEP-MEDEF Corporate Governance Code pursuant to which Directors representing employees are not counted for the purpose of calculating the percentage of Independent Directors on the Board of Directors and Committees, the proportion of Independent Directors is:

- 50% on the Board of Directors;
- 75% on the Audit Committee;
- 67% on the Nominations, Governance, and CSR Committee; and
- 75% on the Remuneration Committee.

Conclusions of the annual review by the Nominations, Governance and CSR Committee and the Board of Directors of the criteria for business relationships between the Company and its Directors

The qualification of Independent Director is discussed annually by the Nominations, Governance and CSR Committee and reviewed annually by the Board of Directors prior to the publication of this Universal Registration Document. In this respect, the Nominations, Governance and CSR Committee has full discretion to examine the suggestions of the Board of Directors and management, and to commission any studies and benchmarks it deems appropriate. The conclusions of the Committee's review are then brought to the attention of the Directors. The Nominations, Governance and CSR Committee, and subsequently the Board of Directors, also analyze the business relationships that may exist between the Group and the companies with which it is associated.

In preparation for the assessment, the Nominations, Governance and CSR Committee, and subsequently the Board of Directors, sent the Directors an independence questionnaire, which was reviewed at the Committee meeting of February 1st, 2024. The Committee then examined the situation of each Director in light of the answers provided, about the following objectives:

- determination of the existence of a business relationship (as defined in criterion 3 below);
- where applicable, assessment of the materiality of the relationship in terms of qualitative criteria (history, context and organization of the relationship, respective powers of the parties) and quantitative criteria (materiality of the relationship for the parties).

This analysis revealed that none of the Independent Directors had a business relationship with Société BIC.

Based on the recommendations of the Nominations, Governance and CSR Committee, the Board of Directors reviewed the classification of Independent Directors at its meeting of February 19, 2024. It based its decision on the independence criteria set out in the AFEP-MEDEF Corporate Governance Code (§ 10) as follows:

Criterion 1	Not an employee or corporate officer within the past 5 years	Not be and not have been within the previous five years: <ul style="list-style-type: none"> • an employee or executive officer of the Company; • an employee, executive officer or Director of an entity consolidated within the Group; • an employee, executive officer or Director of the Company's parent company or a company consolidated within this parent company.
Criterion 2	No cross- directorships	Not be an executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company ^(a) holds a directorship.
Criterion 3	No material business relationships	Not be a customer, supplier, commercial banker, investment banker or consultant: <ul style="list-style-type: none"> • that is significant to the Company or its Group; • or for which the Company or its Group represents a significant portion of its activity. The assessment of the significance or otherwise of the relationship with the Company or its Group must be reviewed by the Board. Any quantitative and qualitative criteria resulting in such an assessment (continuity, economic dependence, exclusivity, etc.) must also be explicitly stated in the annual report.
Criterion 4	No family ties	Not have close family ties with a company officer.
Criterion 5	Not an Auditor	Not have been a company Auditor within the previous five years.
Criterion 6	Period of office not exceeding 12 years	Not have been a company Director for over 12 years. Independent Director status is lost on the date of the 12th anniversary.
Criterion 7	No remuneration linked to the Company's or Group's performance	A non-executive officer cannot be considered independent if he or she receives variable remuneration in cash or securities or any remuneration linked to the performance of the Company or Group.
Criterion 8	Not representing a major Shareholder	Directors representing major Shareholders in the Company or its parent company may be considered independent, provided these Shareholders do not have control over the Company. Nevertheless, in excess of 10% of the share capital or voting rights, the Board, upon a report from the Nominations Committee, should systematically review independence in the light of the shareholding structure and the existence of a potential conflict of interest.

(a) In office or having held such office within the past five years.

4



Criteria	Nikos Koumettis	Gonzalve Bich	Timothée Bich	M-A. Bich-Dufour	Carole Callebaut Piwnica	Maëlys Castella	Pascal Chevallier	Véronique Laury	Héla Madiouni	Candace Matthews	Société M.B.D. (E. Bich)	Jacob (Jake) Schwartz
1: Not an employee or corporate officer within the past 5 years	✓	X	✓	X	✓	✓	X	✓	X	✓	✓	✓
2: No cross-directorships	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3: No material business relationships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4: No family ties	✓	X	X	X	✓	✓	✓	✓	✓	✓	X	✓
5: Not an Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6: Period of office not exceeding 12 years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓
7: No remuneration linked to the Company's or Group's performance	✓	X	✓	✓	✓	✓	✓	✓	X	✓	✓	✓
8: Not representing a major Shareholder	✓	X	X	X	✓	✓	✓	X	✓	✓	X	✓

Under the criteria 4 and 8: It is specified that Véronique Laury, through the company WEEEE of which she is the sole associate, has entered into a consulting services agreement with Société M.B.D., the holding company of the Bich family. This agreement, concluded for the duration of her term as a Director, which is three years, aims to support the Bich family consortium in its role as a reference Shareholder, particularly by involving the new generation of family Shareholders.

Conclusions of the Board of Directors

The Independent Directors have no relationship with the Company, the Group or its management that could compromise the exercise of their freedom of judgment. The AFEP-MEDEF Corporate Governance Code specifies that "the assessment of whether or not a relationship with the company or its group is significant must be discussed by the Board and the criteria used to make this assessment (continuity, economic dependence, exclusivity, etc.) must be explained in the corporate governance report" (§ 10.5.3). The Code requires a specific assessment of the situation of each of the Directors concerned regarding the independence criteria mentioned in Article 10 in order to prevent the risk of conflicts of interest, in particular:

- not having been an executive corporate officer of the Company during the previous five years (§ 10.5.1);
- not be an investment banker, corporate banker or significant advisor to the Company or its Group or for which the Company or its Group represents a significant part of the business (§ 10.5.3);
- not receive variable remuneration in cash or securities or any remuneration linked to the Company's performance (§ 10.6).

Accordingly, and to meet the requirements of the AFEP-MEDEF Corporate Governance Code as to the materiality of the business relationship, the Board of Directors has carried out a quantitative and qualitative analysis in support of the above-mentioned criteria, for each of the Directors.

In accordance with the Company's Internal Regulations, Independent Directors make every effort to maintain this status. However, if a Director considers that he or she can no longer or will soon no longer be considered as independent as per the AFEP-MEDEF Corporate Governance Code, he or she must immediately notify the Chair of the Board of Directors. The Chair will then place this item on the agenda of the next Board of Directors meeting.

4.1.2.6 Directors representing employees

Status of Directors representing the employees

In accordance with Article 10 Bis of the Company's Articles of Association, the Directors representing employees are appointed by the Group Committee for a three-year term.

The Company complies with the provisions of Article L. 225-27-1 of the French Commercial Code, as amended by Law no.2019-486 of May 22, 2019, on the growth and transformation of companies (known as the "Pacte Law"), which requires the appointment of two employee Directors for any Board of Directors which has more than eight members ⁽¹⁾ instead of twelve previously.

With a particular perspective linked to their knowledge of the Company, the Directors representing the employees bring a complementary perspective to the work of the Board of Directors and enrich the quality of the Board's discussions.

At the start of their initial term, they are trained by an outside organization, covering the role and operation of the Board of Directors, the rights and obligations of Directors and their responsibilities. They also follow, if they wish, an induction course designed to improve their knowledge of the Group's organization and activities.

Directors representing employees have the same status, rights, and responsibilities as other Directors. As an exception to the rule set forth in Article 10 of the Company's bylaws, Directors representing employees are not required to own a minimum number of shares.

They receive remuneration as members of the Board of Directors according to the same distribution rules as the other Directors. Their remuneration as employees is not disclosed.

Lastly, as the Group's employee shareholding does not exceed the 3% threshold in accordance with Article L. 22-10-15 of the French Commercial Code, no Director has been appointed from among employee Shareholders.

Situation of the Directors representing the employees within Société BIC at the date of publication of this Universal Registration Document

As the number of Directors on the Company's Board of Directors is greater than eight, the appointment of two employee Directors is required.

The Group Committee met on March 30, 2023, to appoint Héli Madiouni as Director representing employees, for a term of 3 years (acknowledged by the Board of Directors meeting of April 25, 2023), replacing Inna Kostuk (resigned October 14, 2022).

Furthermore, Vincent Bedhome's term of office expired on November 9, 2023. In this regard, the Group Committee met on October 25, 2023 and decided to appoint Pascal Chevallier as Director representing employees, to replace Vincent Bedhome, for a term of 3 years (acknowledged by the Board of Directors meeting of December 12, 2023).

4.1.2.7 Succession plan

The Nominations, Governance and CSR Committee, at the initiative of its Chair, annually reviews the succession plans of the Directors and Management. It can thus establish and update the succession plan over different time horizons.

- short term: unforeseen succession (incapacity, resignation, or death);
- medium term: accelerated succession (mismanagement and poor performance);
- long term: planned succession (retirement, expiration of mandate).

The Nominations, Governance and CSR Committee favors close collaboration with Executive Management to ensure the overall consistency of the succession plan and to monitor key positions. To ensure that the succession plan for Senior Management is optimized and that the Company's strategic ambitions are met, a regular assessment of potential candidates, their career paths and their development is carried out.

The Nominations, Governance and CSR Committee works closely with the Board of Directors on this subject and is particularly vigilant in maintaining the confidentiality of this information.

Recruiting and supporting talents

A company's success depends on its ability to attract, cultivate and retain the best talent. The Group is constantly enriching and diversifying its talent pool to meet its current and future requirements. The teams in charge of recruitment aim to attract the best talent in all the geographical areas where the Group is present, so as to build up diverse teams that reflect consumers and integrate all cultures.

The Company has set up an annual "Talent Review" process, with the following objectives:

- take stock of our leadership talents to ensure succession within the Company;
- strengthen the anticipation of succession plans;
- encourage a more proactive approach to talent development.

This talent review is monitored and debated by members of the Nominations, Governance and CSR Committee before being presented to the Board of Directors.

4.1.2.9 Directors' declarations referred to in Annex 1 of European Delegated Regulation n°2019/980

Family relationships between Corporate Officers

Marie-Aimée Bich-Dufour, Marie-Pauline Chandon-Moët ⁽²⁾, Édouard Bich ⁽³⁾, Gonzalve Bich and Timothée Bich are related. There are no family ties between the other Corporate Officers of Société BIC.

(1) The Directors representing the employees are not considered in this calculation.

(2) Marie-Pauline Chandon-Moët's term of office expired on May 16, 2023.

(3) Société M.B.D, represented by Edouard BICH, is the holding company for the BICH family, holding 30.48% of the Company's share capital and 41.22% of its voting rights.



Absence of conflicts of interest

In the interest of good governance, the Board of Directors has adopted a Title 2 within its Internal Regulations, setting out the rights and obligations of Directors, to which each of them is bound. Article 2.1.3 of the Company's Internal Regulations provides that all Directors must disclose to the Board, in full and in advance, any actual or potential conflict of interest concerning them. In such cases, the Director may not take part in discussions or decision-making on the subject over which they are conflicted.

Directors make an annual declaration regarding the absence of conflicts of interest. In 2021, the prevention of any conflict of interest has been strengthened by the implementation of the practice of a Declaration of Interests among the Directors for any item discussed by the Board.

At the date of preparation of this document and to the Company's knowledge:

- no potential conflicts of interest are identified between the private interests and/or other duties of the members of the Board of Directors or the Executive Committee with respect to the Company;
- there is no arrangement or agreement with any of the major Shareholders, customers, suppliers or any other third party pursuant to which any member of the Board of Directors or Executive Committee would have been appointed as such;
- subject to the following, the members of the Board of Directors and the Executive Committee have not agreed to any restrictions on the transfer, within a certain period, of the Company's securities held by them. It is however specified that Société M.B.D., the holding Company of the Bich family holding more than 20% of the capital and voting rights, has entered various collective undertakings to retain at least 12 million BIC shares. The oldest of these undertakings were entered into on December 17, 2003. They include various members of the family concert in order to allow them, if necessary, to benefit from the provisions of Article 787 B of the French General Tax

Code. The following executives are party to all or some of the agreements: Gonzalve Bich and Nikos Koumettis. All the signatories have close personal ties to Gonzalve Bich, with the exception of Nikos Koumettis, and none of them – with the exception of Société M.B.D. – holds more than 5% of the share capital or voting rights of the Company.

In addition, Directors undertake to communicate, upon request, to the Chair of the Board or to any other designated person, a complete list of all their mandates (including participation in Committees), and functions, that they hold in France and abroad. Each Director also undertake to communicate any change in their offices and functions (Title 2; 2.1 "Offices and functions" of the Company's Internal Regulations).

Negative statements concerning members of the Board of Directors and Executive Corporate Officers

To the best of the Company's knowledge over the past five years:

- no Director or member of the Executive Corporate Officer has been convicted of fraud;
- no Director or member of the Executive Corporate Officer has been party to a bankruptcy, receivership or liquidation or Company being put into administration;
- no Director or Executive Corporate Officer member has been investigated and/or officially sanctioned by statutory or regulatory authorities;
- no Director or member of the Executive Corporate Officer has been disqualified by a court from serving as a member of an administrative, management or supervisory body of an issuer or from involvement in the management or running of an issuer.

Service contracts providing for the granting of benefits

There is no service contract between any Corporate Officer and Société BIC or any of its subsidiaries providing for benefits at the end of said contract.

Transactions in the Company's shares carried out by persons with managerial responsibilities and closely related persons in 2023

Summary of declarations pursuant to Article L. 621-18-2 of the monetary and financial Code ⁽¹⁾:

Declaring	Type and number of trades					Balance of trades involving transfer of ownership over the year
	Purchase	Sale	Exchange	Gift	Other	
Gonzalve Bich, Chief Executive Officer		1 ^(b)		6 ^(a)		(2,880) (11,879) (24 781)
Carole Callebaut Pivnica, Director	1				1 ^(c)	500
Véronique Laury, Director	1					500

(a) Gift to his children and nephews.

(b) In order to comply with local obligations to withhold taxes on delivered shares, 11,879 of shares were sold during the "Sell to Cover" transaction.

(c) Allocation of free shares.

(1) Details available at www.amf-france.org



4.1.2.10 Director Training

In accordance with Article 2.2.5 of the Company's Internal Regulations, each Director has access, at their convenience, to additional training on the Company's:

- specific characteristics;
- various businesses divisions;
- business sector; and
- social and environmental responsibilities.

In addition, they have access to resources and training provided by several associations of corporate Directors of which the Company is a member, including the IFA, NACD, and ECGI ⁽¹⁾.

In this respect, since joining the Board of Directors in December 2023, Héra Madiouni has benefited from the employee director training program organized by the IFA, while Pascal Chevallier followed in March 2024.

4.1.2.11 Share ownership

In accordance with Article 24 of the AFEP-MEDEF Corporate Governance Code and the provisions of the Company's Internal Regulations, it is stipulated that each Director, with the exception of Directors representing employees, must be a Shareholder and hold at least 500 shares. If they do not hold them when they take office, they must use the remuneration received under Article L. 225-45 of the French Commercial Code for their acquisition.

All Directors or permanent representatives of legal entities who are Directors must register the Company's shares they hold at the time of their appointment. The same applies to any shares acquired subsequently.

Furthermore, members of the Executive Committee are also subject to obligations regarding the retention and holding of shares (see § 4.2.2.3 - *Long Term Incentives*).

(1) Institut Français des Administrateurs (IFA), National Association of Corporate Directors (NACD), European Corporate Governance Institute (ECGI).



4.1.3 CHANGES IN THE COMPOSITION OF THE BOARD

4.1.3.1 Changes in the administrative and management bodies up to the date of publication of the Universal Registration Document

	Departure	Appointment	Renewal
Board of Directors	<ul style="list-style-type: none"> Termination of Elizabeth Bastoni's mandate as Independent Director – <i>May 16, 2023</i> Expiry of Marie-Pauline Chandon-Moët's mandate as Director – <i>May 16, 2023</i> Expiry of Vincent Bedhome's mandate as Director representing employees – <i>October 25, 2023</i> 	<ul style="list-style-type: none"> Appointment of Carole Callebaut Piwnica as Independent Director, for a term of three years, replacing Elizabeth Bastoni – <i>May 16, 2023</i> Appointment of Véronique Laury as Director, for a term of three years, replacing Marie-Pauline Chandon-Moët – <i>May 16, 2023</i> Appointment of Héra Madiouni as Director representing employees – <i>March 30, 2023</i> Appointment of Pascal Chevallier as Director representing employees – <i>October 25, 2023</i> 	<ul style="list-style-type: none"> Renewal as Directors (for a term of three years) of: Candace Matthews, Timothée Bich, and Jacob Schwartz – <i>May 16, 2023</i>
Audit Committee			<ul style="list-style-type: none"> Renewal of Jacob Schwartz as member of the Audit Committee – <i>May 16, 2023</i>
Nominations, Governance and CSR Committee		<ul style="list-style-type: none"> Appointment of Candace Matthews as Chair of the Nominations, Governance, and CSR Committee – <i>May 16, 2023</i> Appointment of Carole Callebaut Piwnica as a member of the Nominations, Governance, and CSR Committee – <i>May 16, 2023</i> 	
Remuneration Committee	<ul style="list-style-type: none"> Expiry of Vincent Bedhome's mandate as member of the Remuneration Committee – <i>October 25, 2023</i> 	<ul style="list-style-type: none"> Appointment of Carole Callebaut Piwnica as Chair of the Remuneration Committee – <i>May 16, 2023</i> Appointment of Véronique Laury as member of the Remuneration Committee – <i>July 26, 2023</i> Appointment of Héra Madiouni as member of the Remuneration Committee – <i>December 12, 2023</i> 	

4.1.3.2 Changes in the Board of Directors following the Shareholders' Meeting of May 29, 2024

The terms of office as Directors of Marie-Aimée Bich-Dufour and Société M.B.D., represented by Édouard Bich, the Bich family's controlling company, has held 30.48% of the company's share capital and 41.22% of its voting rights, expire at the Shareholders' Meeting of May 29, 2024.

A proposal will be made at this Shareholders' Meeting to renew the mandates of Marie-Aimée Bich-Dufour and Société M.B.D. for a period of three years. For further information, the reader is invited to refer to the presentation of the agenda and the draft resolutions, found in Chapter 8 of this Universal Registration Document, available on the Company's website: <https://corporate.bic.com/en-us>, in the section "INVESTORS/Shareholders Meetings/Annual General Meeting 2024".

Subject to the approval of the Meeting, and the decisions of the Board, the Board of Directors will be composed as follows:

- Nikos Koumettis – Independent Director and Non-Executive Chair;
- Gonzalve Bich – Director and General Manager;
- Timothée Bich – Director;

- Marie-Aimée Bich-Dufour – Director;
- Carole Callebaut Piwnica – Director (Independent);
- Maëlys Castella – Director (Independent);
- Pascal Chevallier – Director representing employees;
- Véronique Laury – Director;
- Héra Madiouni – Director representing employees;
- Candace Matthews – Director (Independent);
- Société M.B.D. (represented by Édouard Bich) – Director; and
- Jacob Schwartz – Director (Independent).


Terms of office expired in year 2023

- Marie-Pauline Chandon-Moët: Director from May 28, 2003, to May 16, 2023.
- Vincent Bedhome: Director representing employees from November 9, 2017 to October 25, 2023.

Terms of office that ceased during year 2023

- Elizabeth Bastoni: Independent Director from May 15, 2013, to May 16, 2023.

4.1.3.3 Offices and responsibilities of the Corporate Officers and Directors as of December 31, 2023

GONZALVE BICH	
Director and Chief Executive Officer	
 <p>Age: 44 years old Nationalities: French-American Independent Director: No Number of BIC shares held: Directly owns over 100,000 BIC shares and shares indirectly through the family holding Company, Société M.B.D. On December 31, 2023, Société M.B.D. held 12,886,000 shares, i.e. 30.48% of Société BIC's share capital and 41.22% of the voting rights. Basis of the appointment: Article L. 225-18 of the French Commercial Code Date of first appointment: Director: Annual Shareholders' Meeting of May 16, 2018, Chief Executive Officer: Board Meeting of May 16, 2018 Expiration date: Director: Annual Shareholders' Meeting in 2025 for FY 2024 Chief Executive Officer: term of office as Director Member of a Committee: No Professional address: Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France Attendance rate at Board Meetings: 100%</p>	<p>Biography</p> <p>Gonzalve Bich is Director and Chief Executive Officer at BIC since May 2018. He is the third generation of the Bich family to serve as CEO, continuing the company's 75-year legacy established by the visionary minds of his grandfather, Marcel, and his father, Bruno.</p> <p>Gonzalve began his career in management consulting at Deloitte before joining BIC in 2003. Over 21 years he has held regional and global positions in Business Development, Human Resources, Marketing, Innovation and Global Business Operation, launching new product lines, growing the business in Brazil and Africa, entering new markets, and turning around BIC's operation in Asia.</p> <p>Gonzalve earned his Bachelor of Arts in History from Harvard University in 2001; he serves on the International Advisory Board of French business school, EDHEC, and is a certified coach and mentor to young entrepreneurs; he also serves as board chair for Enactus, a network of leaders committed to using business as a catalyst for positive social and environmental impact.</p> <p>Today, Gonzalve is transforming the future of BIC through leading-edge brand portfolio management practices, guided by a clear purpose to bring simplicity and joy to everyday life, responsibly and sustainably.</p> <p>Main position</p> <ul style="list-style-type: none"> • Chief Executive Officer – Société BIC <p>Other current positions</p> <p>Group company:</p> <ul style="list-style-type: none"> • Director – BIC Cello (India) Private Ltd – India • President, Chief Operating Officer and director – BIC International Co. – USA <p>Unlisted company:</p> <ul style="list-style-type: none"> • Chair and Director – Enactus Association – United States • Director – Stewardship Foundation – Switzerland • Director (International Advisory Board) – EDHEC Business School – France <p>Listed company:</p> <ul style="list-style-type: none"> • None <p>Former positions in the previous five years (non-BIC Group companies)</p> <ul style="list-style-type: none"> • None

4



NIKOS KOUMETTIS ●

Director



Age: 59 years old

Nationalities: Greek Cypriote

Number of BIC shares held:
10,501 shares

Independent Director: Yes

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Director: AGM of May 18, 2022

Chair: Board of Directors of May 18, 2022

Expiration date:

Director: Annual Shareholders' Meeting in 2025 for FY 2024

Chair: term of office as Director

Member of a Committee: No

Professional address:

Société BIC – 12 Boulevard Victor Hugo –
92110 Clichy – France

Attendance rate at Board Meetings: 100%

Biography

Nikos Koumettis is President, Europe Operating Unit at the Coca-Cola Company and a member of the company's Executive Leadership Team.

He brings over 30 years of valuable experience in the consumer goods industry and knowledge of governance topics.

Nikos joined the Coca-Cola Company in 2001 and held several operating responsibilities in Europe and the Middle East and Africa until 2020, when he was appointed to his current position.

Prior to the Coca-Cola Company, he served in various recognized international companies, including Kraft Jacobs Suchard, Elgeka, and Philip Morris.

Nikos Koumettis has served as a member of the Canada Goose International Advisory Board since 2016. He is a member of the Board of Trustees of the American College of Greece.

As of March 2022, he also serves as a member of the FEMSA Board, the Coca-Cola Company's bottler in Latin America. He previously served as Director of Coca-Cola Beverages Africa until April 2022.

Main position

- President Europe of the Coca-Cola Company

Other current positions**Unlisted company:**

- Director – Canada Goose International Board
- Member of the Board of Directors of the American College of Greece

Listed company:

- Director – Coca-Cola FEMSA, SAB de CV

Former positions in the previous five years (non-BIC Group companies)**Unlisted company:**

- Director – Canada Goose
- Director – Coca-Cola Beverages Africa
- CCBA – Chair of the Nominations and Remuneration Committee – Coca-Cola Beverages Africa
- Director – ACG

Listed company:

- None

● Independent Director.



TIMOTHÉE BICH**Director**

Age: 38 years old

Nationality: French

Number of BIC shares held:

Directly owns over 100,000 BIC shares and shares indirectly through the family holding Company, Société M.B.D.

On December 31, 2023, Société M.B.D. held 12,886,000 shares, i.e. 30.48% of Société BIC's share capital and 41.22% of the voting rights.

Independent Director: No

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Board Meeting of December 10, 2019

Expiration date:

Annual Shareholders' Meeting in 2026, for FY 2025

Member of a Committee: No

Professional address:

Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France

Attendance rate at Board Meetings: 100%

Biography

Timothée Bich is a trader at Moore Europe Capital Management since 2020, part a team of macro portfolio managers.

From 2012 to 2019, Timothée Bich held various roles, including execution trader, Head of Execution and portfolio manager at Stone Milliner. Before joining Stone Milliner, he worked as an analyst at Moore Europe Capital Management, supporting credit and macro portfolio managers (2010-2011).

Timothée Bich holds a Master of Science in Risk and Asset Management from EDHEC and a degree in Finance from University Paris Dauphine.

Main position

- Analyst – Moore Europe Capital Management

Other current positions

- None

Former positions in the previous five years (non-BIC Group companies)

- Portfolio manager at Stone Milliner



MARIE-AIMÉE BICH-DUFOUR

Director



Age: 65 years old

Nationality: French

Number of BIC shares held:

Directly owns over 100,000 BIC shares and shares indirectly through the family holding Company, Société M.B.D.

On December 31, 2023, Société M.B.D. held 12,886,000 shares, i.e. 30.48% of Société BIC's share capital and 41.22% of the voting rights.

Independent Director: No

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Annual Shareholders' Meeting of May 22, 2019

Expiration date:

Annual Shareholders' Meeting in 2024, for FY 2023

Member of a Committee:

Nominations, Governance and CSR Committee

Professional address:

Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France

Attendance rate at Board Meetings: 100%

Attendance rate at the Nominations, Governance and CSR Committee meetings: 100%

Biography

Marie-Aimée Bich-Dufour was Delegate for general affairs and President of the BIC Corporate Foundation for Education until October 1, 2020.

From March 22, 1995 to March 31, 2019, she was Executive Vice-President of Société BIC and Secretary to the Board of Directors.

She was Group General Counsel until February 1, 2016.

She was responsible for BIC's sustainable development program between 2004 and 2018.

Before joining BIC Group, Marie-Aimée served at the Paris bar for 12 years.

She holds a Master's degree in Private Law from Paris Panthéon-Assas University and a Professional Lawyer's Certificate (CAPA).

Main position

- Director – Société BIC

Other current positions

- Representative of Société BIC on the Board – ANSA (*Association Nationale des Sociétés par Actions*) – France
- Representative of Société BIC on the Board – METI (*Mouvement des Entreprises de Taille Intermédiaire*) – France

Former positions in the previous five years (non-BIC Group companies)

- None

CAROLE CALLEBAUT PIWNICA ●

Director



Age : 66 years old

Nationality : Belge

Number of BIC shares held: 500

Independent Director : Yes

Basis of the appointment :

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Annual Shareholders' Meeting of May 16, 2023

Expiration date:

Annual Shareholders' Meeting in 2026, for FY 2025

Member of a Committee: :

Chair of the Remuneration Committee
Member of the Nominations, Governance and CSR Committee

Professional address :

Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France

Attendance rate at Board Meetings:

100 %

Attendance rate at the Remuneration Committee:

100%

Attendance rate at the Nominations, Governance and CSR Committee meetings: :

100%

Biography

Carole Callebaut Piwnica, a citizen of Belgium, is 66 years old. She holds a law degree from the University of Brussels and a Master of Laws degree from New York University.

She was a member of the New York and Paris bars and began her career in New York at Proskauer Rose before joining the M&A department of Shearman & Sterling in Paris.

She worked for 15 years in the agri-food processing industry and served as Chair of the Amylum Group (Belgium ingredients) and as director and vice-chair of Tate and Lyle (UK sugar & ingredients).

She has also been an Independent Director of several international listed companies including Rothschild & Co (France, Financial Services), Sanofi (France, pharmaceuticals), Eutelsat (France, satellites), Dairy Crest (UK, milk and cheese), and Aviva (UK, insurance).

In 2006, she founded the private equity fund Naxos Capital Partners (Luxembourg), of which she was Managing Partner and was a director of its portfolio companies, including Big Red (U.S., softdrinks).

Main position

- Director in several companies' Board

Others current position

Unlisted company:

- Director – Aalto International (Switzerland)

Listed company:

- None

Former positions in the previous five years (non-BIC Group companies)

Unlisted company:

- Director – RecyCoal Ltd – United Kingdom
- Director – Elevance – United States
- Managing partner/Director – Naxos Sàrl – Switzerland
- Director – Big Red – United State
- Director – Louis Delhaize – Belgium

Listed company:

- Independent Director of the Supervisory Board - Rothschild & Co - France
- Director – Amyris – United States
- Director – Eutelsat Communications – France
- Director - Sanofi – France

4

● Independent Director.



MAËLYS CASTELLA ●

Director



Age: 57 years old

Nationality: French

Number of BIC shares held: 500

Independent Director: Yes

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Annual Shareholders' Meeting of May 22, 2019

Expiration date:

Annual Shareholders' Meeting in 2025, for FY 2024

Member of a Committee:

Chair of the Audit Committee
Member of the Remuneration Committee

Professional address:

Delistraat 67, 2585VX Den Haag,
The Netherlands

Attendance rate at Board Meetings: 90%

Attendance rate at the Audit Committee meetings: 100%

Attendance rate at the Remuneration Committee: 100%

Biography

Maëlys Castella is an experienced finance and business leader with a strong track record in B2B and B2C businesses. This is both in C-level executive and non-executive roles.

She has expertise in finance, strategy, marketing, innovation and sustainability and has been working for international listed companies since 1992.

She is the founder and CEO of a consulting firm Aminona Consulting specializing in finance, strategy and executive coaching.

She is also an independent Board member, chair of the Audit Committee and Sustainability Committee of C&A, a leading global fashion retail business and an independent Board member, member of the Audit Committee of UCB a global Biopharmaceutical company listed on Euronext Brussels-Belgium.

She began her career in the oil and gas industry working in finance for Elf, now part of Total Group, for 8 years.

In 2000, Maëlys Castella joined Air Liquide and held various Senior Management positions in Finance and Marketing before being appointed Group Deputy Chief Financial Officer in 2013. She later became Chief Financial Officer and member of the Board of Management of AkzoNobel from 2014 until 2017. She was subsequently Chief Corporate Development Officer and Member of the Executive Committee from 2018 until 2019.

Maëlys Castella is an engineer graduate of École Centrale de Paris and holds a Master's degree in Energy Management and Policy from the University of Pennsylvania (United States) and the French Institute of Petroleum (IFP), she is also a Certified Professional Coach.

Main position

- CEO and Director – Aminona Consulting – Netherlands (non-listed company)

Other current positions

Unlisted company:

- Independent Director, Chair of the Audit Committee and member of the Sustainability Committee – C&A – Switzerland

Listed company:

- Independent Director, member of the Audit Committee – UCB – Belgium

Former positions in the previous five years (non-BIC Group companies)

Unlisted company:

- Director – AkzoNobel Art Foundation – Netherlands

Listed company:

- Chief Corporate Development Officer, Member of the Executive Committee – AkzoNobel – Netherlands

● Independent Director.

PASCAL CHEVALLIER**Director representing employees****Age:** 52 years old**Nationality:** French**Number of BIC shares held:** 80**Independent Director:** No**Basis of the appointment:**

Article L. 225-27-1 of the French Commercial Code

Date of first appointment:Board Meeting of December 12, 2023
(appointed by the Group Works Council on October 25, 2023)**Expiration date:** October 25, 2026**Member of a Committee:** No**Professional address:** BIC ÉCRITURE
2000 - ZAC de la Charbonnière, 11 rue
Édouard Buffard, 77144 MONTEVRAIN**Attendance rate at Board Meetings:** 100%**Biography**

Joining the BIC Group in 2014, Pascal Chevallier is Machine Design Manager and coordinator within the Industrialization department, which works for all Group categories.

He began his career with a number of companies, including Matra Engineering and Renault, in the roles of technical pilot and special machine project manager.

Pascal holds a master's degree in industrial IT from Orsay University and a bachelor's degree in mechanical engineering and production engineering.

Main position

- Machine design manager and coordinator

Other current positions

- None

Former positions in the previous five years (non-BIC Group companies)

- None



VÉRONIQUE LAURY

Director



Âge: 58 years old

Nationality: French

Number of BIC shares held: 500

Independent Director: No

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Annual Shareholders' Meeting of May 16, 2023

Expiration date:

Annual Shareholders' Meeting in 2026, for FY 2025

Member of a Committee:

Remuneration Committee

Professional address: Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France

Attendance rate at Board Meetings: 83%

Attendance rate at the Remuneration Committee meetings: 100%

Biography

Véronique Laury has several years of experience as a Chief Executive Officer and as a director on Boards and Supervisory Boards in international companies.

From 2014 to 2019, she held the role of Chief Executive Officer at the London-based Kingfisher Plc Group.

In 2003, she was General Manager of Castorama France after having held the positions of Supply Chain Director in France, UK and for the group.

Since her departure from Kingfisher Group, she has focused on board member roles in many companies.

In 2020, she joined Sodexo as a Director and since she occupies various mandates on the Board of international companies such as Ikea, British American Tobacco, Wework and Eczacibasi.

Véronique is an *alumni* of the Institute of Political Studies in Paris.

Main position

- Director in several companies' Board

Other current positions

Unlisted Company:

- Chair of WEEE SASU – France
- Member of the Supervisory Board – Ikea – Netherlands
- Director -Eczacibasi Holding AS – Turkey

Listed Company:

- Director – British Tobacco – United-Kingdom
- Director – Sodexo – France

Former positions in the previous five years (non-BIC Group companies)

Unlisted Company:

- None

Listed Company:

- Director – Tarkett – France
- Director – Wework – United-States

Additional Information

Marie-Pauline Chandon-Moët, who has been serving as a Board member since 2003, has decided not to seek the renewal of her mandate. In order to succeed her, the Board of Directors on February 14, 2023, recommended the appointment of Véronique Laury, who was proposed by the Bich family.

The Nominations, Governance, and CSR Committee, as well as the Board of Directors, have reviewed this candidacy, notably appreciating Véronique Laury's outstanding international career as CEO and Board member within several major international companies.

Véronique Laury, through the company WEEEE of which she is the sole partner, has entered into a consulting services agreement with Société M.B.D., the holding company of the Bich family. This agreement, concluded for the duration of her term as a Director, which is three years, aims to support the Bich family consortium in its role as a reference Shareholder, particularly by involving the new generation of family Shareholders.



HÉLA MADIOUNI**Director representing employees****Age:** 40 years old**Nationality:** French**Number of BIC shares held:** 703**Independent Director:** No**Basis of the appointment:**

Article L. 225-27-1 of the French Commercial Code

Date of first appointment: Board Meeting of April 25, 2023

(appointed by the Group Works Council on March 30, 2023)

Expiration date: March 30, 2026**Member of a Committee:** Remuneration Committee**Professional address:** Société BIC – 12 Boulevard Victor Hugo – 92110 Clichy – France**Attendance rate at Board Meetings:** 100%**Attendance rate at the Remuneration Committee meetings:** 100%**Biography**

A Group employee since 2013, Héra joined the BIC Group Finance team within the Group Finance Department. Since 2021, she has held the position of Group Consolidation and Reporting Director.

She started her career in 2006 at PriceWaterhouseCoopers in Paris as an Auditor.

Héra is a graduate of ICN Business School and holds a Master's degree in Accounting and Financial Sciences and Techniques.

Main position

- Group Consolidation and Reporting Director

Others current position

- None

Former positions in the previous five years (non-BIC Group companies)

- None

4



CANDACE MATTHEWS ●

Director



Age: 65 years old

Nationality: American

Number of BIC shares held: 500

Independent Director: Yes

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment:

Annual Shareholders' Meeting of May 10, 2017

Expiration date:

Annual Shareholders' Meeting in 2026 for FY 2025

Member of a Committee:

Chair of the Nominations, Governance and CSR Committee

Member of the Audit Committee

Professional address:

700 Kovi Oaks Ct NE,
Ada MI 49301 – United States

Attendance rate at Board Meetings: 90%

Attendance rate at the Audit Committee meetings: 100%

Attendance rate at the Nominations, Governance and CSR Committee meetings: 100%

Biography

Candace Matthews was Chief Reputation Officer of Amway. From November 2014 to May 2020, Candace Matthews was Region President, The Americas, at Amway. She was hired by Alticor, the parent company of Amway, in December 2007, as Global Chief Marketing Officer.

Prior to joining Amway, she was President of Soft Sheen-Carson, the Consumer Products Division of L'Oréal from 2001 to 2007.

Before that, she held positions in Marketing at General Mills, Procter & Gamble, Bausch & Lomb and in Management at Novartis and The Coca-Cola Company, in the United States.

Candace Matthews has a Bachelor of Science degree in Metallurgical Engineering from Carnegie Mellon University in Pittsburgh, Pennsylvania (United States). She also has an MBA in Marketing from Stanford University Graduate School of Business in Palo Alto, California (United States).

Main position

- Director

Other current positions

Unlisted company:

- Regional Director – Fifth Third Bank, Western Michigan – United States

Listed company:

- Board Chair – Aptar Group – United States
- Director – MillerKnoll Inc. – United States.

Former positions in the previous five years (non-BIC Group companies)

Unlisted company:

- Chief Reputation Officer – Amway – United States
- Region President, The Americas – Amway – United States

Listed company:

- Director – Popeyes Louisiana Kitchen Inc. – United States

● Independent Director.



SOCIÉTÉ M.B.D.

Director

**Biography**

Édouard Bich spent eight years in the Finance Department of Procter & Gamble – France and holds an MBA in Finance from The Wharton School (United States).

Main position

- Managing Director of Société M.B.D.

Other current positions**Unlisted company:**

- Manager – Platypus Capital SPRL – Belgium

Listed company:

- None

Former positions in the previous five years (non-BIC Group companies)**Unlisted company:**

- Member of the Supervisory Committee – Stockage Plus SAS – France
- Member of the Executive Board for Europe, the Middle East and Africa – The Wharton School – USA
- Member of the Strategic Committee – UnifAI SAS – France

Listed company:

- None

Type of legal entity: Partnership limited by shares (*société en commandite par actions*)

Registration: 389,818,832 – Nanterre (France) Trade and Companies Register

Number of BIC shares held:

12,886,000 shares, i.e. 30.48% of Société BIC's share capital and 41.22% of the voting rights exercisable at the Annual Shareholders' Meeting (as of December 31, 2023).

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Independent Director: No

Date of first appointment: Annual Shareholders' Meeting of May 24, 2006

Expiration date: Annual Shareholders' Meeting in 2024, for FY2023

Member of a Committee: Audit Committee

Address: 1 place Paul Verlaine -92100 Boulogne-Billancourt – France

Permanent representative: Édouard Bich

Age: 59 years old

Nationality: French

Professional address: Société M.B.D.

1 place Paul Verlaine
-92100 Boulogne-Billancourt – France

Attendance rate at Board Meetings: 100%

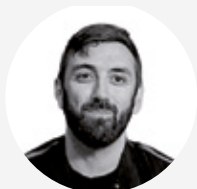
Attendance rate at the Audit Committee meetings: 100%

4



JACOB SCHWARTZ ●

Director



Age: 44 years old

Nationality: American

Number of BIC shares held: 500

Independent Director: Yes

Basis of the appointment:

Article L. 225-18 of the French Commercial Code

Date of first appointment: Annual Shareholders' Meeting of May 20, 2020

Expiration date: Annual Shareholders' Meeting in 2026 for FY 2025

Member of a Committee: Audit Committee

Professional address: Société BIC –
12 Boulevard Victor Hugo
92110 Clichy – France

Attendance rate at Board Meetings: 100%

Attendance rate at the Audit Committee meetings: 100%

Biography

Jacob (Jake) Schwartz is a serial entrepreneur, investor and advisor. Until 2020, Jake Schwartz served as CEO of General Assembly (GA), the global leader in education and career transformation, which he co-founded in 2011. He grew GA to over 1,000 employees on five continents. In 2018, GA was acquired by The Adecco Group.

Jake Schwartz co-founded and serves as Chair of Brave Health, a mission-driven company focused on expanding access to high-quality, affordable care for mental health and addiction.

Jake Schwartz was named E&Y Entrepreneur of the Year in 2014 and one of Crain's "40 under 40" in 2015. Jake holds a BA from Yale and an MBA from The Wharton School of Business at the University of Pennsylvania. He is a former CFA Charterholder.

Main position

- Co-founder – Brave Health

Other current positions

Unlisted company:

- Chair of the Board of Directors – Brave Health – USA

Listed company:

- None

Former positions in the previous five years (non-BIC Group companies)

- CEO – General Assembly (GA)

● Independent Director.



4.1.4 OPERATION OF THE BOARD OF DIRECTORS

The operation terms of the Board of Directors are determined by the legal and regulatory provisions, by the Articles of Association updated on December 14, 2023, and by its Internal Regulations ⁽¹⁾, last amended by the Board of Directors at its meeting of March 17, 2023. In addition to the applicable legal, regulatory and statutory provisions, the Internal Regulations of the Board also set out the applicable requirements in terms of diligence, confidentiality, and disclosure of potential conflicts of interest.

4.1.4.1 Relationships between the Board and General Management

Board of Directors: missions and powers

The Board of Directors lays down the guiding principles governing the Company's business activities and ensures they are implemented in the best interests of the Company and its Shareholders, taking into account the social and environmental challenges facing its business. It deals with all matters relating to the proper conduct of the Company's business and makes all relevant non-operational decisions.

The Board of Directors gives its opinion on matters that can have a significant impact on the Group's development, strategy or operations. Its strategy and actions are in line with the Company's sustainable development. To facilitate its understanding of strategic issues, the Board of Directors receives detailed information on the Group's activities and results at each meeting. Throughout the year, it receives information on the Group's financial performance, its stock market and financial situation, its products and its competitive environment.

The very regular presence of the main Group executives allows the Directors to benefit from any additional information required, as well as precise and concrete answers to questions that may arise during discussions. The responsibilities of the Board of Directors are as follows:

- agree the "vision and strategic direction" as articulated and elaborated by the Chief Executive Officer and the executive team;
- define the Company's business perimeter and appetite for risk;
- select and perform evaluation of the Chair, all Board members, the Chief Executive Officer, and Executive Vice-President;
- plan the succession for all Board members, including the Chair, the Chief Executive Officer and the Executive Vice-President;
- implement the proper governance structure and ensure its ethical operation;
- evaluate, challenge, and approve both long-term strategy and annual plans put forward by the Chief Executive Officer and his/her management team and monitor relating performance;
- ensure that the strategic plan is consistent with the Values and DNA of the Company, and aligned with the interests of Shareholders and other stakeholders;

- measure and monitor implementation of the strategy;
- long term planning of the necessary human resources, focusing on Senior Management;
- ensure that the strategic plan is thoroughly encompassing a study of the macro economic trends, the competitive landscape, possible acquisition targets, SWOT analyses of BIC and its main competitors, financial plans including ROI's and cash generation, industrial footprint, capacity plans, new technologies and retroactive analysis;
- ensure that the key risks to which the Company is exposed are in keeping with its strategies and objectives;
- establish margin parameters to the CEO, and total Shareholder return parameters;
- ensure adequate resources have been arranged for successful business operations.

The Board endeavors to promote long-term value creation by the Company taking into account the social and environmental aspects of its activities. Where applicable, it proposes any changes to bylaws it considers appropriate.

The Board regularly reviews the strategy along with opportunities and risks, including financial, legal, operational, social and environmental risks, as well as the mitigation plans put in place. To this end, the Board of Directors receives all the information needed to carry out its work, notably from the executive officers.

It ensures that appropriate measures are put in place to prevent and detect corruption and influence peddling. It receives all the information needed for this purpose. It also ensures that the executive officers implement a policy of non-discrimination and diversity, particularly with regard to gender balance on the governing bodies.

Chair of the Board

In accordance with Article L. 225-51 of the French Commercial Code, the Chair is responsible for organizing and directing the work of the Board, on which s/he reports to the Shareholders' Meeting. S/he ensures the proper functioning of the Company's bodies and that the Directors are able to fulfill their duties, in particular that the body devotes sufficient time to discussions and to respecting the agenda. S/he ensures that each of the items on the agenda is given time commensurate with the importance for the Company, in coordination with the Board Secretary.

The Chair aims to maintain a close and trusting relationship with the Chief Executive Officer and the Executive Management and to provide the team with assistance and advice while respecting their executive responsibilities. The Chair's schedule is organized to ensure the Chair's availability and make best use of his/her experience for the Group.



(1) The Board's Internal Regulations are included on the Company's website (<https://investors.bic.com/fr-fr/reginfo>).



S/he chairs the meetings of the Board and prepares its work. In this capacity, s/he:

- convenes meetings of the Board according to a schedule of meetings communicated to the Board in advance and at any other time if necessary;
- prepares the agenda in coordination with the Chief Executive Officer, supervises the preparation of the Board documentation and ensures the completeness of the information contained therein;
- ensures that certain topics are discussed by the Committees in preparation for Board Meetings, and ensures that they are able to make proposals to the Board;
- leads and directs the Board's discussions;
- ensures that Directors comply with the provisions of the Board's Internal Regulations.

The Chair ensures the proper organization of the Shareholders' Meetings s/he chairs, answers questions from Shareholders and, more generally, maintains good relations with them.

Role and Limitations of the Chief Executive Officer's Powers

The Chief Executive Officer has the broadest powers to act in all circumstances on behalf of the Company, and to represent it in its dealings with third parties.

S/he exercises his/her powers within the limitations of the corporate purpose. This is also subject to any powers expressly attributed by law to the Shareholders' General Meeting and Board of Directors.

The Internal Regulations specify the types of transactions that must be subject to prior authorization by the Board of Directors at all times:

- transactions outside Société BIC's stated strategy;
- decisions to set up French or foreign operations involving the creation of an establishment, direct or indirect subsidiary, the

acquisition of a holding, as well as any decisions to discontinue such operations, where the amount in question exceeds 50 million euros;

- internal reorganization where the cost of such an operation exceeds 50 million euros.

The Internal Regulations specify that these rules apply not only to external acquisitions or disposals, but also to major internal investments or restructuring.

Relations between the Board of Directors and Executive Management

Executive Management communicates transparently with the Directors and keeps them regularly informed of the Company's management and performance. It also regularly informs the Chair of the Board of Directors of significant events in the life of the Group.

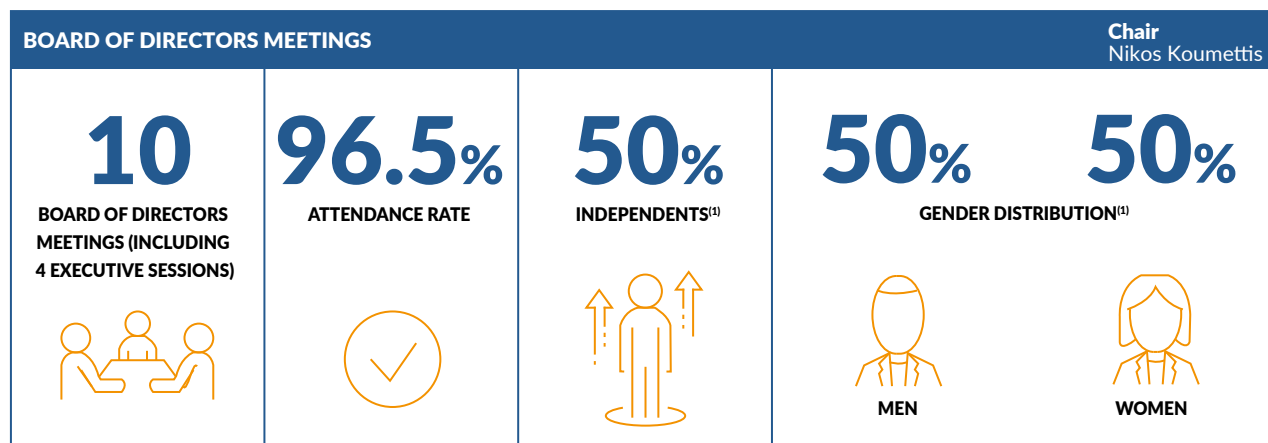
Minutes of Board of Directors Meetings

The decisions of the Board of Directors are formalized through minutes, signed, and retained in accordance with regulatory provisions. The minutes of each meeting include the following information:

- identification of directors present physically, via videoconference, or if they are represented, excused, or absent;
- names of third parties attending the meeting;
- a summary of discussions and decisions made by the Board of Directors;
- if applicable, questions raised and reservations expressed by Directors.

Given the international dimension of the Board of Directors, minutes are drafted in both French and English (*french version prevailing*). These minutes are drafted by the Secretary of the Board of Directors and signed by the Chair of the Board and the Chief Executive Officer, or another Director.

4.1.4.2 Organization and work



(1) Excluding the Director representing employees.

The Chair is in charge of convening, in writing, meetings of the Board of Directors, either at regular intervals or at times he deems appropriate. Pursuant to the Internal Regulations, the Board must meet at least six times a year, and whenever the Group's business requires it, so as to be able to examine and thoroughly discuss the issues falling within the scope of its responsibilities. In particular, the Chair is responsible for convening meetings of the Board of Directors to approve the half-year and annual financial statements and to convene the General Meeting of Shareholders for approval.

The Board of Directors meets when convened by its Chair. The notice of meeting, sent to the Directors at least eight days before the date of the meeting, except in cases of justified urgency, sets the agenda and the place of the meeting, which is in principle the Company's registered office. Meetings of the Board of Directors may also be held by videoconference and telecommunication as per applicable legislations and the Internal Regulations.

Directors may, in complete independence, propose any subject useful to good corporate governance for the agenda of the Board and its Committees. Directors are regularly informed of the BIC Group's activities and performance in a highly competitive environment.

The Board's usual tasks include preparing the financial statements, reviewing quarterly results, approving the annual budget, approving the remuneration of Directors, etc.

The Board of Directors also benefited from the occasional presence of certain members of the Executive Committee at meetings, in order to clarify certain issues for the Board.

Issues addressed by the Board of Directors in 2023

In addition to these tasks, the Board also carried out the following work:

- **Financial Management and Results of the Company:**

- review and approval of the 2022 annual financial statements and review of related press release;
- review and approval of the half-year and quarterly consolidated 2023 financial statements, and review of related press releases;

- discuss the Group's business operations, in particular its budget, results and cash flows;
- proposal of the allocation of results and choice of dividend allocation;
- review of the 2023 operating plan and rolling forecast and preliminary review of the 2024 operating plan;
- monitoring of the Group's M&A strategy;
- review of the financial guarantees granted by the Company to its subsidiaries;
- review of the work of the Audit Committee and related recommendations;
- review of the share buybacks program and subsequent share capital reduction.
- **Remuneration:**
 - review of the work of the Remuneration Committee and related recommendations;
 - analysis of the remuneration of corporate officers;
 - determination of remuneration principles and policy for fiscal year 2023.
- **Governance:**
 - review of the work of the Nominations, Governance and CSR Committee and related recommendations;
 - review of the composition of the Board of Directors with respect to the recommendations of the AFEP-MEDEF Corporate Governance Code, notably with regards to the diversity of the profiles and experience;
 - review of Independents Directors' qualifications;
 - review of the succession plans for the Chief Executive Officer;
 - appointment of the Chair of the Nominations, Governance and CSR Committee, and the Chair of the Remuneration Committee;
 - internal assessment of the composition and performance of the Board of Directors and implementation of the resulting actions;
 - preparation of the 2023 Shareholders' Meeting.

4



- **Risk management and compliance:**
 - review of compliance with the Sapin II law on transparency, the fight against corruption and the modernization of economic life;
 - monitoring of the Group's strategy and progress in cybersecurity;
 - presentation of the risk management procedure;
 - review of regulated agreements;
 - determination of negative windows (blackout periods) for the year 2024.
- **Strategy and development of the Company:**
 - update on the Group's shareholding;
 - feedback from the markets following the publication of the results;
 - results of the last survey conducted among the Group's employees to assess their engagement;
 - discussions relating to the main strategic orientations for the Group's development, both in terms of external growth and financing;
 - presentation of the 2024 roadmap of the Group's Horizon Plan, which pursues the Company's development in adjacent markets to ensure long-term sustainable and profitable growth;
 - update on the development of the "Flame for Life" product category, resulting from the Group's Horizon Strategic Plan, focused on innovation and environmental performance;
 - review of our innovation strategy in the "Human Expression" and "Blade Excellence" categories.

The Board of Directors and Corporate Social Responsibility

When developing and reviewing strategy, the Board pays particular attention to the social and environmental aspects of the Company's activities.

The specialized Committees of the Board of Directors are responsible for CSR issues related to their missions:

- the Audit Committee monitors the latest changes in the new extra-financial reporting requirements and the reliability of the calculation of extra-financial indicators;

- the Remuneration Committee ensures CSR criteria, including the climate and environment, are integrated effectively in the annual variable compensation paid to the Chief Executive Officer and in the long-term compensation paid to the Chief Executive Officer and Management;
- the Nominations, Governance and CSR Committee makes certain that the Board of Directors possesses CSR skills.

Through its Nominations, Governance and CSR Committee, the Board of Directors is kept informed of the challenges facing the Company in the areas of social and environmental responsibility and non-financial performance. Through its Audit Committee, the Board also examines social and environmental risks and opportunities.

Executive sessions

At least once a year, an informal meeting is organized by the Board of Directors without the presence of the Executive Corporate Officers. The Board of Directors considers that these meetings are part of good governance, particularly in that they provide an opportunity to assess the performance of the Chief Executive Officer and the Chair of the Board of Directors. As these meetings are informal, no minutes are kept.

Four meetings were held in 2023.

Attendance

The preparation and holding of meetings of the Board of Directors and its Committees require a high level of availability and investment by the Directors. In 2023, the Board of Directors met ten times for meetings lasting an average of 3 hours and 15 minutes. The attendance rate at these meetings was 96.5%.

Four meetings were held in person, notably at the Company's headquarter, and six others were held by video conference.

Group business and strategy

Each year, the Company's directors take part in a strategy day organized in France or abroad. This day is devoted to the presentation of strategic subjects by operational or functional teams, and, if necessary, by experts from outside the Group, with the aim of enabling Board members to better understand their role as Directors and to improve their knowledge of the Group, its organization, its products and its markets. This contributes to the debates and discussions concerning the Company's strategy.



ATTENDANCE OF BOARD MEMBERS AT BOARD MEETINGS DURING THE YEAR 2023

	Feb. 2, 2023	Feb. 14, 2023	March 17, 2023	Apr. 25, 2023	May 5, 2023	June 13, 2023	July 26, 2023	Sept. 27, 2023	Oct. 25, 2023	Dec. 12, 2023	Attendance
Gonzalve Bich											100%
Nikos Koumettis*											100%
Elizabeth Bastoni* (Until May 16, 2023)					n/a	n/a	n/a	n/a	n/a	n/a	75%
Vincent Bedhome (Until October 25, 2023)										n/a	100%
Timothée Bich											100%
Marie-Aimée Bich-Dufour											100%
Marie-Pauline Chandon-Moët (Until May 16, 2023)					n/a	n/a	n/a	n/a	n/a	n/a	100%
Carole Callebaut Piwnica* (Starting May 16, 2023)	n/a	n/a	n/a	n/a							100%
Maëlys Castella*											90%
Pascal Chevallier (Starting October 25, 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		100%
Véronique Laury (Starting May 16, 2023)	n/a	n/a	n/a	n/a							83%
Héla Madiouni (Starting March 30, 2023)	n/a	n/a	n/a								100%
Candace Matthews*											90%
Société M.B.D. (Édouard Bich)											100%
Jacob Schwartz*											100%

n/a: not applicable.

*: Independent Director.

Physical presence

Video Conference

Absent/represented

4



ATTENDANCE OF BOARD MEMBERS AT COMMITTEE MEETINGS

	Audit Committee	Remuneration Committee	Nominations, Governance and CSR Committee
Gonzalve Bich	n/a	n/a	n/a
Nikos Koumettis*	n/a	n/a	n/a
Elizabeth Bastoni (Until May 16, 2023)	n/a	100%	100%
Vincent Bedhome (Until October 25, 2023)	n/a	100%	n/a
Timothée Bich	n/a	n/a	n/a
Marie-Aimée Bich-Dufour	n/a	n/a	100%
Marie-Pauline Chandon-Moët (Until May 16, 2023)	n/a	n/a	n/a
Carole Callebaut Piwnica* (Starting May 16, 2023)	n/a	100%	100%
Maëlys Castella*	100%	100%	n/a
Pascal Chevallier (Starting October 25, 2023)	n/a	n/a	n/a
Véronique Laury (Starting May 16, 2023)	n/a	100%	n/a
Héla Madiouni (Starting March 30, 2023) ^(a)	n/a	100%	n/a
Candace Matthews*	100%	n/a	100%
Société M.B.D. (Édouard Bich)	100%	100%	n/a
Jacob Schwartz*	100%	n/a	n/a

n/a: not applicable

*Independent Directors

(a) Héla Madiouni was appointed member of the Remuneration Committee at the Board Meeting of December 12, 2023, replacing Vincent Bedhome whose term of office expired.

Information of the Board of Directors

To fulfill its responsibilities, the Board of Directors must have complete, accurate, and timely information. This information must cover the performance of each of the businesses, as well as the Company's financial and cash position. In this respect, the Internal Regulations provide that the Board of Directors must be informed of the Company's financial situation, cash position, and off-balance sheet commitments on December 31 and June 30 of each year. They also provide that each Director has a duty to actively look for information and to ensure that he/she receives sufficient and relevant information in good time.

To ensure that the Board is properly informed, members of the Executive Committee may be invited to attend certain Board Meetings, in order to present major issues falling within their areas of responsibility. The Statutory Auditors also attend Board Meetings when the annual and half-yearly financial statements are examined.

The Secretary of the Board of Directors provides secretarial services to the Board, prepares files for the Board's attention, and drafts the minutes of its meetings. She ensures the communication of information between the Board of Directors, the Executive Committee, and the management.

Secure digital platform for directors

To ensure accurate communication within the Board of Directors, Société BIC has for some years now been using a secure digital platform for dematerialized Board management.

Through this platform, which is specially dedicated to them, Board members can access a number of documents, notably:

- the organization of upcoming Board and Committee meetings;
- the availability of documents relating to Board and Committee meetings in real time;

- availability of documents in the Board of Directors' permanent file;
- distribution of minutes and reports.

Review of regulated agreements

Each year, the Board of Directors reviews these agreements to determine whether they fulfil the established criteria. At the date of this Registration Document, there were no regulated agreements in accordance with Article L. 225-38 of the French Commercial Code.

Procedure for assessing current agreements

In accordance with Article L. 22-10-12 of the French Commercial Code and AMF recommendation DOC-2012-05, the Company applies a procedure to periodically assess whether ordinary agreements entered into on standard market terms fulfill the conditions for classification as such. This procedure was adopted by the Board of Directors on December 8, 2020. The procedure provides that the Legal Department must be informed of the signing, amendment, or renewal of these "unrestricted" agreements.

Once per year, the Legal Department provides the Audit Committee with a list and description of any new unrestricted agreement. The Audit Committee subsequently assesses these unrestricted agreements and may, as part of this review, seek the opinion of the Statutory Auditors in the event of doubt. Following this review, the Audit Committee must issue a report to the Board of Directors on the unrestricted agreements signed during the fiscal year. The Board of Directors must conduct an annual review of the criteria used to classify unrestricted agreements to assess their relevance.

4.1.4.3 Committees of the Board of Directors

The Board of Directors benefits from the preparatory work carried out by its three specialized committees:

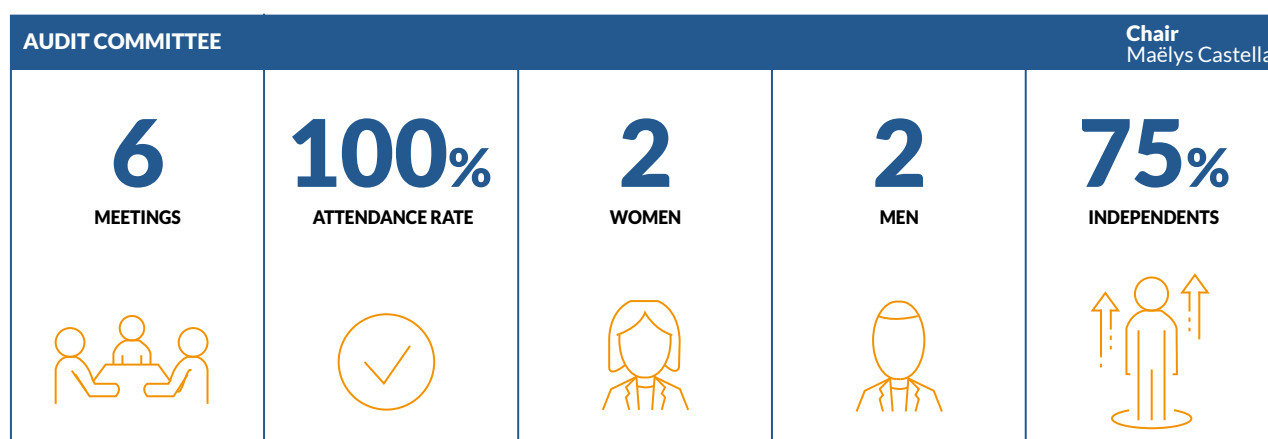
- the Audit Committee;
- the Remuneration Committee;
- the Nominations, Governance and CSR Committee.

The Committees act strictly within the framework of the missions assigned to them by the Board. They actively prepare its work

and make proposals but have no decision-making powers. In carrying out their duties, the Committees may contact the Company's main executives after informing the Chair of the Board of Directors. They must also report to the Board.

The Committees may request external technical studies on subjects within their competence, at the Company's expense, after informing the Chair of the Board of Directors or the Board of Directors itself. They must also report their findings to the Board.

a) Audit Committee



4

Composition

For the Financial Year 2023, the members of Audit Committee were:

Chair:

- Maëlys Castella - (Independent Director).

Members:

- Candace Matthews - (Independent Director);
- Édouard Bich - (permanent representative of Société M.B.D.);
- Jacob (Jake) Schwartz - (Independent Director).

The profile of these Directors is detailed in section 4.1.3.3 of this document.

The number of Independent Directors is three out of four, or 75%. The Committee must not include any executives. Members must have accounting, and/or auditing expertise, and/or business financial knowledge. The background of the members of the Audit Committee provides them with the financial and accounting skills necessary to fulfill their responsibilities.

The Committee met six times during the financial year, with an attendance rate of 100%.



Main remit

The Audit Committee's primary mission is to ensure that the accounting principles applied to the Company's consolidated and statutory financial statements comply with current standards and are consistently applied. It is also tasked with ensuring that the internal consolidation procedures and controls yield financial statements that fairly represent business results.

The Audit Committee's review of the financial statements is accompanied by a presentation from the Statutory Auditors on their audit reports and the accounting methods chosen. Furthermore, the Chief Financial Officer presents to the Committee on:

- the Company's risks and significant off-balance sheet items; and
- a review of the valuations and principles of on-balance sheet items which are based on market and economic valuations of the Company.

The Audit Committee reviews the draft financial market communications and provides input and advice. It is responsible for:

- giving its opinion on the appointment of Statutory Auditors; and
- attesting to the quality of the Auditors' work and their independence. This includes verifying there is no potential conflict of interest between the Auditors and the Company.

It interviews the Statutory Auditors, and the people responsible for Finance, Accounting, Treasury, Internal Control & Audit, and Enterprise Risk Management. These interviews can be held, if the Committee so wishes, without the Company's executive management in attendance. Furthermore, the Chair of the Audit Committee meets (alone) with the Statutory Auditors at least once a year.

Key work of the Committee in 2023

In 2023, the Audit Committee met six times in the presence of its Chair and all its members (i.e., 100% attendance rate). Representatives of the two statutory audit firms were also present at the review of the Group's results. As far as possible, Audit Committee meetings to review the annual, half-year, and quarterly financial statements are held several days before the Board's review. This allows management to take into account any input from the Audit Committee before the Board Meeting. The Audit Committee also reviews the related financial communication.

The Audit Committee regularly monitors the provisions and requirements of new accounting and financial rules applying to the Group, as well as the action plans put in place by the Company to meet these requirements. The Audit Committee also reviews any changes:

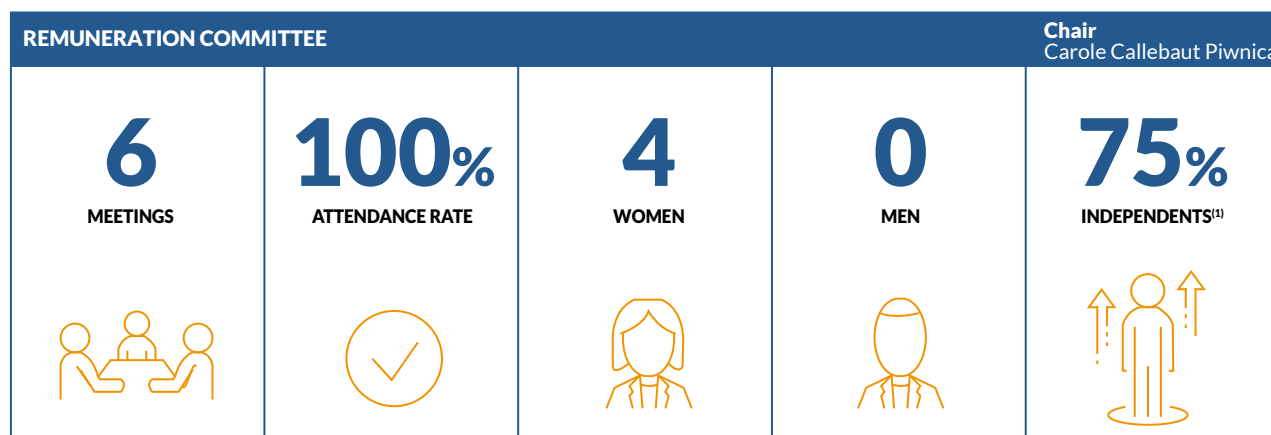
- to IFRS;
- to the internal control structure; and
- any other financial reporting matters, including the Universal Registration Document.

In 2023, the work of the Audit Committee also covered:

- the results of Internal Control and Audit assignments;
- the Group's insurance coverage and its costs;
- the review of regulated agreements;
- the work of the Statutory Auditors;
- the review of potential acquisitions (which includes an in-depth analysis of certain M&A projects) and the postmortem of closed transactions;
- the monitoring of exchange rate and inflation issues;
- the monitoring of the share buyback program;
- the review of Enterprise Risk Management for the Group;
- the review of cyber security management for the Group;
- the monitoring of business development of the Group.

In February 2024, the Audit Committee reviewed the 2023 financial statements (statutory and consolidated) and notes to the financial statements. These documents included a presentation and review of risks, including those of a social and environmental nature, and of the Company's off-balance sheet commitments.

b) Remuneration Committee



(1) Excluding the Directors representing employees.

Composition For the Financial Year 2023, the members of the Remuneration Committee were:
Chair:

- Elizabeth Bastoni (Independent Director) until May 16, 2023;
- Carole Callebaut Piwnica (Independent Director) starting May 16, 2023.

Members:

- Maëlys Castella (Independent Director);
- Vincent Bedhome (Director representing the employees) until October 25, 2023;
- Héra Madiouni (Director representing the employees) starting December 12, 2023;
- Véronique Laury starting July 26, 2023.

The profile of these Directors is detailed in section 4.1.3.3 of this document.

The Committee is considered to be composed of 75% Independent Directors as the Director representing employees is not taken into account to determine the percentage of Independent Directors.

The Committee met six times during the financial year, with an attendance rate of 100%.
Main Remit

The role of the Remuneration Committee is to study, review and prepare the discussions of the Board of Directors on remuneration policies and their implementation.

The main roles of the Remuneration Committee are the following:

- reviewing and recommending to the Board of Directors the remuneration policy to be applied to the Executive Corporate Officers, including provisions relating to their departure from the company, their retirement schemes and any other benefits granted to them;
- proposing rules to determine the variable portion of the remuneration of the Executive Corporate Officers and ensuring that the criteria chosen are in line with the short-, mid- and long-term strategic orientations of the Company;
- recommending to the Board of Directors the overall policy and the total amount of Directors' fees to be submitted for approval to the General Meeting, as well as how they should be distributed:
 - for duties performed as Board Members,
 - for duties carried out on Committees;
- recommending in collaboration with the Audit Committee the performance metrics to be included and measurement as related to long-term incentives;
- recommending the general policy for allocation of any share-based program proposed for all team members, including the Company's Executive Corporate Officers and Executive managers;
- reviewing the competitiveness of the individual remuneration packages of Executive Committee members;
- reviewing the information provided annually in the Universal Registration Document as it relates to the remuneration of Executive Corporate Officers and other Directors. The Committee also reviews the relevant resolutions for the Shareholders' Meeting.

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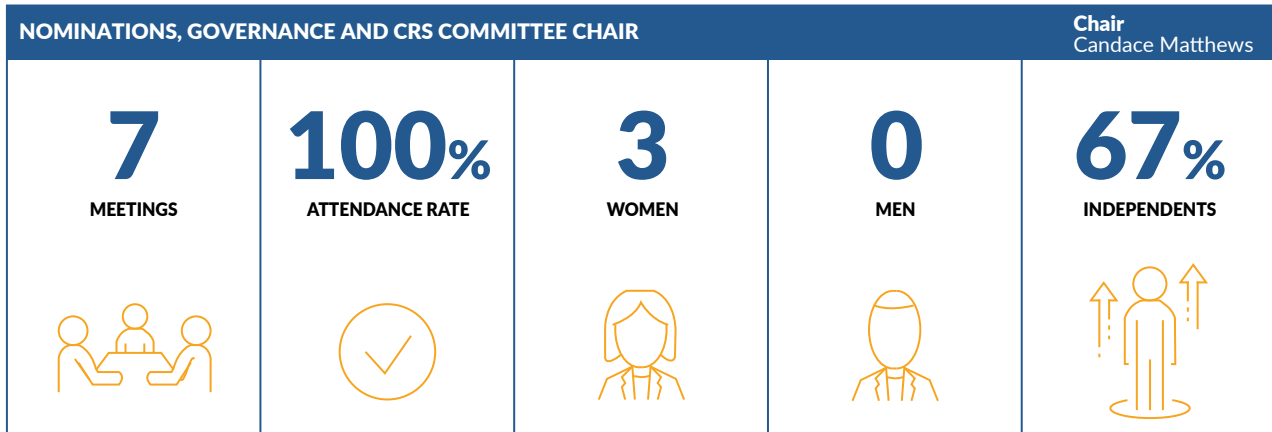
**Key work of the
Committee in 2023**

The Committee's work during the year focused on discussions and/or recommendations regarding the:

- level of remuneration for the Chair of the Board and Directors and related payouts;
- composition of the remuneration policy for Executive Corporate Officers, including a review of possible tools applicable in the case of departure of an Executive Corporate Officer;
- level and competitiveness of the remuneration applicable to the Chief Executive Officer, including an in-depth review of the peer group and the treatment to be applied in case of departure;
- criteria and related targets to be used for the variable remuneration of the Chief Executive Officer;
- review of the remuneration of Executive Committee members;
- review of the incentive philosophy and structure to ensure the plans continue to be aligned with the Horizon strategy announced by the Company;
- review of remuneration-related documentation to be disclosed in the Universal Registration Document (Say on Pay) and the resolutions on remuneration policy for the Shareholders' Meeting.

The Chair of the Board of Directors attended Committee meetings for certain topics.

c) The Nominations, Governance and CSR Committee



Composition

For the Financial Year 2023, the members of the Nominations, Governance and CSR Committee were:

Chair:

- Elizabeth Bastoni (Independent Director) until May 16, 2023;
- Candace Matthews (Independent Director) starting May 16, 2023.

Members:

- Marie-Aimée Bich-Dufour;
- Carole Callebaut Piwnica (Independent Director) starting May 16, 2023.

The profile of these Directors is detailed in section 4.1.3.3 of this document.

Current composition of the Committee: two out of three independent members. The Committee members each have specific expertise in CSR: Carole Callebaut Piwnica for human resources issues, Candace Matthews for ethics, corporate reputation, and CSR experience related to product development and Marie-Aimée Bich-Dufour for sustainable development issues.

The Committee met seven times during the financial year, with an attendance rate of 100%.



Main Remit	<p>The role of the Nominations, Governance and CSR Committee includes:</p> <ul style="list-style-type: none"> • Nominations: <ul style="list-style-type: none"> • regularly reviewing issues related to the composition of the Board (diversity policy, complementary profiles, gender balance, plurality of mandates, etc.), the skills required and opportunities to strengthen the scope of skills of Board members; • proposing criteria for the selection of Board members and making recommendations on the renewal of existing Directors ^(a). • Proposing individual and Group development plans to the Board. • Organizing and implementing the selection process for Directors and the Chair of the Board of Directors ^(b). • Setting of the objectives as well as the annual performance review of the Executive Management. • Establishing a succession plan for the Chairmanship, Executive Corporate Officers and Executive Management, particularly in the event of unforeseen vacancies, as well as their long-term succession plan ^(c). • The Committee is also informed of and discusses the succession plan and the appointment of Executive Committee members. In certain cases, it participates in the recruitment of certain key members of the Executive Committee. • The Chair of the Board and the Chief Executive Officer participate in the work of the Committee in certain cases: • Governance: <ul style="list-style-type: none"> • evaluating the qualification of Independent Director; • ensuring that the Board of Directors regularly conducts an evaluation of its operations and those of the Committees; • ensuring, and contributing to, the Company's compliance with corporate governance rules; • generally, to take up any matter that could involve a significant risk in terms of human assets or to study any question relating to governance that is submitted to it by the Board of Directors. • Corporate social responsibility: <ul style="list-style-type: none"> • examining the Group's strategic directions, as well as strategic projects and their economic, financial, societal, and environmental consequences; • reflecting on and modifying certain Group CSR strategy objectives; • reviewing of sustainable development issues; • discussing the report on social and environmental responsibility, the actions taken, and the Group's policy in this regard; • reviewing and ensuring the deployment of the strategy and commitments made; • ensuring the Group's compliance with laws and regulations relating to gender and salary equality and reviewing the associated indicators; • examination of the ethical and compliance issues covered by the Sapin 2 law.
Key work of the Committee in 2023	<p>The Committee's work in 2023 focused on:</p> <ul style="list-style-type: none"> • the evaluation of the Board's performance: <ol style="list-style-type: none"> 1. implementation of the action plan for year N-1, 2. monitoring of the implementation of the related recommendations; • reviewing of the independence of Directors with respect to the AFEP-MEDEF criteria; • examination of the situation of each Director with regard to obligations relating to independence and conflicts of interest; • reviewing of the Group's CSR activity; • reviewing of the 2022 Corporate Governance Report and the 2022 Universal Registration Document; • the review of the composition of the Committees and the Board of Directors (renewal); • the annual review of the performance and development of the Chief Executive Officer; • the setting of the Chief Executive Officer's objectives; • the emergency and long-term succession plans for the Chair of the Board and the Chief Executive Officer; • the commitments of the sustainable development Program and progress on our 2025 commitments; • the annual review of the organization and its human capital (including the diversity policy within the Group and Management). This included the review of progress with a focus on development and succession plans for key positions; • assisting the Board of Directors in monitoring social, non-discrimination and diversity policies; • requesting for information regarding recruitment issues and salary policy; • update on the Group's approaches to diversity, inclusion and gender mix; • an annual "Talent Review" process, the objectives of which include: <ol style="list-style-type: none"> 1. taking inventory of our leadership talent to ensure BIC's succession, 2. improving the anticipation of succession plans, 3. engaging in a stronger dynamic in the development of our talent, 4. discussion with the Chief Human Resources Officer and the General Counsel about the speak up cases.

The Chair of the Board of Directors attended Committee meetings for certain topics.

(a) The selection criteria are based on the desired balance in the composition of the Board of Directors, as well as on the qualification of its members. The Board has introduced a competency matrix to ensure that the competencies of the Board of Directors are and remain aligned with the Company's strategy and operations of the Board of Directors.

(b) The Committee may collaborate with the Chair of the Board of Directors and the CEO, as appropriate, in conducting such a search.

(c) The Chair of the Board of Directors and General Management are involved in the execution of these missions as required.

4.1.4.4 Evaluation of the Board and its Committees

Once a year, and in accordance with Article 11 of the AFEP-MEDEF Corporate Governance Code, the Board of Directors devotes time on its agenda to evaluating its operations, in order to:

- increase its effectiveness;
- ensure that key issues are properly prepared and discussed within the Board;
- measure each member's effective contribution to the Board's work and involvement in its deliberations.

With this in mind, the Board of Directors organizes an annual debate on its functioning, and every three years it carries out a formal assessment, implemented with the support of the Nominations, Governance and CSR Committee, possibly with the assistance of an outside consultant, in accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code.

During the second semester of 2022, when Nikos Koumettis took over as the new Chair of the Board, it has been decided to bring forward this triennial assessment.

In 2023, the Directors were once again asked to provide their assessment of the Board, using a questionnaire prepared by the Chair of the Nominations, Governance and CSR Committee and the Secretary of the Board of Directors. This evaluation procedure was then examined by the Nominations, Governance and CSR Committee.

This questionnaire served as the basis for interviews organized between the Directors and the Chair of the Nominations, Governance and CSR Committee. A summary of these interviews was drawn up by the Secretary of the Board, before being submitted to the Nominations, Governance and CSR Committee, and then to the Board of Directors.

The evaluation showed that the Board has continued to evolve positively, with significant improvements in the way the Board operates. Furthermore, the evaluation pointed out that the Directors are demonstrating a strong level of engagement, with a joint commitment to support the CEO and his mission.

The main recommendations arising from the evaluation relate to:

- considering potential adjustments in the Board composition to enhance the complementarity and compatibility of the Board members;
- focusing the work of the Board on M&A, CSR and Innovation;
- a continuous reinforcement of the relationships between the Board of Directors and the Executive Committee members;
- the need to encourage physical meetings of the Board of Directors wherever possible, in order to strengthen governance on strategic issues and facilitate training.

4.1.4.5 Ethics of Directors

Stock market ethics

While the Internal Regulations have always included provisions relating to trading BIC shares on the stock market, on December 2022, Société BIC adopted an Insider Trading Policy. This policy complies with the EU Market Abuse Regulation no. 596/2014 (MAR, the "Market Abuse Regulation"), which came into force on July 3, 2016, and AMF Position-recommendation no. 2016-08 as amended on April 29, 2021.

This Insider Trading Policy was presented to the Board of Directors' meeting dated December 12, 2022 and one of its purposes is to raise awareness among all Group staff, including Directors:

- the legislation and regulations applicable to the possession, disclosure and use of "inside information ⁽¹⁾" concerning the Company apply to them with regard to the information they have access to by virtue of their positions or duties for the Group;
- compliance with the blackout periods set by the Company;
- the penalties incurred in the event that these rules are breached;
- the rules on establishing, updating, and making available to the AMF a list of all individuals privy to Inside Information who are working for the Group pursuant to an employment contract or who holding any other position which may give them access to Inside Information.

The Board Internal Regulations, last amended on March 17, 2023, in its Title 2 also set out the ethical obligations applicable to Directors and their permanent representatives, with each Director acknowledging that he or she is aware of these obligations before accepting his or her mandate.

Finally, the Directors report to the Company and to the AMF any transaction carried out by them on BIC shares ⁽²⁾. The declaration also concerns transactions carried out by persons closely related to the Directors as defined by the applicable laws and regulations.

Rights and obligations of Directors

The Internal Regulations of the Board of Directors provide that its members are subject to obligations such as:

- acting in the interest of the Company;
- informing the Chair of the Board and the Board of any situation of conflict of interest (including any agreement entered into by the Company in which they are directly or indirectly interested); even potential, and to refrain from taking part in the vote on any resolution on a topic on which such conflict of interest exist;
- performing his or her duties in accordance with applicable legal provisions, in particular those relating to limitations on the number of directorships, and attending Board and Committee meetings regularly;

(1) *Inside Information is precise, non-public information which, if made public, could have a significant impact on the share price. Under the terms of Article 621-1, paragraph 3, of the AMF's General Regulations, such information is that which "a reasonable investor would be likely to use as a basis for his investment decisions".*

(2) *See section 4.1.2.8 - Directors' declarations referred to in Annex 1 of European Delegated Regulation n°2019/980.*



- be informed so as to be able to contribute in a useful manner to the discussions of the items on the agenda;
- considering him/herself bound by professional secrecy and be bound by an obligation of loyalty;
- complying with the Insider Trading Policy, notably with regard to securities transactions.

4.1.4.6 Procedure for declaring conflicts of interest

According to the Internal Regulations, all Directors must disclose to the Board, in full and in advance, any actual or potential conflict of interest concerning them. A conflicted Director may not participate in the discussions or decision-making on the subject.

4.1.4.7 Shareholders dialogue

The Board of Directors ensures that Shareholders and major investors receive relevant information on BIC's strategy, during meetings with minority Shareholders and major investors, in compliance with the principles of stock market ethics and equal access to information.

The Board was informed of the expectations and positions of the main investors and proxy advisors, expressed during meetings with the Company's management in charge of preparing the Shareholders' Meeting (Legal Department, Stakeholder relations department and Finance department). It also met to answer questions put by Shareholders prior to the Shareholders' Meeting.

The Board ensures that Shareholders and investors receive relevant information on BIC's strategy, during meetings with the main investors, in compliance with the principles of stock market ethics and equal access to information.

On September 11, 2023, an "investor update" day was held at the Cloud Business Center in Paris. Streamed on the Company's website, this event aimed, among other things, to showcase the Group's latest innovations in the fields of Digital Writing and Skin Creative.

In response to requests received, the Chair of the Board of Directors, accompanied by certain directors depending on the subject, also answered questions from individual Shareholders, institutional Shareholders, and stakeholder questionnaires.

4.2. CORPORATE OFFICER REMUNERATION

The Board of Directors follows the general guidelines, drawn up within the framework of the recommendations of the AFEP-MEDEF Corporate Governance Code, for the determination, review and implementation of its compensation policy. In accordance with the French Commercial Code ⁽¹⁾, this section of the report of the Board of Directors details the remuneration and benefits provided to Corporate Officers for or during FY 2023, as well as the applicable remuneration policy.

At the 2023 Shareholders' Meeting, Shareholders will be asked to vote on the following resolutions:

- approval of the information on the remuneration of Corporate Officers for 2023;
- approval of the remuneration of Gonzalve Bich, Chief Executive Officer, for 2023;
- approval of the remuneration policy for Executive Corporate Officers for FY 2024;
- approval of the remuneration of Nikos Koumettis, Chair of the Board for FY 2023;
- approval of the remuneration policy for the Chair of the Board for FY 2024;
- approval of the remuneration policy for Directors for FY 2024;
- approval of the envelope for the compensation to be allocated among members of the Board of Directors for 2024.

REMUNERATION POLICY FOR DIRECTORS AND CORPORATE OFFICERS OF SOCIÉTÉ BIC

The remuneration policy for Corporate Officers is determined by the Board of Directors upon the recommendation of the Remuneration Committee and following the principles and criteria in the AFEP-MEDEF Code of Corporate Governance. The remuneration policy follows the Code in all aspects.

The Board of Directors ensures that the remuneration policy is directly aligned with the Company's overall strategy and is in line with Shareholders' interests to support the Company's performance and competitiveness over the medium and long-term. Social and environmental issues related to the Company's business are also taken into account.

Principles of the remuneration policy

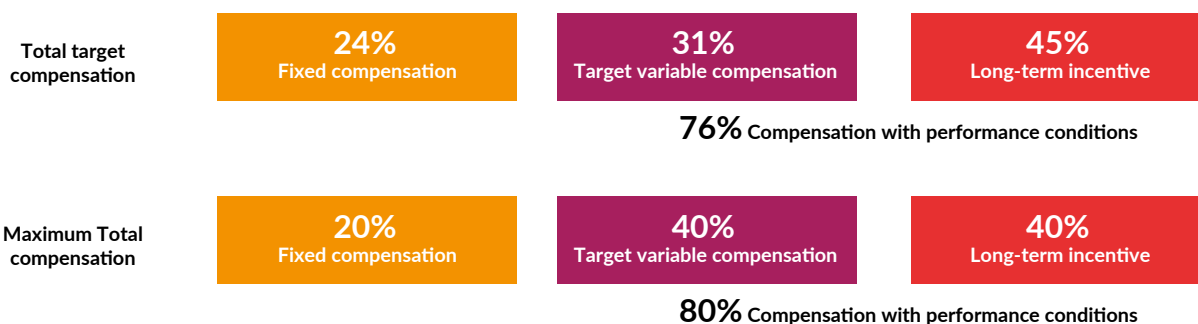
The remuneration policy for Executive Corporate Officers of SOCIÉTÉ BIC is based on the same total rewards philosophy that applies to all BIC Group team members and the framework criteria set out in the Code of Corporate Governance. The policy is based on the principles of comprehensiveness, balance between the remuneration components to ensure pay for performance, comparability, consistency, clarity of the rules, and proportionality.

The Chief Executive Officer is currently the only Executive Corporate Officer in activity, but the remuneration policy described in this document would apply to any future Executive Corporate Officer that could be nominated.

4

Pay-for-performance

PERFORMANCE CONDITIONS PREVAIL IN THE COMPENSATION OF THE EXECUTIVE DIRECTOR

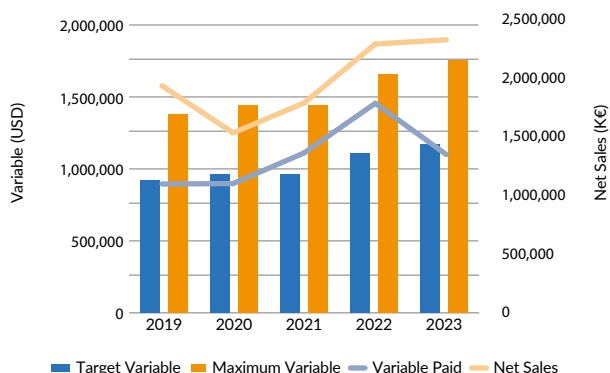


(1) Articles L. 22-10-28, L. 22-10-9, L. 22-10-34 and R. 22-10-14 in particular.

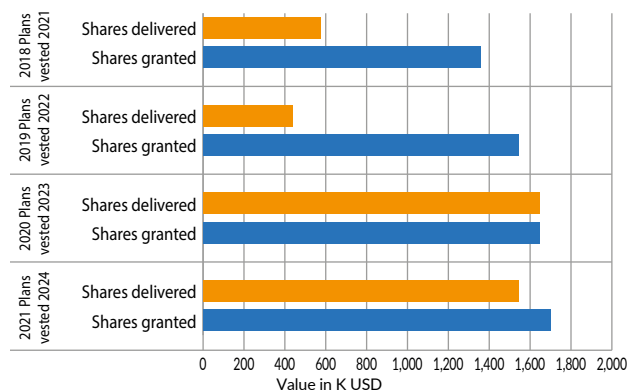


Ambitious short- and long-term performance plans aligned with the Company's strategic objectives

Rate of achievement of the performance conditions for the annual variable compensation of the Executive Corporate Officer



Challenging long-term performance objectives



4.2.1 ELEMENTS OF REMUNERATION AND BENEFITS PAID OR AWARDED DURING FY 2023 TO THE CHIEF EXECUTIVE OFFICER

The compensation paid or awarded for FY 2023 to Gonzalve Bich, Chief Executive Officer, was approved by the Board of Directors in its meetings of February 14 and March 17, 2023 on the recommendation of the Remuneration Committee. The total compensation is in compliance with the compensation policy as approved by the Shareholders' Meeting of May 16, 2023 with a vote of 91.01%.

REMUNERATION PAID OR AWARDED TO GONZALVE BICH DURING FY 2023

€ 820 544	€ 1 280 688	€ 1 414 229	€ 14 808
Fixed compensation	Variable annual compensation	Long-term incentive plan	Company car



"SAY ON PAY" TABLE RELATING TO THE COMPENSATION PAID OR AWARDED TO THE CHIEF EXECUTIVE OFFICER DURING FY2023

Element of remuneration		Amounts paid during FY 2023	Amounts awarded during FY 2023	Comments
Fixed Compensation	USD	887,500	887,500	At its meetings of February 14 and March 17, 2023, the Board of Directors decided on recommendation of the Remuneration Committee and after approval of the Shareholders' Meeting, to increase the gross annual fixed remuneration of the CEO to USD 900,000 with effect April 1, 2023.
	EUR	820,544	820,544	
Variable annual compensation	USD	1,349,205	999,180	<p>FY 2023 policy: The variable annual compensation is designed to compensate the performance achieved during the financial year in relation to the annual performance objectives set by the Board of Directors in accordance with the corporate strategy. The payment may vary between 0% and 130% of the fixed compensation if the quantitative and qualitative objectives are achieved (at target) and may reach a maximum of 195% if the Company achieves exceptional financial and non-financial performance in relation to the objectives.</p> <p>For the FY2023: At its meeting held on February 19, 2024, the Board of Directors, on the recommendation of the Remuneration Committee and after approval of the financial elements by the Audit Committee, determined the amount of the variable annual compensation for Gonzalve Bich for FY 2023:</p> <ul style="list-style-type: none"> • for the financial criteria, the variable remuneration for the year amounts to USD 718,380, which corresponds to an achievement rate of 61.4%; • for the individual criteria, the variable remuneration for the year amounts to USD 280,800, which corresponds to an achievement level of 80%. <p>Based on this assessment, the total amount of annual variable compensation for the CEO was set at USD 999,180, or 111.02% of his fixed annual compensation, for a target at 130%.</p>
	EUR	1,280,688	923,798	
Multi-year variable compensation		N/A	N/A	The CEO is not eligible to any multi-year variable cash compensation.
Exceptional compensation		N/A	N/A	The CEO is not eligible to any exceptional compensation.
Performance shares		-	23,681 performance shares	The total IFRS value of the shares granted in 2023 is stable compared to previous year at 1,414,229 euros.
Welcome bonus or compensation for termination of office		N/A	N/A	Under the 2023 Compensation Policy, the CEO is not eligible to any compensation for termination of office.
Supplementary pension scheme		Unfunded	Unfunded	As of December 31, 2023, Gonzalve Bich had accrued a pension benefit equivalent to 30.42% of the average remuneration over the last three years of service out of his 20.9 years of service. For reference, this is equal to an annual pension of 574,721 USD payable at age 65, inclusive of the U.S. Qualified Pension Plan benefit. In addition, he has also accrued a cash balance benefit of 101,763 USD as of December 31, 2023, which is based on compensation credits equal to 4% of base pay, accumulated with interest, for each year beginning with January 1, 2021. He has elected to receive his Restoration Plan benefit as a lump sum.
Collective healthcare and welfare schemes	USD	72,432	72,432	Gonzalve Bich is registered in the same health insurance and life insurance plans as the other executives in the U.S.
	EUR	66,968	66,968	
Other benefits	USD	15,600	15,600	Gonzalve Bich benefits from a company car allowance based on the same policy as the other executives in the U.S.
	EUR	14,423	14,423	

No employment contract was entered into between SOCIÉTÉ BIC and the Executive Corporate Officer. Given the personal situation of the Executive Corporate Officer, his remuneration is paid by BIC International in the United States.

4



4.2.1.1 Variable Remuneration of Gonzalve Bich

Under the provisions of the French Commercial Code ⁽¹⁾, payment of variable remuneration to Corporate officers requires a positive *ex post* vote at the Shareholders' Meeting. The assessment criteria for the 2023 financial year are outlined below.

Dialogue with Shareholders

The Company has continued the dialogue initiated in previous years with its main minority Shareholders, and their proxies. The intention of these meetings is to understand their perspective

and discuss solutions to concerns regarding remuneration policy. Past discussions highlighted a perceived lack of transparency regarding:

- the stringency of the targets; and
- the measurement of achievement of the variable remuneration and long-term incentive performance criteria for Executive Corporate Officers.

The Company has taken these remarks into consideration and has adapted the information provided in this document on the targets and results achieved.

Objective	Weighting	Minimum	Target	Maximum	Achievement level	Payout	Payout as a % of fixed compensation
Net Sales	25%	2,121.8 M€	+7.9% increase at budget currency	+11.8% increase at budget currency	72%	18%	23.5%
Group Adjusted Ebit	25%	291.1 M€	13% increase at budget currency	25% increase at budget currency	108%	27%	35.1%
Group Cash Conversion Cycle	20%	193 days	183 days	173 days	82%	16.4%	21.4%
Personal objectives	30%	11.7%	39.0%	58.5%	80%	24%	31.2%
TOTAL	100%	-	-	-	-	85.4%	111.02%

For 2023, the personal objectives represent 30% of the target variable remuneration and a maximum of 58.5% of the fixed remuneration. These individual objectives focused on ESG, including a specific Climate objective as recommended by the AMF-MEDEF guidelines, M&A activities, and Innovation.

The Climate objective was assessed to be on-track to achieve the targeted reduction in 50% of Scope 1 and 100% of Scope 2 emissions by 2030. In other areas of ESG, the number of women in the director population continues to progress and the results of the 2023 Engagement Survey showed a 4-point increase in engagement over the previous year, with a positive engagement rate of 79%, reflecting our commitment to an inclusive and productive workplace.

Although no acquisition was finalized in 2023, the Board recognized the quality of the work undertaken to identify new targets. With regard to recent acquisitions, the Board is confident that following recent changes in the operational teams, the right leadership structure is now in place to deliver the expected results.

Regarding Innovation, the Board is confident that the trajectory and organization is now clearly established. Innovation vitality will continue to be an area of focus for 2024.

As a result, while the Board is satisfied with the progress being made, the performance assessment has led to a decision to pay the individual objectives at 80% of their target level, resulting in a payout of 999,180 U.S. dollars.

(1) Article L. 22-10-34 I.

4.2.1.2 Summary of the Remuneration due or granted to Gonzalve Bich for the fiscal year 2023

SUMMARY OF REMUNERATION, OPTIONS AND SHARES AWARDED TO GONZALVE BICH

(Table 1 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

		FY 2022 (in U.S. dollars) ^(a)	FY 2023 (in U.S. dollars) ^(b)
Compensation due in respect of the year (detailed in table 2)	USD	2,309,247	1,984,612
	EUR	2,191,976	1,834,886
Amount of multi-year variable compensation awarded during the year		N/A	-
Amount of stock options awarded during the year (detailed in table 4)	USD	-	-
	EUR	-	-
Amount of performance shares awarded during the year (detailed in table 6)	USD	1,385,160	1,529,630
	EUR	1,314,817	1,414,229
TOTAL	USD	3,694,407	3,514,242
	EUR	3,506,794	3,249,115

(a) Amounts in U.S. dollars were converted into euros at the average exchange rate for 2022 (1 EUR = 1.0535 USD).

(b) Amounts in U.S. dollars were converted into euros at the average exchange rate for 2023 (1 EUR = 1.0816 USD).

4

SUMMARY OF THE REMUNERATION OF GONZALVE BICH

(Table 2 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

		Amounts for FY 2022 (in U.S. dollars) ^(a)		Amounts for FY 2023 (in U.S. dollars) ^(b)	
		Due	Paid	Due	Paid
Fixed compensation	USD	850,000	850,000	887,500	887,500
	EUR	806,834	806,834	820,544	820,544
Annual variable compensation	USD	1,349,205	1,010,625	999,180	1,349,205
	EUR	1,280,688	959,302	923,798	1,247,416
Multi-year variable compensation		-	-	-	-
Other compensation		-	-	-	-
Directors' compensation		-	-	-	-
Benefits in kind		1) Car allowance:		1) Car allowance:	
	USD	15,600	15,600	15,600	15,600
	EUR	14,808	14,808	14,423	14,423
		2) Company contributions to U.S. savings plans:		2) Company contributions to U.S. savings plans:	
	USD	9,150	9,150	9,900	9,900
	EUR	8,685	8,685	9,153	9,153
		3) Other:		3) Other:	
	USD	85,292	85,292	72,432	72,432
	EUR	80,961	80,961	66,968	66,968
TOTAL	USD	2,309,247	1,970,668	1,984,612	2,334,637
	EUR	2,191,976	1,870,590	1,834,886	2,158,503

(a) Amounts in U.S. dollars were converted into euros at the average exchange rate for 2022 (1 EUR = 1.0535 USD).

(b) Amounts in U.S. dollars were converted into euros at the average exchange rate for 2023 (1 EUR = 1.0816 USD).



STOCK OPTIONS GRANTED TO GONZALVE BICH BY THE COMPANY DURING THE FINANCIAL YEAR

(Table 4 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Stock options granted during the fiscal year by the issuer and by any Group company (Nominative list)	Name and date of the plan	Number of options granted during the fiscal year	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Exercise date	Availability date	Performance conditions
Gonzalve Bich						No stock options were granted during the financial year 2023

STOCK OPTIONS EXERCISED BY GONZALVE BICH DURING THE FINANCIAL YEAR

(Table 5 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Stock options exercised during the fiscal year (Nominative list)	Name and date of the plan	Number of options granted during the fiscal year	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Exercise date	Availability date	Performance conditions
Gonzalve Bich						No stock options were exercised during the financial year 2023

PERFORMANCE SHARES AWARDED IN FY 2023 TO GONZALVE BICH

(Table 6 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Performance shares awarded during the fiscal year to each Corporate Officer by the issuer and by any Group company (Nominative list)	Number and date of the plan	Number of shares awarded during the fiscal year	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Award date	Availability date	Performance conditions
Gonzalve Bich	Plan P2023 (February 15, 2023)	23,681	1,414,229	March 31, 2026	March 31, 2026	1) Free Cash Flow 2) Innovation Vitality Rate 3) Rate of reusable, recyclable or compostable packaging

PERFORMANCE SHARES AWARDED IN FY 2022 TO GONZALVE BICH

(Table 6 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Performance shares awarded during the fiscal year to each Corporate Officer by the issuer and by any Group company (Nominative list)	Number and date of the plan	Number of shares awarded during the fiscal year	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Award date	Availability date	Performance conditions
Gonzalve Bich	Plan P2022 (February 15, 2022)	30,886	1,314,817	March 31, 2025	March 31, 2025	1) Free Cash Flow 2) Innovation Vitality Rate 3) Rate of reusable, recyclable or compostable packaging



PERFORMANCE SHARES THAT BECAME AVAILABLE IN FY 2023 TO GONZALVE BICH*(Table 7 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)*

Performance shares that became available for each Corporate Officer (nominative list)	Number and date of the plan	Number of shares that became available during the fiscal year	Award terms	Award year
Gonzalve Bich	Plan 16 (February 11, 2020)	24,481	100% of the initial allocation vests, based on the achievement of performance conditions	2020

PERFORMANCE SHARES THAT BECAME AVAILABLE IN FY 2022 TO GONZALVE BICH*(Table 7 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)*

Performance shares that became available for each Corporate Officer (nominative list)	Number and date of the plan	Number of shares that became available during the fiscal year	Award terms	Award year
Gonzalve Bich	Plan 12 (May 18, 2016)	2,500	50% of the initial allocation vests, based on the achievement of performance conditions	2016
Gonzalve Bich	Plan 15 (February 12, 2019)	8,330	49% of the initial allocation vests, based on the achievement of performance conditions	2019

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SUMMARY OF STOCK OPTIONS GRANTED WITH PERFORMANCE CONDITIONS*(Table 8 following the format of the French Financial Markets Authority Position-Recommendation No. 2009-16 de l'AMF)*

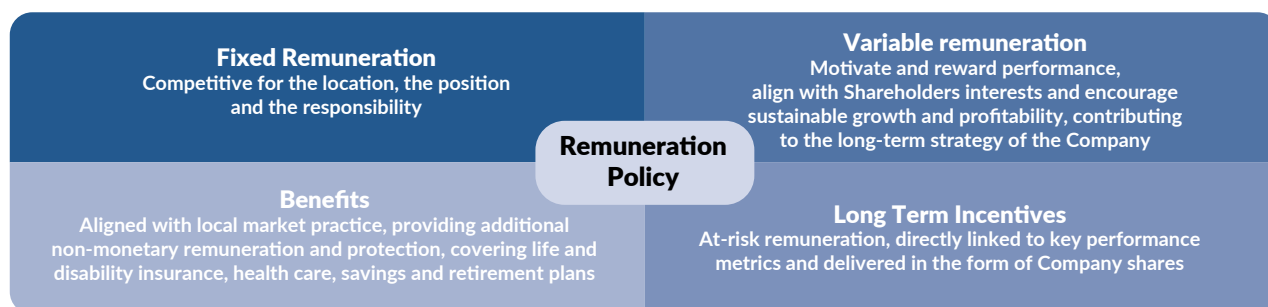
	Achieving Horizon	Achieving Horizon
Date of Shareholders Meeting	May 19, 2021	May 19, 2021
Date of Board Meeting	May 19, 2021	December 9, 2021
Total number of options granted, of which options granted to:	1,224,500	170,000
Gonzalve Bich, Chief Executive Officer	300,000	-
First possible date of exercise	February 28, 2026	February 28, 2026
Expiry date	May 19, 2031	December 9, 2031
Exercise price (Euros)	65	65
Exercise conditions	Performance conditions must be achieved as detailed in 4.2.2.3.	
Number of options exercised as of December 31, 2023	-	-
Number of options cancelled	217,500	-
Stock options outstanding at the end of the financial year	1,007,000	170,000



4.2.2 REMUNERATION POLICY FOR EXECUTIVE CORPORATE OFFICERS

Overview of remuneration structure

The overall remuneration package of the Executive Corporate Officers is based on the same compensation structure as all the Company's executives and is composed of four components. These components are balanced between fixed and at-risk elements of remuneration.



The overall remuneration package, and the mix between fixed and at-risk remuneration, is determined in the context of the local and global markets in which BIC competes for talent and the level of responsibility and impact of the team member. The competitiveness of the remuneration package is benchmarked both locally and globally, with our industry peers but also more broadly with companies of similar scope.

The Company has continued its policy of listening to proxies and Shareholders and has taken on board in this document the request for increased transparency on the definition and measure of performance objectives. The 2023 remuneration policy for Executive Corporate Officers was approved by 91% of the Shareholders at the Shareholders' Meeting of May 16, 2023, with approval at the same level as 2022.

2023 AGM Resolutions	Policy to be voted	% of positive votes	% of positive votes 2022 AGM for reference
15	Say-on-Pay report 2022	93.43%	94.04%
16	Remuneration paid to Chief Executive Officer for 2022	90.41%	91.79%
17	2023 Remuneration Policy – Executive Corporate Officers	91.01%	91.68%
18	Remuneration paid to Chair (John Glen) for 2022	99.93%	99.94%
19	Remuneration paid to Chair (Nikos Koumettis) for 2022	99.93%	-
20	2023 Remuneration Policy – Chair	99.93%	99.94%
21	2023 Remuneration Policy – Board of Directors	99.98%	99.97%

Presented below is the report of the Board of Directors on the compensation policy for the Executive Corporate Officers of the Company which will be submitted to the Shareholders for their approval. The compensation policy outlined below was discussed and approved by the Board of Directors, on recommendation of

the Remuneration Committee, in its meeting of February 19, 2024. The Chief Executive Officer is currently the only Executive Corporate Officer in the Company. The remuneration policy detailed in this document would also apply to any future Executive Vice-Presidents should such an appointment be made.

Fixed remuneration	CEO – USD 950,000 Executive Vice-President – USD 700,000
Variable remuneration	CEO – Target at 130% Maximum at 195% Executive Vice-President – Target at 75% Maximum at 112.5%
Long-term incentive plan	CEO – Maximum of 2,000,000 euros facial value Executive Vice-President – Maximum of 800,000 euros facial value
Pension scheme	The Chief Executive Officer participates in a supplementary pension plan, the BIC Restoration Plan. This plan is governed under U.S. rules and is unfunded. In case of the nomination of an Executive Vice-President, they will be enrolled in a supplementary pension plan in line with the legislation of the country in which they are based.
Deferred commitments	The Chief Executive Officer has no deferred commitments.
Multi-year/exceptional variable remuneration	There is currently no multi-year or exceptional variable remuneration component in the Executive Corporate Officers remuneration policy. Any such element will be communicated and justified.
Remuneration in case of departure	The Board of Directors, on recommendation of the Remuneration Committee and the Nomination Committee, has decided to amend the Remuneration Policy for Executive Corporate Officers to clarify the departure package framework that could be called upon in case of departure of an Executive Corporate Officer (including future hires). As part of the review undertaken, the Board has also clarified which elements of this framework would be applicable to the current Chief Executive Officer. The revised departure package framework is proposed as follows: <ul style="list-style-type: none"> • Vesting of performance shares will be allowed on a pro-rata temporis basis. The initial vesting schedule and performance conditions will remain in place. • The possibility for the Board to implement a non-compete clause, to be paid over a defined period of time. The non-compete clause will not be paid in case of retirement. • A termination indemnity, subject to performance conditions, the amount and conditions of which will be defined at the time of hiring. The current Chief Executive Officer will not be entitled to a termination indemnity on departure from the company. In line with AFEP-MEDEF guidelines the combination of the non-compete payment and the termination indemnity will not exceed an amount equal to 24 months of base salary and annual bonus.
Sign-on bonus	The current Chief Executive Officer does not have any element in his remuneration package related to a sign-on bonus. In the case of the nomination of an Executive Vice President from a company outside of the group, the Board of Directors may decide to pay a sign-on element which would be paid in line with current guidelines. This benefit would only compensate the new Executive Corporate Officer for the loss of entitlements from which he or she previously benefited. The amount would be duly disclosed at the time it is determined, and disclosure would include details of whether the payment is periodic or deferred.
Other	Company car allowance/collective healthcare and welfare schemes in line with local benefit plans provided to all BIC executives.



Method of determining competitiveness of the remuneration for Executive Corporate Officers

As with all team members, the fixed element of the Executive Corporate Officers remuneration package is determined based on:

- the level and complexity of responsibilities;
- experience and career history;
- individual performance; and
- market analyses for comparable functions.

The Company seeks to ensure that its remuneration policy is in line with the markets in which the Group operates and where its top executives are based, allowing it to remain attractive in an increasingly global talent marketplace. The Executive Corporate Officer and senior executives of BIC are today located essentially in the United States and in Europe.

The Remuneration Committee, working closely with an external compensation consultant, WTW, identifies and recommends to the Board of Directors the key criteria for the determination of the panel of companies that constitute the peer group used in determining the competitiveness of the Executive Corporate Officers remuneration package.

In light of investor and proxy feedback on the composition of the peer group used in the past, the Remuneration Committee, in collaboration with the Nominations Committee, undertook in 2023 a complete review of these criteria with the aim of creating a single peer group, composed of one-third of US companies, one-third of French companies and one-third of other European companies. Establishing a peer group of companies comparable to BIC in terms of industry was complex, so the Committees focused their work on establishing a peer group where BIC was situated at the median with regard to enterprise value, revenue, market capitalization and headcount. The companies identified on these criteria also need to be similar to BIC in terms of production volume, geographic and business diversity, including high volume manufacturing companies with a global industrial footprint. To ensure the perennity of the peer group, a reserve list of companies was also approved.

US Companies	European Companies	
Edgewell Personal Brands	SEB S.A.	Ebro Foods S.A.
ACCO Brands Corporate	Verallia S.A.	Brembo S.p.A.
Acushnet Holdings Corp.	Bonduelle S.C.A	F.I.L.A. S.p.A.
Gentherm Incorporated	Unibel S.A.	Nokian Renkaat OYJ
Central Garden and Pet Company	CIE Automotive	Fiskars oyj Abp

An additional study of family-owned companies with a family member serving as CEO indicate that these companies pay the CEO at market rates. BIC is placed at the median of the peer group companies with regard to the criteria used to constitute the group and as such, the Remuneration Committee and the Board of Directors, recommend that the remuneration policy reflect the practice of other family-owned companies.

COMPETITIVE POSITION OF THE CHIEF EXECUTIVE OFFICER

The percentages in the table below reflect the comparatio, or the comparison *versus* the median of the peer group data for each component of the 2023 compensation package and served as the basis for the discussion on the remuneration policy for 2024. The data for 2021 and 2022 is as reported in previous years, and based on the former US peer group.

Comparatio of each compensation element	Base Salary	Target Total Cash	Long-Term Incentives	Total Direct Remuneration
Chief Executive Officer (2021)	79%	81%	39%	54%
Chief Executive Officer (2022)	87%	91%	39%	60%
Chief Executive Officer (2023)	97%	101%	146%	125%

4.2.2.1 Fixed remuneration

At the beginning of each year, the Board, on the recommendation of the Remuneration Committee, sets the fixed remuneration of the Executive Corporate Officers for the fiscal year. Their

decision is based on the past performance of the Executive Corporate Officer, the responsibilities and the complexity of the challenges to be faced for the years to come, personal qualities and market analyses for comparable functions and, as the case may be, overall pay review at Group level.

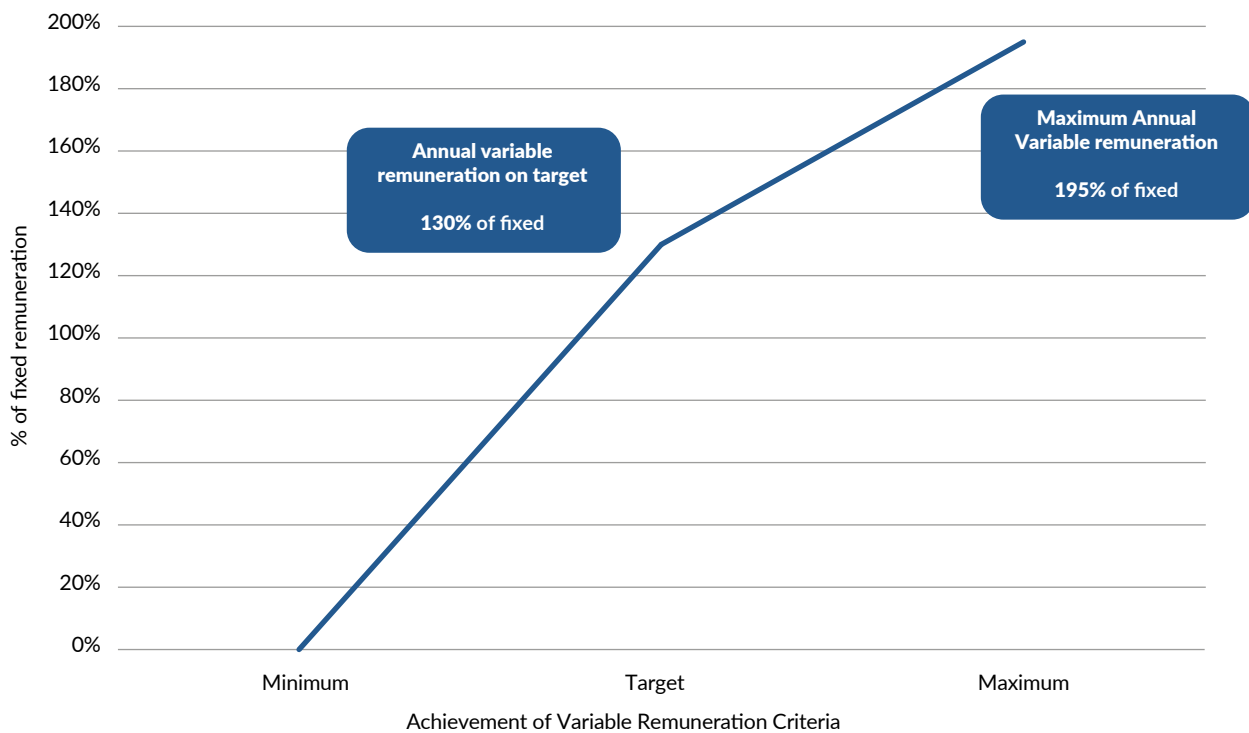


The Board of Directors, upon the recommendation of the Remuneration Committee, has decided to increase the fixed remuneration of the CEO to USD 950,000 per annum with effect April 1, 2024. The Board feels that it is in the best interest of all the stakeholders to ensure that the CEO compensation package continues to be aligned with the peer market data for Executive Corporate Officers with similar experience and scope of responsibility. The volatility and the increased complexity of managing activities across the global footprint of the company, including activities in countries impacted by geopolitical and economical instability requires strong leadership from a seasoned CEO.

The proposed increase is comparable to the average salary increase awarded to BIC employees in 2024 of 4.56%. The salary increases for team members continue to higher than in the past due to the ongoing impact of inflation. The revised base salary will impact the facial value of the target annual variable remuneration for 2024 however the long-term incentive award is not impacted, as this award is not calculated as a percentage of fixed remuneration. The total at-target remuneration package will increase by 3.14%.

4.2.2.2 Short-term variable remuneration

The annual short-term variable remuneration for the Executive Corporate Officers of SOCIÉTÉ BIC is determined as a percentage of their fixed remuneration.



Payout of the bonus will be strongly aligned with business results. For each financial objective:

- a **minimum level of performance**, which is the level of business performance achieved in the prior year;
- a **target fixed at the budget** approved by the Board of Directors;
- a **maximum payout triggered by the achievement of a level of performance determined by the Board of Directors for the coming year**.

Between each milestone, the payout is calculated by linear interpolation.

The variable remuneration for 2024 will be calculated based on three quantitative criteria which measure the achievement of financial objectives, and a qualitative component which will focus on measurable, qualitative goals linked to the success of the transformation of the Company, the growth initiatives, and ESG targets in line with the Writing the Future, Together commitment taken by the Company.

The Board of Directors, under the guidance of the Nominations Committee, have reviewed the process of determining and assessing the achievement of the personal objectives for the Chief Executive Officer. In order to ensure a robust and transparent assessment process, a revised achievement scale has been determined with clear objectives and measures. These annual targets are not disclosed for confidentiality reasons but the actual rate of achievement of each target will continue to be disclosed in section 4.2.1.1 of this document. The targets have been decided by the Board of Directors, acting on the recommendation of the Nominations Committee, according to the priorities set by the Board of Directors.

The financial objectives are based on the operating plan recommended by the Audit Committee and approved by the Board of Directors, at budgeted foreign currency exchange rates. The achievement of each of the financial criteria will be assessed individually and the target for 100% payout will be in line with any guidance communicated externally.



Variable remuneration criteria (all at Group level)	2023	2024
Financial Objectives		
Net Sales, in value	25%	25%
Adjusted EBIT, in value	25%	25%
Cash Conversion Cycle, in number of days ^(a)	20%	20%
Personal Objectives	30%	30%
of which:		
ESG - Planet and People	5%	10%
<ul style="list-style-type: none"> • Climate – drive the action plan generated by the Greenhouse Gas emission reduction targets announced in 2022, targeting a reduction in 50% of Scope 1 and 100% of Scope 2 emission by 2030 • Employee Engagement - Drive focus on employee engagement levels 		
Long Term Innovation		10%
<ul style="list-style-type: none"> • Drive the Innovation Vitality Rate and ensure an innovation pipeline to fuel the growth expected under the Horizon strategy 		
M&A/Growth		10%
<ul style="list-style-type: none"> • Identify new growth businesses in line with the targeted annual investment plan, while ensuring value capture plans are executed 		
Other focus areas	25%	-
TOTAL	100%	100%

(a) Cash Conversion Cycle = Days Sales Outstanding (DSO) + Days Inventory Outstanding (DIO) – Days Payable Outstanding (DPO).

The year-end assessment of the qualitative objectives will continue to be performed by the Nominations Committee, with the participation of all Directors, based on the specific targets for each criteria for the year, and is presented to the Board of Directors for review, discussion and approval.

The assessment considers the overall achievement during the year of each criteria and results in a payout aligned with achievement.

4.2.2.3 Long-Term Incentives

Long-term incentive grants to executives and other critical team members are a core part of BIC's total rewards strategy. These grants align remuneration with business results and are an integral part of a competitive remuneration strategy.

Since 2005, the Board of Directors has, in line with the authorization granted by the Shareholders' Meeting, maintained a policy of granting shares (or options). The conditions of the performance share plan applicable to the Executive Corporate Officer are the same as those applied to all other beneficiaries of the plan. The vesting period for all plans is three years and delivery of the shares is based on business performance over the vesting period, aligning the interests of Shareholders and our team members. For the Achieving Horizon exceptional stock option grant detailed below, a five-year performance period was fixed to align with the timing of the *Horizon* Plan.

Grant of performance shares

For the Executive Corporate Officers, the maximum market value at grant for each individual is as indicated below. This practice was put in place in February 2020 following a decision by the Board of Directors to come into line with market practice and grant Performance Shares in value and not in units.

Position	Maximum Market Value of Performance Shares at Grant Date
Chief Executive Officer	2,000,000 euros, representing circa 2.5 times the fixed remuneration
Executive Vice-President (if appointed)	800,000 euros

The total number of Performance shares granted to the Executive Corporate Officers (over the period covered by the resolution approved by the Shareholders' Meeting) will not exceed 0.4% of the share capital as of the date of the decision to grant the shares by the Board of Directors.

Performance conditions for performance shares

The Board of Directors set the performance targets at the beginning of each performance period. Actual performance is assessed according to the achievement versus the operating plan approved by the Board, each year, over the three-year plan.



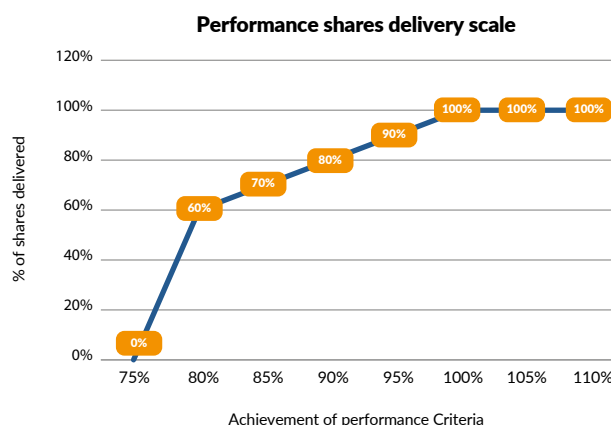
Performance Condition	Weight	Detail
Free Cash Flow	50%	Cash from Operating Activities less Capital Expenditure, consistent with Group's focus on Net Cash Generation
Innovation Vitality Rate	40%	Net Sales from innovations as defined by Plan rules, divided by total Net Sales, consistent with the Horizon strategy
Rate of Reusable, Recyclable or Compostable Packaging	10%	Contributing to our ESG commitments by increasing the rate of reusable, recyclable or compostable packaging across our product lines

Actual performance is assessed separately for each objective against a yearly target set at the beginning of the performance period by the Board of Directors.

Payouts are dependent on the business performance and follow stringent payout calculation rules.

Payout calculation for each objective is as follows:

- for every 1% below the target objective, the number of shares vested is reduced by 2%;
- if the average achievement percentage of the objective is less than 80%, no shares will be delivered;
- the vesting related to each objective is capped at 100% of the related target number of shares.



4

To the best of the Company's knowledge, no hedging instruments have been put in place by the Corporate Officers mentioned in tables 6 and 7. Moreover, these Corporate Officers have made a formal commitment not to use hedging instruments.

Shareholding Requirement Guidelines

BIC Executive Corporate Officers and Executive Committee members are required to retain 20% of shares granted as registered shares throughout their time in office. The 20% holding requirement applies to each grant and:

- is reduced to 10% when the Chief Executive Officer and the Executive Vice-President own the equivalent of five or three years, respectively, of their base remuneration in BIC shares;
- is waived when, and so long as, Executive Committee members own the equivalent of two years of their base remuneration in BIC shares ⁽¹⁾.

Achieving Horizon Stock Option Plan

In 2021, the Board decided to leverage the use of stock options to strengthen the alignment of Senior Management and Shareholders with regard to the delivery of the Horizon strategy. After approval of the Annual General Shareholders Meeting in May 2021, a one-time exceptional grant of options, restricted to certain key executives including the CEO, was decided, based on performance conditions and a 5-year vesting period. No further grants will be made under this plan which was implemented on an exceptional basis.

(1) The reference for base salary is the annual gross base salary at December 31 in the previous year (Year Y-1). The number of shares that must be held is calculated using the average share price at close of market for the final 30 trading days in the previous year (Year Y-1), multiplied by the average closing exchange rate in the previous year (Year Y-1) as published by BIC Group Treasury. On December 31, 2023, the CEO had already fulfilled this minimum requirement with the equivalent of over five years of base salary in BIC shares.



For the Executive Corporate Officers, the maximum IFRS value at grant is as indicated below.

Position	Maximum IFRS Value of Stock Options at Grant Date
Chief Executive Officer	2,500,000 euros, representing circa 1.4 times the annual target remuneration

Performance conditions for Achieving Horizon Stock Option Plan

The Achieving Horizon Stock Options Plan is based on demanding long-term performance conditions directly linked to the delivery of the Horizon Plan. Objectives were set by the Board at the beginning of the vesting period focused on growth and profitability in line with the Horizon Plan mid-single digit annual growth trajectory announced in November 2020. The Board will assess achievement of the performance conditions when FY 2025 results are published. No progressive or phased vesting is considered for this plan (cliff effect). To this effect, if the performance conditions are not met no options may be exercised. The vesting is capped at 100% of the total target number of options regardless of whether the performance conditions are over-achieved.

Conditions for retaining share-based entitlements in the event of departure

Performance shares

On the recommendation of the Remuneration Committee, the Board of Directors has clarified the rules applicable to performance shares in the event of the departure of an Executive Corporate Officer, to limit the situations where the Company has to rely on a discretionary assessment at the time of such departure.

In all cases, the performance conditions continue to apply throughout the specified vesting period and shares can only vest in advance of the initial vesting date in the case of death of the Executive Corporate Officer. In all other situations, the initial vesting date will apply.

The Stock Options granted under the Achieving Horizon plan are not concerned by these modifications and their treatment is detailed in the next section.

Event occurring before the vesting date	Outcome
Resignation from the position of Executive Corporate Officer before the term of office and unrelated to a succession plan	Complete forfeiture of any unvested awards
Death or disability	Eligibility to full grant maintained under the standard plan provisions and as per Article L.225-197-3 of the French commercial code
Departure due to retirement or statutory age limit	Eligibility to full grant maintained under the standard plan provisions
Resignation of Executive Corporate Officer in connection with an orderly succession plan	Partial eligibility on a pro-rata temporis basis, over the period from the grant date to termination date
Dismissal of Executive Corporate Officer by decision of the Board	

The pro-rata temporis vesting of outstanding performance shares would be subject to Board approval in the case of dismissal of an Executive Corporate Officer by decision of the Board, disclosed at the time of departure.

Stock Options

If an Executive Corporate Officer leaves the Company during the vesting period (except in case of death), s/he may not retain any right to be delivered unvested Stock Options. In the event of death or retirement during the exercise period, stock options might be maintained.

4.2.2.4 Pension plans

The Executive Corporate Officers are eligible to supplementary pension plans as detailed below.

Gonzalve Bich is a member of the BIC CORPORATION Restoration Plan (a U.S. supplementary pension plan). This has existed since 2006 and benefits selected Company executives whose remuneration taken into account in the U.S. Qualified Pension Plan is restricted by regulations.

The plan benefits are subject to having been a participant in the plan for at least five years.

Method for determining the pensionable remuneration: the pensionable remuneration is the average remuneration based on the highest three consecutive years within the last 10 years.

Rate at which pension rights vest: this plan provides for a single life annuity, payable at normal retirement age (65) equal to:

- 1.1% of the Social Security ceiling plus 1.5% of average pay in excess of the Social Security ceiling;
- multiplied by the number of years of service (not to exceed 35 years);
- plus 1.4% of average pay per year of service in excess of 35 years.

The plan also includes the pension granted by the U.S. Qualified Pension Plan. Full vesting at age 52 with 15 or more years of service or at age 60 with five years of participation. Full vesting in the U.S. Qualified Plan occurs at five years of service:

In addition, the Plan provides early retirement benefits for beneficiaries prior to age 65 (age 62 if they retire, or after age 55 with 10 or more years of service).

In accordance with IAS 19, provisions are funded by BIC CORPORATION for the commitments arising from this plan.

Maximum Payments: not applicable.

Method of funding: the Restoration Plan is unfunded. The U.S. Qualified Pension Plan is funded through a trust.

Other expenses paid by the Company: BIC pays the cost of administration, accounting valuations under IAS 19 and funding valuations for the U.S. Qualified Pension Plan

As of December 31, 2023, Gonzalve Bich had accrued a pension benefit equivalent to 30.42% of the average remuneration over the last three years of service out of his 20.9 years of service. For reference, this is equal to an annual pension of 574,721 U.S. dollars payable at age 65, inclusive of the U.S. Qualified Pension Plan benefit. In addition, he has also accrued a cash balance benefit of 101,763 U.S. dollars as of December 31, 2023, which is based on compensation credits equal to 4% of base pay, accumulated with interest, for each year beginning with January 1, 2021. He has elected to receive his Restoration Plan benefit as a lump sum.

Should an Executive Vice-President be nominated, the Company will enrol them in a supplementary pension plan in line with the guidelines and regulations in place in the country of employment.

4.2.2.5 Benefits in kind

Executive Corporate Officers may receive a company car or an equivalent car allowance and standard health, life and disability coverage, equivalent to the benefits granted to other BIC Executive leaders based in the same country.

4.2.2.6 Termination Payment and Sign-on Bonus

The Chief Executive Officer is not eligible to a termination payment upon leaving the Company.

Under the provisions of the Executive Corporate Officer Remuneration Policy, and in case of nomination of a new Executive Corporate Officer, the Board reserves the right to:

- consider a termination indemnity, subject to pre-determined performance conditions and in line with AFEP-MEDEF Code guidelines;
- provide for a sign-on bonus for newly hired Executive Corporate Officers from a company outside the Group and reflecting the personal circumstances of Executive Corporate Officers hired. This benefit would only compensate the new Executive Corporate Officer for the loss of entitlements from which he or she previously benefited. The amount would be duly disclosed at the time it is determined, including if the payment is periodic or deferred.

Payment of the termination indemnity would be excluded in the event of departure due to retirement or if the beneficiary is over 65 years of age.

4.2.2.7 Other components

As part of the Executive Corporate Officer Remuneration Policy, the Board reserves the right to enter into a non-compete agreement. The conditions of the non-compete clause would include the possibility for the Board to waive its payment, and the combined amount of the non-compete clause and any termination indemnity would not exceed the 2-year ceiling of fixed plus variable remuneration as recommended by the AFEP-MEDEF Code. Any decision to enter into a non-compete agreement will be duly justified and communicated at the time of entering into the agreement.

4.2.2.8 Claw back clause

Where a beneficiary is found guilty of misconduct by the Board while employed by or providing services to the Company, the Board of Directors may, at its sole discretion, seek the repayment of:

- the last annual variable remuneration paid to the incumbent;
- the last long-term incentive delivered to Executive Corporate Officers.

4



4.2.2.9 Commitments concerning Corporate Officers (related to the start or end of a term of office)

(Table 11 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Corporate Officers	Employment contract		Supplementary pension plan		Indemnities and benefits due or likely to be due because of a termination or change in positions		Non-competition indemnities	
	Yes	No	Yes	No	Yes	No	Yes	No
Nikos Koumettis Chair of the Board Initial date of appointment: May 18, 2023 Term: AGM 2025		X		X		X		X
Gonzalve Bich Chief Executive Officer Initial date of appointment: June 2, 2016 Term: AGM 2025		X ^(a)	X (See Section 4.2.2.4)		X			X

(a) No employment contract was signed by SOCIÉTÉ BIC and Gonzalve Bich. His remuneration is paid by BIC International. No termination indemnity is provided for these roles, which can be terminated at any time. Dependent on the reason of the departure, the right to unvested performance shares might be maintained.

4.2.3 REMUNERATION AND BENEFITS PAID OR ALLOCATED FOR FY 2023 TO NON-EXECUTIVE CORPORATE OFFICERS AND DIRECTORS

Applying the rules defined by the Board of Directors and approved by the Annual Shareholders' Meeting of May 16, 2023, non-executive Corporate Officers received the following remuneration in respect of the duties performed in 2022 and 2023.

COMPENSATION RECEIVED BY THE NON-EXECUTIVE CORPORATE OFFICERS

(Table 1 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Nikos Koumettis Chair (non-executive)	FY 2022 (in euros)	FY 2023 (in euros)
Remuneration due in respect of the year (detailed in Table 2)	200,000	300,000
Amount of multi-year variable remuneration awarded during the year	-	-
Amount of stock options awarded during the year	-	-
Amount of performance shares awarded during the year	-	-
TOTAL	200,000	300,000

COMPENSATION RECEIVED BY THE NON-EXECUTIVE CORPORATE OFFICERS

(Table 2 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Nikos Koumettis Chair (non-executive)	Amounts for FY 2022 (in euros)		Amounts for FY 2023 (in euros)	
	Due	Paid	Due	Paid
Fixed remuneration	200,000	200,000	300,000	300,000
Annual variable remuneration	-	-	-	-
Multi-year variable remuneration	-	-	-	-
Extraordinary remuneration	-	-	-	-
Directors' fees	-	-	-	-
Fringe benefits	-	-	-	-
TOTAL	200,000	200,000	300,000	300,000

4



COMPENSATION PAID TO DIRECTORS

(Table 3 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

Of the 600,000 euros allocated to Directors Fees by the Annual Shareholders' Meeting of May 16, 2023, a total of 528,850 Euros was paid to Directors for FY 2023. Total remuneration and fringe benefits awarded for FYs 2022 and 2023 by SOCIÉTÉ BIC and

by the companies it controls to members of the Management bodies of SOCIÉTÉ BIC are detailed below. In application of the remuneration policy, the Directors representing BIC employees received a fixed element of remuneration for their role.

	Directors' remuneration relating to 2022 (in euros)	Directors' remuneration relating to 2023 (in euros)
Elizabeth Bastoni (Chair of the Remuneration and Nominations Committees until May 16, 2023)	99,000	31,833
Marie-Pauline Chandon-Moët (until May 16, 2023)	35,875	15,833
Maëlys Castella (Chair of the Audit Committee)	69,100	69,600
Candace Matthews (Chair of the Nominations Committee since May 16, 2023) ^(a)	94,000	95,083
Marie-Aimée Bich-Dufour	50,000	53,000
SOCIÉTÉ M.B.D.	53,000	56,000
Jake Schwartz	59,000	59,000
Timothée Bich	39,000	42,000
Carole Callebaut-Pinwica (Chair of the Remuneration Committee since May 16, 2023)	-	44,667
Véronique Laury (since May 16, 2023)	-	35,000
Vincent Bedhome (until October 2023)	14,000	11,667
Héla Madiouni (since March 2023)	-	11,667
Pascal Chevallier (since October 2023)	-	3,500
Inna Kostuk ^(b)	11,667	-
TOTAL FROM AUTHORIZED SUM	524,642	528,850

(a) Candace Matthews benefits from a specific arrangement for a fixed amount of 30,000 euros instead of the travel allowance, as per prior agreement.

(b) Inna Kostuk resigned as of October 14, 2022.

4.2.4 REMUNERATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS

The conditions governing Directors remuneration within the total annual amount of corporate officer remuneration authorized by the Shareholders' Meeting are determined by the Board of Directors on the basis of a recommendation from the Remuneration Committee.

Chair of the Board

The Chair of the Board is the only Non-Executive Corporate Officer.

The remuneration policy for the Chair of the Board has a single fixed component and the Chair is not eligible to any variable or equity based compensation. The fixed compensation is set based on market practice, and was reviewed in 2021 in preparation of the nomination of Nikos Koumettis as Chair of the Board in May 2023. Subsequent to this review, no change was made and the fixed annual gross remuneration of the Chair of the Board remains at 300,000 euros. This payment is excluded from the yearly amount of Directors' remuneration presented below.

The Chair of the Board is not eligible to any supplementary pension plan or other fringe benefits.

Directors

During 2021, the Remuneration Committee worked with WTW on establishing a benchmark for the compensation policy for the Directors. The review of the benchmark data led the Board of Directors to determine a new structure for Directors fees, fixed for the three-year period covering financial years 2023 to 2024. This new policy was submitted for vote at the Shareholders' Meeting of May 16, 2023, Shareholders set the maximum amount of Directors' remuneration for FY 2023 at 600,000 euros.

The amounts paid for duties performed in 2023 are aligned with this policy and the overall envelope continues to be allocated between the Directors based on role(s), responsibilities and attendance. The variable part of the directors' remuneration is intended to represent the majority of their remuneration as Directors.

For the FY 2024, the compensation policy for the Board of Directors will remain unchanged but the overall envelope will be reduced to 550,000 euros in line with previous years when there was no expected overlap of Directors.

Board of Directors		Fixed remuneration	14,000 euros <i>per annum</i> – prorated for duration of membership during the year
		Variable remuneration	25,000 euros <i>per annum</i> for participation in all Board Meetings – prorated in case of absence.
Intercontinental meeting allowance		Variable remuneration	3,000 euros additional per meeting on continent other than that of residence*
Audit Committee	Chair	Fixed remuneration	19,100 euros <i>per annum</i> – prorated upon duration of time in role during the year
	Committee member	Fixed remuneration	14,000 euros <i>per annum</i> – prorated upon duration of membership during the year
Nominations Committee	Chair	Fixed remuneration	15,000 euros <i>per annum</i> – prorated upon duration of time in role during the year
	Committee member	Fixed remuneration	11,000 euros <i>per annum</i> – prorated upon duration of membership during the year
Remuneration Committee	Chair	Fixed remuneration	15,000 euros <i>per annum</i> – prorated upon duration of time in role during the year
	Committee member	Fixed remuneration	11,000 euros <i>per annum</i> – prorated upon duration of membership during the year

* Candace Matthews benefits from a specific arrangement for a fixed amount of 30,000 euros instead of the travel allowance, as per prior agreement.

The Chief Executive Officer does not receive any remuneration for his role as a Director.

Directors representing the Employees receive the Fixed component of Directors' remuneration in recognition of their duties as Directors. Their work on Committees is considered as remunerated through their employment compensation.

No member of the Executive Committee receives Directors' remuneration for serving as Corporate Officers or Directors of any Company subsidiary.



4.2.5 ADDITIONAL INFORMATION RELATED TO THE REMUNERATION POLICY

4.2.5.1 Internal Consistency and Proportionality

To ensure the alignment of the organization in driving the transformation strategy outlined by the Company, the Executive Committee ensure that the remuneration principles that are applied to the Executive Corporate Officers are also shared across the whole organization. Remuneration of team members is differentiated to reflect:

- the level of responsibility;
- individual and collective performance;
- team member potential; and
- differing competitive market practices.

At the most senior levels, the proportion of remuneration at risk under the variable remuneration and long-term incentive plans represent significant components of the executive's overall package. The indicators used to measure payout of the short-term and long-term incentives are the same as those applied to the Chief Executive Officer. The interest of the executive is thereby aligned to the interests of the Shareholders.

To reinforce the importance of our Sustainability objectives, underlined in the 4R philosophy and the Writing the Future, Together commitment, all Executive Committee members have an element of their annual variable compensation calculated on CSR criteria. These CSR criteria are included in their individual objectives and range from improving the Diversity and Inclusion of the teams to the improvement of the environmental footprint of the product ranges under their responsibility.

In a continued effort to underlign the importance of the Sustainability agenda, starting with the development of new

products and the renewal of our core product lines, starting with the 2023 calendar year, the Company will enforce the inclusion of at least one ESG criteria in the individual objectives of all team members who play a role in Product Development.

Remuneration policies are clearly communicated to management and executives, both in terms of their structure and the alignment with BIC's strategy and business objectives. Each executive receives a detailed statement on a yearly basis confirming the performance levels taken into account in their variable remuneration calculation, and individual grant letters outline the performance criteria for the long-term incentive plans.

4.2.5.2 Pay equity ratio

In accordance with the requirements of the French PACTE law, the following table presents the pay equity ratio and the annual evolution of compensation, pay equity ratio and company performance over a five-year period.

The scope for calculating the ratio includes all legal entities in France, constituting a scope covering the different activities of the Group. The ratio covers 100% of team members present in France.

The following elements of compensation were taken into account:

- fixed and variable compensation paid during the year in question ⁽¹⁾;
- share awards recognized at IFRS value at the grant date;
- gross profit sharing awards;
- benefits in kind such as company cars;
- divided equivalents paid during the year.

(1) The variable compensation paid in 2021 for FY 2020 is included in the 2021 data.



(all figures are in euros)	2019	2020	2021	2022	2023
FX rate EUR/USD	1.1196	1.1405	1.1832	1.0535	1.0816
Net sales (in million euros)	1,949.4	1,627.9	1,813.9	2,233.9	2,263.3
Evolution N-1	=	-17%	+11%	+23%	+1%
Total compensation					
Chair of the Board	300,000	300,000	300,000	300,000	300,000
Chief Executive Officer	2,728,952	2,846,374	2,943,533	3,185,408	3,496,612
Executive Vice-President	1,608,130	789,665	-	-	-
Executive Vice-President	464,915	-	-	-	-
Average compensation BIC employees	55,781	49,682	48,931	49,559	53,928
Median compensation BIC employees	38,353	35,169	33,983	34,346	37,533
Ratio on average salary					
Chair of the Board	5	6	6	6	6
Evolution N-1	+2 points	+1 point	=	=	=
Chief Executive Officer	49	57	60	64	65
Evolution N-1	+11 points	+8 points	+3 points	+4 points	+1 point
Executive Vice-President	29	32	-	-	-
Executive Vice-President	8	-	-	-	-
Ratio on median salary					
Chair of the Board	8	9	9	9	8
Evolution N-1	+3 points	+1 point	=	=	-1 point
Chief Executive Officer	71	81	84	91	93
Evolution N-1	+16 points	+10 points	+3 points	+7 points	+2 points
Executive Vice-President	42	45	-	-	-
Executive Vice-President	15	12	-	-	-

4

4.2.5.3 Global Long Term Incentive plans (performance-based shares)

The Board of Directors, in line with the power granted by the Shareholders' Meeting, and on the recommendation of the Remuneration Committee, grants eligible executives three-year performance-based share grants. The vesting period and performance conditions linked to these grants are the same as those approved for the Chief Executive Officer, ensuring alignment with the strategic ambitions and the interest of the Shareholder throughout the management levels of the Company.

On the recommendation of the Remuneration Committee, and with the aim of rewarding team members selected by Management and key contributors during the year, the Board of Directors has also implemented a policy of free share grants, linked to the continued presence of the team member over the three-year and one month vesting period but with no performance conditions.

For performance share plans granted from 2021 onwards, performance is assessed according to the achievement of three objectives:

Performance Condition	Weight	Detail
Free Cashflow	50%	Cash from Operating Activities less Capital Expenditure, consistent with Group's focus on Net Cash Generation
Innovation Vitality Rate	40%	Net Sales from innovations launched over the past three years divided by total Net Sales, consistent with the Horizon strategy
Rate of Reusable, Recyclable or Compostable Packaging	10%	Contributing to our ESG commitments by increasing the rate of reusable, recyclable or compostable packaging across our product lines



The payout of each performance criteria is assessed independently and subject to the following payout calculation:

- if the average percentage over the three-year period is between 80% and 100%, the number of shares acquired by

each beneficiary on the vesting date is reduced by 2% compared to the initial grant for each percent below 100%;

- if the average percentage of each performance condition over the three-year period is less than 80%, no shares are acquired.

RESULTS OF THE PLANS VESTED THROUGH TO 2023: INDEX OF ACHIEVEMENT OF PERFORMANCE CONDITIONS, PER CRITERIA AND PER PLAN

	Plan 11 (2015-2017)	Plan 12 (2016-2018)	Plan 13 (2017-2019)	Plan 14 (2018-2020)	Plan 15 (2019-2021)	Plan 16 (2020-2022)	Plan 17 (2021-2023)	Average of the plans
Net sales growth	71.9	48.6	23.6	47.8	67.6	102.8	-	60.4
Cash Flow	100.6	102.2	100.2	99.2	99	101.4	108.9	101.6
Innovation Vitality Rate							92.2	92.2
Rate of Reusable, Recyclable or Compostable Packaging							195	195
Vesting as% of the initial grant	72%	50%	-	49%	49%	100%	93.6%	69%

To the best of the Company's knowledge, no hedging instruments have been put in place by the Corporate Officers. Moreover, these Corporate Officers have made a formal commitment not to use hedging instruments.

The total number of shares granted under these plans is reported in Note 23 to the consolidated financial statements.

FREE SHARES GRANTED AND TRANSFERRED IN 2023 TO THE TOP TEN MEMBERS OF THE GROUP WHO ARE NOT CORPORATE OFFICERS

(Table 9 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

	Number of shares	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Vesting date	Availability date	Plan No
• Shares granted during the fiscal year by the issuer or by any company included in the perimeter of allocation of shares to the 10 employees of the issuer and of any such company allocated the highest number of shares ^(a)	57,080	3,408,831	March 31, 2026	March 31, 2026	P 2023
• Shares transferred during the fiscal year by the issuer or by any company included in the perimeter of allocation of shares to the 10 employees of the issuer and of any such company who are transferred the highest number of shares ^(a)	46,578	2,781,638	March 31, 2023	March 31, 2023	Plan 16

(a) These shares are all allocated subject to performance conditions.

HISTORY OF PERFORMANCE SHARE PLAN ALLOCATIONS

(Table 10 following the format in French Financial Markets Authority Position-Recommendation No. 2009-16)

	Plan No. 11	Plan No. 12	Plan No. 13	Plan No. 14	Plan No. 15	Plan No. 16	Plan No. 17	Plan P2022	Plan P2023
Shareholders' Meeting	May 15, 2013	May 18, 2016	May 18, 2016	May 16, 2018	May 16, 2018	May 16, 2018	May 16, 2018	May 19, 2021	May 19, 2021
Board Meeting	Feb. 10, 2015	May 18, 2016	Feb. 10, 2017	May 16, 2018	Feb. 12, 2019	Feb. 11, 2020	Feb. 16, 2021	Feb. 15, 2022	Feb. 14, 2023
Number of free shares granted	176,740	159,680	155,790	170,720	162,025	234,118	244,181	240,156	194,037
Of which shares granted to Corporate Officers (% of BIC shares as of Dec. 31, 2023)									
• Gonzalve Bich	4,500 (0.01%)	5,000 (0.01%)	8,000 (0.02%)	15,000 (0.03%)	17,000 (0.04%)	24,781 (0.05%)	30,298 (0.07%)	30,886 (0.07%)	23 681 (0.06%)
End of Vesting Period	Mar. 10, 2018	May 18, 2019	Mar. 31, 2020	May 16, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Mar. 31, 2026
End of Holding Period	Mar. 10, 2021	Mar. 31, 2023	Mar. 31, 2020	May 16, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Mar. 31, 2026
Performance conditions	1) Net sales growth on a comparative basis 2) Net cash flow from operations and change in inventory, as a percentage of net sales					1) Free Cash Flow 2) Innovation Vitality Rate 3) Rate of reusable, recyclable or compostable packaging			
Total number of shares vested as of December 31, 2023	105,096	64,365	-	58,434	52,573	170,160	-	-	-
Total number of void or lapsed shares as of December 31, 2023 ^(a)	71,884	94,025	155,790	112,286	109,452	63,958	75,111	35,212	16,560
TOTAL NUMBER OF PERFORMANCE SHARES OUTSTANDING AS OF DECEMBER 31, 2023	-	-	-	-	-	-	169,070	204,944	177,477

(a) Performance shares lapsed following the departure of the beneficiaries from the Company or the non-realisation of the performance conditions.

4



Shares allocated with or without performance conditions

The Board of Directors, in line with the power granted by the Shareholders' Meeting, and on the recommendation of the Remuneration Committee, grants eligible executives three-year performance-based share grants. The vesting period and performance conditions linked to these grants are the same as those for the Chief Executive Officer.

On the recommendation of the Remuneration Committee, and with the aim of rewarding team members selected by

Management and key contributors during the year, the Board of Directors implemented a policy of free share grants, linked to the continued presence of the team member over the three-year and one month vesting period but with no performance conditions.

In 2021, the Board of Directors approved the grant of free standard shares to all employees of the Company, with the exception of the Chief Executive Officer, under the Sharing Horizon Employee Share Plan. These standard shares had no performance conditions attached and were delivered in 2023 to all employees still present with the Company at the end of the two-year vesting period.

The summary of the grants under these plans is provided below:

	Performance Shares	Standard Shares	Sharing Horizon
2023 Grants	194,037 shares	102,959 shares	-
	184 beneficiaries	742 beneficiaries	
2022 Grants	240,156 shares	118,750 shares	-
	173 beneficiaries	743 beneficiaries	-
2021 Grants	244,181 shares	137,322 shares	59,720 shares
	158 beneficiaries	660 beneficiaries	11,944 beneficiaries
2020 Grants	234,118 shares	30,613 shares	-
	501 beneficiaries	242 beneficiaries	-
2019 Grants	162,025 shares	17,550 shares	-
	496 beneficiaries	239 beneficiaries	-

The total number of shares is reported in Note 23 to the consolidated financial statements.

4.2.5.4 Total remuneration

All amounts mentioned in this section take into consideration the length of service of the Board member or Executive Corporate Officer, or of membership of the Executive Committee during the fiscal year in question.

The total amount of fixed and variable remuneration awarded to the Chair of the Board and the Executive Corporate Officers for FY 2023 is equal to 1,120,544 euros in fixed remuneration (base) and 923,798 euros in variable remuneration. For FY 2022, the three Corporate Officers received 1,131,835 euros in fixed remuneration (base) and 1,280,688 euros in variable remuneration.

The team members on the Executive Committee (11 team members including the Chief Executive Officer) received for FY 2023 4,787,628 euros in fixed remuneration (base) and 5,356,912 euros in variable remuneration. For FY 2022, the Executive Committee had 11 team members and the amounts were 4,907,688 euros in fixed remuneration (base) and 2,782,494 euros in variable remuneration.





COMMENTS ON THE YEAR

5.1. OPERATIONS AND CONSOLIDATED RESULTS	212
The Group in 2023	212
2023 Group non-financial performance	214
2023 Group performance by category	214
2023 Group performance by region	217
5.2. FINANCIAL AND CASH POSITIONS	219
5.3. DIVIDENDS	220
5.4. INVESTMENTS	221
Key investments in recent years	221
Key investments in 2023	222
Key ongoing investments: geographic distribution and financing methods	222
Key future investments	222



5.1. OPERATIONS AND CONSOLIDATED RESULTS

THE GROUP IN 2023

2023 Key Events

March	Héla Madiouni was appointed as Director representing the employees for the Board of Directors of Société BIC. She replaced Inna Kostuk who resigned on October 14, 2022.
May	Véronique Laury and Carole Callebaut Piwnica were appointed as Directors. Candace Matthews, Jacob (Jake) Schwartz and Timothée Bich were renewed as Directors.
September	During its 2023 Investors update, BIC delivered an interim update on its five-year Horizon Strategic Plan.
October	Pascal Chevallier was appointed as Director representing the employees to the Board of Directors of Société BIC. He replaced Vincent Bedhome, whose term has expired.

FY 2023 Net Sales increased by 1.3% at actual currencies, 3.5% on a comparative basis and 9.2% at constant currencies. All divisions contributed to the growth at constant currency. Q4 2023 net sales increased 15.9% at constant currency (including +13.5 points impact from Argentina) overall driven by double digit growth in Latin America and robust performance in Europe notably in the Blade Excellence division.

CONDENSED PROFIT AND LOSS ACCOUNT

(in million euros)	FY 2022	FY 2023
Net Sales	2,233.9	2,263.3
Cost of goods	1,155.9	1,115.2
Gross profit	1,078.0	1,148.1
Administrative & net other operating expenses/ (gain)	774.5	827.6
EBIT	303.5	320.5
Finance revenue/costs	(26.1)	(7.5)
Income before tax	277.4	313.0
Income tax expense	(78.8)	(86.5)
Net Income Group Share	198.6	226.5
Earnings per Share Group Share (in euros)	4.52	5.30
Average number of shares outstanding (net of treasury shares)	43,974,525	42,740,269

FY 2023 gross profit margin increased 2.4 points to 50.7%, favorably impacted by strong price/mix and manufacturing and procurement efficiencies. This was partially offset by input cost inflation (raw material and electricity costs), unfavorable fixed cost absorption and forex (mainly due to USD/MXN, USD/ARS, and EUR/TRY, while EUR/USD hedging was favorable), as well as negative mix from less contribution from US Lighter sales.

FY 2023 adjusted EBIT margin reached 14.7%, versus 14.0% in FY 2022. This was a result of gross profit improvements which were partially offset by increased operating expenses and brand support investments.

FY 2023 Adjusted EBIT was 333.1 million euros, a 6.2% increase versus prior year.

KEY COMPONENTS OF THE CHANGE IN ADJUSTED EBIT MARGIN

(in % points)	2023 vs. 2022	
• Change in Gross Profit		+2.4
• Brand Support ^(a)		(0.5)
• OPEX and other expenses ^(a)		(1.2)
Total change in Adjusted EBIT margin		+0.7

(a) Brand support, OPEX and other expenses include Net Sales operating leverage impact. Other expenses include notably freight & distribution and R&D.

NON-RECURRING ITEMS

(in million euros)	2022	2023
EBIT	303.5	320.5
As % of Net Sales	13.6%	14.2%
Rocketbook earnout and Djeep price adjustment (2022), Lucky Stationery and Rocketbook earnout (2023)	+0.7	(0.5)
Acquisition costs related to Inkbox (January 2022) and other acquisition costs (2023)	+4.4	+1.9
Restructuring costs including US Supply chain relocation plan & Inkbox reorganisation	-	+6.8
Ukraine operations impairment	+3.0	-
Unfavorable french pensions	-	+4.4
Adjusted EBIT	311.7	333.1
As % of Net Sales	14.0%	14.7%

NET INCOME AND EPS

(in million euros)	FY 2022	FY 2023
EBIT	303.5	320.5
Finance revenue/costs	(26.1)	(7.5)
Income before Tax	277.4	313.0
Net Income Group share	198.6	226.5
Adjusted Net Income Group Share	225.2	243.4
Adjusted EPS (in euros)	5.12	5.70
EPS (in euros)	4.52	5.30

FY 2023 finance revenues/costs increase versus last year was mainly due to the 2022 fair value adjustment related to the Virtual Power Purchase Agreement in Greece. 2023 income from cash and cash equivalents also increased versus the previous period due to higher interest rates, especially on euro, on US dollar and on Argentinean peso.

Net Income Group share stood at €226.5 million versus €198.6 million last year.

FY 2023 effective tax rate was 27.6% vs. 28.4% for FY 2022.



2023 GROUP NON-FINANCIAL PERFORMANCE

Water consumption: There was a 4% decrease in water consumption per ton of production between 2022 and 2023. BIC production is not water intensive and most of the consumption is due to domestic use. In 2023, water management, improvement in cooling process and overall maintenance contributed to this decrease in water consumption.

Energy consumption: The Group has improved its energy efficiency by 11% in ten years. BIC launched a number of energy efficiency projects in 2023 in accordance with the GHG emissions reduction plan started in 2022, which focuses on cutting fossil-fueled energy consumption. The projects included setting up heat recovery systems at plants, installing heat networks, replacing standard light bulbs with LED bulbs, optimizing processes, conducting energy consumption studies, and introducing more energy-efficient equipment.

Renewable electricity: In 2023, 91% of the Group's electricity was renewable. The increase in the share of renewable electricity versus total electricity consumption is due to the initiation of the Power Purchase Agreement (PPA) in Mexico and the purchase of Renewable Energy Certificates (RECs) in India.

Greenhouse gas emissions: Total GHG emissions (Scope 1, Scope 2 market based, Scope 3 excluded indirect use phase emissions of sold products) were estimated at 662,717 teqCO₂ in 2023. This represents a 9% decrease in emissions versus 2022.

Waste: In 2023, BIC has reduced by 5% its quantity of non-hazardous waste generated per ton of production, in comparison to 2022. BIC's production of hazardous waste has increased by 3%.

Headcount: In 2023, 65% of the headcount received training (as of December 31, 2023) with an average of 1.7 days per employee.

Diversity: In 2023, women accounted for 44% of permanent team members in the Group:

- 39% in Europe;
- 46% in North America;
- 52% in Latin America;
- 36% in Middle East Africa;
- 45% in Asia-Pacific/Oceania; and
- 33% in India.

Health and Safety:

The frequency rate of accidents resulting in lost work time for BIC headcount decreased from 2.60 to 1.51 in 2023. We identified the major causes of the incidents and focused on those which caused the most injuries in the previous years, especially machinery safety. This year's results have improved thanks to the regular sharing of experiences to raise staff awareness of risk situations, the introduction of risk prevention training and the reduction of machine risks with protective guards and interlocking devices.

Across the full organization in 2023, there were 36 accidents involving BIC team members. The severity rate of occupational accidents for BIC headcount was 0.08 in 2023.

Human Rights: 92% of the Group's Net Sales are of products produced in its factories. 65% of these factories are located in free countries according to Freedom House.

Education: At end of 2023, BIC estimated that 199 million children had their learning conditions improved through direct actions with children or activities with teachers and parents since 2018.

2023 GROUP PERFORMANCE BY CATEGORY

NET SALES AND INCOME FROM OPERATIONS (EBIT) BY PRODUCT CATEGORY 2022-2023

(in million euros)	Net Sales		EBIT	
	2022	2023	2022	2023
Human Expression - Stationery	838.8	845.9	21.3	51.1
Flame for Life - Lighters	871.6	851.5	304.0	288.6
Blade Excellence - Shavers	497.0	536.8	64.1	67.3
Other Products	26.6	29.1	(2.8)	(1.0)

ADJUSTED EBIT AND EBIT BY PRODUCT CATEGORY 2022-2023

(in million euros)	aEBIT		EBIT	
	2022	2023	2022	2023
Human Expression - Stationery	25.4	60.5	21.3	51.1
Flame for Life - Lighters	305.5	290.4	304.0	288.6
Blade Excellence - Shavers	66.6	68.4	64.1	67.3
Other Products	(2.8)	(0.8)	(2.8)	(1.0)

ADJUSTED EBIT MARGIN AND EBIT MARGINS BY PRODUCT CATEGORY 2022-2023

(in %)	aEBIT Margin		EBIT Margin	
	2022	2023	2022	2023
Human Expression - Stationery	3.0%	7.2%	2.5%	6.0%
Flame for Life - Lighters	35.0%	34.1%	34.9%	33.9%
Blade Excellence - Shavers	13.4%	12.7%	12.9%	12.5%

Human Expression – Stationery

Full Year 2023 Net Sales totaled 845.9 million euros, up 0.8% as reported, +2.5% on a comparative basis and +10.2% at constant currency. Performance was driven by growth in Latin America, Europe and Middle East and Africa. Positive price and mix contribution through further innovation and trade-up, was partially offset by lower volumes in Developed Markets.

- **In Europe**, the geographical expansion in the Eastern countries, combined with BIC's focus on its iconic products, such as 4-Colors, drove a mid-single-digit growth at constant currency. Net Sales were boosted by a new range of 4-Colors, Media Clic, and Super Clip. BIC gained market share in key countries such as France and the UK, both online and offline, thanks to its value-for-money positioning which is increasingly relevant to consumers.
- **In the US**, net sales were driven by both core products (Correction Tape and Mechanical Pencil) as well as our Skin Creative segment (Inkbox semi-permanent tattoos and Bodymark tattoo marker), in line with the Horizon strategy to grow in innovative segments. Despite a declining market, BIC remains a great value-for-money

brand appealing to consumers and therefore maintained its market share notably boosted by Mechanical Pencil, Correction Tape, Highlighters, and Gel segments. Also strengthening its digital capabilities, BIC continued to grow in e-commerce, growing net sales by double digits and gaining 1.0 pt of market value share⁽¹⁾.

- **In Latin America**, net sales grew by double digits in Brazil, driven by favorable price and mix. Key products such as 4-Colors and Coloring Felt Pen grew double digit, boosted by strong commercial execution with major clients.
- **In the Middle East and Africa**, net sales grew by double digits, fueled by both volume and price. Several key regions contributed to growth, such as West Africa and South Africa, which was driven by a strong Back to School sell-in.

The Full Year 2023 Human Expression division adjusted EBIT margin was 7.2% versus 3.0% in 2022. The increase was driven by a favorable price/mix, lower raw material costs, brand support investments, and manufacturing efficiencies. This was partially offset by unfavorable currency fluctuations, mainly the US dollar/Mexican peso, unfavorable fixed cost absorption, and higher operating expenses.



(1) Year to Date December 2023: NPD.



Flame for Life – Lighters

Full Year 2023 Net Sales stood at 851.5 million euros, down 2.3% as reported, down 0.3% on a comparative basis and up 3.3% at constant currency. Performance was driven by distribution gains in Latin America, Europe and the Middle East and Africa. Volumes were negatively impacted by performance in the US but grew mid single digit versus pre-covid-19 levels.

- **In Europe**, net sales grew high single digit driven by core lighter products and further distribution gains in Eastern Europe, as well as premium products such as DjEEP and the EZ Reach launch, in line with our strategy to capture more flame occasions. The EZ Reach pocket utility lighter was launched into most major markets in Europe and accounted for almost 20% of total division's growth versus last year.
- **In the US**, the total lighter market declined by 6.3% in volume and 2.8% in value⁽¹⁾. However, BIC maintained its leadership position, gaining share in volume, +0.7 pts, and value, +1.3 pts boosted by the utility segment. Our EZ Reach lighter reached 5.8% of market share in value⁽²⁾, up +0.4 points thanks to strong distribution and in-store visibility in the Modern Mass Market. In 2023, the US lighters business performance was negatively impacted by an unfavorable comparative basis in Q1 2023 as a result of negative phasing versus Q1 2022 (which benefited from delayed shipments following supply issues in Q4 2021) as well as competitive imports coming from Asia.
- **In Latin America**, Brazil net sales grew double digit driven by favorable price and mix, as well as increased distribution of decorated and utility lighters. The launch of the BIC EZ Reach utility pocket lighter in the fourth quarter was successful and contributed to net sales performance.
- **In Middle East and Africa**, net sale performance was driven by distribution expansion across the regions, notably Morocco, Egypt and South Africa.

The Full Year 2023 Flame for Life division adjusted EBIT margin reached 34.1% versus 35.0% in 2022 driven by higher raw material costs, unfavorable fixed cost absorption, negative mix from less contribution from US Lighter sales, as well as increase in brand support investment (EZ Reach launch in Europe) and operating expenses. This was partially offset by strong price and favorable EUR/USD hedging.

Blade Excellence – Shavers

Full Year 2023 Net Sales were at 536.8 million euros, up 8.0% as reported, up 11.6% on a comparative basis, and up 17.8% at constant currency. Overall performance was fueled by higher volumes and market share gains across all key regions⁽³⁾. This was a result of added value and new products' robust Net Sales performance in the 3 to 5 blade and Hybrid ranges, notably in Europe and Latin America.

- **In Europe**, BIC successfully grew market share both in Western (France, Italy) and Eastern Europe (Poland, Romania) thanks to its value for money proposition in an inflationary environment. Net sales grew double digits, fueled by distribution gains. The 3 blade (Bic Flex 3) and Hybrid (Soleil Click and Hybrid Flex 5) segments were the largest contributors to net sales growth.
- **In the US**, performance was driven by our innovations including Easy Rinse, Soleil Escape, Sensitive 5 and Flex 5 Hybrid as consumers shifted to premium items, supporting BIC's strategy to grow in these added-value segments. E-commerce performance added to Net sales growth, growing double digit thanks to strong execution and the success of new products. In a declining market, BIC gained market share in both Male and Female disposable segments and ended the year at +0.3 pts of total disposables⁽⁴⁾.
- Our trade-up strategy towards a value-added 3 blade-offering, along with volume increases, yielded solid results **in Latin America**. Net sales grew double digit in both Brazil and Mexico driven by the Soleil and Flex ranges as well as Comfort 3. In Brazil, we continued to develop our product portfolio manufactured locally. BIC solidified its #2 position, gaining market share in both volume, +0.8 pts, and value, +0.6 pts⁽⁵⁾, with further distribution gains and strong commercial execution through key marketing campaigns on premium products. In Mexico, innovations like Flex 5 and Soleil Escape, as well as distribution gains in traditional trade and Modern Mass Market brought incremental market share growth.

Full Year 2023 Blade Excellence division adjusted EBIT margin was 12.7% versus 13.4% in 2022 impacted negatively by electricity costs inflation in the first half of the year, unfavorable forex (mainly the US dollar/Mexican peso) and unfavorable fixed cost absorption partially offset by favorable price and mix and manufacturing efficiencies. The margin was also impacted by higher brand support investments, mostly related to the launch of BIC® EasyRinse and its major advertising campaign in the US.

Other Products

Full Year 2023 Net Sales for Other Products totaled 29.1 million euros, up 9.3% as reported and up 10.4% on a comparative basis.

Full Year 2023 Adjusted EBIT for Other Products was a negative 0.8 million euros, compared to a negative 2.8 million euros in 2022.

Unallocated costs

Adjusted EBIT for FY 2023 unallocated costs were negative 85.5 million euros, compared to negative 83.0 million euros in 2022.

(1) Year to Date December 2023: IRI, estimated 70% market coverage.

(2) Year to Date December 2023: Circanor (IRI).

(3) Year to Date December 2023: IRI, Nielsen.

(4) Year to Date December 2023: IRI.

(5) Year to Date December 2023: Nielsen.



2023 GROUP PERFORMANCE BY REGION

NET SALES BREAKDOWN BY REGION

(in million euros)	2022	2023	Change as reported	Change on a comparative basis
Group				
Net Sales	2,233.9	2,263.3	+1.3%	+3.5%
Europe				
Net Sales	636.7	665.9	+4.6%	+8.9%
North America				
Net Sales	954.9	882.9	(7.5)%	(5.1)%
Latin America				
Net Sales	390.6	461.7	+18.2%	+12.0%
Middle East & Africa				
Net Sales	136.4	154.2	+13.1%	+26.6%
Asia & Oceania (Including India)				
Net Sales	115.3	98.6	(14.6)%	(7.9)%

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES

(in %)	2022	2023
Perimeter	+1.4	+0.2
Currencies	+8.8	(3.1)
• Of which USD	+5.7	(1.1)
• Of which BRL	+1.3	+0.1
• Of which MXN	+0.7	+0.5
• Of which CAD	+0.3	(0.2)
• Of which ZAR	+0.0	(0.2)
• Of which NGN	+0.1	(0.4)
• Of which TRY	(0.5)	(0.4)
• Of which INR	+0.2	(0.1)
• Of which RUB and UAH	+0.6	(0.8)

SENSITIVITY OF USD-EURO FLUCTUATION

(in %)	2022	2023
+/- 5% change in USD impact on Net Sales	+/-2.1	+/-1.9
+/- 5% change in USD impact on IBT	+/-0.3	+/-0.8

Europe

Europe includes Western and Eastern Europe. In 2023, Net Sales in Europe totaled 665.9 million euros, a year-on-year increase of 3.5% on a comparative basis:

- **Human Expression:** The geographical expansion in the Eastern countries, combined with BIC's focus on its iconic products, such as 4-Colors, drove a mid-single-digit growth at constant currency. Net Sales were boosted by a new range of 4-Colors, Media Clic, and Super Clip. BIC gained market share in key countries such as France and the UK ⁽¹⁾, both online and offline, thanks to its value-for-money positioning which is increasingly relevant to consumers.
- **Flame for Life:** Net sales was driven by core lighter products and further distribution gains in Eastern Europe, as well as premium products such as Djeep and the EZ Reach launch, in line with our strategy to capture more flame occasions.

(1) Year to date December 2023: IRI



- **Blade Excellence:** BIC successfully grew market share both in Western (France, Italy) and Eastern Europe (Poland, Romania) thanks to its value for money proposition in an inflationary environment. Net sales grew double digits, fueled by distribution gains.

North America

The North America region includes the United States and Canada. In 2023, Net Sales in the region totaled 882.9 million euros, down 5.1% on a comparative basis:

- **Human Expression:** Net sales were driven by both core products (Correction Tape and Mechanical Pencil) as well as our Skin Creative segment (Inkbox semi-permanent tattoos and Bodymark tattoo marker), in line with the Horizon strategy to grow in innovative segments. Despite a declining market, BIC remains a great value-for-money brand appealing to consumers and therefore maintained its market share notably boosted by Mechanical Pencil, Correction Tape, Highlighters, and Gel segments.
- **Flame for Life:** The total lighter market declined in volume and in value⁽¹⁾. However, BIC maintained its leadership position, gaining share in volume and value boosted by the utility segment. Our EZ Reach lighter reached 5.8% of market share in value⁽²⁾, up +0.4 points thanks to strong distribution and in-store visibility in the Modern Mass market. In 2023, the US lighters business performance was negatively impacted by an unfavorable comparative basis in Q1 2023 as a result of negative phasing versus Q1 2022 (which benefited from delayed shipments following supply issues in Q4 2021) as well as competitive imports coming from Asia.
- **Blade Excellence:** Performance was driven by our innovations including Easy Rinse, Soleil Escape, Sensitive 5 and Flex 5 Hybrid as consumers shifted to premium items, supporting BIC's strategy to grow in these added-value segments. E-commerce performance added to Net sales growth, growing double digit thanks to strong execution and the success of new products.

Latin America

In 2023, Latin America Net Sales totaled 461.7 million euros, a year-on-year increase of 12.0 % on a comparative basis:

- **Human Expression:** Net sales grew by double digits in Brazil, driven by favorable price and mix. Key products such as 4-Colors and Coloring Felt Pen grew double digit, boosted by strong commercial execution with major clients.

- **Flame for Life:** Brazil net sales grew double digit driven by favorable price and mix, as well as increased distribution of decorated and utility lighters. The launch of the BIC EZ Reach utility pocket lighter in the fourth quarter was successful and contributed to net sales performance.
- **Blade Excellence:** Our trade-up strategy towards a value-added 3 blade-offering, along with volume increases, yielded solid results in Latin America. Net sales grew double digit in both Brazil and Mexico driven by the Soleil and Flex ranges as well as Comfort 3. In Brazil, BIC solidified its #2 position, gaining market share in both volume and value⁽³⁾, with further distribution gains and strong commercial execution through key marketing campaigns on premium products. In Mexico, innovations like Flex 5 and Soleil Escape, as well as distribution gains in traditional trade and Modern Mass Market brought incremental market share growth.

Middle East and Africa

In 2023, Net Sales for Middle East and Africa totaled 154.2 million euros, a year-on-year increase of 26.6% on a comparative basis:

- **Human Expression:** Net sales grew by double digits, fueled by both volume and price. Several key regions contributed to growth, such as West Africa and South Africa, which was driven by a strong Back to School sell-in.
- **Flame for Life:** Net sale performance was driven by distribution expansion across the regions, notably Morocco, Egypt and South Africa.

Asia & Oceania (including India)

In 2023, Net Sales for Asia & Oceania (including India) totaled 98.6 million euros, a year-on-year decrease of 7.9% on a comparative basis:

- **Human Expression:** In India, Cello performance in 2023 was affected by some disruptions to the supply of products, as a result of a temporary project executed to drive long-term operational efficiencies.
- **Flame for Life:** Strong execution in store and a new partnership in Oceania drove good performance in the region in both pocket and utility lighters.
- **Blade Excellence:** Performance in the region remained positive notably thanks to the strong momentum of the 3 blades range in both Male and Female.

(1) Year to date December 2023: IRI, estimated 70% market coverage

(2) Year to date December 2023: Circanan (IRI)

(3) Year to date December 2023: Nielsen



5.2. FINANCIAL AND CASH POSITIONS

At the end of December 2023, the Group's Net Cash position stood at 385.4 million euros.

FY 2023 Operating Cash flow was €469.2 million, fueled by solid business performance. The €27.4 million negative change in Working Capital was driven by a decrease in Inventory levels, more than offset by higher Trade Receivables and a decrease in Trade Payables.

FY 2023 Free Cash Flow before acquisitions and disposals was €248.7 million. The Net Cash position at the end of December was €385.4 million, after dividend payments and €116.2 million in share buybacks.

MAIN BALANCE SHEET ITEMS

<i>(in million euros)</i>	December 31, 2022 ^(a)	December 31, 2023
Shareholders' equity	1,866.0	1,846.6
Current borrowings and bank overdrafts	76.5	109.4
Non-current borrowings	42.8	46.8
Cash and cash equivalents – Assets	416.3	467.7
Other current financial assets and derivative instruments	17.3	19.8
Net cash position ^(b)	359.9	385.4
Goodwill and intangible assets	407.4	382.3
TOTAL BALANCE SHEET	2,686.9	2,647.3

NB: Société BIC did not request any rating from any credit rating agency nor, to the best of its knowledge, has it been the object of any unsolicited rating by any credit rating agency.

(a) Corrected to take into account the Virtual Power Purchase Agreement accounting.

(b) See glossary chapter 9.

CONDENSED CASH FLOW STATEMENT

<i>(in million euros)</i>	December 31, 2022	December 31, 2023
Cash flow from operations	428.0	469.2
(Increase)/Decrease in net working capital	(29.2)	(27.4)
Other operating cash flows	(98.0)	(88.5)
Net cash from operating activities ^(a)	300.0	353.3
Net cash from investing activities	(172.5)	(114.1)
Net cash from financing activities	(175.2)	(192.1)
Net increase/(decrease) in cash and cash equivalents net of bank overdrafts	(47.6)	47.2
Closing cash and cash equivalents	415.2	467.7

(a) See glossary chapter 9.

5



5.3. DIVIDENDS

The Board of Directors of Société BIC proposes the distribution of dividends primarily based on:

- Group earnings;
- its investment policy;
- balance sheet strength; as well as
- comparisons with industry peers.

BIC does not foresee a material change in this dividend distribution policy.

At the Annual Shareholders' Meeting on May 29, 2024, the Board of Directors will propose €2.85 of Ordinary Dividend per share for 2023 and €1.42 of Extraordinary Dividend per share. The Dividend pay-out ratio (calculated with the ordinary dividend) was 50% for 2022 and will be 50% for 2023.

The ordinary dividends paid or to be paid for the last three fiscal years are as follows:

	Net ordinary dividend <i>(in euros)</i>	Pay-out ratio*
2023	2.85	50%
2022	2.56	50%
2021	2.15	50%

* Net ordinary dividend divided by adjusted earnings per share.

5.4. INVESTMENTS

KEY INVESTMENTS IN RECENT YEARS

Regarding industrial investments, BIC has split its manufacturing activities into two areas for several years:

- first, in continuous quality improvement for each production line, including ongoing investments in manufacturing processes and new technologies;
- second, in the specialization of focused production sites.

In 2006, it opened a distribution subsidiary in Turkey, and acquired PIMACO, Brazil's leading manufacturer and distributor of adhesive labels.

In December 2008, BIC announced its intent to acquire Antalis Promotional Products entities (Sequana group). The acquisition was completed on March 11, 2009, with an agreement for a total enterprise value of 33.5 million euros. After the purchase of Antalis Promotional Products, in June 2009, the Group announced the acquisition of Norwood Promotional Products. The acquisition was completed on July 6, 2009.

On January 21, 2009, BIC and Cello announced they had signed a definitive agreement whereby the Group acquired 40% of the Cello Writing Instrument business for 7.9 billion Indian rupees. Under the agreement, BIC had a call option in 2013 to increase its stake to 55%. This agreement was partially completed on March 5, 2009, for 3.8 billion Indian rupees.

In April 2009, BIC launched a worldwide cost reduction plan in response to the market slowdown. This initiative negatively impacted the full year 2009 EBIT by 34.4 million euros. The impact on profit was partially offset by the negative goodwill from the acquisition of Antalis Promotional Products. The net impact was 24.1 million euros.

On November 30, 2011, the Group acquired the assets of Angstrom Power Incorporated, a company specializing in the development of portable fuel cell technology.

In February 2012, the Group acquired land for the construction of a writing instrument facility in the fast-growing African and Middle East region. Located in Tunisia (region of Bizerte). The total investment was 12 million euros.

In September 2013, the Group completed the acquisition of 40% of the final (7th) Stationery Cello Group entity for 3.7 billion Indian rupees (43.3 million euros) ⁽¹⁾. On September 27, 2013, the Group announced it had exercised the call option on September 17 to increase its stake in the seven Cello Pens

entities from 40% to 55% for 2.9 billion Indian rupees (35.2 million euros) ⁽²⁾.

In October 2013, BIC acquired land in Nantong, China (North of Shanghai) for the construction of a Lighter facility. The total investment is around 14 million euros.

In July 2014, BIC purchased shares to increase its stake from 55% to 75% in the seven Cello Pens entities for 4.3 billion Indian rupees (approximately 53 million euros) ⁽³⁾. This was as a result of the exercise by Cello Group of its put option in March 2014, allowing it to sell 20% of Cello Pens to the Group.

In October 2015, BIC presented an investment proposal intended to modernize its industrial facilities in the North of France (Pas-de-Calais). Planned for a five-year period, the project includes a 12 million euros investment to extend the production facility at Samer.

In December 2015, BIC increased its stake in Cello Pens to 100% for 5.4 billion Indian rupees (approximately 74 million euros) ⁽⁴⁾.

In October 2017, the Indian subsidiary BIC Cello acquired land and buildings for a new writing instrument facility in Vapi (Gujarat state). The total investment is around 28 million euros.

On December 31, 2018, BIC announced the transfer of the manufacturing facilities of HACO Industries Kenya Ltd. in Kenya and the distribution of Stationery, Lighters and Shavers in East Africa to BIC. This acquisition is in line with BIC's continued growth strategy in Africa, one of the most promising markets for BIC® products worldwide.

On January 16, 2019, the Indian subsidiary BIC Cello inaugurated the new writing instrument facility in Vapi (Gujarat state).

On October 23, 2019, BIC completed the acquisition of Lucky Stationery in Nigeria (LSNL), Nigeria #1 Writing Instrument manufacturer. This acquisition is consistent with BIC's continued growth strategy in Africa.

On July 1, 2020, BIC acquired DjEEP. This acquisition aims to strengthen BIC's position in the pocket lighters market and offers substantial growth opportunities in Europe and North America.

On December 15, 2020, BIC acquired Rocketbook, the leading smart and reusable notebook brand in the United States, entering the Digital Writing segment, a fast-growing market.



(1) 84.53 INR = 1 EUR (September 13, 2013, ECB Reference rate).

(2) 83.80 INR = 1 EUR (September 26, 2013, ECB Reference rate).

(3) 81.17 INR = 1 EUR (July 4, 2014, ECB Reference rate).

(4) 72.69 INR = 1 EUR (December 08, 2015, ECB Reference rate).



On February 1, 2022, BIC completed the acquisition of Inkbox, the leading brand of high quality semi-permanent tattoos.

On August 2, 2022, BIC announced having completed the acquisition of Tattly a leading decal brand, diversifying BIC's offering in the rapidly growing Skin Creative market.

On September 6, 2022, BIC completed the acquisition in France of AMI (Advanced Magnetic Interaction), strengthening BIC's R&D capabilities in Digital Expression.

KEY INVESTMENTS IN 2023

2023 Capex totaled 104.6 million euros:

- in **Human Expression**, BIC invested mostly in new molds and machinery. In addition, the major investments included:
 - additional production capacity for BIC® 4-Color™ and Markers,
 - Internal capacity increase on Middle East and Africa Factories;
- in **Flame for Life**, BIC continues to invest in new machines and molds to improve quality and productivity and continues its Sustainable Development journey;
- in **Blade Excellence**, major investments were related to new products (notably the new BIC® EasyRinse shaver) and capacity increase (notably our B2B business BIC Blade-Tech).

KEY ONGOING INVESTMENTS: GEOGRAPHIC DISTRIBUTION AND FINANCING METHODS

Not applicable.

KEY FUTURE INVESTMENTS

Not applicable.



FINANCIAL STATEMENT

6.1. CONSOLIDATED FINANCIAL STATEMENTS	224
1. Consolidated income statement	225
2. Consolidated statement of comprehensive income	226
3. Consolidated statement of financial position	227
4. Consolidated statement of changes in equity	229
5. Consolidated cash flow statement	230
6. Notes to the consolidated financial statements	231
6.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	286
I. Opinion	286
II. Basis for opinion	286
III. Justification of assessments – Key audit matters	286
IV. Specific verifications	287
V. Report on Other Legal and Regulatory Requirements	287
VI. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements	288
VII. Statutory auditors' responsibility for the audit of the consolidated financial statements	288
6.3. PARENT COMPANY FINANCIAL STATEMENTS OF SOCIÉTÉ BIC (FRENCH GAAP)	290
1. Income statement	291
2. Balance sheet	292
3. Cash flow statement	294
4. Notes to the parent company financial statements	295
5. Additional information on the parent company financial statements	310
6.4. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS	311
I. Opinion	311
II. Basis for Opinion	311
III. Justification of Assessments - Key Audit Matters	311
IV. Specific Verifications	312
V. Report on Other Legal and Regulatory Requirements	313
VI. Responsibilities of Management and Those Charged with Governance for the Financial Statements	313
VII. Statutory Auditors' Responsibilities for the Audit of the Financial Statements	313
6.5. STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS	315





6.1. CONSOLIDATED FINANCIAL STATEMENTS

1.	Consolidated income statement	225
2.	Consolidated statement of comprehensive income	226
3.	Consolidated statement of financial position	227
4.	Consolidated statement of changes in equity	229
5.	Consolidated cash flow statement	230
6.	Notes to the consolidated financial statements	231



1. CONSOLIDATED INCOME STATEMENT

<i>(in thousand euros)</i>	Notes	December 31, 2022*	December 31, 2023
Net sales	2-2	2,233,941	2,263,342
Cost of goods	4	(1,155,929)	(1,115,269)
Gross profit ^(a)		1,078,012	1,148,073
Distribution costs	4	(299,694)	(311,481)
Administrative expenses	4	(269,846)	(285,065)
Other operating expenses	4	(201,889)	(223,661)
Other income	5	6,655	12,151
Other expenses	5	(9,710)	(19,539)
Earnings before interest and taxes (EBIT)		303,528	320,477
Income from cash and cash equivalents	6	10,428	26,669
Net finance income/(net finance costs)	6	(36,511)	(34,172)
Income before tax		277,445	312,973
Income tax expense	7	(78,842)	(86,459)
Net income from consolidated entities		198,603	226,515
Net income from continuing operations	8	198,603	226,515
Consolidated income		198,603	226,515
<i>Of which non-controlling interests</i>		-	-
Net income Group share	8	198,603	226,515
Earnings per share Group share <i>(in euros)</i>		4.52	5.30
Diluted earnings per share Group share <i>(in euros)</i> ^(b)		4.46	5.24

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

(a) Gross profit is the margin that the Group realizes after deducting its manufacturing costs.

(b) The dilutive elements taken into account are stock options and free shares.



2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in thousand euros)</i>	Notes	December 31, 2022*	December 31, 2023
GROUP NET INCOME	A	198,603	226,515
OTHER COMPREHENSIVE INCOME			
Actuarial differences on post-employment benefits not recyclable to the income statement	18-2	17,071	(1,780)
Deferred tax on actuarial differences on post-employment benefits	13-2	(4,274)	1,885
Other comprehensive income not recyclable to the income statement - net of tax	B	12,797	105
Gain/(Loss) on hedge derivatives		11,727	(13,039)
Exchange differences arising on translation of overseas operations ^(a)		44,449	(33,443)
Hyperinflation in Argentina ^(b)		-	8,599
Deferred tax and current tax recognized on other comprehensive income	13-2	(2,691)	3,560
Other comprehensive income recyclable to the income statement - net of tax	C	53,485	(34,323)
TOTAL COMPREHENSIVE INCOME	D = A + B + C	264,885	192,297
Attributable to:			
• BIC Group		264,885	192,297
• Non-controlling interests		-	-
TOTAL		264,885	192,297

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

(a) The items impacting the net negative translation reserve variance for the year 2023, by currencies, are as follow: U.S. dollar (-20.3 million euros), Argentinian peso (-14.1 million euros), Nigerian naira (-9.1 million euros), Bresilian real (9.6 million euros), Mexican peso (19.8 million euros) and other currencies (-18.7 million euros).

(b) The hyperinflation adjustment being partially and inversely correlated to the evolution of the euro to Argentinian peso rate, is presented in 2023 jointly with the impact of exchange differences arising on translation of overseas operations.

3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

<i>(in thousand euros)</i>	Notes	December 31, 2022*	December 31, 2023
Goodwill	10	297,610	283,279
Other intangible assets	11	109,782	99,058
Property, plant and equipment	9	612,632	623,426
Investment properties		1,598	987
Other non-current assets	12	29,736	33,510
Deferred tax assets	13-1	132,609	116,704
Derivative instruments	24-4, 24-5	3,464	790
Non-current assets		1,187,431	1,157,754
Inventories	14	588,257	557,981
Income tax advance payments		39,335	20,296
Trade and other receivables	14, 22-5	414,682	403,505
Other current assets		23,022	20,330
Derivative instruments	24-4, 24-5	10,802	10,207
Other current financial assets	20, 22-6	6,540	9,548
Cash and cash equivalents	20, 22-4	416,317	467,716
Current assets		1,498,955	1,489,583
TOTAL ASSETS		2,686,386	2,647,337

*Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).





FINANCIAL STATEMENT

Consolidated financial statements

Equity and liabilities

(in thousand euros)

	Notes	December 31, 2022*	December 31, 2023
Share capital	15-1	166,307	161,474
Reserves and retained earnings		1,699,698	1,685,122
Shareholders' equity Group share		1,866,005	1,846,596
Non-controlling interests		-	-
Shareholders' equity		1,866,005	1,846,596
Non-current borrowings	16, 22-6	42,839	46,804
Other non-current liabilities		9,338	5,009
Employee benefits obligation	18-3	57,419	63,856
Provisions	17	19,124	19,695
Deferred tax liabilities	13-1	73,161	48,827
Derivative instruments	24-4, 24-5	13,418	30,250
Non-current liabilities		215,299	214,441
Trade and other payables	14	181,108	144,703
Current borrowings	16	76,543	109,384
Current tax due		44,747	39,499
Other current liabilities	19	293,201	288,919
Derivative instruments	24-4, 24-5	9,483	3,795
Current liabilities		605,082	586,300
TOTAL EQUITY AND LIABILITIES		2,686,386	2,647,337

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).



4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in thousand euros)	Notes	Share capital ^(a)	Additional Paid-in Capital	Accumulated profits	BIC shares	Actuarial differences recognized in equity	Translation reserve	Hedge derivatives	Shareholders' equity Group share	Non-controlling interests	Shareholders' equity
At January 1, 2022		169,665	144,165	1,676,127	28,232	(76,364)	(211,618)	(6,387)	1,723,820	-	1,723,820
Dividends paid	21	-	-	(94,744)	-	-	-	-	(94,744)	-	(94,744)
Decrease in share capital		(2,772)	-	(36,403)	-	-	-	-	(39,175)	-	(39,175)
Acquisition of BIC shares		(586)	-	(14,180)	-	-	-	-	(14,766)	-	(14,766)
Recognition of share-based payments	23	-	-	-	14,663	-	-	-	14,663	-	14,663
Hyperinflation in Argentina		-	-	11,391	-	-	-	-	11,391	-	11,391
Other		-	-	(69)	-	-	-	-	(69)	-	(69)
Total transactions with Shareholders		(3,358)	-	(134,005)	14,663	-	-	-	(122,700)	-	(122,700)
Net income for the period corrected*		-	-	198,603	-	-	-	-	198,603	-	198,603
Other comprehensive income		-	-	727	-	12,797	44,449	8,309	66,282	-	66,282
Total comprehensive income*		-	-	199,330	-	12,797	44,449	8,309	264,885	-	264,885
At December 31, 2022*		166,307	144,165	1,741,452	42,895	(63,567)	(167,169)	1,922	1,866,005	-	1,866,005
At January 1, 2023		166,307	144,165	1,741,452	42,895	(63,567)	(167,169)	1,922	1,866,005	-	1,866,005
Dividends paid	21	-	-	(110,219)	-	-	-	-	(110,219)	-	(110,219)
Decrease in share capital ^(b)		(6,423)	-	(93,577)	100,000	-	-	-	-	-	-
Acquisition of BIC shares		-	-	-	(115,877)	-	-	-	(115,877)	-	(115,877)
Recognition of share-based payments	23	-	-	(3,827)	18,217	-	-	-	14,390	-	14,390
Other		1,590	-	69,998	(71,578)	-	-	-	-	-	-
Total transactions with Shareholders		(4,833)	-	(137,635)	(69,238)	-	-	-	(211,706)	-	(211,706)
Net income for the period		-	-	226,515	-	-	-	-	226,515	-	226,515
Other comprehensive income		-	-	11,480	-	105	(33,443)	(12,360)	(34,218)	-	(34,218)
Total comprehensive income		-	-	237,995	-	105	(33,443)	(12,360)	192,297	-	192,297
At December 31, 2023		161,474	144,165	1,841,812	(26,343)	(63,462)	(200,612)	(10,438)	1,846,596	-	1,846,596

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

(a) See Note 15-1.

(b) 1,681,537 shares have been cancelled during the year 2023.

(c) The other flows concern an adjustment of the treasury shares and the impact in share capital.





5. CONSOLIDATED CASH FLOW STATEMENT

<i>(in thousand euros)</i>	Notes	December 31, 2022*	December 31, 2023
Operating activities			
Net income Group share	IS	198,603	226,515
<i>Elimination of expenses and income with no impact on cash flows or non-business related expenses:</i>			
Depreciation and amortization of intangible and tangible assets and investment properties	2, 4	117,201	120,388
Impairment loss on tangible and non-tangible assets	2	2,144	973
Provision for employee benefits	18	8,083	14,482
Other provisions (excluding provisions on current assets)	17	(1,754)	4,194
Unrealized foreign currency (gain)/loss	20 (a)	(3,315)	5,654
Recognition of share-based payments	SHEQ, 23	14,663	14,390
Income taxes	7	78,842	86,459
Other non-cash transactions		13,552	(3,896)
Cash flow from operations		428,020	469,158
(Increase)/decrease in net working capital	14, 20 (b)	(29,199)	(27,382)
Payments related to employee benefits	18-2, 20 (c)	(17,048)	(7,699)
Income tax paid		(81,779)	(80,772)
NET CASH FROM OPERATING ACTIVITIES		299,994	353,304
Investing activities			
Disposal of PIMACO		1,098	-
Disposal of other fixed assets		2,906	1,500
Purchases of property, plant and equipment	9-1, 20 (d)	(83,590)	(94,334)
Purchases of intangible assets	11, 20 (d)	(12,677)	(10,268)
(Increase)/decrease in other investments		(1,584)	(2,853)
Purchase of other current financial assets	20 (e)	(4,822)	(8,103)
Acquisition of subsidiaries	20 (f)	(73,790)	-
NET CASH FROM INVESTING ACTIVITIES		(172,459)	(114,058)
Financing activities			
Dividends paid	SHEQ, 20 (g), 21	(94,744)	(110,219)
Issuance (repayments) of loans	16, 20 (h)	(5,015)	32,498
Interest (paid)/received		2,038	21,284
Payments of obligations under leases	16	(16,597)	(18,023)
Purchase of financial instruments		(877)	(1,719)
Increase in treasury shares	20 (i)	(53,828)	(115,877)
External loans		(6,152)	-
NET CASH FROM FINANCING ACTIVITIES		(175,175)	(192,057)
Net cash variation		(47,640)	47,189
Opening cash and cash equivalents	BS, 22	468,413	415,219
Exchange difference		(5,553)	5,308
CLOSING CASH AND CASH EQUIVALENTS	BS, 22	415,219	467,716

*Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

IS: see consolidated income statement.

SHEQ: see consolidated statement of changes in equity.

BS: see consolidated balance sheet.

References from (a) to (i) explained in Note 20.



6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General	232	18-3	Funded and unfunded obligations	260		
NOTE 1	MAIN RULES AND ACCOUNTING POLICIES	232	18-4	Period costs	260	
	1-1	Accounting policies	232	18-5	Additional information	261
	1-2	Change in Group structure	234	18-6	Actuarial assumptions for main countries	262
	1-3	Significant events	234	18-7	Information by geography	263
	1-4	Subsequent events	234	NOTE 19	OTHER CURRENT LIABILITIES	263
NOTE 2	OPERATING SEGMENTS	235	Additional information	264		
	2-1	General information	235	NOTE 20	COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT	264
	2-2	Information by activity	236	NOTE 21	DIVIDENDS	264
	2-3	Information by geography	237	NOTE 22	EXPOSURE TO MARKET RISKS	265
NOTE 3	EXCHANGE RATES OF FOREIGN CURRENCIES	238				
Income Statement and Statement of Comprehensive Income	239	22-1	Counterpart risk	265		
NOTE 4	OPERATING EXPENSES	239	22-2	Foreign exchange risk	265	
NOTE 5	OTHER INCOME AND EXPENSES	240	22-3	Interest rate risk	265	
NOTE 6	FINANCIAL INCOME	241	22-4	Liquidity risk	265	
NOTE 7	INCOME TAX	242	22-5	Credit risk	266	
NOTE 8	EARNINGS PER SHARE GROUP SHARE	243	22-6	Fair value of financial assets and liabilities	267	
			22-7	Net income impact by category of instruments	269	
Balance sheet – Assets	244	NOTE 23	SHARE-BASED PAYMENTS	269		
NOTE 9	PROPERTY, PLANT AND EQUIPMENT	244	23-1	Free share allocations with performance conditions	269	
	9-1	Property, plant and equipment – Gross value	244	23-2	Free share allocations without performance conditions	271
	9-2	Property, plant and equipment – Depreciation and impairment loss	245	23-3	Grant of stock option plans with performance conditions	272
NOTE 10	GOODWILL	246	NOTE 24	FINANCIAL INSTRUMENTS	272	
NOTE 11	OTHER INTANGIBLE ASSETS	248	24-1	Derivatives and hedge accounting	275	
NOTE 12	OTHER NON-CURRENT ASSETS	249	24-2	Foreign exchange risk	275	
NOTE 13	DEFERRED TAX	249	24-3	Interest rate risk	275	
	13-1	Deferred tax booked in the balance sheet	250	24-4	Impact of foreign exchange risk hedging on the consolidated financial statements as of December 31, 2023	276
	13-2	Deferred tax recognized in other comprehensive income	251	24-5	Impact of foreign exchange risk hedging on the consolidated financial statements as of December 31, 2022	276
NOTE 14	CHANGE IN NET WORKING CAPITAL	252	24-6	Portfolio of foreign exchange risk hedges as of December 31, 2023	279	
Balance sheet – Equity and liabilities	252	24-7	Main balance sheet items declared in foreign currencies	279		
NOTE 15	SHARE CAPITAL	252	NOTE 25	RELATED PARTIES	280	
	15-1	Share capital	252	25-1	Consolidated subsidiaries	280
	15-2	SOCIÉTÉ BIC shares held in treasury stock and share repurchase program as of December 31, 2023	252	25-2	Members of the Board of Directors and of the Executive Committee	280
NOTE 16	BORROWINGS AND FINANCIAL LIABILITIES	253	25-3	Companies in which a member of the Board of Directors or of the Executive Committee has a significant voting right	280	
NOTE 17	PROVISIONS	255	NOTE 26	OFF-BALANCE SHEET ITEMS	281	
NOTE 18	PENSION AND OTHER EMPLOYEE BENEFITS	256	26-1	Sureties, deposits and guarantees received	281	
	18-1	Plan characteristics	256	26-2	Sureties, deposits and guarantees issued	281
	18-2	Change in the net obligation of defined-benefit plans	258	26-3	Lease arrangements	281
			NOTE 27	CONTINGENT LIABILITIES	281	
			NOTE 28	CONSOLIDATED SUBSIDIARIES	282	
			NOTE 29	AUDITORS' FEES	285	



SOCIÉTÉ BIC is a French public limited company (société anonyme), subject to the regulatory corpus governing commercial companies in France, and particularly to the provisions of the French Commercial Code. Its headquarters are located at 12, boulevard Victor Hugo, (92110) Clichy in France and the Company is listed on Euronext. The principal place of business is located at the same address.

The annual consolidated financial statements reflect the accounting position of SOCIÉTÉ BIC and its subsidiaries (the "Group"). They are presented in euros and rounded to the nearest thousand. The Group's business is the production and sale of stationery, lighters and shavers.

GENERAL

NOTE 1 MAIN RULES AND ACCOUNTING POLICIES

Approval of the financial statements

The Group's consolidated financial statements for fiscal year 2023 were approved by the Board of Directors' Meeting of February 19, 2024 and are submitted for approval to the Annual Shareholders' Meeting to be held on May 29, 2024.

1-1 Accounting policies

1-1-1 General policies

Pursuant to European regulation (EC) n° 1606/2002 of July 19, 2002 on the application of international accounting standards, the consolidated financial statements of the Group have been prepared in accordance with accounting principles as defined by the International Accounting Standards Board (IASB) as adopted by the European Union as of December 31, 2023.

The international standards include the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards), as well as their SIC (Standing Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee) interpretations.

At the end of the year, the reference standards used and the standards adopted by the IASB, for which application is mandatory for the period presented, matched.

The financial statements have been prepared on a historical cost basis, except for the valuation of certain financial instruments measured at the fair value. The main accounting policies remained unchanged compared to the 2022 fiscal year, except for the following policies, effective since January 1, 2023:

1-1-2 Adoption of new and revised IFRS, interpretations and amendments

Standards, interpretations and amendments effective for periods starting January 1, 2023

The following standards and amendments, effective since January 1, 2023, were applied to the consolidated financial statements for the period ended December 31, 2023:

- Amendments to IAS 1 – Presentation of Financial statements: Classification of Liabilities as Current or Non-current;
- Amendments to IAS 8 – Accounting Policy changes;

- Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealized Losses;
- Amendments to IAS 12 – International reform of corporate taxation – Pillar Two model rules.

The application of these standards and amendments did not have any material impact on the Group's accounts.

Standards, interpretations and amendments with mandatory application after 2023 and adopted by the European Union

In 2023, the Group did not elect to apply early any standard, interpretation or amendment approved by the European Union.

Standards, interpretations and amendments issued with mandatory application after 2023 but not yet adopted by the European Union that may have an impact on the Group's financial statements

Nothing to report.

1-1-3 Consolidation of subsidiaries

The consolidated financial statements include the financial statements of the parent company, SOCIÉTÉ BIC, and of the entities controlled by SOCIÉTÉ BIC ("its subsidiaries"). An investor controls an investee if it has the exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those used by other entities of the Group.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

1-1-4 Estimates and judgments

In preparing the consolidated financial statements, the Group formulates estimates and assumptions that impact the financial statements and information in certain notes to the financial statements. The Group regularly reviews these estimates and assumptions in order to take into account past experience as well as changes in the economic environment, especially in some key countries of the Group. The results of these reviews could lead to the amounts published in future consolidated financial statements differing from those previously disclosed.

The assumptions on which the main estimates are based and the assessment made are explained in the following notes:

- note 10: Goodwill;
- note 13: Deferred tax;
- note 17: Provisions;
- note 18: Pensions and other employee benefits;
- note 22-6: Fair value of financial assets and liabilities;
- note 24: Derivative financial instruments and hedge accounting.

1-1-5 Hyperinflation accounting in Turkey

Turkey is considered as "hyperinflationary" as defined by IFRS rules.

The hyperinflation in Turkey has no significant impact on Group's accounts.

1-1-6 Climate change and sustainable development

Climate change is one of the most important challenge of mankind in the 21st century. The Group has long committed to review, disclose and reduce its activities' impact on the environment. These actions have been rewarded with a renewed A- grade in the leadership category of the Carbon Disclosure Project (CDP).

When preparing financial statements, the Group uses estimates and judgments for valuation and recognition of assets and liabilities. These estimates are linked to identified risks applicable to the Group's activities. Among those, climate-change related risks are being carefully considered.

Those risks are mainly related to:

- increase in carbon-intensive raw material costs (plastic, metal, gaz and chemicals) due to energy-saving programs and other indirect costs to enable an improved access to sustainable raw material, amid global competition;
- destruction of assets linked to physical climate related event directly impacting BIC's operations.

As part of its program Writing the Future, Together and according to the Paris Agreement, the Group has committed by 2030 to reduce its GHG compared to 2019:

- 50% for direct GHG emissions (scope 1), through the use of alternative heat sources and low impact refrigerants;
- 100% for direct GHG emissions (scope 2), thanks to renewable sourcing for all electricity consumption;
- 5% for GHG of scope 3, through the selection of suppliers of low carbon impact raw material.

In addition to strategic decision and commitments, BIC has made effective investments to reach these objectives. A Virtual Power Purchase Agreement (VPPA) has been signed in Greece to provide our factory with renewable electricity at a predetermined cost. The renewable energy production facilities underlying the agreements are managed by their respective operators. The benefits deriving from the VPPA agreements are made up of 2 components: a cash flow that depends, among other things, on the evolution of the spot price of electricity, and the certificates that BIC receives as proof of the origin of the electricity produced from renewable energies.

In November 2023, BIC signed a physical Power Purchasing Agreement (PPA) as part of our sustainability strategy to meet our climate targets. Under the terms of this contract, BIC is committed to purchasing 35 GWh at a fixed price for a 15-year period from 2024 to 2039.

The Group has invested around 2.6 million euros in CAPEX qualified as green, including new equipment with lower energy consumption, having a favorable impact on GHG emissions of scope 1.

The Management includes climate-change related risks in its business plans used in impairment tests. The Group's commitments have not triggered any impact on impairment tests.



1-2 Change in Group structure

Accounting policies

In accordance with IFRS 3 – Business Combinations, business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities assumed are measured at fair value at the acquisition date and, when appropriate, non-controlling interests in the acquiree are measured at either fair value or at the proportionate part in the fair value of the assets and liabilities of the acquired entity. This option is available on an individual basis for each business combination transaction.

Any share previously held in the acquiree before the takeover, should be reassessed at fair value and the corresponding profit or the loss recorded in the income statement.

Badwill is recorded immediately in the income statement.

When incurred, acquisition costs are recognized immediately as expenses, except those relating to equity instruments (which are recognized as a deduction to the Shareholders' equity).

Any potential price adjustment is estimated at fair value as of the acquisition date and this initial assessment can only later be adjusted against goodwill in the case of new information related to facts and circumstances existing at the date of acquisition and to the extent that the assessment was still described as provisional (assessment period limited to 12 months); any subsequent adjustments that do not meet these criteria are recorded as a liability or receivable through the Group income statement.

Change in the consolidation scope

There has been no noticeable change during 2023.

1-3 Significant events

There There has been no significant event during the period.

1-4 Subsequent events

No significant subsequent event occurred between January 1, 2024 and the date at which consolidated financial statements were approved by the Board of Directors.

NOTE 2 OPERATING SEGMENTS

Accounting policies

According to IFRS 8, the Group operating segments have been determined based on the reports regularly provided to the management and used to make strategic decisions.

The measurement policies that the Group uses for segmental reporting under IFRS 8 are the same as those used in its financial statements.

The management, composed of operational representatives responsible for the continents, representatives of the categories and cross-functional areas, considers the business from a product category perspective, knowing that each category can be reviewed for a specific geographic area if necessary.

These operating segments receive their revenues from the production and distribution of each product category.

IFRS 15 requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This core principle is presented in a five-step model:

1. Identify the contract(s) with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract;
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

The impact on the consolidated financial statements concerns certain contractual clauses in the sales agreements. The main impact is related to business development funds. When related to a specific product, they are accounted for as a reduction in the transaction price, directly impacting net sales amount. Business development funds are allocated to sold merchandises to which it relates and recognized when the performance obligation is achieved.

When related to a general brand promotion or advertising services (that BIC might have acquired from a third party advertising supplier), they are accounted for as an advertising expense below gross profit margin.

2-1 General information

The Group identify the following activities:

- Human Expression, which encompasses writing and coloring instruments, creative expression which includes arts and crafts, skin creative and digital expression;
- Flame for Life, which encompasses pocket and utility lighters;
- Blade Excellence, which encompasses our wet-shave operations on segments of double-edge, one-piece and refillable. This segment also includes BIC Blade-Tech, a BtoB activity on manufacturing and sale of high precision blades;
- other products;
- unallocated costs.

Unallocated costs include the following:

- net costs (balance of income and expenses):
 - corporate headquarters costs including information technology, finance, legal and HR costs,
 - shared services center costs;
- other net costs that can't be allocated to Categories, notably restructuring costs, gains or losses on assets' divestiture, etc.

The unallocated costs have been excluded from Categories' Income From Operations and Adjusted Income From Operations, and are presented separately.



2-2 Information by activity

All indicators are determined according to IFRS, except for:

- adjusted income from operations, which is the EBIT restated for non-recurring items (in particular real estate gains, the gain or loss on the sale of businesses and restructuring costs).

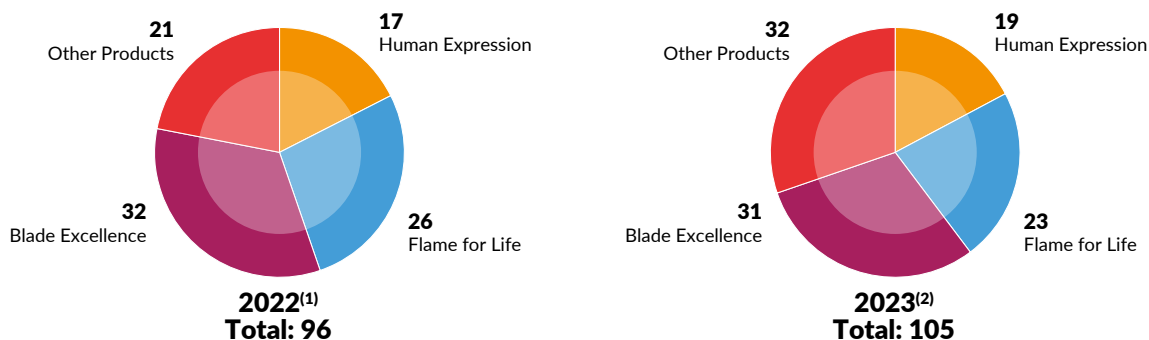
It constitutes the key financial metrics used within the Group;

- capital additions, which are the purchases and internal generation of property, plant and equipment and intangible fixed assets for the period.

(in million euros)	At December 31, 2022						At December 31, 2023					
	Human Expression	Flame for Life	Blade Excellence	Other Products	Unallocated costs	Total	Human Expression	Flame for Life	Blade Excellence	Other Products	Unallocated costs	Total
Income statement												
• Net sales	839	872	497	26	-	2,234	846	852	537	29	-	2,263
• Depreciation and amortization	(35)	(29)	(32)	(21)	-	(117)	(36)	(27)	(33)	(25)	-	(120)
• Impairment loss	-	-	(2)	-	-	(2)	-	-	-	-	-	(1)
• EBIT	21	304	64	(3)	(83)	304	51	289	67	(1)	(85)	320
Restatements made to obtain adjusted EBIT												
• Restructuring costs	-	-	-	-	-	-	7	-	-	-	-	7
• Acquisition costs	4	1	-	-	-	5	1	1	-	-	-	2
• Rocketbook earn-out/Lucky Stationary price adjustment	-	-	-	-	-	-	(0.5)	-	-	-	-	(0.5)
• Europe Pensions	-	-	-	-	-	-	2	1	1	-	-	4
• Ukraine	-	1	2	-	-	3	-	-	-	-	-	-
Adjusted EBIT	25	305	67	(3)	(83)	312	61	290	68	(1)	(85)	333

CAPITAL ADDITIONS ⁽¹⁾ ⁽²⁾ (WITHOUT RIGHTS OF USE)

(in million euros)



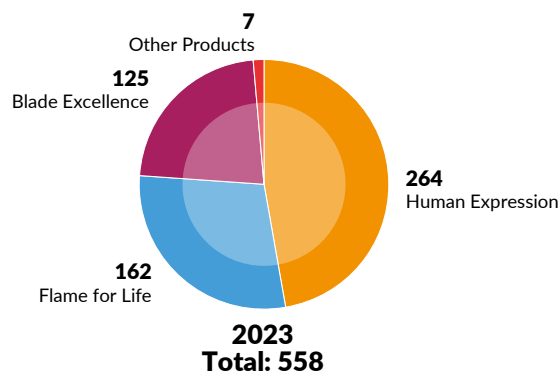
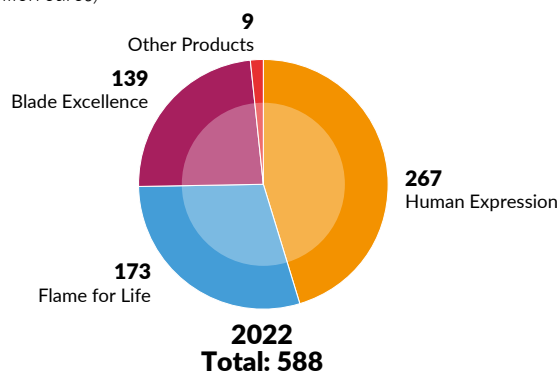
(1) Excluding 2022 capital additions not cashed out end of December 2022 and including capital additions cashed out in 2022 related to 2021 for a net amount of -2.1 million euros (see CF and Note 20).

(2) Excluding 2023 capital additions not cashed out end of December 2023 and including capital additions cashed out in 2023 related to 2022 for a net amount of 2.6 million euros (see CF and Note 20).

At December 31, 2023, BIC has not identified any customer with which it realized more than 10% of its net sales over the period.

NET INVENTORIES

(in million euros)

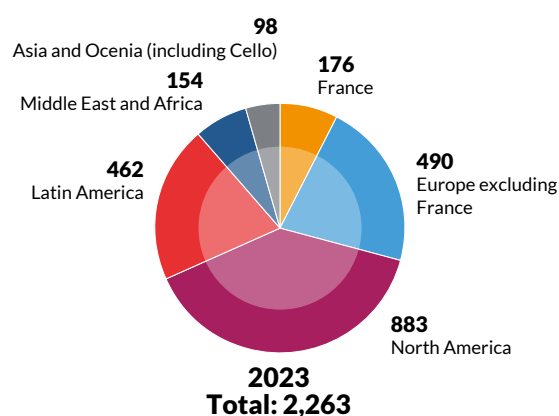
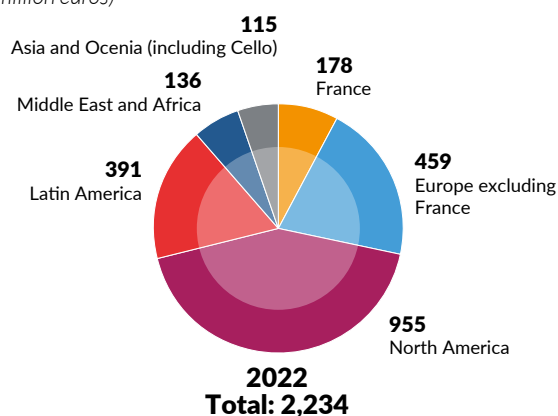


2-3 Information by geography

The regions identified by the management are the following:

NET SALES

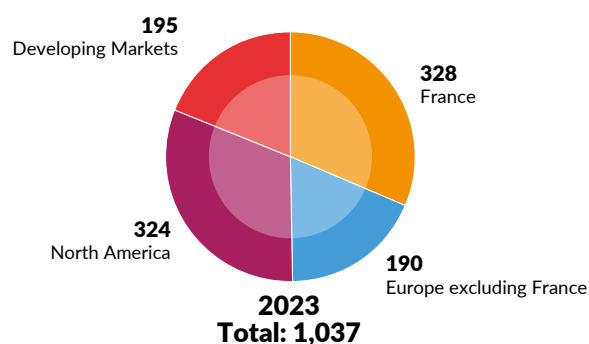
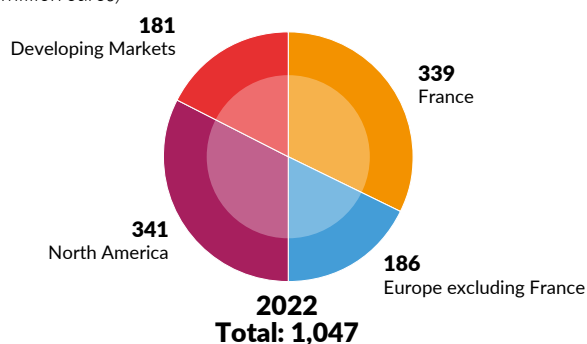
(in million euros)



The Group may grant year-end rebates. These rebates are booked in net sales and amounted 98 million euros as of December 31, 2023 compared to 103 million euros as of December 31, 2022.

NON CURRENT ASSETS ⁽¹⁾

(in million euros)



(1) Other than financial instruments (0.8 million euros in 2023 and 3.5 million euros in 2022), deferred tax assets (116.7 million euros in 2023 and 132.6 million euros in 2022) and deferred pensions (3 million euros in 2023 and 4.1 million euros in 2022).



NOTE 3 EXCHANGE RATES OF FOREIGN CURRENCIES

Accounting policies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the result and financial position of each entity are expressed in a common currency, the euro, which is the functional currency of SOCIÉTÉ BIC as well as the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At each closing date, monetary items denominated in foreign currencies are translated at the closing rate. Non-monetary items that are measured in terms of historical cost are translated using the exchange rate at the transaction date. Non-monetary items that are measured at fair value are translated using the exchange rates prevailing at the date of the measurement.

Exchange differences arising from the settlement of monetary items, and on the translation of monetary items, are recognized in profit or loss for the period.

To hedge its exposure to certain foreign exchange risk, the Group enters into forward contracts and options (see Note 24 for details of the Group's accounting policies regarding derivative financial instruments).

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are converted into euros using the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized as a separate line item in equity under the Group's translation reserve and are recognized in profit or loss in the period in which the foreign operation is disposed of.

The following table shows foreign currency equivalents of one euro (for instance: average 2023 is 1 euro = 1.08 U.S. dollars).

	Average 2022	Average 2023	December 31, 2022	December 31, 2023
	Euro	Euro	Euro	Euro
U.S. dollar – USD	1.05	1.08	1.07	1.11
Australian dollar – AUD	1.52	1.63	1.57	1.63
Canadian dollar – CAD	1.37	1.46	1.44	1.46
Swiss franc – CHF	1.00	0.97	0.98	0.93
Chinese renminbi – CNY	7.08	7.66	7.36	7.85
British pound – GBP	0.85	0.87	0.89	0.87
Hong Kong dollar – HKD	8.25	8.47	8.32	8.63
Indian rupee – INR	82.76	89.33	88.17	91.90
Japanese yen – JPY	138.11	152.06	140.66	156.33
Turkish lira – TRY	17.44	25.81	19.96	32.63
New Zealand dollar – NZD	1.66	1.76	1.68	1.75
Arab Emirates Dirham – AED	3.87	3.97	3.92	4.06
Polish zloty – PLN	4.69	4.54	4.68	4.34
Swedish krona – SEK	10.64	11.47	11.12	11.10
Kenyan Shilling – KES	124.66	151.55	131.71	174.23
Nigerian Naira – NGN	446.03	699.87	473.57	974.63
South African rand – ZAR	17.21	19.98	18.10	20.35
Argentinian peso – ARS	188.94	893.39	188.94	893.39
Brazilian real – BRL	5.44	5.40	5.64	5.36
Mexican peso – MXN	21.19	19.16	20.86	18.72
Ukrainian hryvnia – UAH	34.33	39.89	39.89	42.27
Russian ruble – RUB	72.77	90.84	76.94	98.76

As of December 31, 2023, Argentina is still considered a “hyperinflationary” country. As a result, the Group continues to apply IAS 29.

At the closing date, non-monetary assets and liabilities are restated using the general price index IPIM (Internal Wholesale Price Index).

Income statement items are restated by applying the change in this general price index from the initial recognition of income and expense items in the financial statements.



INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

NOTE 4 OPERATING EXPENSES

Accounting policies

Government grants (including the French research tax credit) are recognized systematically in profit or loss over the periods necessary to match them with the associated costs and presented as a reduction to the related expenses.

Research expenses are recognized as expenses in the period in which they are incurred.

Operating expenses breakdown is as follow:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Raw materials, consumables used and change in inventory	639,671	617,753
Staff costs	547,512	568,552
Depreciation and amortization expenses	117,201	120,388
Advertising costs	109,784	114,413
Other operating expenses	487,057	489,482
Impairment loss on manufacturing equipment	42	439
(Profit)/loss on operational foreign currency translation	26,091	24,449
TOTAL	1,927,358	1,935,476

Other income and expenses are not included in the total amount and are disclosed in Note 5.

Other operating expenses mainly include outside services.

Research and development costs recognized under "Other operating expenses" for 2023 amounted to 26.5 million euros, versus 24.1 million euros during 2022.

They include the French research tax credit for 1.1 million euros, compared to 1.3 million euros in 2022.

The effects of currency hedging are booked in "(profit)/loss on operational foreign currency translation".



NOTE 5 OTHER INCOME AND EXPENSES

Other income and expenses breakdown is as follow:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Royalty income	38	10
Gain on disposal of fixed assets	1,431	600
Rocketbook earn-out adjustment	-	1,447
Other	5,186	10,094
Other income	6,655	12,151
Impairment	(2,106)	(535)
Cost reduction plans	-	(3,503)
Lucky Stationery earn-out adjustment	-	(2,746)
Djeep earn-out adjustment	(701)	-
France pension adjustment	-	(4,410)
Other	(6,903)	(8,347)
Other expenses	(9,710)	(19,539)
TOTAL	(3,055)	(7,388)

Other income and expenses incurred in 2023 mainly include:

- 1.4 million euros earn-out adjustment related to Rocketbook acquisition;
- 2.7 million euros earn-out adjustment related to Lucky Stationery acquisition;
- 4.4 million euros related to the unfavorable pensions adjustment in France linked to the change in the collective agreement to be effective in 2024.

Other income and expenses incurred in first half of 2022 mainly include:

- 1.4 million euros impairment of receivables and a 0.7 million euros impairment of inventories which have been booked to reflect the situation in Ukraine;
- 0.7 million euros earn-out adjustment related to Djeep and Rocketbook acquisitions.

NOTE 6 FINANCIAL INCOME

Accounting policies

Interest income is accrued on a time basis, by reference to the effective yield on the asset, namely the interest rate, which exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's initial value.

Considering the nature of the BIC Group's activities, interest are disclosed as financial expense and income in the income statement. All borrowing costs are recognized as expenses in the period in which they are incurred.

The financial statements of entities in hyperinflationary economies are translated in accordance with IAS 29 "Financial reporting in hyperinflationary economies". Non-monetary balance sheet items, income statement items, comprehensive income items and cash flow statement items are adjusted for inflation in their original local currency, then all the financial statements are translated at the closing exchange rate for the period.

This hyperinflationary accounting leads to recognition of a gain or loss resulting from exposure to hyperinflation, which is classified as other financial income and expenses and thus included in reserves the following year. The accounts of the Group's subsidiary in Argentina are consolidated in accordance with the principles of IAS 29, which have been applied since January 1, 2018.

For lease contracts falling within the scope of IFRS 16, the rental obligation is booked in a depreciation charge on the right of use, shown in operating expenses (see Note 4) and in interest expense, detailed in financial expense.

Financial income breakdown is as follow:

<i>(in thousand euros)</i>	December 31, 2022*	December 31, 2023
Interest income from cash and cash equivalents	2,694	16,623
Interest on bank deposits	7,735	10,046
Income from cash and cash equivalents	10,428	26,669
Interest expense	(7,629)	(8,907)
Cost of lease debt	(965)	(1,749)
Hedging instruments revaluation	(13,181)	(3,335)
Argentina hyperinflation accounting - IAS 29	(18,760)	(13,628)
Net financial foreign exchange difference	4,024	(6,553)
Net finance income/(net finance costs)	(36,511)	(34,172)
FINANCE (COSTS)/REVENUE	(26,082)	(7,503)

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

Financial income increases during 2023 compared to 2022. It comes from several factors:

- 2023 was less negatively impacted by Argentina hyperinflation accounting than in 2022;
- the fair value change related to the VPPA signed in Greece for 3.3 million euros in 2023 vs 13.2 million euros in 2022 (see Note 24);
- income from cash and cash equivalents increase compared to the previous period due to higher interest rates, specially on euro, on US dollar and on Argentinian peso.

Information on interest rates

As of December 31, 2023, outstanding loans and credit lines, apart from NeuCP bonds, were contracted with floating rates ranging between 8.10% in India on the Rupee and 62.55% in Turkey on Turkish Lira. The borrowings indicated for France consist exclusively of NeuCP bonds, issued on average at 3.53%. Relative exposure, deemed not significant, has not been hedged.

The NeuCP interest are booked in interest expense.



NOTE 7 INCOME TAX

Accounting policies

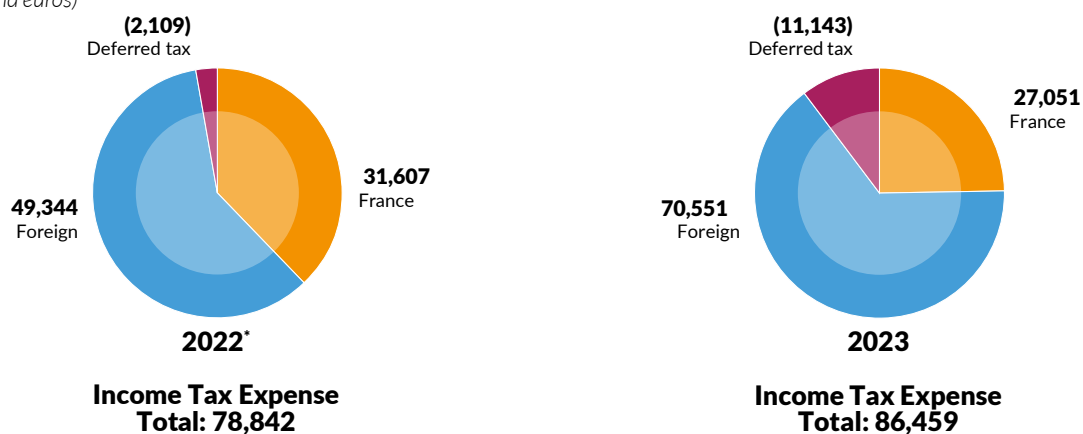
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable income differs from income as published in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Liability for current tax is calculated using tax rates that have been enacted as of the balance sheet date.

Income tax breakdown is as follow:

INCOME TAX EXPENSE

(in thousand euros)



* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

The normal income tax rate in France is 25.83% (including social contributions) for the fiscal year 2023.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective countries.

The Group uses the French tax rate as the theoretical base for the reconciliation between the theoretical income tax expense and the effective income tax expense. Reconciliation primarily involves the effect of differences in tax rates.

The main tax consolidation groups are France, the U.S. and Spain.

As of December 31, 2023, the main contributors are Mexico and Brazil.

As of December 31, 2022, the main contributors were the U.S. and the Brazil.

New "GloBE rules"

The "Global Anti-Base Erosion Rules" (commonly referred to as the "GloBE Rules" or "Pillar 2"), defined at international level by the OECD/G20 Inclusive Framework and whose implementation is required in France by Council Directive (EU) 2022/2523 of December 15, 2022 transposed into French law by the Finance Act of December 29, 2023, are designed to ensure that groups with consolidated sales of at least 750 million euros are effectively taxed at a rate of 15%, assessed on a jurisdiction-by-jurisdiction basis.

To this end, BIC must determine its GloBE effective tax rate in each jurisdiction in which it operates, which may lead to the payment of additional tax if lower than the minimum rate.

Reconciliation between the theoretical and effective income tax expense:

<i>(in thousand euros)</i>	December 31, 2022*	December 31, 2023
Income before tax	277,445	312,973
Tax rate	25.8%	25.8%
Theoretical tax expense	71,664	80,841
Effects of:		
• differences in tax rates	1,441	4,203
• income taxed at reduced rate	(43)	(14)
• permanent differences	13,314	7,401
• intra-Group accruals eliminations	1,010	652
• variation of unrecognized deferred tax assets	3,087	6,270
• tax credits	(10,945)	(14,176)
• foreign exchange differences	(686)	1,283
Income tax expense	78,842	86,459
EFFECTIVE TAX RATE	28.4%	27.6%

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

NOTE 8 EARNINGS PER SHARE GROUP SHARE

Earnings per share (Group share) and diluted earnings per share (Group share) correspond to the Group net income divided by the relevant number of shares.

The number of shares used to calculate the earnings per share (Group share) is the weighted average number of ordinary shares outstanding during the period less the weighted average number of shares held in treasury stock by SOCIÉTÉ BIC during the period and presented as a reduction to equity.

The number of shares used to calculate the diluted earnings per share (Group share) is the weighted average number of shares potentially in circulation during the period, which corresponds to the number of shares used for basic earnings per share Group share, adjusted for the dilutive effect of free shares and stock options.

As of December 31, 2023, there are no share with relative impact and the maximum dilutive effect from unvested free shares and stock-options are around 1% of the share capital.

6

<i>(in thousand euros)</i>	December 31, 2022*	December 31, 2023
Numerator		
Net income Group share from continuing operations	198,603	226,515
Denominator <i>(in number of shares)</i>		
Weighted average number of ordinary shares in circulation	43,974,525	42,740,269
Dilutive effect of free shares	600,012	503,975
Diluted weighted average number of ordinary shares in circulation	44,574,537	43,244,244
Earnings per share Group share from continuing operations <i>(in euros)</i>		
Earnings per share Group share from continuing operations	4.52	5.30
Diluted earnings per share Group share from continuing operations	4.46	5.24

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).



BALANCE SHEET – ASSETS

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

Accounting policies

Land and buildings held by the Group for use in the production or supply of goods or services, or for administrative purposes, are recognized in the balance sheet at their initial acquisition cost, less any accumulated depreciation and impairment losses.

Depreciation is booked to profit or loss so as to reduce the carrying amount of assets, other than land and properties under construction, over their estimated useful life, using the straight-line method. Property, plant and equipment in the course of construction for production, rental or administrative purposes, are carried at cost, less any identified impairment loss. Depreciation of these assets, on the same basis as other property, plant and equipment, starts when the assets are ready for their intended use.

Fixtures and equipment are stated at initial acquisition cost less accumulated depreciation and impairment losses.

Leases that convey to the customer ("lessee") the right to control the use of an identified asset for a period of time in exchange for consideration fall within the scope of IFRS 16 "Leases". The lessee entities of the Group recognize a right of use under assets with a lease liability as a counterpart, for all leases.

The term used corresponds to the non-cancellable period, the periods covered by an extension option, the exercise of which is reasonably certain, and the periods covered by a termination option, the non-exercise of which is reasonably certain.

9-1 Property, plant and equipment – Gross value

<i>(in thousand euros)</i>	Land & buildings	Machinery & equipment	Construction in progress	Other fixed assets	Land & buildings – Right of use	Machinery & equipment – Right of use	Vehicles – Right of use	Other tangible fixed assets – Right of use	Total
At January 1, 2022	428,404	1,307,443	133,848	22,091	55,793	6,496	13,991	649	1,968,715
Acquisitions	1,682	12,574	67,024	205	34,824	154	4,225	142	120,830
Change in scope	59	352	-	-	1,648	-	-	-	2,059
Disposals/Write-offs	(1,147)	(15,939)	(4,836)	(3,766)	(1,199)	(1,303)	(2,557)	(101)	(30,848)
Constructions in progress put in use	11,210	46,095	(61,501)	4,196	-	-	-	-	-
Exchange differences	9,544	26,670	655	399	800	143	2	1	38,214
At January 1, 2023	449,752	1,377,195	135,190	23,125	91,866	5,490	15,661	691	2,098,970
Acquisitions	1,448	15,419	79,831	223	19,869	1,917	8,142	-	126,848
Disposals/Write-offs	(208)	(16,471)	(105)	(273)	(14,063)	(3,165)	(6,146)	(310)	(40,742)
Constructions in progress put in use	20,295	49,046	(70,396)	1,056	-	-	-	-	-
Other movements	23,383	15,268	(21,065)	1,089	(1,019)	-	(194)	-	17,463
Exchange differences	(561)	4,124	466	(1,060)	(2,496)	(67)	(454)	-	(48)
At December 31, 2023	494,109	1,444,581	123,920	24,160	94,157	4,175	17,010	381	2,202,491

9-2 Property, plant and equipment – Depreciation and impairment loss

Accounting policies

At each balance sheet date, the Group examines the carrying amount of its property, plant and equipment and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine, if applicable, the amount of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately as an expense in profit or loss.

Where an impairment loss subsequently reverses or is reduced, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. However, the increased carrying amount should not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or cash-generating unit) in prior years.

A reversal of an impairment loss is recognized immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation decrease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit or loss.

The depreciation method is the straight-line method, on the following basis:

- buildings: 25 years;
- fixtures, machinery and equipment: 5 to 8 years;
- vehicles: 3 to 5 years.

<i>(in thousand euros)</i>	Land & buildings	Machinery & equipment	Construction in progress	Other fixed assets	Land & buildings – Right of use	Machinery & equipment – Right of use	Vehicles – Right of use	Other tangible fixed assets – Right of use	Total
At January 1, 2022	250,386	1,039,561	27,636	16,693	31,844	4,329	9,072	395	1,379,916
Amortization for the period	16,272	72,597	2	2,037	13,042	1,330	3,267	96	108,641
Impairment loss	-	1,840	66	-	-	-	-	-	1,906
Disposals/Write-offs	(785)	(20,386)	-	(3,814)	(739)	(1,304)	(2,259)	(101)	(29,388)
Other movements	-	(1,249)	-	1,249	-	-	-	-	-
Exchange differences	4,729	20,693	(1,217)	362	640	82	(27)	-	25,263
At January 1, 2022	270,602	1,113,056	26,485	16,527	44,787	4,437	10,053	391	1,486,338
Depreciation for the period	16,593	72,673	2	1,566	13,199	1,088	3,868	49	109,038
Impairment loss	-	274	30	-	-	-	-	-	304
Disposals/Write-offs	(164)	(15,971)	-	(363)	(10,653)	(3,324)	(5,625)	(272)	(36,373)
Other movements	786	15,781	-	2,014	172	40	(388)	-	18,404
Exchange differences	(311)	4,438	(1,055)	(879)	(586)	(59)	(195)	-	1,354
At December 31, 2023	287,505	1,190,253	25,462	18,864	46,920	2,183	7,713	168	1,579,066
NET VALUE									
At December 31, 2023	206,604	254,329	98,458	5,296	47,237	1,992	9,297	213	623,426
At December 31, 2022	179,150	264,139	108,705	6,598	47,079	1,053	5,608	300	612,632

As of December 31, 2023, the gross value of fully depreciated but still used property, plant and equipment is 1,077 million euros.



NOTE 10 GOODWILL

Accounting policies

Goodwill arising from the acquisition of a subsidiary represents the excess of the acquisition price over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognized at the date of acquisition. Goodwill is calculated in the currency of the acquired company. It is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill and fair value adjustment arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

For the purpose of impairment testing, goodwill is allocated to cash-generating units ("CGU") representing the lowest level at which the goodwill is monitored at Group level. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is first allocated to the reduction in the carrying amount of any goodwill allocated to the cash-generating unit and then to the other assets of the unit prorated on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of an activity, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Goodwill breakdown is as follow:

<i>(in thousand euros)</i>	Gross value	Impairment loss	Net value
At January 1, 2022	356,356	(100,298)	256,058
Inkbox Acquisition	26,861	-	26,861
Tattly Acquisition	2,280	-	2,280
AMI Acquisition	2,197	-	2,197
Exchange differences	6,433	3,781	10,214
At January 1, 2023	394,127	(96,517)	297,610
Exchange differences	(17,750)	3,419	(14,331)
At December 31, 2023	376,377	(93,098)	283,279

The balance, as of December 31, 2023, includes the following principal net goodwill:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
BIC CORPORATION ^(a) – Human Expression	54,911	53,396
BIC CORPORATION ^(a) – Flame for Life	43,794	42,470
BIC Viorex – Blade Excellence	71,873	71,189
Kenya – Human Expression	4,966	3,823
Nigeria – Human Expression	12,738	6,189
Djeep – Flame for Life	29,885	29,885
Rocketbook – Human Expression	27,797	26,831
Inkbox – Human Expression	29,306	28,287
Tattly – Human Expression	2,115	2,042
Advanced Magnetic Interaction – Human Expression	2,197	2,197
Other ^(a)	18,028	16,971
TOTAL	297,610	283,279

(a) These goodwill amounts are linked to cash-generating units represented by distribution subsidiaries.

To perform the impairment tests, the Group used the following discount and perpetual growth rates:

	Weighted average cost of capital (WACC) before tax		Perpetual growth rate	
	2022	2023	2022	2023
BIC CORPORATION				
<i>Human Expression</i>	9.7%	10.5%	1.5%	1.5%
<i>Flame for Life</i>	9.8%	10.0%	1.5%	1.5%
Cello Pens – Human Expression	14.3%	14.4%	4.0%	4.1%
BIC Viorex – Blade Excellence	13.9%	13.6%	1.9%	1.9%
Kenya – Human Expression	19.0%	33.8%	5.0%	5.6%
Nigeria – Human Expression	29.0%	25.4%	11.5%	8.1%
Djeep – Flame for Life	9.5%	10.6%	-	-
Rocketbook – Human Expression	9.2%	9.35%	1.5%	1.5%
Inkbox – Human Expression	17.7%	11.8%	6.7%	2.0%

Each goodwill item has been allocated to a cash-generating unit (“CGU”) representing the lowest level at which goodwill is monitored by the Group.

The goodwill on BIC CORPORATION is thus mainly allocated to cash-generating units linked to the distribution by BIC CORPORATION of stationery products and lighters.

The goodwill on Cello Pens is allocated to the cash-generating units linked to the production and distribution of stationery products by Cello and was fully depreciated.

The remaining goodwill on BIC Viorex is allocated to the cash-generating unit linked to shavers developed and/or produced by BIC Viorex and sold all over the world. This cash-generating unit also includes the portion of BIC CORPORATION goodwill allocated to shavers.

The goodwill on the Kenya subsidiary is allocated to the cash-generating unit linked to the production and distribution of stationery products by BIC East Africa.

The goodwill on the Nigeria subsidiary is allocated to the cash-generating unit linked to the production and distribution of stationery products by Lucky Stationery Limited.

The goodwill on Djeep is allocated to the cash-generating unit linked to the production and distribution of lighters by Djeep.

The goodwill on Rocketbook is allocated to the cash-generating unit linked to the distribution of the Core and Fusion notebooks, reusable notebooks used with erasable pens by Rocketbook.

The goodwill generated on Inkbox is allocated to the cash-generating unit linked to the distribution of semi-permanent tattoos by Inkbox.

As of June 30, 2023, the Group performed annual impairment tests on these goodwill amounts.

The goodwill impairment test methodology is based on a comparison between the recoverable amount of each of the Group's cash-generating units and the corresponding assets' net book value (including goodwill).

Such recoverable amounts correspond to the value in use and are determined using discounted future cash flow projections over a maximum of five years and a terminal value using the perpetual annuity method, including notably the following:

- the discount rate before taxes used is the weighted average cost of capital. Particular attention has been paid to the analysis of the main market items used for the calculation of the discount rates;
- the perpetual growth rates were determined based on external (inflation rate) and internal (business growth) sources. Perpetual growth rates above 2% take into account market specifics, notably in Nigeria, Kenya and in India.

Considering the impairment on part of the assets on the CGU Cello, any negative variance of drivers (discount rate, performance and perpetual growth rates) would lead to an additional impairment of other assets.

Concerning the sensitivity of the impairment test of the other CGU, the computation of their recoverable value taken individually would not give rise to an additional impairment using a +1%/-1% discount rate and a +1%/-1% perpetual growth rate compared to those utilized.



NOTE 11 OTHER INTANGIBLE ASSETS

Other intangible assets breakdown is as follow:

<i>(in thousand euros)</i>	Software	Trademarks & patents	Research & development	Intangible assets in progress	Other	Total
GROSS VALUE						
At January 1, 2022	76,086	109,125	4,267	12,058	23,920	225,456
Acquisitions	307	47	-	12,229	95	12,678
Inkbox – Acquisition of subsidiaries	2,121	31,029	-	-	961	34,111
AMI – Acquisition of subsidiaries	-	-	1,005	-	-	1,005
Disposals/Write-offs	(129)	(1)	-	-	-	(130)
Constructions in progress put in use	5,684	-	-	(5,733)	49	-
Exchange differences	2,895	4,833	153	99	13	7,993
At January 1, 2023	86,964	145,033	5,425	18,653	25,038	281,113
Acquisitions	1,855	122	-	8,294	(2)	10,268
Disposals/Write-offs	(340)	(37,677)	-	(54)	(39)	(38,120)
Other movements	9,603	2,335	-	(15,579)	(2,335)	(5,976)
Constructions in progress put in use	1,559	18	-	(1,467)	(110)	-
Exchange differences	(560)	(3,951)	(18)	(38)	(927)	(5,494)
At December 31, 2023	99,081	105,880	5,407	9,809	21,625	241,802

<i>(in thousand euros)</i>	Software	Trademarks & patents	Research & development	Intangible assets in progress	Other	Total
AMORTIZATION AND IMPAIRMENT LOSS						
At January 1, 2022	66,485	82,800	4,267	-	5,872	159,424
Amortization for the period	5,793	1,099	152	-	1,395	8,439
Disposals/Write-offs	(112)	-	-	-	-	(112)
Exchange differences	1,754	1,762	153	-	(89)	3,580
At January 1, 2023	73,920	85,661	4,572	-	7,178	171,331
Amortization for the period	8,494	1,012	397	-	1,332	11,235
Impairment loss	-	-	-	669	-	669
Disposals/Write-offs	(335)	(37,673)	-	-	(27)	(38,035)
Other movements	901	18	-	-	181	1,100
Exchange differences	(388)	(2,175)	(96)	(13)	(884)	(3,556)
At December 31, 2023	82,592	46,843	4,872	656	7,780	142,744
NET VALUE						
At December 31, 2023	16,489	59,037	535	9,142	13,845	99,058
At December 31, 2022	13,044	59,372	853	18,653	17,860	109,782

Software

Internally-generated software is principally related to investments linked to the upgrade of information technology systems.

Trademarks and patents

Following the acquisition of Inkbox in 2022, purchase price allocation work was performed and enabled the identification of

intangible assets amounting to 38.7 million U.S. dollars (36.3 million euros at December 31, 2022), mainly trademark for an amount of 24.2 million U.S. dollars (22.7 million euros at December 31, 2022) and the patents and softwares amounting 13.4 million U.S. dollars (12.6 million euros as of December 31, 2022). These assets were allocated to the cash-generating units constituted by the subsidiary Inkbox.



The main trademarks booked in the balance sheet as of December 31, 2023 are the Inkbox® trademark for 22.7 million euros, Rocketbook® trademark for 13.9 million euros, and the Cello® trademark for 9.7 million euros.

These trademarks have an infinite lifetime. For impairment test purposes, they are linked to the Inkbox, Rocketbook and Cello Pens subsidiaries' cash-generating units.

Other intangible assets

Other intangible assets mainly comprise a customer relationship from Djeep acquisition, for an amount of 11.5 million euros. This customer relationship is depreciated over a period of fourteen years. As of December 31, 2023, net amount of this asset is 8.6 million euros.

NOTE 12 OTHER NON-CURRENT ASSETS

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Guarantee deposits	5,319	5,499
Deferred pensions	4,056	2,990
Deferred compensation assets in the U.S. (other than pensions)	5,598	7,397
Other non-current financial assets	5,681	8,226
Other non-current assets	9,082	9,398
TOTAL	29,736	33,510

NOTE 13 DEFERRED TAX

Accounting policies

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases using the balance sheet liability method, and tax rates enacted or nearly enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that profits will be available against which deductible temporary differences can be utilized.

Such assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries and associates, and interests in joint ventures and branches, except when the date on which temporary differences will be reversed can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the periods when the liability will be settled or the asset realized.

Deferred tax is charged or credited to profit or loss in the period, except when it relates to a transaction or an event directly credited or charged to equity, in which case the deferred tax is also recognized in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Following the application of IFRIC 23 "Uncertainty over income tax treatments" as of January 1, 2019, uncertain tax positions relating to IAS 12 income taxes are recognized as deferred tax liabilities (respectively assets) or as current tax liabilities if it is considered probable that the tax authorities will reject/(accept) the position.



13-1 Deferred tax booked in the balance sheet

Deferred tax breakdown is as follow:

<i>(in thousand euros)</i>	December 31, 2022*	December 31, 2023
Deferred tax assets	132,608	116,704
Deferred tax liabilities	(73,161)	(48,827)
NET POSITION	59,447	67,877

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

The movement for the year in the Group's deferred tax position was as follows:

<i>(in thousand euros)</i>	Notes	December 31, 2023
Net position at January 1, 2023		59,447
Deferred tax income/(expense) for the period	CF	11,143
Reclassification from deferred to current tax in the balance sheet		(1,375)
Booked in Shareholders' equity and other comprehensive income		5,445
Exchange differences		(6,783)
Net position at December 31, 2023		67,877

<i>(in thousand euros)</i>	Notes	December 31, 2022*
Net position at January 1, 2022		62,804
Deferred tax income/(expense) for the period	CF	2,108
Acquisition Inkbox		(3,467)
Booked in Shareholders' equity and other comprehensive income		(7,083)
Exchange differences		5,085
Net position at December 31, 2022		59,447

* Corrected to include the accounting of the Virtual Power Purchase Agreement contract (See Note 24-5).

ORIGIN OF DEFERRED TAX

<i>(in thousand euros)</i>	December 31, 2022*	December 31, 2023
Pension and other employee benefits	21,559	14,949
Intra-Group profit elimination	26,184	24,394
Tax losses carried forward	3,869	11,901
Other temporary differences	47,057	55,765
Uncertain tax treatment	(39,222)	(39,132)
NET DEFERRED TAX	59,447	67,877

IAS 12 modifications - International tax reform - GloBE model rules

The GloBE rules will apply to subsidiaries controlled by BIC from January 1st, 2024. In order to be as compliant as possible with these new obligations, the Group has followed OECD guidelines and legal developments in jurisdictions in which it operates. In the Group's financial statements as of December 31, 2023 and on the basis of its preliminary analyses, no deferred tax in respect of

GloBE is recorded following application of the mandatory temporary exemption introduced by the amendment to IAS 12.

In addition, as of December 31, 2023, the Group has 54 million euros of unrecognized deferred tax assets relating to unused tax losses mostly in India, versus 61 million euros in 2022.

13-2 Deferred tax recognized in other comprehensive income

Deferred tax recognized in other comprehensive income result from the following items:

December 31, 2023

<i>(in thousand euros)</i>	Other comprehensive income	Deferred taxes
Actuarial differences on defined-benefit plans (1)	(1,780)	1,885
Other comprehensive income (2)	(37,883)	3,560
<i>Hedge derivatives</i>	(13,039)	4,022
<i>Foreign exchange impact</i>	(33,443)	(462)
<i>Hyperinflation impact in Argentina</i>	8,599	-
TOTAL (1)+(2)	(39,663)	5,445

December 31, 2022

<i>(in thousand euros)</i>	Other comprehensive income	Deferred taxes
Actuarial differences on defined-benefit plans (1)	17,071	(4,274)
Other comprehensive income (2)	56,176	(2,691)
<i>Hedge derivatives</i>	11,727	(3,418)
<i>Foreign exchange impact</i>	44,449	727
TOTAL (1)+(2)	73,247	(6,965)

NOTE 14 CHANGE IN NET WORKING CAPITAL

(in thousand euros)	December 31, 2022	Cash flows impact Operating	Cash flows impact Investing ^(a)	Reverse of the earn-out clauses Rocketbook/Nigeria	Argentina hyperinflation	Other variances	Foreign exchange	December 31, 2023
Net inventory	588,257	(18,992)	-	-	1,217	-	(12,501)	557,981
• Inventory – Gross value	605,973	(15,390)	-	-	1,217	-	(12,823)	578,977
• Inventory – Impairment	(17,715)	(3,602)	-	-	-	-	321	(20,996)
Trade and other receivables	414,682	10,098	-	-	-	(591)	(20,684)	403,505
Trade and other payables	(181,108)	38,706	(2,586)	-	-	(5)	290	(144,703)
Other receivables and payables ^(b)	(264,840)	(2,430)	-	1,844	-	2,192	6,431	(256,803)
NET WORKING CAPITAL	556,992	27,382	(2,586)	1,844	1,217	1,596	(26,465)	559,980

(a) Cash flows impact Investing includes capital additions cashed out in 2023 relating to 2022 and excludes 2023 capital additions not yet cashed out.

(b) Other receivables and payables are composed of:

	Note	December 31, 2022	December 31, 2023
Other current assets	Asset	23,021	20,330
Deferred compensation assets in the U.S. (other than pensions)	12	5,598	7,397
Other non-current assets	12	9,082	9,398
Other current liabilities	Liabilities	(293,201)	(288,919)
Other non-current liabilities	Liabilities	(9,340)	(5,009)
TOTAL		(264,840)	(256,803)

The working capital is used to finance the Group's operating cycle. Details of the elements used in the calculation are presented above.

BALANCE SHEET – EQUITY AND LIABILITIES

NOTE 15 SHARE CAPITAL

15-1 Share capital

As of December 31, 2023, the share capital of SOCIÉTÉ BIC was 161,474,031.98 euros divided into 42,270,689 shares of 3.82 euros each. Bearer shares held for more than two years carry double voting rights.

In addition, SOCIÉTÉ BIC holds 451,727 treasury shares, acquired at an average price of 58.32 euros in accordance with Article L. 225-209 of the French Commercial Code, which represent 1.07% of the share capital.

15-2 SOCIÉTÉ BIC shares held in treasury stock and share repurchase program as of December 31, 2023

Purpose of the repurchase	Number of shares	Average acquisition price (in euros)	% of the share capital
Liquidity agreement ^(a)	22,561	62.59	0.05%
Free share grants ^(a)	429,166	58.09	1.02%
TOTAL	451,727	58.32	1.07%

(a) Article L. 225-209 of the French Commercial Code.

In accordance with the liquidity agreement, transferred by Natixis to ODDO on June 27, 2018, in respect of SOCIÉTÉ BIC shares, as of December 31, 2023, the liquidity account contained the following:

- 22,561 BIC shares;
- 1,868,953 euros.

SOCIÉTÉ BIC obtained authorization from the Annual Shareholders' Meeting on May 16, 2023, to renew its share repurchase program.

Number of shares purchased in 2023 ^(b)

• Share repurchase program authorized by the Annual Shareholders' Meeting held on May 18, 2022	606,864
• Share repurchase program authorized by the Annual Shareholders' Meeting held on May 16, 2023	1,344,858
Average share repurchase price for the purchases during the year 2023 (in euros)	59.52

(b) Excluding shares repurchased under the liquidity contract.

During the year 2023, SOCIÉTÉ BIC cancelled 1,681,537 shares.

To the best of the Company's knowledge, as of December 31, 2023, Shareholders holding more than 5% of the share capital and/or of the voting rights of the Company were as follows:

	At December 31, 2023	
	% of shares (approx.)	% of voting rights (approx.)
SOCIÉTÉ M.B.D.	30.48%	41.22%
Bich family	16.79%	22.36%
Silchester International Investors*	8.47%	5.73%

* based on December 19, 2023 numbers of shares and voting rights (AMF disclosure).

NOTE 16 BORROWINGS AND FINANCIAL LIABILITIES

(in thousand euros)	Bank overdrafts	Short-term borrowings	Current borrowings and financial liabilities	Non-current borrowings and financial liabilities	Current lease liability	Non-current lease liability	Total
At January 1, 2022	501	59,000	4,364	4,896	12,422	18,886	100,069
Cash Flows	593	(9,000)	9,011	(5,026)	(15,360)	(1,396)	(21,178)
"Non cash" changes	5	-	(1,532)	130	16,539	25,349	40,491
• Changes in lease liabilities	-	-	-	-	15,848	23,556	39,404
• PIMACO disposal	-	-	-	-	379	1,269	1,648
• Exchange difference	5	-	(1,532)	130	312	524	(561)
At January 1, 2023	1,099	50,000	11,843	-	13,601	42,839	119,382
Cash Flows	-	25,000	7,498	-	(18,023)	-	14,474
"Non-cash" changes	(1,099)	-	(2,424)	-	21,890	3,965	22,333
• Variation of lease debt	-	-	-	-	24,014	5,567	29,581
• Other movements	(1,101)	-	-	-	-	-	(1,101)
• Exchange difference	2	-	(2,424)	-	(2,123)	(1,602)	(6,147)
At December 31, 2023	-	75,000	16,917	-	17,468	46,804	156,189



Bank loans and financial liabilities come due as following:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
On demand or within one year	76,543	109,385
In the 2 nd year	12,034	14,114
In the 3 rd year	8,026	10,312
In the 4 th year	5,925	7,733
In the 5 th year	4,871	5,692
After five years	11,983	8,953
TOTAL	119,382	156,189

Main bank loans and credit lines are as follows:

Borrowing country <i>(in thousand euros)</i>	Currency	Euro equivalents	
		December 31, 2022	December 31, 2023
• France	EUR	50,140	75,090
• Turkey	TRY	3,443	2,587
• Nigeria	NGN	845	-
• India	INR	7,415	14,240
TOTAL		61,843	91,917

In fiscal year 2020, the Group has improved its access to short and medium-term liquidity through the implementation of a 3-year, 200 million euros Revolving Credit Facility (RCF) and a 200 million euros NeuCP program.

The RCF was renewed on June 27, 2023 for a new 3-year period. To date, the RCF has not yet been drawn down, and NeuCP's outstanding balance on December 31, 2023 amounts to 75 million euros. Despite the inflationary environment currently prevailing in the euro zone, generating tensions on the yield curve and credit market.

Information on covenants

None of the current loans contains any covenant that could trigger early repayment of the debt.

Lease liability

BIC uses an incremental borrowing rate for discounting debt. The rate used for each lessee is the rate he would have to pay to borrow, over a similar period and with similar security, the funds necessary to obtain an asset of similar value to the leased asset in a similar economic environment.

Lease payment under IFRS 16

Lease payments in 2023 in respect of leases falling within the scope of IFRS 16 for an amount of 19.7 million euros break down as follows:

- Depreciation: 18.2 million euros;
- Interest: 1.7 million euros.

Future lease cash outflows

The Group is expected to pay 20.8 million euros in 2024.

NOTE 17 PROVISIONS

Accounting policies

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that an economic outflow will be required to settle said obligation and such outflow can be reliably measured. Provisions will be measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date, and will be discounted to present value where the effect is material

Provisions breakdown is as follow:

<i>(in thousand euros)</i>	Tax and social risks and litigation	Litigation	Product liability	Other risks and charges	Total
At January 1, 2022	3,105	12,658	337	4,228	20,328
Additional provisions	1,744	4,515	-	1,325	7,585
Reversals of provisions utilized	(1,055)	(3,974)	-	(895)	(5,924)
Reversals of provisions not utilized	(209)	(2,896)	-	(157)	(3,261)
Exchange differences	186	573	20	(527)	251
At December 31, 2022	3,734	10,913	356	4,119	19,124
At January 1, 2023	3,734	10,913	356	4,119	19,124
Additional provisions	1,806	6,365	(17)	2,536	10,689
Reversals of provisions utilized	(883)	(4,178)	-	(663)	(5,724)
Reversals of provisions not utilized	(1)	(121)	-	(651)	(773)
Exchange differences	86	(3,148)	(13)	(545)	(3,620)
Reclassification	692	(692)	-	-	-
At December 31, 2023	5,434	9,139	326	4,796	19,695

Tax (excluding income tax) and social risks and litigation

Provisions for tax (excluding income tax) and social risks and litigation relate mainly to:

- tax risks;
- U.S. workers' compensation.

Uncertain tax positions relating to IAS 12 income taxes are recognized as deferred tax liabilities (respectively assets) if it is considered probable that the tax authorities will reject/(accept) the position (see Note 13-1).

Tax audits are carried out regularly by local tax authorities which may dispute positions taken by Group subsidiaries. In accordance with the Group's accounting policies, it may be decided to record provisions when tax-related risks are considered likely to generate a payment to local tax authorities.

The Group reviews the evaluation of all its tax positions on a regular basis, using external counsels and considers that its tax positions are adequately provided for. However, the Group cannot predict the ultimate outcome of future audits.

Litigation

As of December 31, 2023, the litigation provision mainly represents distributor and commercial agent risks in the U.S and Argentina.

Other risks and charges

As of December 31, 2023, other provisions for risks and charges are mainly related to reorganization costs of Conté's facilities.





NOTE 18 PENSION AND OTHER EMPLOYEE BENEFITS

Accounting policies

Pursuant to IAS 19 "Employee Benefits", the Group's employees commitments regarding post employment benefits are valued by independent actuaries.

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit plans are dealt with as payments to defined contribution plans where the Group's obligation under these plans are equivalent to those arising in defined contribution retirement benefit plans.

For defined benefit retirement plans, the amount of provision is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. All actuarial differences are recognized in other comprehensive income in the period in which they occur. Past service costs are recognized for their full amount as a component of cost of services (in the income statement), whether benefits are vested definitively to their beneficiaries or are being acquired.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation reduced by the fair value of plan assets. Any net asset resulting from this calculation is limited to the present value of available refunds and reduction in future contributions to the plan.

Turnover rate is calculated by taking the number of departures including contractual terminations and dismissals during the year divided by the headcount as of January 1.

18-1 Plan characteristics

Types of post-employment benefits and other long-term benefits

Pursuant to the laws and practices in force in the countries where it operates, the Group has obligations in terms of employee benefits, in particular post-employment benefits:

- **In the U.S.**

Two pension plans ("Salaried Pension Plan" and "Local 134L Pension Plan") are effective (depending on the site) and are funded by their respective pension funds. In addition to these plans, medical and life insurance plans exist ("Salaried Retiree Medical and Life Insurance Plan" and "Local 134L Retiree Medical and Life Insurance Plan" depending on the site).

- a. **Salaried Pension Plan**

Retirement benefits under a combined average reference salary and years of service formula and including Social Security retirement benefits will be granted to beneficiaries hired prior to 2007. The formula provides for a life annuity, payable at normal retirement age (65), equal to 1.1% of the Social Security ceiling plus 1.5% of average pay in excess of the Social Security ceiling, multiplied by the number of years of service, which may not exceed 35 years, plus 1.4% of average pay per year of service in excess of 35 years (average pay is based on the highest three consecutive years within the last 10 years). In addition, the Plan provides reduced early retirement benefits for beneficiaries who retire prior to age 65 (or age 62 if they retire at or after age 55 with 10 or more years of service). Eligible beneficiaries who retire after January 1, 2015 are eligible for a lump sum payment from the plan.

Benefits under a Cash Balance Arrangement are granted to employees hired starting 2007. These participants receive annual credits of 5% of their year's pay for plan years before January 1, 2013, and for plan years after December 31, 2012, eligible beneficiaries receive annual credits of 5% per year for less than five years of service, 6% per year for at least five but less than 10 years of service, 7% per year for at least 10 but less than 15 years of service, 7.5% for at least 15 but less than 20 years of service and 8% for 20 or more years of service, which are accumulated with guaranteed interest equal to 30-year Treasury rates, to retirement. Participation in this

plan is closed for BIC Graphic employees hired after January 1, 2011. The Plan is subject to minimum legal funding requirements.

On July 29, 2020, the Company announced a change to the salaried pension benefit for active team members hired prior to January 1, 2007. The BIC Corporation Salaried Pension Plan final average earnings formula was frozen on December 31, 2020 and future pension benefits for these team members will be accrued under the BIC Corporation Salaried Pension Plan Cash Balance formula (same formula used for team members who joined BIC after January 1, 2007).

The long-term objective of the Plan's investment policy is to provide sufficient funding to cover expected benefit obligations, while assuming a prudent level of portfolio risk relative to the Plan's liability. The Plan's assets are invested in the BIC Corporation Master Trust - with a target asset allocation of 20% equities and 80% fixed income.

- b. **Local 134L Pension Plan**

For beneficiaries hired before December 4, 2007, benefits under the Plan are based on a participant's years of service multiplied by a fixed set amount (47 U.S. dollars per month for 2020, 47.25 U.S. dollars per month for 2021 and 47.50 U.S. dollars per month for 2022 and 47.75 U.S. dollars per month from January 1, 2022).

Employees hired after December 4, 2007 accrue benefits under a Cash Balance Arrangement. These participants receive annual credits equal to 3% of pay through November 30, 2012, 3.75% of pay from December 1, 2012 through November 30, 2017, 4.75% of pay beginning on December 1, 2017 and 5% of pay beginning on December 1, 2020, which are accumulated with interest, equal to 30-year Treasury rates, to retirement.

These two schemes are subject to American legal minimum funding requirements.

The long-term objective of the Plan's investment policy is to provide sufficient funding to cover expected benefit obligations, while assuming a prudent level of portfolio risk relative to the liability. The Plan's assets are invested in the BIC Corporation Master Trust - with a target asset allocation of 10% equities, and 90% fixed income.



c. Salaried Retiree Medical and Life Insurance Plan

Employees hired prior to 2007 benefit from medical coverage for their entire retirement if they are at least 55 and have 20 or more years of service at retirement. The Plan is closed to new employees. Effective October 1, 2013, as part of an exchange, certain covered retirees and future retirees, age 65 and over, are granted a fixed payment of 3,500 U.S. dollars annually to purchase retiree medical coverage. This amount was increased to 4,236 U.S. dollars on January 1, 2022. This benefit will be reviewed in the future to reflect the upward trends in healthcare costs.

Retiree life insurance is available to employees who retire at or after age 55 with 10 or more years of service. Employees hired on or after January 1, 2018 are no longer eligible for this benefit. The death benefit is equal to 100% of final salary with a cap ranging from 10,000 U.S. dollars for non-managerial employees to 100,000 U.S. dollars for BIC level 4s and above.

On July 29, 2020, the Company announced changes to the salaried retirement benefits for active team members who were eligible for retiree medical and retiree life insurance benefits. With limited exceptions, if active team members leave BIC after December 31, 2021, they will no longer be eligible for these benefits.

The Plan does not have any assets.

d. Local 134 I Retiree Medical and Life Insurance Plan

Employees who retire at or after age 60 with 10 or more years of service are eligible to receive medical and life insurance coverage throughout their retirement.

Retirees prior to December 1, 2002 are granted fixed annual payments ranging from 2,600 U.S. dollars to 3,500 U.S. dollars to purchase retiree medical coverage. Post-age 65 retirees who retire on or after December 1, 2002, receive a fixed annual payment of 900 U.S. dollars to purchase prescription drugs. The amounts will be reviewed in the future to reflect the upward trends in healthcare costs. The Plan is closed to new employees hired after November 30, 2012.

For pre-age 65 eligible retirees and spouses, BIC pays 50% and the retiree pays 50% of the premium.

Retiree life insurance benefits include a death benefit of 16,500 U.S. dollars for employees who retire on or after December 1, 2022.

The Plan does not have any assets.

• **In the United Kingdom**

There is a closed defined-benefit plan which is not accessible to a specified list of beneficiaries (plan closed to new entrants) and closed to the acquisition of further rights. An independent professional Trustee, an employer-representative Trustee and an employee-representative Trustee oversee the governance of the scheme. Plan assets are currently invested in a portfolio of stocks, bonds and real estate. Asset allocation is reviewed regularly to ensure that the assets held are still appropriate and sufficient to cover future pension obligations.

Both schemes are subject to the same risks as the majority of final salary occupational pension schemes, *i.e.* inflation risks, investment risks, life expectancy risks, *etc.* The strategic asset allocation must comply with the investment guidelines laid out in the "Statement of Investment Principles" set up by the Trustee to limit the risks.

• **In France**

In France, employee benefit commitment is composed of an indemnity on retirement leave and jubilee.

The amount of the indemnity is determined by the applicable national collective bargaining agreement and is expressed in a number of months salary, based on company seniority at date of retirement. BIC is responsible for the payment of the indemnity only if the employee is working for the Company at the time of retirement.

• **In Canada**

The Plan is funded chiefly through employer contributions and investment earnings on Plan assets. Prior to 1992, beneficiaries were required to contribute to the Plan, however since January 1, 1992 they are no longer required or permitted to make contributions to the Plan. BIC Inc. contributions to the Plan comply with the minimum funding requirements of the "Pensions Benefits Act of Ontario".

The Pension fund set up to finance the retirement scheme for employees of BIC Inc. is held by an Independent Trust in the interests of beneficiaries. This fund is not part of the income or assets of BIC Inc.

This Plan is closed to new employees hired after November 14, 2011.

For hourly paid employees, the retirement benefit is defined as a fixed amount per year of service, whose value varies according to the date on which the beneficiary retires (400 Canadian dollars per year for retirement after January 1, 2010). For employees receiving a regular salary, the formula for calculating the retirement benefit is 1.5% of final average salary per year of service (the calculation of the final average salary is based on the highest three consecutive years out of the last 10 years preceding retirement). The total benefit under the Plan is capped by the limits imposed by the income tax act in Canada. The normal retirement age is 65, however beneficiaries can retire from age 55, with a reduced benefit for early retirement. The benefit is unreduced at age 63 for members who commence their pension immediately following employment at BIC.

To monitor and control the performance of the Fund, BIC Inc. and the Investment Manager must comply with the objectives set out in the "Statement of Investment Policy and Objectives". The basic goal underlying the establishment of these guidelines is to ensure that the Fund assets, together with the expected contributions and investment returns, are invested in a prudent manner so that the Fund can meet the obligations of the Plan as they come due. The long-term investment strategy is to invest approximately 48% in bonds, 10% in Canadian equities, 30% in global equities, 10% in emerging markets equities and 2% in cash and cash equivalents.

• **For other countries**, the plans depend on local legislation, the activity and other historical practices of the subsidiary.



18-2 Change in the net obligation of defined-benefit plans

<i>(in thousand euros)</i>		Pension	Including United States Pension	Other employee benefits	Including other employee benefits in the United States	Total employee benefits	Including total employee benefits in the United States
PRESENT VALUE OF OBLIGATION							
At January 1, 2023		334,908	256,207	68,561	67,224	403,468	323,431
Period costs:		27,493	16,060	4,010	3,414	31,504	19,474
• Current service costs		6,338	3,524	550	357	6,888	3,881
• Past service costs (including curtailment)		4,167	-	200	(150)	4,367	(150)
• Settlement		750	-	-	-	750	-
• Interest costs		16,239	12,537	3,260	3,206	19,500	15,743
Benefits paid		(26,584)	(20,049)	(4,118)	(3,937)	(30,702)	(23,987)
Actuarial difference on gross obligation		10,903	7,892	1,188	1,185	12,092	9,077
• Financial assumptions		9,437	7,390	1,183	1,185	10,620	8,575
• Demographic assumptions		1,466	501	6	-	1,472	501
Taxes paid included in DBO		-	-	-	-	-	-
Contributions paid		-	-	-	-	-	-
Administrative expenses		-	-	-	-	-	-
Exchange differences		(8,166)	(8,967)	(2,362)	(2,344)	(10,529)	(11,310)
At December 31, 2023	A	338,553	251,144	67,279	65,542	405,833	316,685
FAIR VALUE OF PLAN ASSETS							
At January 1, 2023		350,105	281,379	-	-	350,105	281,379
Total period income:		17,022	13,778	-	-	17,022	13,778
• Interest income		17,022	13,778	-	-	17,022	13,778
Benefits paid		(23,524)	(20,049)	-	-	(23,524)	(20,049)
Contributions paid by participants		3	-	-	-	3	-
Contributions paid by employer		2,289	958	-	-	2,289	958
Taxes paid from plan assets		(4)	-	-	-	(4)	-
Administrative expenses		(1,769)	(1,535)	-	-	(1,769)	(1,535)
Return on assets (excluding interest income)		10,312	10,284	-	-	10,312	10,284
Exchange differences		(9,466)	(9,841)	-	-	(9,466)	(9,841)
At December 31, 2023	B	344,968	274,974	-	-	344,968	274,974
NET LIABILITY IN THE BALANCE SHEET AS OF AT DECEMBER 31, 2023	C = A - B	(6,415)	(23,830)	67,279	65,542	60,866	41,712
NET LIABILITY IN THE BALANCE SHEET AS OF AT DECEMBER 31, 2022		(15,198)	(25,172)	68,561	67,224	53,362	42,052

<i>(in thousand euros)</i>		Pension	Including United States Pension	Other employee benefits	Including other employee benefits in the United States	Total employee benefits	Including total employee benefits in the United States
PRESENT VALUE OF OBLIGATION							
At January 1, 2022		447,281	337,865	85,852	85,660	533,133	423,525
Reclassification		(145)	-	145	-	-	-
Period costs:		17,506	12,862	3,023	2,830	20,528	15,692
• Current service costs		7,264	3,631	(399)	467	6,866	4,098
• Past service costs (including curtailment)		(1,595)	-	1,034	-	(561)	-
• Settlement		319	-	-	-	319	-
• Interest costs		11,518	9,232	2,388	2,363	13,905	11,594
Benefits paid		(44,736)	(39,531)	(4,128)	(4,012)	(48,865)	(43,543)
Actuarial difference on gross obligation		(105,501)	(77,075)	(21,895)	(22,816)	(127,396)	(99,891)
• Financial assumptions		(104,523)	(74,460)	(15,710)	(16,612)	(120,233)	(91,072)
• Demographic assumptions		(978)	(2,615)	(6,185)	(6,204)	(7,163)	(8,819)
Taxes paid included in DBO		(16)	-	-	-	(16)	-
Contributions paid		8	-	-	-	8	-
Administrative expenses		(17)	-	-	-	(17)	-
Exchange differences		20,527	22,087	5,566	5,562	26,093	27,649
At December 31, 2022	A	334,908	256,207	68,561	67,224	403,468	323,431
FAIR VALUE OF PLAN ASSETS							
At January 1, 2022		457,514	372,825	-	-	457,514	372,825
Total period income:		12,446	10,495	-	-	12,446	10,495
• Interest income		12,446	10,495	-	-	12,446	10,495
Benefits paid		(42,962)	(39,531)	-	-	(42,962)	(39,531)
Contributions paid by participants		8	-	-	-	8	-
Contributions paid by employer		12,382	9,461	-	-	12,382	9,461
Taxes paid from plan assets		(1,124)	(1,107)	-	-	(1,124)	(1,107)
Administrative expenses		(146)	-	-	-	(146)	-
Return on assets (excluding interest income)		(110,305)	(95,104)	-	-	(110,305)	(95,104)
Exchange differences		22,291	24,341	-	-	22,291	24,341
At December 31, 2022	B	350,105	281,379	-	-	350,105	281,379
NET LIABILITY IN THE BALANCE SHEET AS OF AT DECEMBER 31, 2022	C = A - B	(15,198)	(25,172)	68,561	67,224	53,362	42,052
NET LIABILITY IN THE BALANCE SHEET AS OF AT DECEMBER 31, 2021		(10,233)	(34,960)	85,852	85,660	75,619	50,700

18-3 Funded and unfunded obligations

<i>(in thousand euros)</i>	Notes	Pension	Other employee benefits	Total
At December 31, 2023				
Amount of funded obligations		331,010	-	331,010
Fair value of plan assets		(344,968)	-	(344,968)
Surplus of obligation over assets		(13,957)	-	(13,957)
Fair value of unfunded obligations		7,544	67,280	74,824
Net value in the balance sheet		(6,413)	67,280	60,866
• Assets	12, 18-7	-	-	2,990
• Liabilities	18-7	-	-	63,856

<i>(in thousand euros)</i>	Pension	Other employee benefits	Total
At December 31, 2022			
Amount of funded obligations	329,219	118	329,337
Fair value of plan assets	(350,105)	-	(350,105)
Surplus of obligation over assets	(20,886)	118	(20,768)
Fair value of unfunded obligations	5,687	68,443	74,130
Net value in the balance sheet	(15,199)	68,561	53,362
• Assets	-	-	4,056
• Liabilities	-	-	57,419

18-4 Period costs

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Current service costs	6,866	6,889
Past service costs (including plan curtailment)	(561)	4,367
Settlement	319	750
Administrative expenses	-	1,768
Net interest costs	1,460	2,477
TOTAL PERIOD COSTS	8,083	16,250

18-5 Additional information

Nature of plan assets

At December 31, 2023 (in thousand euros)	Fair value of plan assets		Including fair value of plan assets with a quoted price on an active market	
Equity	65,104	18.9%	65,104	19.0%
Bonds and other fixed income	270,545	78.4%	270,400	78.8%
Cash and cash equivalents	6,843	2.0%	6,843	2.0%
Real Estate	486	0.1%	486	0.1%
Assets held by insurance companies	1,989	0.6%	267	0.1%
TOTAL	344,968	100.0%	343,100	100.0%

At December 31, 2023 (in thousand euros)	U.S. fair value of plan assets		Including fair value of plan assets with a quoted price on an active U.S. market	
Equity	51,753	18.8%	51,753	18.8%
Bonds and other fixed income	220,421	80.2%	220,421	80.2%
Cash and cash equivalents	2,799	1.0%	2,799	1.0%
TOTAL	274,973	100.0%	274,973	100.0%

At December 31, 2022 (in thousand euros)	Fair value of plan assets		Including fair value of plan assets with a quoted price on an active market	
Equity	63,926	18.3%	63,926	18.3%
Bonds and other fixed income	275,920	78.8%	275,920	78.8%
Cash and cash equivalents	7,715	2.2%	7,715	2.2%
Real Estate	483	0.1%	483	0.1%
Assets held by insurance companies	2,060	0.6%	2,060	0.6%
TOTAL	350,105	100.0%	350,105	100.0%

At December 31, 2022 (in thousand euros)	Fair value of American plan assets		Including fair value of plan assets with a quoted price on an active American market	
Equity	50,740	18.0%	50,740	18.0%
Bonds and other fixed income	227,711	80.9%	227,711	80.9%
Cash and cash equivalents	2,928	1.0%	2,928	1.0%
TOTAL	281,379	100.0%	281,379	100.0%



18-6 Actuarial assumptions for main countries

Actuarial assumptions used to calculate the benefit obligations vary according to the economic conditions of each respective country. They have been adjusted according to the change in interest rates and the mortality table. Assumptions for plans representing the main obligations are set out below:

At December 31, 2023	United States	United Kingdom	France
Discount rate	4.96%	4.55%	3.25%
Inflation rate	2.50%	3.50%	2.25%
Expected rate of salary increases	3.49%	N/A	2.50%
Average plan duration (in years)	9.9	13.0	12.2

At December 31, 2022	United States	United Kingdom	France
Discount rate	5.22%	4.70%	3.75%
Inflation rate	2.50%	3.70%	2.00%
Expected rate of salary increases	3.60%	N/A	2.25%
Average plan duration (in years)	9.7	14.0	10.6

The discount rates for our United States and United Kingdom retirement plans were developed using the Mercer Pension Discount Yield Curve, which is based on the yields of the bonds of AA-rated companies. For our other international plans, the discount rates were set by benchmarking against the corporate bonds of companies rated AA or better on the various markets.

The discount rate for the French obligation is based on the IBOXX AA 10+ index. The rate shown for France is that of the main plan (retirement indemnities).

The rate shown for the U.S. is for the main plan, each U.S. plan being valued with a specific discount rate (from 4.80% to 5.07%).

Sensitivity of the obligation to a change in discount rate

According to the Group's estimates, a +/-1% change in the discount rate would result in a change of -9.40% and +10.78% in the obligations, respectively. This change would not significantly impact the Group's total net liability on employee benefits, as a change in plan assets may partly offset the impact.

Sensitivity of the obligation to a change in inflation rate

According to the Group's estimates, a +/-0.5% change in the inflation rate would result in a change in the obligations for the following countries, of respectively:

- Insignificant for the U.S. in both cases;
- +3.26% and -3.22% for the UK.

This change would not, however, fully impact the Group net liability on employee benefits, as a change in plan assets fair value may partly offset the impact.

Cash Flows for future years

The Group is expected to pay 9.6 million euros in employer contributions for 2024.

The expected total benefit payments, in million euros, is:

2024	31
2025	29
2026	30
2027	31
2028	32
Beyond 2028	159

18-7 Information by geography

At December 31, 2023 <i>(in thousand euros)</i>	Obligation		Plan assets		Net liability	
Europe	32,103	7.9%	9,536	2.8%	22,567	37.1%
United Kingdom	27,230	6.7%	34,901	10.1%	-7,672	-12.6%
North America	338,718	83.5%	299,996	87.0%	38,722	63.6%
Other countries	7,782	1.9%	534	0.2%	7,248	11.9%
TOTAL	405,833	100%	344,968	100%	60,866	100%

At December 31, 2022 <i>(in thousand euros)</i>	Obligation		Plan assets		Net liability	
Europe	25,485	6.3%	9,326	2.7%	16,159	30.3%
United Kingdom	27,196	6.7%	34,774	9.9%	(7,578)	-14.2%
North America	343,372	85.1%	305,376	87.2%	37,997	71.2%
Other countries	7,415	1.8%	629	0.2%	6,786	12.7%
TOTAL	403,468	100%	350,104	100%	53,363	100%

For plans located in North America and Europe (mainly the United Kingdom), plan assets levels as of December 31, 2023 comply with minimum funding obligations, as legally or contractually defined.

NOTE 19 OTHER CURRENT LIABILITIES

Other current liabilities breakdown is as follow:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Social liabilities	100,829	98,662
Other tax liabilities	5,942	10,638
Accrued business development fund	105,465	103,728
Accrued costs – restructuring	5,780	7,849
Other current liabilities	75,185	68,042
OTHER CURRENT LIABILITIES	293,201	288,919

The accrued business development fund consists of general brand promotions or advertising service.



ADDITIONAL INFORMATION

NOTE 20 COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT

References from (a) to (i) refer to the consolidated cash flow statement.

As of December 31, 2023 cash and cash equivalents amounted to 467.7 million euros.

Net cash from operating activities

As of December 31, 2023 net cash from operating activities amounted to 353.3 million euros, compared to 300.0 million euros as at December 31, 2022.

The Group records foreign exchange gains or losses with no cash impact in financial income and restates these in the consolidated cash flow statement ^(a).

The working capital (see Note 14 for the definition) increased by 27.4 million euros compared to an increase during 2022 of 29.2 million euros. The 2023 change in working capital is mainly impacted by a decrease in inventories, partially offset by an increase in receivables and a decrease of payables ^(b).

The 2022 variance was mainly impacted by an increase in inventories (negative impact of cost inflation) partially offset by a decrease of receivables and an increase of payables ^(b).

The payments related to employee benefits were mainly driven by the U.S. and United Kingdom ^(c).

Net cash from investing activities

Net cash from investing activities amounted to -114.1 million euros during 2023 compared to -172.5 million euros in 2022.

During 2023, BIC has disbursed 94.3 million euros on property, plant and equipment (net of change in fixed asset supplier accounts) ^(d) compared to 83.6 million euros in 2022. BIC has invested 10.6 million euros and intangible assets during 2023 compared to 12.7 million euros in 2022.

“Other current financial assets” refer to investments not eligible for classification as cash & cash equivalents under IAS 7. These investments consist of units of UCITS and negotiable debt securities, all of which are liquid within two days ^(e).

In 2022, payments were made relating to ^(f):

- 58.2 million euros for the acquisition of Inkbox, corresponding to the purchase price net of cash and cash equivalents of the entity and related costs;
- the earn-out clause for Rocketbook for 8.7 million euros;
- the acquisition of AMI for 3.4 million euros;
- the acquisition of Tattly for 2.7 million euros.

Net cash from financing activities

Net cash from financing activities amounted to -192.1 million euros during 2023 compared to -175.2 million euros in 2022.

The dividends paid represent the dividends paid by SOCIÉTÉ BIC to its Shareholders (see Note 21) ^(g).

During 2023, borrowings issuance (net from repayments) amounted to 32.5 million euros, compared to 5.0 million euros of net repayments in 2022 ^(h).

During 2023, 1,951,722 shares were repurchased by SOCIÉTÉ BIC for 116.1 million euros. Under the liquidity agreement, SOCIÉTÉ BIC bought 538,075 shares for 32.1 million euros, and sold 538,852 shares for 32.4 million euros ⁽ⁱ⁾.

During 2022, 1,005,093 shares were repurchased by SOCIÉTÉ BIC for 54.5 million euros. Under the liquidity agreement, SOCIÉTÉ BIC bought 638,969 shares for 36.5 million euros, and sold 652,247 shares for 37.2 million euros ⁽ⁱ⁾.

NOTE 21 DIVIDENDS

For the 2022 fiscal year, an ordinary dividend of 2.56 euros per share was distributed to Shareholders on May 31, 2023.

For the 2021 fiscal year, an ordinary dividend of 2.15 euros per share was distributed to Shareholders on June 1, 2022.

Projected dividend

The Board of Directors, meeting on February 19, 2024, decided to propose at the Annual Shareholders' Meeting to be held on May 29, 2024, the distribution of an ordinary dividend of 2.85 euros per share and an extraordinary dividend of 1.42 euro per share for fiscal year 2023.

NOTE 22 EXPOSURE TO MARKET RISKS

22-1 Counterparty risk

All financial instruments are set up with banking institutions awarded top ratings by international rating agencies, making counterparty risk very low. The minimum Standard & Poor's long-term rating of the main banking counterparties is A-, the rating range being from A+ to A-.

Cash investment decisions are subject to strict counterparty risk assessment (both depositories and custodians). The majority of the portfolio as of December 31, 2023 is on investment grade-rated supports. Counterparty risk is estimated not significant as of December 31, 2023.

22-2 Foreign exchange risk

See Note 24-2.

22-3 Interest rate risk

See Note 24-3.

22-4 Liquidity risk

The Group manages its equity such as to maintain a positive and liquid cash position, so as to be able to carry out its development and/or external growth strategy.

The excess cash and the funding needs of the Group are directly managed by the Treasury Department, following prudent policy guidelines that aim to preserve capital and to maintain a satisfactory liquidity position.

Excess cash is mainly invested in money market UCITS, negotiable debt securities, bank deposits and cash equivalents whose volatility is below 0.5, with a recommended holding period of less than three months.

The more structural portion of the cash can be invested in money market funds with a holding period that can be in excess of six months.

The market value of mark-to-market securities is assessed twice a month by the Group Treasury Department and the target is to reach an average annual performance that outperforms the capitalized ESTER rate.

As of December 31, 2023, total investments managed by Group Treasury amounted to 183.7 million euros, divided between 136.2 million euros in term accounts in euros, and the equivalent of 52.4 million dollars invested in interest-bearing cash accounts.

The outperforming objective of the ESTER rate was achieved in 2023.

BIC has also lowered its liquidity risk by setting up in 2020 a confirmed credit line of 200 million euros for a period of three years, which also secures a NeuCP program of 200 million euros, with an initial issuance in September 2020.

In 2023, this Revolving Credit Facility has been renewed for a further three years with the option to extend for two years. During 2023, the NeuCP were regularly issued, based on the operating needs and the NeuCP BIC demand remain strong. The outstanding amount at 31 December 2023 is 75 million euros.

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Cash equivalents: marketable securities	209,285	235,573
Cash	207,032	232,143
CASH AND CASH EQUIVALENTS, EXCLUDING BANK OVERDRAFTS	416,317	467,716



22-5 Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The Group has no significant concentration of credit risk, with exposure spread over a large number of customers.

Trade and other receivables comprise:

- gross amounts receivable for the sale of goods as well as other receivables, mainly related to VAT credits. These trade and other receivables are short-term assets, with maturity dates within 12 months;

- an allowance for estimated unrecoverable amounts from the sale of goods. This allowance has been determined by reference to past default experience and based on the current economic environment. It is booked in a separate account.

The BIC Group considers that the carrying amount of trade and other receivables is close to their fair value. Receivables past due but not impaired are not significant at Group level as of December 31, 2023.

Maximum exposure to credit risk corresponds to the net booked value of financial assets in the balance sheet, including derivatives with positive market values (see table below):

Gross trade receivables <i>(in thousand euros)</i>	Note	December 31, 2022	December 31, 2023
Not yet due or past due for less than 60 days		319,074	341,354
Past due for 60 to 90 days		12,464	5,065
Past due for 90 to 120 days		7,635	6,213
Past due for more than 120 days		35,114	20,678
Total gross trade receivables		374,287	373,309
Doubtful receivables		17,119	17,608
TOTAL BEFORE ALLOWANCE		391,406	390,917
Allowance on trade receivables not yet due or past due for less than 60 days		(4,779)	(3,818)
Allowance on trade receivables past due for 60 to 90 days		(1,394)	(1,234)
Allowance on trade receivables past due for 90 to 120 days		(1,340)	(1,507)
Allowance on trade receivables past due for more than 120 days		(28,093)	(28,257)
Total allowance (B)		(35,605)	(34,816)
Allowance on specific trade receivables		(28,832)	(25,645)
Allowance on statistically calculated trade receivables		(6,773)	(9,170)
Other receivables (C)		58,882	47,404
TRADE AND OTHER RECEIVABLES - NET (A)+(B)+(C)	14	414,682	403,505

22-6 Fair value of financial assets and liabilities

ACCOUNTING CATEGORIES AND FAIR VALUE OF FINANCIAL INSTRUMENTS

December 31, 2023		Breakdown by category of instruments			
Balance sheet items (in thousand euros)	Notes	Balance sheet value	At fair value through the income statement	Derivative hedging instruments	Amortized cost ^(a)
Financial assets		897,273	257,901	10,997	628,375
Non-current					
• Derivative financial instruments	24	790	-	790	-
• Loans accorded to external partners	12	5,430	-	-	5,430
• Other investments		77	77	-	-
Current					
• Trade and other receivables	14	403,505	12,703	-	390,802
• Derivative financial instruments	24	10,207	-	10,207	-
• Other current financial assets		9,548	9,548	-	-
• Cash and cash equivalents	20	467,716	235,573	-	232,143
Financial liabilities		338,897	3,961	34,045	300,891
Non-current					
• Borrowings	16	46,804	-	-	46,804
• Derivative instruments	24	30,250	-	30,250	-
• Djeep earn-out clause		3,961	3,961	-	-
Current					
• Borrowings	16	109,385	-	-	109,385
• Derivative instruments	24	3,795	-	3,795	-
• Trade and other payables	14	144,703	-	-	144,703

(a) The carrying amount of the financial instruments (assets) recognized at cost or amortized cost corresponds to a reasonable approximation of the fair value.



FINANCIAL STATEMENT

Consolidated financial statements

December 31, 2022		Breakdown by category of instruments			
Balance sheet items (in thousand euros)	Notes	Balance sheet value	At fair value through the income statement	Derivative hedging instruments	Amortized cost ^(a)
Financial assets		857,482	438,823	14,266	404,393
Non-current					
• Derivative financial instruments	24	3,464	-	3,464	-
• Loans accorded to external partners	12				
• Other investments		50	50	-	-
Current					
• Trade and other receivables	14	414,682	15,915	-	398,767
• Derivative financial instruments	24	10,802	-	10,802	-
• Other current financial assets		6,540	6,540	-	-
• Cash and cash equivalents	20	416,317	416,317	-	-
Financial liabilities		332,125	8,734	22,901	300,489
Non-current					
• Borrowings	16	42,839	-	-	42,839
• Derivative instruments	24	13,418	-	13,418	-
• Djeep earn-out clause		3,961	3,961	-	-
Current					
• Borrowings	16	76,543	-	-	76,543
• Derivative instruments	24	9,483	-	9,483	-
• Rocketbook earn-out clause		4,773	4,773	-	-
• Trade and other payables	14	181,108	-	-	181,108

(a) The carrying amount of the financial instruments (assets) recognized at cost or amortized cost corresponds to a reasonable approximation of the fair value.

The valuation methods adopted for financial instruments are as follows:

- Financial instruments other than derivatives recorded in the balance sheet:

The book values used are reasonable estimates of their market value except for marketable securities whose carrying values are determined based on the last known net asset values as of December 31, 2023.

- Derivative financial instruments:

Market values are either those indicated by financial institutions or have been calculated by an external third-party on the basis of the last known closing prices as of December 31, 2023. They are consistent with the valuation reports provided by the financial institutions.

Fair value valuation method

The tables below set out the fair value method for valuing financial instruments, using the following three levels:

- level 1 (quoted prices in active markets): money market UCITS and other current financial assets;
- level 2 (observable inputs): derivatives – hedge accounting;
- level 3 (non-observable inputs): only Virtual Power Purchase agreement.

Category of instruments (in thousand euros)	December 31, 2023			
	Total	Level 1	Level 2	Level 3
At fair value through the income statement – Assets	257,901	257,901	-	-
Derivative hedges – Assets	10,997	-	10,997	-
Derivative hedges – Liabilities	34,045	-	4,188	29,857



In order to reduce its exposure to the risk of fluctuating market energy purchase prices, the Group hedges its future consumption needs in advance, and has entered into (and will continue to enter into) Virtual Power Purchase Agreements (VPPAs), which enable it to cover part of its energy needs on the basis of prices negotiated with suppliers for a given period.

As indicated in Note 24, a VPPA has been signed in Greece. The renewable energy production facilities underlying the agreements are managed by their respective operators. BIC has no right of determination or control over the use of the facilities. The benefits deriving from the VPPA agreements are made up of 2 components: a cash flow that depends, among other things, on

the evolution of the spot price of electricity, and the certificates that BIC receives as proof of the origin of the electricity produced from renewable energies.

The difference between the contractually fixed price per MWh of electricity produced and the spot price of electricity at the time the electricity is produced is due between BIC and the operator on a monthly basis.

The contract is valued on the basis of an internal model based on unobservable market parameters. Given the uncertainties involved in valuing this contract, a level 3 classification has been adopted.

22-7 Net income impact by category of instruments

Net income related to the different categories of financial assets and liabilities are as follows:

At December 31, 2023	Breakdown by category of instruments		
	Nature of impact (in thousand euros)	Total	At fair value through the income statement
Interest income/(expense)	16,012	16,622	(610)
Translation	(11,380)	-	(11,380)
Net depreciation	790	-	790
TOTAL	5,422	16,622	(11,200)

(a) The carrying amount of the financial instruments (assets) recognized at cost or

amortized cost corresponds to a reasonable approximation of the fair value.

At December 31, 2022	Breakdown by category of instruments		
	Nature of impact (in thousand euros)	Total	At fair value through the income statement
Interest income/(expense)	1,836	2,694	(859)
Translation	(3,368)	-	(3,368)
Net depreciation	(3,691)	-	(3,691)
TOTAL	(5,223)	2,694	(7,918)

(a) The carrying amount of the financial instruments (assets) recognized at cost or amortized cost corresponds to a reasonable approximation of the fair value.

NOTE 23 SHARE-BASED PAYMENTS

The Group issues free shares with or without performance conditions and stock options to certain employees as compensation for services provided. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. This fair value on the vesting date is expensed over the vesting period, based on the Group's estimate of the shares that will eventually be vested and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured using the method given below. The expected life used in the model has been adjusted, based on management's best estimates, for the effect of non-transferability, exercise restrictions and behavioral considerations.

Share-based payments are booked in staff costs (see Note 4 "Operating expenses"- "Staff costs" item and in the lines of the income statement presented by functions).

23-1 Free share allocations with performance conditions

From 2005 onwards, using the authorization granted by successive Annual Shareholders' Meetings, the Board of Directors, upon the recommendation of the Compensation and Nomination Committee, implemented a policy of performance share awards, subject to three-year performance conditions.

All performance share plan have been granted by SOCIÉTÉ BIC and shares are delivered to beneficiaries at the end of the vesting period.

The shares to be delivered by the current plans are existing shares.





FINANCIAL STATEMENT

Consolidated financial statements

The fair value of the free shares is the share price at the grant date adjusted for the present value of potential future dividends.

	Plan no. 16	Plan no. 17	P2022	P2023
Annual Shareholders' Meeting date	May 20, 2020	May 20, 2020	May 19, 2021	May 18, 2022
Board of Directors' Meeting date	February 11, 2020	February 16, 2021	February 15, 2022	February 14, 2023
Grant	M	M	M	M
Number of beneficiaries	501	158	172	184
Number of free shares granted	234,118	244,181	240,156	194,037
Definitive grant date	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Number of share grants definitively acquired at December 31, 2023 and transferred or to be transferred to beneficiaries by SOCIÉTÉ BIC	170,160	-	-	-
Delivery date of the shares by SOCIÉTÉ BIC to French or foreign beneficiaries	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Total number of free share grants void as of December 31, 2023 ^(a)	63,958	75,111	35,212	16,560
Total number of free share grants vesting as of December 31, 2023	-	169,070	204,944	177,477

(a) These free share grants were void due to beneficiaries leaving the Company or to a part of the performance conditions not being achieved.

M = Main

S = Secondary

Estimated fair value of shares granted and impact on the income statement

Grant date	Plans' unit fair value (in euros)		Expense/(income) booked in income statement (in thousand euros)	
	Main grant	Secondary grant	December 31, 2022	December 31, 2023
Feb. 12, 2019	81.14	N/A	574	-
Feb. 11, 2020	58.30	N/A	3,228	819
Feb. 16, 2021	42.93	N/A	2,295	1,982
Feb. 15, 2022	42.57	N/A	2,454	2,469
Feb. 14, 2023	59.72	N/A	-	2,617
TOTAL	-	-	8,552	7,886



23-2 Free share allocations without performance conditions

As recommended by the Compensation and Nomination Committee, the Board of Directors decided to set up a policy of free share grants without performance conditions, rewarding employees selected by Management and key contributors during the year. The vesting period is three years and one month. Free shares are granted by SOCIÉTÉ BIC and delivered to employees still present at the expiry date of the vesting period.

On October 26, 2021, the Board of Directors had approved the recommendation of the Compensation Committee, to grant free shares without performance conditions, to all Group employees, under the aegis of Sharing Horizon Plan. These shares, granted by SOCIÉTÉ BIC, were delivered to employees still present on October 26, 2023.

These plans provide for the allocation of existing shares.

	Plan no. F9	Plan no. F10	Sharing Horizon	S2022	S2023
Annual Shareholders' Meeting date	May 20, 2020	May 20, 2020	May 19, 2021	May 19, 2021	May 18, 2022
Board of Directors' Meeting date	February 11, 2020	February 16, 2021	October 26, 2021	February 15, 2022	February 14, 2023
Number of beneficiaries	242	660	11,944	696	742
Number of free shares granted	30,613	137,322	59,720	118,947	102,959
Definitive grant date	March 31, 2023	March 31, 2024	October 26, 2023	March 31, 2025	March 31, 2026
Number of free share grants definitively acquired at December 31, 2023 and transferred or to be transferred to beneficiaries by SOCIÉTÉ BIC	24,485	340	39,595	163	119
Total number of free share grants void at December 31, 2023 ^(a)	6,128	29,736	20,125	19,256	6,902
Total number of free share grants still vesting at December 31, 2023	-	105,704	-	99,528	95,938

(a) These free share grants were void due to beneficiaries leaving the Company.

Estimated fair value of shares granted and impact on the income statement

Grant date	Plans' unit fair value – binomial model (in euros)	Expense/(income) booked in income statement (in thousand euros)	
		December 31, 2022	December 31, 2023
February 12, 2019	81.14	(90)	-
February 11, 2020	58.30	417	133
February 16, 2021	42.93	1,482	1,811
October 26, 2021	46.72	1,121	147
February 15, 2022	42.57	1,182	1,542
February 14, 2023	59.72	-	1,438
TOTAL	-	4,112	5,071



23-3 Grant of stock option plans with performance conditions

In 2021, as recommended by the Remuneration Committee, and after approval of the Shareholders Meeting, the Board decided on a one-off grant of stock options with performance conditions

for a limited number of the Group top executives. The options are on existing shares, with a vesting period of 5 years, subject to presence and performance conditions covering the same period.

Breakdown by plan	Achieving Horizon stock option plan	
Annual Shareholders' Meeting date	May 19, 2021	May 19, 2021
Board of Directors' Meeting date	May 19, 2021	Dec. 9, 2021
Number of beneficiaries	14	2
Number of subscription options	1,224,500	170,000
Date from which options may be exercised	Feb. 28, 2026	Feb. 28, 2026
Exercise price (in euros) ^(a)	65	65
Number of options exercised as of December 31, 2023	-	-
Number of void options as of December 31, 2023	217,500	-
Number of remaining options as of December 31, 2023	1,007,000	170,000

(a) No discount on the exercise price.

Assumptions for fair value calculation of stock options plans according to binomial model

	Achieving Horizon stock option plan
Expected volatility	25.6%
Risk-free rate	-
Expected dividend yield	3.5%
Expected life in years	5

The expense booked on stock option plans amounts 1.4 million euros for 2023. As of December 31, 2023, the total expense of options and shares granted amounts to 14.4 million euros.

NOTE 24 FINANCIAL INSTRUMENTS

Accounting policies

Financial assets and financial liabilities are recognized on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

a. Trade receivables

See Note 14.

b. Investments

In accordance with IFRS 9 "Financial Instruments", investments are classified into one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets measured at amortized cost;
- financial assets measured at fair value through other comprehensive income.

The classification determines the accounting treatment of these instruments. It is determined by the Group on the initial recognition date, based on the characteristics of the instrument and the management objective for which these assets were acquired. Purchases and sales of financial assets are recognized on the trade date, the date on which the Group is committed to buying or selling the asset. A financial asset is derecognized if the contractual rights to the cash flows associated with the financial asset expire or if the asset has been transferred.

1. Financial assets at fair value through profit or loss

Financial assets recognized at fair value through profit or loss are mainly financial assets for which the contractual cash flows do not only correspond to principal repayments and interest payments on the outstanding principal.

This category mainly includes UCITS and cash investments whose management and performance are based on fair value.

Changes in the value of these assets are recorded in the consolidated income statement. The net gains and losses of assets measured at fair value through profit or loss correspond to interest income, dividends and changes in fair value.

2. Financial assets measured at amortized cost

Financial assets are measured at amortized cost if their ownership is part of a business model aimed at receiving contractual cash flows corresponding solely to principal repayments and interest payments on the outstanding principal.

These instruments are initially recognized at fair value, then at amortized cost calculated using the effective interest rate method. Provisions are recorded in the consolidated income statement.

Net gains and losses on loans and receivables correspond to interest income and provisions.

3. Financial assets measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if their holding is part of an economic model that aims both to collect contractual cash flows, corresponding only to repayments of principal and interest payments on outstanding principal, and to the sale of financial assets.

This category includes debt securities that meet the contractual flow characteristics and management model set out above, as well as shares at fair value through equity on option.

c. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term (less than three-months) highly liquid money market investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The application of IAS 7 has resulted in money market UCITS with a historical volatility over the last 12 months of above 0.50% being considered non-eligible as "Cash equivalents." These items are now classified as "Other current financial assets."

d. Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deduction of all its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

e. Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Any difference between the proceeds (net of direct issue costs) and the settlement of redemption or borrowing is recognized in profit or loss over the term of the borrowing in accordance with this method.

f. Trade payables

See Note 14.

g. Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs.

h. Derivative financial instruments and hedge accounting

The Group's activities expose it primarily to the financial risk of changes in foreign exchange and interest rates.

The Group uses derivative financial instruments (primarily over-the-counter foreign currency forward contracts and currency options) to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions, a technique the Group designates as cash flow hedges.

The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written guidelines on the use of financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

Measurement and presentation

Derivatives are initially recognized at fair value of received counterpart on the contract date and are remeasured to fair value at subsequent reporting dates. They are disclosed in the balance sheet in current assets and/or liabilities for the part within one year and in non-current assets and/or liabilities for the part beyond one year.

The fair value of over-the-counter forward exchange contracts and currency swaps is determined by discounting future cash flows, using closing-date market rates (exchange and interest rates).

The fair value of foreign exchange options is taken from the valuation reports provided by financial institutions and is determined using the interest rate curves, exchange rates as well as the volatility of each currency.

Counterparty risk was measured under IFRS 13 "Fair value measurement" and is not significant.

Hedge accounting

The treatment of derivatives designated as hedging instruments depends on the type of hedging relationship:

- cash flow hedge;
- hedge of a net investment in a foreign operation.

The Group clearly identifies the hedging instrument and the hedged item as soon as the hedge is set up, and formally documents the hedging relationship stating the hedging strategy, the risk hedged and the method used to determine the effectiveness of the hedge. This documentation is subsequently updated, such that the effectiveness of the designated hedge can be demonstrated.

Hedge accounting uses specific measurement and recognition methods for each category of hedge:

- **cash flow hedges:** no adjustment is made to the value of the hedged item; only the hedging instrument is adjusted to fair value. The counterpart of this adjustment is recorded, net of taxes, in equity. The cumulative amount included in equity is transferred to the income statement when the hedged item has an impact on net income.

If the cash flow hedge of a commitment or forecasted transaction results in the recognition of a non-financial asset or a liability, then, at the time the asset or liability is recognized, the associated gains or losses on the derivative that had previously been recognized in equity are included in the initial carrying amount of the non-financial asset or liability.

For foreign exchange derivatives, changes in the time value of options and changes in premiums/deferrals are also recorded in other comprehensive income.

For hedges that do not result in the recognition of an asset or a liability, amounts transferred to equity are recognized in the income statement in the same period in which the hedged item affects net income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument initially recognized directly in equity while the hedge was effective, is retained in equity until the forecast transaction occurs.

The Group no longer uses hedge accounting if the commitment or forecast transaction is no longer expected to occur, and the net cumulative gain or loss recognized in equity is transferred to profit or loss for the period;

- **hedge of net investment in a foreign operation:** the hedging instrument is adjusted to fair value. Following this adjustment, the change in fair value attributable to the hedged exchange risk is recorded, net of taxes, in equity. The cumulative amount included in equity is transferred to the income statement at the date of liquidation or sale of the net investment.

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and financial characteristics are not closely related to those of the host contract and the hybrid instrument is not carried at fair value with gains or losses reported in profit or loss. The BIC Group did not carry out any such transactions over the past three years.

i. Fair value hierarchy

Financial instruments measured at fair value are classified within three fair value levels (IFRS 13):

- level 1: quoted prices in active markets for identical assets or liabilities;
- level 2: directly or indirectly observable inputs other than quoted prices included within level 1;
- level 3: non-observable inputs.

24-1 Derivatives and hedge accounting

The financial risk management is mainly concentrated at the SOCIÉTÉ BIC level and managed and/or coordinated by the Group Treasury.

This department is not a profit center.

Group Treasury has ongoing contact with subsidiaries and collects information throughout the year to identify, follow and lead risk management.

Regarding foreign exchange risk, the Group policy consists in hedging the net position currency by currency on a yearly basis. Buyer and seller positions are aggregated and the determined net nominal is hedged on the market.

Depending on the fluctuation of the foreign exchange market, Group Treasury can speed up the hedging pace in order to benefit from favorable trends or slow it down so as not to fix too early a rate. All the positions are constantly monitored in real-time by the Group Treasury, which has the necessary information and analytical tools. An update of all the positions is transmitted to management each month and detailed by currency, product (forward, option, etc.), and purpose (commercial flows or net investments).

In case of local constraints that would not permit the centralization at optimum conditions for BIC, the hedges are performed locally under the strict control of Group Treasury.

24-2 Foreign exchange risk

To manage its exchange rate exposure, the Group uses forward foreign currency contracts, currency swaps and currency options. Forward foreign currency contracts are recognized as hedges insofar as they are designated as such. These hedges may cover the net investment of the Group in certain foreign entities, foreign currency receivables or debts, or budgets in foreign currency.

As Group cash is centralized, BIC holds current accounts with its main subsidiaries. With the exception of the US dollar, the currencies managed by SOCIÉTÉ BIC as part of its cash-pooling operations are regularly swapped against the euro in order to contribute to the Group's liquidity requirements. During 2023, the residual excess euro liquidity was invested almost exclusively in cash accounts paying overnight interest at a rate at least equivalent to the ESTER. This is the case for positions carried forward to December 31, 2023.

In addition, the dollar liquidity that participated in the short-term swap activity is now kept in dollars and invested as such in short-term investment products directly denominated in dollars; As a consequence, we are directly benefiting from the significant interest rates rise of the dollar.

Every day, Group Treasury adjusts the liquidity situation of the current accounts, excluding the U.S. dollar, which derives from the currency swaps realized on the market. This strategy, even though it uses exchange instruments, cannot be considered as a full foreign exchange risk management hedging program, as there is no definitive translation of bank accounts. It only relates to optimization of funding by BIC through foreign liquidity management.

24-3 Interest rate risk

As of December 31, 2023, the outstanding 75 million euros of NeuCP issuance was the only significant debt. This average two months debt is not hedged.

The exposure to interest rate fluctuations on borrowings is very limited. All local funding needs are directly indexed on a variable rate. Borrowers' positions are insignificant and are too limited a time scale to require any relevant hedging.



24-4 Impact of foreign exchange risk hedging on the consolidated financial statements as of December 31, 2023

The following amounts have been booked as the fair value of derivatives as of December 31, 2023 :

Derivative instruments and revaluation	Hedge qualification/hedged risk	Net financial Income/(expense) before tax – Note 6	Income from operations – Note 4	Other comprehensive income before tax ^(a)	Current assets ^(b)	Non-current assets	Current Liabilities	Non-current Liabilities
Hedging revaluation impact (in thousand euros)								
Commercial flows	Cash flow hedge/foreign exchange risk	402	1,487	67	10,175	790	(2,977)	(392)
Energy derivative instrument	Cash flow hedge	(3,335)	-	(13,341)	-	-	-	(29,857)
	Net investment/foreign exchange risk	-	-	446	-	-	(786)	-
Dividends		-	-	446	-	-	(786)	-
Subtotal (1)		(2,933)	1,487	(12,828)	10,175	790	(3,763)	(30,250)
Revaluation of cross-currency swaps backed by cash positions in foreign currencies	At fair value through P&L/foreign exchange risk	74	-	-	32	-	(33)	-
Subtotal (2)		74	-	-	32	-	(33)	-
TOTAL 1+2		(2,859)	1,487	(12,828)	10,207	790	(3,795)	(30,250)

(a) This corresponds to the market value of hedging instruments in the portfolio at December 31, 2023 restated for the reversal of the market value of the portfolio of hedging instruments as of December 31, 2022.

(b) Including options not yet exercised held by BIC representing current assets for 817 thousand euros.

24-5 Impact of foreign exchange risk hedging on the consolidated financial statements as of December 31, 2022

The following amounts have been booked as the fair value of derivatives as of December 31, 2022 :

Derivative instruments and revaluation	Hedge income qualification/hedged risk	Net financial Income/(expense) before tax – Note 5	Income from operations – Note 3	Other comprehensive income before tax ^(a)	Current assets ^(b)	Non-current assets	Current Liabilities	Non-current Liabilities
Hedging revaluation impact (in thousand euros)								
Commercial flows	Cash flow hedge/foreign exchange risk	148	2,430	10,083	10,496	3,464	(7,668)	(237)
Dividends	Net investment/foreign exchange risk	-	-	1,644	-	-	(1,435)	-
Subtotal (1)		148	2,430	11,727	10,496	3,464	(9,102)	(237)
Revaluation of cross-currency swaps backed by cash positions in foreign currencies	At fair value through P&L/foreign exchange risk	(151)	-	-	306	-	(381)	-
Energy derivative instrument	At fair value through P&L	(13,181)	-	-	-	-	-	(13,181)
Subtotal (2)		(13,332)	-	-	306	-	(381)	(13,181)
TOTAL 1+2		(13,184)	2,430	11,727	10,802	3,464	(9,483)	(13,418)

(a) This corresponds to the market value of hedging instruments in the portfolio at December 31, 2022 restated for the reversal of the market value of the portfolio of hedging instruments as of December 31, 2021.

(b) Including options not yet exercised held by BIC representing current assets for 415 thousand euros.



In November 2023, BIC signed a physical Power Purchasing Agreement (PPA) as part of our sustainability strategy to meet our climate targets. Under the terms of this contract, BIC is committed to purchasing 35 GWh at a fixed price for a 15-year period from 2024 to 2039. This contract has no material impact on the Group's financial statements as of December 31, 2023.

In November 2022, our Greek subsidiary BIC Violex signed a Virtual Power Purchasing Agreement (VPPA) as part of our sustainability strategy to meet our climate targets.

Under the terms of this contract, BIC Violex is committed to purchasing 55 GWh at a fixed price, for a 15-year period from 2024 to 2039.

A VPPA is structured as a financial product linked to the price of electricity; the contract, or part of it, meets the definition of a financial derivative within the meaning of IFRS 9 (settled on a net basis and not giving rise to a physical delivery of electricity).

This contract, which reduces the Group's exposure to fluctuations in energy prices, has been classified as a cash flow hedge. This qualification is based in particular on the following observations:

The tables below set out the fair value method for valuing financial instruments, using the following three levels:

- strong correlation expected between the cost of supplying energy to the Group's Greek assets and the contract's future cash flows;

- high visibility of future electricity consumption by the Greek assets, corroborating the highly probable nature of the cash flows hedged.

The application of IFRS 9 leads to the recognition of:

- an asset of 42 million euros at November 4, 2022 in respect of the fair value of the contract at inception. This amount is offset by a provision for the Day One Gain of 42 million euros, which will be reversed through the income statement on a straight-line basis from the asset's production start-up date;
- a change in fair value of -13 million euros at December 31, 2022;
- an additional -16.7 million euros change in fair value at December 31, 2023, the effective portion of which is recorded in the statement of comprehensive income (-13.3 million euros) and the ineffective portion in net financial expense (-3.4 million euros).

Principal valuation parameters are a long term curve of electricity prices, derived from data of listed market EEX and extrapolated on a linear basis, and a seasonality factor based on historical observations.

Correction of error

In accordance with IAS 8, the 2022 comparatives have been corrected to take account of this contract.

Corrected simplified consolidated income statement <i>(in thousand euros)</i>	December 31, 2022 published	VPPA	December 31, 2022 corrected
Net finance income/(net finance costs)	(23,330)	(13,181)	(36,511)
Income before tax	290,626	(13,181)	277,445
Income tax expense	(81,742)	2,900	(78,842)
Net income from consolidated entities	208,884	(10,281)	198,603
Consolidated income	208,884	(10,281)	198,603
Net income Group share	208,884	(10,281)	198,603
Earnings per share <i>(in euros)</i>	4.75	(0.23)	4.52
Diluted earnings per share <i>(in euros)</i>	4.69	(0.23)	4.46

Corrected simplified consolidated statement of comprehensive income <i>(in thousand euros)</i>	December 31, 2022 published	VPPA	December 31, 2022 corrected
GROUP NET INCOME	208,884	(10,281)	198,603
TOTAL COMPREHENSIVE INCOME	275,166	(10,281)	264,885
Attributable to:			
• BIC Group	275,166	(10,281)	264,885
TOTAL	275,166	(10,281)	264,885





FINANCIAL STATEMENT

Consolidated financial statements

Corrected simplified assets <i>(in thousand euros)</i>	December 31, 2022 published	VPPA	December 31, 2022 corrected
Deferred tax assets	129,709	2,900	132,609
Non-current assets	1,184,531	2,900	1,187,431
TOTAL ASSETS	2,683,486	2,900	2,686,386

Corrected simplified equity and liabilities <i>(in thousand euros)</i>	December 31, 2022 published	VPPA	December 31, 2022 corrected
Reserves and retained earnings	1,709,979	(10,281)	1,699,698
Shareholders' equity Group share	1,876,286	(10,281)	1,866,005
Shareholders' equity	1,876,286	(10,281)	1,866,005
Derivative instruments	237	13,181	13,418
Non-current liabilities	202,118	13,181	215,299
TOTAL EQUITY AND LIABILITIES	2,683,486	2,900	2,686,386

Corrected simplified consolidated statement of changes in equity <i>(in thousand euros)</i>	Shareholders' equity		
	Accumulated profits	Group share	Shareholders' equity
Net income for the period published	208,884	208,884	208,884
Total comprehensive income published	209,613	275,166	275,166
At December 31, 2022 published	1,751,735	1,875,286	1,875,286
VPPA	(10,281)	(10,281)	(10,281)
Net income for the period corrected	198,603	198,603	198,603
Total comprehensive income corrected	199,330	264,885	264,885
At December 31, 2022 corrected	1,741,454	1,866,005	1,866,005

Corrected simplified consolidated cash flow statement <i>(in thousand euros)</i>	December 31, 2022 published	VPPA	December 31, 2022 corrected
Operating activities			
Net income Group share	208,884	(10,281)	198,603
Income Taxes	81,742	(2,900)	78,842
Other non-cash transactions	371	13,181	13,552



24-6 Portfolio of foreign exchange risk hedges as of December 31, 2023

To cover its future cash flows, BIC had the following hedges as of December 31, 2023:

Maturity	Hedge	Forward	Currency	Purchase of options	Sale of options	Currency
2024	USD/EUR	325,000,000	USD	5,000,000	10,000,000	USD
	USD/CAD	12,000,000	USD	10,000,000	15,000,000	USD
	USD/AUD	2,000,000	USD	1,670,000	1,690,000	USD
	GBP/EUR	12,000,000	GBP	4,000,000	6,000,000	GBP
	AUD/EUR	20,000,000	AUD	8,000,000	12,000,000	AUD
	CHF/EUR	6,000,000	CHF	-	-	-
	EUR/MXN	4,000,000	EUR	2,000,000	3,000,000	EUR
	JPY/EUR	1,150,000,000	JPY	400,000,000	400,000,000	JPY
	CAD/EUR	8,000,000	CAD	12,000,000	17,000,000	CAD
	NZD/EUR	2,000,000	NZD	4,000,000	5,500,000	NZD
	PLN/EUR	27,000,000	PLN	24,000,000	36,000,000	PLN
	RON/EUR	10,000,000	RON	-	-	-
	USD/NZD	-	USD	500,000	1,000,000	USD
2025	CHF/EUR	4,000,000	CHF	-	-	-
	JPY/EUR	300,000,000	JPY	-	-	-
	USD/EUR	22,500,000	USD	-	-	-
2026	CHF/EUR	1,000,000	CHF	-	-	-

Regarding the needs for 2024, as of December 31, 2023, the EUR/USD parity was the most exposed, in amount of 340 million U.S. dollars. This exposure was more than 95% hedged as of December 31, 2023 and related cash flows will occur in 2024.

Net income and equity sensitivity to a variance of +/-1% EUR/USD on balance sheet items as of December 31, 2023, as defined in IFRS 7, is not considered to be significant for the Group.

As of December 31, 2022, regarding the 2023 exposure, the EUR/USD parity was the most exposed, in the amount of 375 million U.S. dollars. This exposure was more than 95% hedged as of December 31, 2022 and related cash flows took place in 2023.

24-7 Main balance sheet items declared in foreign currencies

Regarding the balance sheet items, the weight of the different currencies is as follows as of December 31, 2023 for the main items:

(in thousand euros)	Total	EUR	Translated from USD	Translated from BRL	Translated from MXN	Translated from INR	Other
Net property, plant and equipment	621,831	372,163	71,793	47,086	69,057	13,424	48,308
Net goodwill	283,279	108,034	155,399	1	-	-	19,845
Cash and cash equivalents (excluding bank overdrafts)	466,029	207,570	97,669	57,271	12,193	294	91,032
Employee benefit obligations	(63,769)	(20,378)	(42,081)	-	(6,017)	(485)	5,192





NOTE 25 RELATED PARTIES

Pursuant to IAS 24, BIC Group considers the following to be related parties:

- all consolidated subsidiaries (see Note 28);
- all members of the Board of Directors (see Corporate Governance – section 4.1.2.1 “Our Board of Directors as of December 31, 2023”) as well as their close relatives;
- all companies in which a member of the Board of Directors or of the Executive Committee has a significant voting right.

25-1 Consolidated subsidiaries

Transactions between the parent company and its subsidiaries as well as transactions between subsidiaries are eliminated through the consolidation process.

25-2 Members of the Board of Directors and of the Executive Committee

Transactions concluded in 2023 with members of the Board of Directors and of the Executive Committee are as follows:

<i>(in thousand euros)</i>	Expenses
Short-term employee benefits	11,609
Post-employment benefits	57
Other long-term benefits	176
Termination benefits	-
Share-based payments	4,752
TOTAL TRANSACTIONS	16,593

Directors' fees are not included in the above table and are disclosed under Corporate Governance – section 4.2.3 "Remuneration and benefits paid or allocated for FY2023 to non-executive corporate officers and directors".

25-3 Companies in which a member of the Board of Directors or of the Executive Committee has a significant voting right

As of December 31, 2023, no such related parties were identified.



NOTE 26 OFF-BALANCE SHEET ITEMS

The following schedule summarizes the sureties, deposits and guarantees for the Group. All significant items are disclosed in this table. No other pledge of assets or registered shares is to be reported.

26-1 Sureties, deposits and guarantees received

(in thousand euros)	Due			December 31, 2023	December 31, 2022
	< 1 year	1 to 5 years	> 5 years		
Guarantees for credit lines	212,322	-	-	212,322	210,917
TOTAL	212,322	-	-	212,322	210,917

As of December 31, 2023, the guarantees for credit lines mainly relate to SOCIÉTÉ BIC for the 200 million euros RCF and its subsidiaries in India and Turkey for 12.3 million euros.

As of December 31, 2022, the guarantees for credit lines mainly relate to SOCIÉTÉ BIC for the 200 million euros RCF and its subsidiaries in India and Turkey for 10.6 million euros.

26-2 Sureties, deposits and guarantees issued

(in thousand euros)	Due			December 31, 2023	December 31, 2022
	< 1 year	1 to 5 years	> 5 years		
Trade guarantees	-	19	-	19	63
Operating lease guarantees	-	-	-	-	320
Sureties and deposits	61	13,335	-	13,396	20,899
Other guarantees and commitments	97	25	-	122	5,527
TOTAL	158	13,379	-	13,537	26,809

26-3 Lease arrangements

(in thousand euros)	December 31, 2022	December 31, 2023
Rentals under operating leases recognized as an expense in the year in application of the exemptions of IFRS 16	784	1,098

At the balance sheet date, the BIC Group has outstanding commitments under leases exempted from IFRS 16, which fall due as follows:

(in thousand euros)	December 31, 2022	December 31, 2023
Within one year	856	956
In the second to fifth years inclusive	14	67
Beyond five years	-	-
TOTAL	870	1,023

NOTE 27 CONTINGENT LIABILITIES

As of December 31, 2023, neither SOCIÉTÉ BIC nor its subsidiaries were aware of any contingent liabilities.

Contingent liabilities are defined by IAS 37 as follows:

- possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity;
- obligations that are not recognized because:
 - settlement, involving an outflow representing economic benefits, is not probable, or
 - their amount cannot be measured reliably.



NOTE 28 CONSOLIDATED SUBSIDIARIES

All entities that are more than 50% owned are consolidated.

The main operating companies at December 31, 2023, are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Main Shareholders	Percentage ownership interest (direct or indirect)	Principal activity
Fully consolidated subsidiaries				
FRANCE				
BIC Assemblage SARL	Clichy	SOCIÉTÉ BIC SA	100%	Delivery of services
BIC Services SASU	Clichy	SOCIÉTÉ BIC SA	100%	Delivery of services
BIMA 83 SASU	Clichy/Cernay	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
Société du Briquet Jetable 75 SASU	Clichy/Redon	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
DAPE 74 Distribution SASU	Clichy	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
Électro-Centre SASU	Clichy	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Technologies SA	Clichy/Montévrain	SOCIÉTÉ BIC SA	100%	Industrial equipments production
BIC Rasoirs SASU	Verberie	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Conté SASU	Samer	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Graphic France SASU	Clichy	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Écriture 2000 SASU	Clichy/Montévrain	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Éducation SASU	Clichy	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of IT solutions
BIC International Development SASU	Clichy	SOCIÉTÉ BIC SA	100%	Delivery of services
Sibjet Technologies SNC	Guidel	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
Djeep SASU	Clichy	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
Advanced Magnetic Interaction, AMI SASU	Grenoble	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
EUROPE				
BIC Deutschland GmbH & Co. OHG	Germany	BIC Erzeugnisse GmbH BIC Verwaltungs GmbH	100%	Distribution of consumer products
BIC Erzeugnisse GmbH	Germany	SOCIÉTÉ BIC SA	100%	Holding company
BIC Verwaltungs GmbH	Germany	SOCIÉTÉ BIC SA	100%	Holding company
BIC GmbH	Germany	SOCIÉTÉ BIC SA	100%	Holding company
Mondialoffice Verwaltungs-und Vertriebsgesellschaft mit beschränkter Haftung	Germany	BIC Deutschland GmbH & Co.	100%	Holding company
BIC (Austria) Vertriebsgesellschaft mbH	Austria	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Belgium SA	Belgium	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Iberia SAU	Spain	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of consumer products
BIC Graphic Europe SA	Spain	BIC Iberia SAU	100%	Manufacturing and distribution of consumer products
Norwood Promotional Products Europe SLU	Spain	BIC Graphic Europe SA	100%	Distribution of consumer products/ Dormant Entity
BIC Violex SA	Greece	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of consumer products
BIC (Ireland) Limited	Ireland	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Italia SPA	Italy	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Netherlands B.V.	Netherlands	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Polska SP ZOO	Poland	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Portugal SA	Portugal	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC (Romania) Marketing & Distribution SRL	Romania	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC UK Ltd.	United Kingdom	SOCIÉTÉ BIC SA	100%	Distribution of consumer products



Name of subsidiary	Place of incorporation (or registration) and operation	Main Shareholders	Percentage ownership interest (direct or indirect)	Principal activity
BIC CIS	Russia	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Nordic AB	Sweden	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
SOCIÉTÉ BIC (Suisse) SA	Switzerland	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Pazarlama Ltd. Sti.	Turkey	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Ukraine CA	Ukraine	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Services Sofia EOOD	Bulgaria	SOCIÉTÉ BIC SA	100%	Delivery of services
NORTH AMERICA				
BIC Inc.	Canada	BIC CORPORATION	100%	Distribution of consumer products
BIC CORPORATION	United States	SOCIÉTÉ BIC SA	100%	Holding company
BIC USA Inc.	United States	BIC CORPORATION	100%	Distribution of consumer products
BIC Consumer Products Manufacturing Co. Inc.	United States	BIC USA Inc.	100%	Manufacturing of consumer products
SLS Insurance Company	United States	BIC CORPORATION	100%	Insurance company
Rocket Innovations, Inc.	United States – Delaware	BIC CORPORATION	100%	Distribution of consumer products
BIC International Co.	United States	SOCIÉTÉ BIC SA	100%	Delivery of services
SWISS MISS SHOP LLC	United States	BIC CORPORATION	100%	Distribution of consumer products
Inkbox Ink Incorporated	United States	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
Inkbox Ink America	United States	Inkbox Ink Incorporated	100%	Distribution of consumer products
OCEANIA				
BIC Australia Pty. Ltd.	Australia	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC (NZ) Ltd.	New Zealand	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of consumer products
LATIN AMERICA				
BIC Argentina SA	Argentina	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Amazonia SA	Brazil	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of consumer products
BIC Chile SA	Chile	BIC Amazonia SA	100%	Distribution of consumer products
BIC Ecuador (ECUABIC) SA	Ecuador	BIC Amazonia SA	100%	Manufacturing and distribution of consumer products
BIC de Guatemala SA	Guatemala	BIC CORPORATION	100%	Distribution of consumer products
No Sabe Fallar SA de CV	Mexico	BIC CORPORATION	100%	Manufacturing and distribution of consumer products
Industrial de Cuautitlan SA de CV	Mexico	BIC CORPORATION	100%	Manufacturing and distribution of consumer products
Servicios administrativos Industrial de Cuautitlán, SA de CV	Mexico	Industrial de Cuautitlan SA de CV No Sabe Fallar SA de CV	100%	Delivery of services
BIC Uruguay SA	Uruguay	BIC Amazonia SA	100%	Distribution of consumer products/ Dormant Entity
Nelgor SA	Uruguay	BIC Amazonia SA	100%	Holding company
ASIA				
BIC Stationery (Shanghai) Co. Ltd.	China	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC (Nantong) Plastic Products Co., Ltd.	China	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Cello (India) Pvt. Ltd.	India	SOCIÉTÉ BIC SA	100%	Manufacturing and distribution of consumer products
BIC Japan Co. Ltd.	Japan	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Product (Asia) Pte. Ltd.	Singapore	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Technologies Asia Limited	Hong-Kong	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
Inkbox Japan	Japan	Inkbox Ink Incorporated	100%	Distribution of consumer products





FINANCIAL STATEMENT

Consolidated financial statements

Name of subsidiary	Place of incorporation (or registration) and operation	Main Shareholders	Percentage ownership interest (direct or indirect)	Principal activity
MIDDLE-EAST AND AFRICA				
BIC (South Africa) (Pty.) Ltd.	South Africa	BIC Holdings Southern Africa (Pty.) Ltd.	100%	Manufacturing and distribution of consumer products
BIC Holdings Southern Africa (Pty.) Ltd.	South Africa	BIC UK Ltd.	100%	Holding company
BIC Middle East FZ-LLC	Dubai	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Middle East Trading FZE	Dubai	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Malawi Pty. Ltd.	Malawi	BIC Holdings Southern Africa (Pty.) Ltd.	100%	Distribution of consumer products
Lucky Stationary Nigeria Ltd	Nigeria	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC Mozambique Ltd.	Mozambique	BIC Holdings Southern Africa (Pty.) Ltd.	100%	Distribution of consumer products
BIC Bizerte	Tunisia	SOCIÉTÉ BIC SA	100%	Manufacturing of consumer products
BIC Zambia Ltd.	Zambia	BIC Holdings Southern Africa (Pty.) Ltd.	100%	Distribution of consumer products
BIC Maroc SARL	Morocco	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
BIC EAST AFRICA Limited	Kenya	SOCIÉTÉ BIC SA	100%	Distribution of consumer products
SOCIÉTÉ BIC Côte d'Ivoire SASU	Ivory Coast	SOCIÉTÉ BIC SA	100%	Distribution of consumer products



NOTE 29 AUDITORS' FEES

Annual fees paid by the Group to the Statutory Auditors' and members of their networks are as follows:

	Grant Thornton				EY				Deloitte & Associés			
	Amount (excluding VAT)		%		Amount (excluding VAT)		%		Amount (excluding VAT)		%	
(in thousand euros)	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Audit												
Statutory audit, certification, review of statutory and consolidated financial statements												
• Issuer	147	160	19%	17%	-	355	-	19%	359	-	17%	-
• Fully consolidated subsidiaries	615	721	81%	77%	-	1,204	-	64%	1,157	-	56%	-
Other due diligence and services directly linked to the Statutory Auditors' mission												
• Issuer	-	-	-	-	-	180	-	14%	100	-	5%	-
• Fully consolidated subsidiaries	-	58	-	6%	-	0	-	2%	111	-	6%	-
Subtotal	762	939	100%	100%	-	1,739	-	99%	1,727	-	84%	-
Other network services for the fully consolidated subsidiaries												
• Legal, tax, labor-related	-	-	-	-	-	30	-	1%	325	-	16%	-
Subtotal	-	-	-	-	-	30	-	1%	325	-	16%	-
TOTAL	762	939	100%	100%	-	1,769	-	100%	2,052	-	100%	0%

6.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ending December 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the Société Bic Annual General Meeting,

I. OPINION

In compliance with the assignment entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Société Bic for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and the assets and liabilities of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with IFRS as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

II. BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled "Statutory Auditors' Responsibilities Relating to the Audit of the Consolidated Financial Statements".

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code (Code de commerce) and in the Code of Ethics for Statutory Auditors for the period from January 1st, 2023 to the date of issue of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) no. 537/2014.

III. JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the year, as well as our responses to these risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and of the formation of our opinion expressed above. We do not express an opinion on any individual component of these consolidated financial statements.

**Assessing the recoverable amount of goodwill
(Note 10 "Goodwill" to the consolidated financial statements)**

Risk identified	Our answer
<p>At December 31, 2023, the net book value of goodwill amounted to 283 279 thousand euros, representing a balance sheet total of 2 647 337 thousand euros. These assets are allocated to cash-generating units (CGUs) representing the most detailed level at which they are monitored at Group level. Goodwill is not amortized, but tested for impairment whenever there is an indication that it may be impaired, and at least once a year, as described in note 10 to the consolidated financial statements.</p> <p>The methodology used for goodwill impairment testing consists mainly in comparing the recoverable amount of each CGU with its net book value, as defined in note 10 to the consolidated financial statements.</p> <p>As part of our audit, we considered the assessment of the recoverable amount of goodwill as a key audit issue for the following reasons:</p> <ul style="list-style-type: none"> • the value of goodwill is material in the consolidated financial statements; • the determination of the recoverable amount of goodwill is usually based on discounted future cash flow forecasts that depend on the economic environment, and involves significant judgments and estimates on the part of management. 	<p>We have reviewed the method used by management to determine the recoverable amount of each CGU, in order to assess its compliance with IAS 36.</p> <p>Together with asset valuation experts from the audit team, we assessed the key assumptions used by management in determining recoverable amounts. In particular, we:</p> <ul style="list-style-type: none"> • reconciled the items taken into account in the impairment tests for each group of CGUs with the consolidated financial statements; • compared the key assumptions used to determine the value in use of each CGU with external market data, in particular the discount rate and growth rate assumptions for the markets in which your Group companies operate; • analysed the consistency of forecasts with past performance and assessed the main assumptions underlying the budget estimates used in the cash flow valuation models through discussions with management and in the light of the market outlook; • verified the arithmetical accuracy of the valuation model's calculations, and reconciled the main data from the discounted future cash flow projections included in the impairment tests with the strategic plan validated by management; • performed sensitivity calculations on the values in use determined by management, notably by varying the discount rate and EBITDA level to assess their impact. <p>We have also assessed the appropriateness of the information relating to goodwill presented in the notes to the consolidated financial statements.</p>

IV. SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we have also verified the information given in the Board of Directors' management report concerning and the Group, as required by law and regulations.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

We hereby certify that the consolidated statement of non-financial performance required under Article L. 225-1021 of the French Commercial Code is included in the information relating to the Group given in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of said Code, the information contained in this statement has not been verified by us as to its fair presentation or consistency with the consolidated financial statements and must be the subject of a report by an independent third-party organization.



V. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of preparation of the consolidated financial statements intended to be included in the annual financial report

In accordance with the professional practice standard on statutory auditors' procedures relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified compliance with this format, as defined by European Delegated Regulation no. 2019/815 of December 17, 2018, in the presentation of the consolidated financial statements intended for inclusion in the annual financial report referred to in I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of Managing Director. As these are consolidated financial statements, our procedures include verifying that the presentation of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.



Due to the technical limitations inherent in the macro-tagging of consolidated financial statements in accordance with the Single European Electronic Reporting Format, the content of certain tags in the notes may not be rendered identically to the consolidated financial statements attached to this report.

Furthermore, we are not responsible for verifying that the consolidated financial statements which will be included by your Company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed statutory auditors of Société Bic by your Annual General Meeting of May 23, 2007 for GRANT THORNTON and May 16, 2023 for ERNST & YOUNG Audit.

At December 31, 2023, GRANT THORNTON was in the seventeenth year of its uninterrupted engagement, and ERNST & YOUNG Audit in the first year.

VI. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of management to prepare consolidated financial statements that give a true and fair view in accordance with IFRS as adopted by the European Union, and to implement such internal control procedures as it determines are necessary to ensure that the consolidated financial statements are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, it is management's responsibility to assess the company's ability to continue as a going concern, to present in these financial statements, where appropriate, the necessary information relating to going concern, and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

It is the responsibility of the Audit Committee to monitor the financial reporting process and the effectiveness of internal control and risk management systems, as well as internal audit where appropriate, with regard to procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

VII. STATUTORY AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our responsibility is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free from material misstatement. Reasonable assurance refers to a high level of assurance, without however guaranteeing that an audit performed in accordance with professional standards would systematically detect any material misstatement. Misstatements may be the result of fraud or error and are considered material when it is reasonable to expect that they could, individually or in aggregate, influence the economic decisions made by users of the financial statements.

As stipulated by Article L. 821-55 of the French Commercial Code, our role in auditing the financial statements is not to guarantee the viability or quality of your company's management.

In the context of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit. In addition:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and implements audit procedures to address these risks, and obtains audit evidence that it believes to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, falsification, deliberate omission, misrepresentation or circumvention of internal control;
- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- it assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the consolidated financial statements;
- it assesses the appropriateness of management's application of the going concern accounting policy and, based on the information gathered, whether or not there is any significant uncertainty linked to events or circumstances that could call into question the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of his report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If it concludes that there is a material uncertainty, it draws the attention of the readers of its report to the information provided in the consolidated financial statements concerning this uncertainty or, if this information is not provided or is not relevant, it issues a qualified opinion or a refusal to certify;



- It assesses the overall presentation of the consolidated financial statements, and whether they give a true and fair view of the underlying transactions and events;
- concerning the financial information of the persons or entities included in the scope of consolidation, it gathers information that it considers sufficient and appropriate to express an opinion on the consolidated financial statements. He is responsible for directing, supervising and performing the audit of the consolidated financial statements, and for expressing an opinion on these financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report setting out, in particular, the scope of our audit and the work program implemented, together with the conclusions arising from our work. We also report to the Audit Committee on any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information.

The matters disclosed in the report to the Audit Committee include the risks of material misstatement which we considered to be the most important for the purposes of our audit of the consolidated financial statements for the year and which therefore constitute the key points of our audit, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) no. 537/2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular in Articles L. 82127 to L. 82134 of the French Commercial Code and in the Code of Ethics for Statutory Auditors. Where necessary, we discuss the risks to our independence and the safeguards applied with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, on March 27, 2024

The Statutory Auditors

French original signed by

Grant Thornton

French Member of Grant Thornton International

Virginie Palethorpe

ERNST & YOUNG Audit

Jeremy Thurbin





6.3. PARENT COMPANY FINANCIAL STATEMENTS OF SOCIÉTÉ BIC (FRENCH GAAP)

1.	Income statement	291
2.	Balance sheet	292
3.	Cash flow statement	294
4.	Notes to the parent company financial statements	295
5.	Additional information on the parent company financial statements	310



1. INCOME STATEMENT

<i>(In thousand euros)</i>	Notes	December 31, 2022	December 31, 2023
Net sales	11	771,094	777,194
Operating grants		44	15
Reversal of depreciation, amortization and provisions, transfer of charges		23,087	34,961
Other income	12	109,425	89,056
Total operating income		903,650	901,227
Purchases of goods and changes in inventories		(486,380)	(481,000)
Purchases of raw materials, other supplies and changes in inventories		(40,979)	(30,399)
Other external purchases and charges		(236,199)	(251,054)
Taxes, levies and similar payments		(3,582)	(2,278)
Payroll costs	13	(364)	(517)
Depreciation, amortization and provisions		(35,370)	(37,126)
Other expenses		(5,457)	(10,321)
Total operating expenses		(808,330)	(812,695)
NET OPERATING INCOME		95,320	88,532
NET FINANCIAL INCOME	14	134,598	197,057
NON-RECURRING INCOME AND EXPENSES	15	(11,290)	5,334
Income tax expense	16 to 18	(25,855)	(24,376)
NET INCOME		192,773	266,546





2. BALANCE SHEET

Assets

(in thousand euros)	Notes	December 31, 2022	December 31, 2023		
		Net	Gross	Deprec., amort. and provisions	Net
Research and development expenses		-	1,745	(1,745)	-
Patents and similar rights		43,686	104,274	(57,724)	46,550
Intangible assets	3, 4, 10	43,686	106,019	(59,469)	46,550
Land		1,113	1,351	(238)	1,113
Buildings		1,123	13,263	(11,519)	1,744
Industrial fixtures and equipment		2,410	17,013	(14,490)	2,523
Other property, plant and equipment		3,618	4,827	(1,186)	3,640
Fixed assets under construction		1,703	498	-	498
Property, plant and equipment	3, 4, 10	9,966	36,953	(27,434)	9,519
Equity investments	22	1,297,028	1,622,399	(356,903)	1,265,497
Other investments		-	2,715	-	2,715
Other long-term investments		30,001	27,925	-	27,925
Long-term investments	3	1,327,029	1,653,040	(356,903)	1,296,137
Non-current assets		1,380,681	1,796,012	(443,805)	1,352,206
Raw materials and supplies		832	1,109	-	1,109
Work-in-process goods		1	-	-	-
Goods		50,501	46,167	(1,441)	44,726
Inventories		51,334	47,276	(1,441)	45,835
Advances and prepayments		1,856	1,258	-	1,258
Trade receivables and related accounts	5, 6, 10	168,266	188,576	(8,053)	180,524
Other receivables	5, 6, 10	248,690	250,998	(9,901)	241,097
Short-term financial investments	7	133,906	137,101	-	137,101
Cash and cash equivalents		4,140	53,266	-	53,266
Prepaid expenses	5	2,449	3,294	-	3,294
Loan issuance costs to be deferred		-	711	-	711
Unrealized losses from foreign exchange	8	2,177	897	-	897
Current assets		612,818	683,376	(19,395)	663,981
TOTAL ASSETS		1,993,499	2,479,388	(463,199)	2,016,187



Liabilities & Shareholders' equity

(in thousand euros)

	Notes	December 31, 2022	December 31, 2023
Share capital		167,898	161,474
Share issue premiums, merger contributions		144,165	144,165
Legal reserve		22,410	22,410
General reserve		180,696	180,710
Retained earnings		571,095	560,058
Net income for the year		192,773	266,546
Shareholders' equity	9	1,279,036	1,335,363
Provisions for contingencies and losses	10	53,191	35,488
Provisions for contingencies and losses		53,191	35,488
Bank borrowings (Bank overdraft)	5	907	1,198
Other borrowings	5	489,771	484,323
Financial liabilities		490,678	485,520
Trade payables and related accounts	5, 6	155,187	142,228
Tax and employee-related liabilities	5	6,181	7,652
Other liabilities	5	8,151	9,105
Operating liabilities		169,519	158,986
Unrealized gains from foreign exchange		1,074	828
Liabilities		661,271	645,335
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		1,993,499	2,016,187



FINANCIAL STATEMENT

Parent company financial statements of SOCIÉTÉ BIC (French Gaap)

3. CASH FLOW STATEMENT

(in thousand euros)

	Notes	December 31, 2022	December 31, 2023
Operating activities			
Net income		192,773	266,546
Merger gain		-	(123,307)
Dividends received	14	(160,376)	(119,216)
Depreciation, amortization and provisions on non-current assets		38,881	32,420
(Gain)/Loss on the disposal of fixed assets		4,480	1,054
Gross cash flow from operating activities		75,759	57,498
(Increase)/Decrease in net current working capital		37,589	(31,020)
NET CASH FLOW FROM OPERATING ACTIVITIES		113,348	26,478
Investing activities			
Dividends received from subsidiaries	14	159,876	119,216
Proceeds from disposals of property, plant and equipment and intangible assets		3	-
Purchases of property, plant and equipment	3	(4,101)	(1,035)
Acquisition of intangible assets	3	(9,352)	(8,547)
(Increase)/Decrease in treasury shares		(41,841)	(97,660)
(Increase)/Decrease in other investing expenses	3	(905)	(2,979)
Acquisitions of subsidiaries	22	(87,521)	(31,599)
NET CASH FLOW FROM INVESTING ACTIVITIES		16,159	(22,605)
Financing activities			
Dividends paid	9.2	(94,744)	(110,219)
Loans/(Repayments)		(9,000)	25,000
Movement in current accounts		(123,145)	133,375
NET CASH FLOW FROM FINANCING ACTIVITIES		(226,889)	48,156
Net increase/(decrease) in cash and cash equivalents		(97,382)	52,030
Opening cash and cash equivalents		234,521	137,139
CLOSING CASH AND CASH EQUIVALENTS		137,139	189,169



4. NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

NOTE 1	MAIN AND SUBSEQUENT EVENTS	296	NOTE 14	FINANCIAL INCOME	302
NOTE 2	ACCOUNTING PRINCIPLES, RULES AND METHODS	296	NOTE 15	NON-RECURRING INCOME AND EXPENSES	303
<i>Notes to the balance sheet</i>		297	NOTE 16	INCOME TAX BREAKDOWN	303
NOTE 3	NON-CURRENT ASSETS	297	NOTE 17	TAX GROUPING	303
NOTE 4	AMORTIZATION STATEMENT	298	NOTE 18	MAIN INCREASES/DECREASES IN THE DEFERRED TAX BASIS	304
NOTE 5	MATURITY OF RECEIVABLES AND PAYABLES	298	<i>Notes to the off-balance sheet commitments</i>		304
NOTE 6	INFORMATION ON RELATED PARTIES	299	NOTE 19	OFF-BALANCE SHEET FINANCIAL INSTRUMENTS	304
NOTE 7	SHORT-TERM FINANCIAL INVESTMENTS	299	19-1	Currency derivatives	304
NOTE 8	TRANSLATION ADJUSTMENTS	299	19-2	Interest rate derivatives	305
NOTE 9	SHAREHOLDERS' EQUITY	300	19-3	Commodities derivatives	305
	9-1 Share capital	300	NOTE 20	OFF-BALANCE SHEET COMMITMENTS	306
	9-2 Changes in Shareholders' equity	300	20-1	Guarantees	306
NOTE 10	PROVISIONS	301	20-2	Pension obligations	306
<i>Notes to the income statement</i>		302	<i>Other information</i>		306
NOTE 11	NET SALES BREAKDOWN	302	NOTE 21	STOCK MARKET PRICE	306
NOTE 12	OTHER INCOME	302	NOTE 22	EQUITY INVESTMENTS	307
NOTE 13	MANAGEMENT COMPENSATION	302	22-1	Subsidiaries and equity interests	307
			22-2	Analysis of movements in equity investments	309

NOTE 1 MAIN AND SUBSEQUENT EVENTS

No other subsequent event occurred between January 1, 2023 and the reporting date.

NOTE 2 ACCOUNTING PRINCIPLES, RULES AND METHODS

The financial statements are prepared in accordance with the accounting policies and methods defined by the French Plan Comptable Général, as presented by Regulation no. 2016-07 of the French Accounting Standards Authority of November 4, 2016 and its subsequent changes repealing Regulation no. 99-03 of the French Accounting Regulatory Commission of April 29, 1999 on annual financial statements.

They have been drawn up according to the basic accounting principles of:

- going concern;
- consistency;
- independence of financial years.

The items presented in the financial statements are valued on a historical cost basis.

The main accounting rules and methods adopted are the following:

a) Intangible assets

Research and development expenditures are capitalized when major applied research and development projects in progress (above 500 thousand euros) can be clearly defined, costs separately identified and reliably measured, and the project has a significant chance of commercial profitability. Capitalized research and development expenditures are amortized on a straight-line basis over a period of three to five years from the commencement of production.

Research and development expenditures that do not meet these criteria are expensed in the fiscal year.

Patents and technical processes are amortized over their period of protection or use.

Software is depreciated on a straight-line basis over a period of three to five years.

b) Property, plant and equipment

Property, plant and equipment are valued at their purchase price or production cost. Depreciation is calculated on a straight-line basis over periods depending on the asset type:

- Buildings: 25 years;
- Fixtures and fittings: 8 to 10 years;
- Vehicles: 3 to 4 years;
- Industrial plant, machinery and fittings: 2 to 8 years;
- Office and IT equipment, furniture: 3 to 8 years.

c) Fixed assets valuation

At year end, SOCIÉTÉ BIC checks the existence of internal or external indicators that could lead to a change in the net realizable value of its assets.

When the net booked value of fixed assets exceeds the market value or the asset in use, an impairment charge is recorded.

d) Long-term investments

Long-term investments are recorded at the value they were brought into assets. An impairment is booked when the value in use of an investment is less than its purchase cost. The value is determined in reference to Shareholders' equity or to cash flow projections of the relevant investment, adjusted to take into consideration the importance of the Company to the Group and its development and profit perspectives. In addition, SOCIÉTÉ BIC shares purchased pursuant to Article L. 225-209 of the French Commercial Code (*Code de commerce*), not intended exclusively for stock option plans, are recorded within long-term investments. Treasury shares are valued at purchase cost and provision for impairment is booked at year-end when the probable trading value (based on the average share market price during the last month of the fiscal year) is less than purchase cost. Loans in foreign currency are translated at the closing exchange rate.

e) Inventory and work-in-process

Goods are valued at purchase cost, including incidental expenses, in accordance with the weighted average cost method. Inventory provisions are booked, when necessary, to reduce inventory value to the market value.

f) Receivables and payables

Receivables and payables are recorded at nominal value. Receivables are written down by way of provision, when appropriate, to take into consideration recovery risks. Foreign currency denominated receivables and payables are translated at the official closing exchange rate.

Unrealized gains on foreign exchange are booked as unrealized gains, while unrealized losses on foreign exchange are booked as unrealized foreign exchange losses with a provision for contingencies and losses.

Profit and loss on foreign exchange for current accounts are directly recognized in the profit and loss account and are not the subject of a translation difference.

According to the new ANC n°2015-05 related to the accounting of derivative instruments, applicable as of January 1, 2017, the method of accounting for derivative instruments varies according to whether the derivative qualifies for hedge accounting or not.

For non-hedged transactions, the global foreign exchange position is only used to calculate the provision for foreign exchange losses.

It is calculated currency-by-currency and hedging instruments and hedged items (for the hedged portion) are excluded from this global foreign exchange position.

The maturity dates of items included in the position should be in the same fiscal year and only realizable items should be included (receivables, payables, derivative instruments, etc.). Cash and cash equivalents are excluded.

For hedged transactions, the currency hedging impact is only recognized in the income statement when receivables (or payables) are settled.

g) Financial investments

Financial investments comprise investments in marketable securities, and SOCIÉTÉ BIC shares bought back pursuant to Article L.225-209 of the French Commercial Code (*Code de commerce*). Treasury shares are valued at purchase cost. An impairment provision is booked when the probable trading value (based on the average stock market price during the last month of the fiscal year or the exercise price of the options for which they were purchased) at year-end is less than the purchase cost.

h) Provisions for contingencies and charges

Provisions for contingencies and charges are liabilities for which maturity or amounts cannot be precisely measured. They are calculated using the best estimate of funds required to settle the liability.

i) Borrowings

Borrowings in foreign currency are translated at the closing exchange rate.

NOTES TO THE BALANCE SHEET

NOTE 3 NON-CURRENT ASSETS

<i>(in thousand euros)</i>	Gross value as of December 31, 2022	Acquisitions	Disposals	Gross value as of December 31, 2023
Research and development expenses	1,745	-	-	1,745
Other intangible assets	95,728	8,547	-	104,275
TOTAL INTANGIBLE ASSETS	97,473	8,547	-	106,020
Land	1,351	-	-	1,351
Buildings	12,386	877	-	13,263
Industrial fixtures and equipment	15,953	1,061	-	17,014
Other property, plant and equipment	4,525	302	-	4,827
Property, plant and equipment under construction	1,704	-	(1,205)	499
TOTAL PROPERTY, PLANT AND EQUIPMENT	35,918	2,240	(1,205)	36,953
Equity investments ^(a)	1,613,129	31,599	(22,329)	1,622,399
Other investments	-	2,715	-	2,715
Treasury shares ^(b)	28,684	151,759	(154,099)	26,345
Loans and other long-term investments	1,317	287	(23)	1,582
TOTAL LONG-TERM INVESTMENTS	1,643,130	186,360	(176,451)	1,653,040

(a) Equity investments are detailed in Note 22.

(b) These refer to 429,166 shares for the free share plans and 22,561 shares related to the liquidity contract.



NOTE 4 AMORTIZATION STATEMENT

<i>(in thousand euros)</i>	Gross value as of December 31, 2022	Increase in the period	Reduction in the period	Gross value as of December 31, 2023
Research and development expenses	1,745	-	-	1,745
Other intangible assets	33,391	5,683	-	39,074
TOTAL INTANGIBLE ASSETS	35,136	5,683	-	40,819
Buildings	11,263	255	-	11,518
Industrial fixtures and equipment	13,543	1,138	-	14,681
Other property, plant and equipment	843	89	-	932
TOTAL PROPERTY, PLANT AND EQUIPMENT	25,648	1,482	-	27,131

NOTE 5 MATURITY OF RECEIVABLES AND PAYABLES

Receivables <i>(in thousand euros)</i>	Gross	Within one year	More than one year	o/w notes receivables	o/w related parties
Other long-term investments	27,925	27,925	-	-	-
Trade receivables and related accounts	188,576	188,576	-	590	151,520
Other receivables	250,998	250,998	-	-	212,420
Prepayments	3,294	3,294	-	-	-
TOTAL	470,794	470,794	-	590	363,923

Payables <i>(in thousand euros)</i>	Gross	Within one year	More than one year	o/w notes payables	o/w related parties
Bank borrowings	1,198	1,198	-	-	-
Other borrowings	484,323	484,323	-	-	399,323
Trade payables and related accounts	142,228	142,228	-	-	-
Tax and employee-related liabilities	7,652	7,652	-	-	-
Other liabilities	9,105	9,105	-	-	6,084
TOTAL	644,507	644,507	-	-	405,407

NOTE 6 INFORMATION ON RELATED PARTIES

Gross value <i>(in thousand euros)</i>	December 31, 2023
Assets	
Equity investments	1,622,399
Trade receivables and related accounts	151,520
Other receivables	212,403
Liabilities	
Other long-term loans and investments	399,323
Trade payables and related accounts	-
Other debts	6,084

NOTE 7 SHORT-TERM FINANCIAL INVESTMENTS

Gross value <i>(in thousand euros)</i>	December 31, 2023
Marketable securities ^(a)	137,101
TOTAL	137,101

(a) These are money market UCITS or short-term deposit certificates.

NOTE 8 TRANSLATION ADJUSTMENTS

Unrealized losses related to receivables and payables were recorded in unrealized exchange foreign losses in the amount of 896 thousand euros.





NOTE 9 SHAREHOLDERS' EQUITY

9-1 Share capital

As of December 31, 2023, the share capital of SOCIÉTÉ BIC amounted to 161,474,031.98 euros divided into 42,270,689 shares with a par value of 3.82 euros each. Registered shares held for more than two years carry double voting rights.

To the best of the Company's knowledge, as of December 31, 2023, Shareholders known to hold more than 5% of the share capital and/or of the voting rights of the Company were as follows:

	% of shares (approx.)	% of voting rights (approx.)
SOCIÉTÉ M.B.D.	30.48%	41.22%
Bich Family	16.79%	22.36%
Silchester International Investors LLP	8.47%	5.73%

As of December 31, 2023, SOCIÉTÉ BIC held 451,727 BIC shares classified as long-term investments (429,166 shares for the free share plans and 22,561 shares in relation to the liquidity contract).

9-2 Changes in Shareholders' equity

(in thousand euros)

Shareholders' equity as of December 31, 2022 (before distribution)	1,279,036
Dividend distribution with respect to fiscal year 2022	110,219
Shareholders' equity as of December 31, 2022 (after distribution)	1,168,817
Increase in share capital	-
Decrease in share capital ^(a)	(6,423)
Share issue premium	-
Retained earnings ^(a)	(93,577)
Net income for the year	266,546
Shareholders' equity as of December 31, 2023 (before distribution)	1,335,363

(a) During the year 2023, SOCIÉTÉ BIC cancelled 1,681,537 shares.



NOTE 10 PROVISIONS

<i>(in thousand euros)</i>	December 31, 2022	Allocations during the year	Reversals during the year (used)	Reversals during the year (unused)	December 31, 2023
Risk – Subsidiaries	14,421	615	(14,204)	-	832
Risk – Tax audit	3,991	719	(1,139)	-	3,571
Foreign exchange losses	381	33	(381)	-	33
Share grant plan	33,898	30,553	(33,898)	-	30,553
Other provisions for contingencies	500	-	-	-	500
PROVISIONS FOR CONTINGENCIES AND LOSSES	53,192	31,920	(49,622)	-	35,489

<i>(in thousand euros)</i>	December 31, 2022	Allocations during the year	Reversals during the year	December 31, 2023
Intangible assets and Property, plant and equipment	18,954	-	-	18,954
Investments	316,102	44,550	(3,749)	356,903
Goods	1,433	1,441	(1,433)	1,440
Trade receivables	10,215	5,945	(8,108)	8,053
Provisions for other receivables	7,745	9,901	(7,745)	9,902
PROVISIONS FOR DEPRECIATION AND AMORTIZATION	354,449	61,837	(21,035)	395,251



NOTES TO THE INCOME STATEMENT

NOTE 11 NET SALES BREAKDOWN

The net sales of SOCIÉTÉ BIC break down as follows:

(in thousand euros)	December 31, 2022			December 31, 2023		
	France	Export	Total	France	Export	Total
Stationery	135,147	261,294	396,441	133,001	260,373	393,373
Lighters	20,964	269,986	290,950	21,034	264,066	285,101
Shavers	17,253	54,041	71,294	19,011	67,833	86,843
Other	496	11,914	12,410	1,255	10,622	11,877
TOTAL	173,860	597,234	771,094	174,300	602,894	777,194

NOTE 12 OTHER INCOME

Other income mainly comprises royalties (58,864 thousand euros) and management fees (1,140 thousand euros) invoiced to affiliates, as well as the foreign exchange gain on receivables and payables (7,395 thousand euros).

NOTE 13 MANAGEMENT COMPENSATION

(in thousand euros)	December 31, 2022	December 31, 2023
Administrative bodies	504	525
Management bodies	325	300

SOCIÉTÉ BIC has no salaried employees as of December 31, 2023.

NOTE 14 FINANCIAL INCOME

Financial income amounts to 197,057 thousand euros and is detailed as follows:

(in thousand euros)	December 31, 2022	December 31, 2023
Dividends received	159,876	119,216
Dividends to be received	500	-
Reversals/(provisions)	(18,652)	(42,612)
Foreign exchange gains and losses	(8,724)	1,645
Merger gain	-	123,307
Other	1,598	(4,499)
FINANCIAL INCOME	134,598	197,057

Dividends are mainly coming from BIC Corporation, amounting to 52,987 thousand euros and from BIC Amazonia, amounting to 39,708 thousand euros. The subsidiaries SIVG and SIBC were merged into SOCIÉTÉ BIC's accounts on July 2023.



NOTE 15 NON-RECURRING INCOME AND EXPENSES

The non-recurring income and expenses break down mainly as follows:

<i>(in thousand euros)</i>	December 31, 2022	December 31, 2023
Capital gains/(losses) on asset disposals	(122)	-
Capital gains/(losses) on long-term investment disposals	(164)	(1,054)
(Allocations)/Reversals for contingencies	(2,040)	4,982
Tax adjustments	235	345
Debt waivers / Activation of the financial recovery clause	(9,028)	4,046
Other	(171)	(2,986)
NON-RECURRING INCOME AND EXPENSES	(11,290)	5,334

NOTE 16 INCOME TAX BREAKDOWN

<i>(in thousand euros)</i>	Net income before tax	Income Tax expense	Net income after tax
Current net income	285,588	23,052	262,536
Non-recurring income and expenses	5,334	1,324	4,010
TOTAL	290,922	24,376	266,546

NOTE 17 TAX GROUPING

SOCIÉTÉ BIC is the parent company of the tax Group comprising the following companies as of December 31, 2022: Bima 83, BIC Écriture 2000, BIC Services, BIC Conté, BIC Rasoirs, Société du Briquet Jetable 75, BIC Graphic France, BIC Assemblage, BIC Technologies, BIC International Development, DAPE 74 Distribution, Électro-Centre, BIC Éducation, Djeep and Sibjet Technologies.

As parent company, SOCIÉTÉ BIC recognizes in its financial statements the gain or loss related to the effects of the tax consolidation. In this respect, the gain recorded by SOCIÉTÉ BIC in 2023 amounts to 505,093 euros.



NOTE 18 MAIN INCREASES/DECREASES IN THE DEFERRED TAX BASIS

<i>(in thousand euros)</i>	December 31, 2023
C3S	917
Provision for contingencies and current accounts	10,731
Provision on trade receivables	6,558
Foreign exchange losses	33
Provision on free shares	27,440
Other	3,502
TOTAL	49,182
DECREASE IN DEFERRED TAX LIABILITIES	(12,704)

NOTES TO THE OFF-BALANCE SHEET COMMITMENTS**NOTE 19 OFF-BALANCE SHEET FINANCIAL INSTRUMENTS**

The following are SOCIÉTÉ BIC's main off-balance sheet financial instruments:

19-1 Currency derivatives

Hedge nominals denominated in currencies other than the euro are converted to euros at December 31, 2022 closing rates.

The valuation of the hedges computed in accordance with market practices in terms of inputs (spot, yield curves, volatility curves) and calculation models.

Forward portfolio detail

Hedging support	Nominal (in euros)	Market value (in euros)	Instrument
Commercial Flows 2024	365,567,134	6,618,072	Forward
Commercial Flows 2025	26,600,663	440,909	Forward
Commercial Flows 2026	1,079,914	(42,836)	Forward
Intra-Group Dividends	36,199,095	(785,656)	Forward
Loans/Borrowings	51,617,535	(625)	Currency Swap
TOTAL	481,064,341	6,229,864	

Options portfolio detail

Hedging support	Options purchased Nominal (in euros)	Options sold Nominal (in euros)	Market value (in euros)	Instrument
Commercial Flows 2023	45,630,140	67,948,381	(682,416)	Option
TOTAL	45,630,140	67,948,381	(682,416)	

As of December 31, 2023, SOCIÉTÉ BIC had contracted:

- derivative contracts (foreign options and forward hedges) maturing in 2024, 2025 and 2026, with a gross nominal value of 506.8 million euros. These transactions hedge a significant portion of the Group's transactional foreign exchange risk, based on cash flow forecasts, and cover risks on the US dollar, British pound, yen, Canadian dollar, Australian dollar, New Zealand dollar, Swiss franc, Polish zloty, Romanian leu and Mexican peso. The market value of these transactions was positive at 6.3 million euros;
- derivative contracts (foreign currency forwards), maturing in 2024, to hedge intra-group dividends received in foreign currencies, with a gross nominal value of 36.2 million euros. The market value of these contracts is negative by 0.8 million euros;

- foreign currency swaps for an equivalent value of 51.6 million euros. These swaps ensure the Group's liquidity in foreign currencies and protect intra-Group loan positions in foreign currencies. The market value of these contracts is negative by 625 euros.

In 2024, more than 90% of the Group's foreign currency transaction exposure is hedged.

19-2 Interest rate derivatives

As of December 31, 2023, SOCIÉTÉ BIC does not have any interest rate derivatives.

All local funding needs are directly indexed on a variable rate. Borrowers' positions are insignificant and are of a too limited timescale to require any hedging.

19-3 Commodities derivatives

Hedge nominals denominated in currencies other than the euro are converted to euros at December 31, 2023 closing rates.

Derivatives portfolio detail

Hedging support	Nominal (in euros)	Market value (in euros)	Instrument
2023 Raw Material purchases	213,934	10,263	Swap
2024 Raw Material purchases	4,360,000	435,514	Swap
TOTAL	4,573,934	445,777	

As of December 31, 2023, SOCIÉTÉ BIC had contracted:

- the final maturity date of a swap contract due to expire in 2023, to hedge the price of plastic raw materials used in the Group's production operations. This maturity represents a hedged underlying of 233 tonnes of materials for a nominal value of 0.21 million euros. The last fixing on this contract was in December 2023, with final settlement on January 8, 2024.
- derivative contracts (swaps), expiring in 2024, to hedge the price of zinc used in the Group's production activities. These contracts represent a hedged underlying of 2,000 tonnes of material for a nominal value of 4.36 million euros. The first reference period for this hedge is February 2024 and the last December 2024.



NOTE 20 OFF-BALANCE SHEET COMMITMENTS

20-1 Guarantees

The following schedule summarizes the off-balance sheet sureties, deposits and guarantees for SOCIÉTÉ BIC.

All significant items are disclosed in this table.

No other assets or registered shares have been pledged.

Sureties, deposits and guarantees issued

(in thousand euros)	December 31, 2022	Maturity			December 31, 2023
		< 1 year	1 to 5 years	> 5 years	
Guarantees for credit lines to subsidiaries	10,629	15,512	-	-	15,512
Sureties, deposits and other guarantees and commitments	13,832	51	7,877	2,166	10,094
TOTAL	24,461	15,563	7,877	2,166	25,606

Sureties, deposits and guarantees received

(in thousand euros)	December 31, 2022	Maturity			December 31, 2023
		< 1 year	1 to 5 years	> 5 years	
Guarantees for credit lines	200,000	200,000	-	-	200,000
Sureties, deposits and other guarantees and commitments	-	-	-	-	-
TOTAL	200,000	-	-	-	200,000

20-2 Pension obligations

(in thousand euros)	December 31, 2023
Present value of pension obligation	450
NET PENSION LIABILITY	450

OTHER INFORMATION

NOTE 21 STOCK MARKET PRICE

(in euros)	December 31, 2022	December 31, 2023
BIC shares	63.95	62.85

NOTE 22 EQUITY INVESTMENTS

22-1 Subsidiaries and equity interests

	Number of shares	S: Shares P: Parts	% of interest	Net book value	Capital	Devises
I – French Subsidiaries						
BIC Assemblage SARL	1,000	P	100%	-	15,240	EUR
BIC International Development SASU	65,000	S	100%	1,478,761	990,600	EUR
Société du Briquet Jetable 75 SASU	2,954,600	S	100%	40,568,296	45,028,104	EUR
BIC Rasoirs SASU	131,291	S	100%	6,128,497	5,999,999	EUR
BIMA 83 SASU	23,689	S	100%	5,550,661	355,335	EUR
BIC Technologies SA	5,020,000	S	100%	6,550,019	5,000,020	EUR
BIC Services SASU	397,725	S	100%	6,042,612	6,061,329	EUR
BIC Conté SASU	5,465,181	S	100%	34,270,085	27,325,905	EUR
Electro-Centre SASU	4,000	S	100%	133,548	60,960	EUR
BIC Écriture 2000 SASU	3,202,500	S	100%	51,302,021	39,198,600	EUR
BIC Éducation SASU	1,000	S	100%	805,229	1,000,000	EUR
BIC Graphic France SASU	5,000	S	100%	315,904	76,200	EUR
DAPE 74 Distribution SASU	20,698	S	100%	2,031,285	1,759,330	EUR
Sibjet Technologies SNC	30,000	P	100%	3,600,000	450,000	EUR
Djeep SAS	60,000	S	100%	46,249,000	960,000	EUR
Advanced Magnetic Interaction, AMI SAS	1,550,000	S	100%	2,630,119	1,550,000	EUR
Sub total I	-	-	-	207,656,280	-	-
II – Foreign subsidiaries						
BIC Erzeugnisse GmbH – Germany	2	P	100%	16,345,730	664,700	EUR
BIC Verwaltungs GmbH – Germany	2	P	100%	73,814	50,000	EUR
BIC GmbH – Germany	1	P	100%	-	25,600	EUR
BIC Portugal SA – Portugal	464,715	S	100%	6,586,179	2,323,575	EUR
BIC Slovakia SRO – Slovakia	1	P	100%	15,444,502	15,574,255	EUR
BIC Belgium SPRL – Belgium	136,410	S	100%	51,939,519	39,902,082	EUR
BIC Netherland B.V – Netherlands	450	S	100%	9,216,000	5,204,750	EUR
BIC Nordic AB – Sweden	110,295	S	100%	12,261,705	11,029,500	SEK
BIC (Austria) Vertriebsgesellschaft mbh – Austria	1	P	100%	381,123	109,009	EUR
SOCIÉTÉ BIC (Suisse) SA – Switzerland	2,000	S	100%	7,747,853	2,000,000	CHF
BIC UK Ltd – United Kingdom	12,000,000	S	100%	85,133,465	1,500,000	GBP
BIC (Ireland) Private Company Limited – Ireland	100,000	S	100%	6,072,660	127,000	EUR
BIC Iberia SA – Spain	2,052,145	S	100%	81,612,686	12,333,391	EUR
BIC Italia Spa – Italy	5,000,000	S	100%	24,580,000	5,150,000	EUR
BIC Viorex Single Member SA – Greece	37,237,500	S	100%	171,362,537	58,462,875	EUR
BIC Polska SP ZOO – Poland	485,430	P	100%	8,394,035	24,271,500	PLN
BIC (Romania) Marketing & Distribution SRL – Romania	641,818	S	100%	701,207	6,418,180	RON





FINANCIAL STATEMENT

Parent company financial statements of SOCIÉTÉ BIC (French Gaap)

	Number of shares	S: Shares P: Parts	% of interest	Net book value	Capital	Devis
BIC CIS ZAO – Russia	34,028,258	S	100%	10,049,727	357,296,709	RUB
BIC Ukraine CA – Ukraine	-	-	100%	3,300,471	34,168,470	UAH
BIC Pazarlama Ltd. Sti. – Turkey	224,260	S	99%	4,656,085	33,639,000	TRY
BIC Corporation – United States	22,769,073	S	100%	318,192,042	16,106,978	USD
BIC International Co. – United States	100	S	100%	1	1	USD
BIC Australia Pty. Ltd. – Australia	700,000	S	100%	11,927,000	700,000	AUD
BIC (NZ) Ltd. – New Zealand	332,500	S	100%	2,966,000	665,000	NZD
BIC Amazonia SA – Brazil	274,485,734	S	100%	18,565,900	845,831,343	BRL
BIC Argentina SA – Argentina	295,135,938	S	93%	1,901,942	295,135,938	ARS
BIC Technologies Asia Ltd. – Hong Kong	7,800,000	P	100%	-	7,800,000	HKD
BIC Stationery (Shanghai) Co. Ltd. – China	-	-	100%	2,412,404	18,408,000	USD
BIC Product (Asia) Pte. Ltd – Singapore	5,627,602	S	100%	255,273	5,627,602	SGD
Mondial Sdn. Bhd. – Malaysia	1,140,000	S	30%	7,178	3,800,000	MYR
BIC Product (Malaysia) Sdn. Bhd. – Malaysia	1,260,000	S	100%	-	1,260,000	MYR
BIC (Nantong) Plastic Products Co. Ltd. – China	-	-	100%	9,649,903	23,300,000	USD
BIC JAPAN Co. Ltd. – Japan	750	S	100%	2,550,763	100,000,000	JPY
BIC Cello (India) Pvt Ltd. – India	41,487,608	S	100%	35,903,974	476,333,350	INR
BIC Bizerte – Tunisia	347,000	P	100%	34,700,000	34,700,000	EUR
BIC Middle East FZ-LLC – UAE	20,300	P	100%	-	7,105,000	USD
BIC Middle East Trading FZE – UAE	430	S	100%	1	430,000	AED
BIC Maroc SARL – Morocco	791,000	P	100%	4,219,912	79,100,000	DHS
BIC East Africa Ltd. – Kenya	2,000,000	-	100%	9,913,162	2,000,000,000	KES
BIC Services Sofia EOOD – Bulgaria	195,583	S	100%	1,000,600	195,583	BGN
Lucky Stationery NIG Ltd – Nigeria	6,572,361,194	S	100%	5,279,246	6,572,361,194	NGN
Société BIC Côte d'Ivoire SASU – Ivory Coast	400,000	S	100%	3,048,980	4,000,000,000	FCFA
INKBOX INK Incorporated – Canada	70,676,952	S	100%	76,853,414	70,676,952	CAD
Bic Advanced Technologies SA – Switzerland	100,000	S	100%	104,341	100,000	CHF
BIC Kazakhstan	1	P	100%	1,005,828	496,000,000	KZT
Sub total II				1,056,317,160		
III- Participating interests						
BIC Graphic Europe SA – Spain	1	S	0.01%	246	1,303,330	EUR
BIC Holdings Southern Africa Pty. Ltd. – South Africa	41,860	S	5%	1,522,934	10,000	ZAR
BIC Chile SA – Chile	480,000	P	0.02%	-	480,000	USD
BIC de Guatemala SA – Guatemala	1,150	S	0.10%	-	115,000	GTQ
BIC Ecuador SA – Ecuador	650,000	S	0.01%	-	650,000	USD
Sub total III				1,523,180		
TOTAL				1,265,496,620		

Net sales, net income and shareholder's equity other than the share capital of subsidiaries and investments are not provided for reasons of confidentiality related to commercial and industrial strategy.

It is mentioned, pursuant to Article L.232-1 of the French Commercial Code, that SOCIÉTÉ BIC has no branch.



22-2 Analysis of movements in equity investments*(in thousand euros)*

Equity investments (net) as of December 31, 2022	1,297,028
Acquisitions, capital increases, creations and disposals in 2023	
BIC Technologies SA	5,000
Société Immobilière Valiton Gesnouin SASU	(18,777)
Société Immobilière BIC Clichy SASU	(2,498)
DAPE 74 Distribution SASU	4,880
AMI ADVANCED MAGNETIC	1,500
Bic Advanced Technologies SA - Switzerland	104
BIC Kazakhstan – Kazakhstan	1,006
INKBOX INK Incorporated – Canada	8,546
BIC Product (Malaysia) Sdn. Bhd. – Malaysia	(1,054)
Lucky Stationery NIG Ltd – Nigeria	10,563
(Allocations to)/Reversals of provisions in 2023	
BIC Assemblage SARL	(15)
BIC Technologies SA	(328)
Electro-Centre SASU	(5)
BIC Éducation SASU	14
DAPE 74 Distribution SASU	(3,759)
AMI ADVANCED MAGNETIC	(1,669)
BIC Polska SP ZOO – Poland	32
BIC (Romania) Marketing & Distribution SRL – Romania	81
BIC Pazarlama Ltd. Sti. – Turkey	1,884
INKBOX INK Incorporated – Canada	(3,748)
BIC Argentina SA – Argentina	(1,650)
BIC Stationery (Shanghai) Co. Ltd. – China	36
BIC (Nantong) Plastic Products Co. Ltd. – China	410
BIC Product (Malaysia) Sdn. Bhd. – Malaysia	1,054
Mondial Sdn. Bhd. – Malaysia	(1)
BIC Product (Asia) Pte. Ltd – Singapore	92
BIC Cello (India) Pvt Ltd. – India	(11,693)
BIC East Africa Ltd. – Kenya	(1,053)
BIC Middle East Trading FZE – UAE	(104)
BIC Maroc SARL – Morocco	146
Lucky Stationery NIG Ltd – Nigeria	(20,524)
EQUITY INVESTMENTS (NET) AS OF DECEMBER 31, 2023	1,265,497



5. ADDITIONAL INFORMATION ON THE PARENT COMPANY FINANCIAL STATEMENTS

SOCIÉTÉ BIC five-year financial summary

(in euros)	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
1 – Shareholders' equity at year-end					
Share capital	173,933,156	173,412,174	170,669,689	167,897,503	161,474,032
Number of shares outstanding	45,532,240	45,395,857	44,677,929	43,952,226	42,270,689
Number of bonds convertible into shares	-	-	-	-	-
2 – Net results					
Net sales	675,054,718	628,032,828	700,389,256	771,093,866	777,194,242
Net profit before tax, deprec., amort. and provisions	186,250,089	112,775,077	284,763,921	251,603,334	330,717,808
Income tax	18,223,589	17,278,487	36,071,230	25,855,103	24,376,198
Net profit after tax, deprec., amort. and provisions	63,096,883	14,141,172	248,687,327	192,773,206	266,546,105
Dividend distribution ^(a)	155,221,268	110,213,889	80,918,744	94,743,755	110,218,934
3 – Income form operations, per share data					
Net profit after tax, but before deprec., amort. and provisions	3.69	2.72	5.57	5.14	7.25
Net profit after tax, deprec., amort. and provisions	1.39	0.51	5.57	4.39	6.31
Dividend per share	3.45	2.45	1.80	2.15	2.56
4 – Payroll					
Non-salaried staff	1	1	1	1	1
Total payroll	608,907	300,000	325,000	325,000	300,000
Social welfare benefits (social security, social work)	72,927	2,571,477	672,048	38,675	-

(a) Applicable to the issued number of shares (treasury shares deducted) as of December 31. The final amount depends on the number of shares entitled to dividends on the day of payment.

Publication of customer payment periods

Article L. 441-6-1 of the French Commercial Code

(in thousand euros)	Total	Current	Overdue		
			30 days	60 days	90 days
December 31, 2023	168,886	117,508	6,141	(2,604)	47,841
December 31, 2022	175,604	121,858	(1,813)	2,078	53,481

Publication of supplier payment periods

Article L. 441-6-1 of the French Commercial Code

The Company has opted for the payment of supplier invoices with a due date of 60 days.

(in thousand euros)	Total	Current	Overdue		
			30 days	60 days	90 days
December 31, 2023	58,706	55,434	2,524	38	710
December 31, 2022	48,961	46,186	2,248	472	55

6.4. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Year ended 31st December 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Société Bic,

I. OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Société Bic for the year ended 31st December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31st December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

II. BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from 1st January 2023 to the date of our report, and specifically we did not provide any prohibited nonaudit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

III. JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 8239 and R. 8237 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.





Equity Securities

Risk identified

As of December 31, 2023, equity securities were recorded on the balance sheet for a net book value of €1,265 million as detailed in note 22 of the notes to the annual financial statements.

They are accounted for at their entry value in assets. A provision for depreciation is made when the use value of a security falls below its acquisition value.

As indicated in note 2(d) of the notes to the annual financial statements, the value in use is established by reference to the shareholders' equity or cash flow projections of the investments concerned, and is, where applicable, adjusted to take into account the interest of these companies for the group, as well as their development and profit prospects.

Given the weight of equity securities on the balance sheet and the importance of management's judgments, we considered the valuation of equity securities, including their value in use, to be a key issue in our audit.

Our answer

Our assessment of this valuation was based on the Company's process for determining the use value of equity securities.

For valuations based on equity of equity, our work included comparing the amount of equity retained by the company with the financial statements of the various entities.

For valuations based on forecasts, we have, in particular:

- Compared to external market data, the discount rate and long-term growth rate assumptions used to determine the use value of the entities tested, with the help of valuation specialists integrated into our team.
- Assessed the consistency of the key operating data used in these cash flow projections with historical performance, as well as with the entity's strategic plan validated by management.

IV. SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 4416 of the French Commercial Code (*Code de commerce*).

Report on corporate governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225374 and L. 221010 and L. 225374, L. 221010 and L. 22109 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 22109 of the French Commercial Code (*Code de commerce*) relating to the remuneration and benefits received by, or allocated to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.



V. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of preparation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 45112, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the CEO's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Société Bic by the annual general meeting held on 23rd May 2007 for GRANT THORNTON and held on 16th May 2023 for ERNST & YOUNG Audit.

As at 31st December 2023, GRANT THORNTON was in the 17th year of total uninterrupted engagement, and ERNST & YOUNG Audit was in the 1st year of total uninterrupted engagement.

VI. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

VII. STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 823101 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.





FINANCIAL STATEMENT

Statutory Auditors' Report on the financial statements

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 82210 to L. 82214 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine et Paris-La Défense, March 27th, 2024

The Statutory Auditors
French original signed by

Grant Thornton

French Member of Grant Thornton International

Virginie Palthorpe

ERNST & YOUNG Audit

Jeremy Thurbin



6.5. STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Annual General Meeting to approve the financial statements for the year ended December 31, 2023

This is a free translation into English of the statutory auditors' special report on regulated agreements with related parties that is issued in the French language and is provided solely for the convenience of English-speaking readers. This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the General Meeting of SOCIÉTÉ BIC,

In our capacity as statutory auditors of your Company, we hereby report to you on regulated agreements with related parties.

The terms of our engagement do not require us to identify such agreements, if any, but to communicate to you, based on information provided to us, the principal terms and conditions, as well as the reasons justifying the interest for the Company, of those agreements brought to our attention, without expressing an opinion on their usefulness and appropriateness. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code concerning the implementation, during the year, of the agreements previously approved by the Shareholders' Meeting.

We conducted our procedures in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement.

Agreements submitted to the approval of the shareholders' meeting

Agreements authorized and signed during the year

We hereby inform you that we have not been advised of any agreement authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to Article L.225-38 of the French Commercial Code.

Agreements previously approved by the shareholders' meeting

Agreements approved in previous years which were performed during the year

We hereby inform you that we have not been advised of any agreement, previously approved by the Shareholders' Meetings, which would have continuing effect during the year.

Neuilly-sur-Seine and Paris-La Défense, March 27th, 2024

The Statutory Auditors

French original signed by

Grant Thornton

French Member of Grant Thornton International

Virginie Palethorpe

ERNST & YOUNG Audit

Jeremy Thurbin







INFORMATION ABOUT THE ISSUER

7.1. INFORMATION ON THE COMPANY	318
7.1.1. History and development of the issuer	318
7.1.2. Memorandum and articles of incorporation	318
7.2. SHARE CAPITAL	320
7.3. SHAREHOLDING	322
7.3.1. Share capital breakdown	322
7.3.2. Employees' shareholding	323
7.3.3. Crossing of legal thresholds	323
7.3.4. Declaration of statutory thresholds crossings	323
7.3.5. Elements that could have influence on a take-over bid or that could delay or prevent a change of control (Article L. 225-100-3 of the French Commercial Code)	323
7.4. TREASURY SHARES AND SHARE BUYBACK	324
7.4.1. Treasury shares held by Société BIC as of December 31, 2023	324
7.4.2. Share buyback program – operations carried out in 2023	324
7.4.3. Description of the share buyback program submitted to the Shareholders' Meeting of May 29, 2024	324
7.5. INVESTOR RELATIONS	325
7.6. SHARE INFORMATION	326
Share custodial service	326



7.1. INFORMATION ON THE COMPANY

7.1.1. HISTORY AND DEVELOPMENT OF THE ISSUER

Legal and commercial name of the issuer

Legal name: SOCIÉTÉ BIC

Commercial name: BIC

Place of registration of the issuer and registration number

Place of registration: Nanterre

Registration number: 552 008 443

APE Code:

- 7010Z – Registered offices activities;
- 3299Z – Other manufacturing activities;
- NACE Code: 4649.

Its legal entity identifier (LEI code) is:
969500UR00DF6310VH67.

Date of incorporation and length of life of the issuer

Date of incorporation: March 3, 1953.

Date of expiration: March 2, 2052, unless an Extraordinary Shareholders' Meeting decides to wind up the Company earlier or to extend it.

Registered office and legal form of the issuer

Registered office: 12-22 Boulevard Victor Hugo – 92110 Clichy – France

Telephone: 33 (0)1 45 19 52 00

Legal form and legislation governing the issuer: Limited Company (*société anonyme*) governed by French law and subject to all texts applicable to commercial companies in France and in particular the French Commercial Code.

Significant change in the issuer's financial or trading position

No significant event has occurred since the end of the last fiscal period.

Important events in the development of the issuer's business

No events to report other than those mentioned in *Group Presentation, Prospects & Strategy* – § 1.1. *History*.

7.1.2. MEMORANDUM AND ARTICLES OF INCORPORATION

The memorandum and articles of incorporation can be consulted at the registered office of the Company. The articles of incorporation are also available on the website www.bic.com in the "Strategy and Governance" section (<https://investors.bic.com/en-us/reginfo?cat=15>).

Corporate purpose

Extract from the articles of incorporation (Article 3) – "Corporate Purpose"

"The Company's corporate purpose is, in all countries, the purchase, sale, commissioning, brokerage, representation, manufacturing, operation, import and export of all tangible and intangible property, and in particular of all items that are used for writing.

And generally all movable property, real property, industrial or commercial operations pertaining directly or indirectly to the abovementioned purpose or to all similar or related purposes or to purposes that could serve to promote the extension or development of the above-mentioned purpose.

The Company may carry out all operations falling within its purpose, either alone and for its own account, or for the account of third parties, as representative, licensee or intermediary, for the commissioning, brokerage, subcontracting, as lessee, farmer, manager, in a joint venture or partnership, in any form whatsoever".

Members of the administrative and management bodies

See *Corporate Governance* – § 4.1. *Administrative and Management Bodies*.

Rights, preferences and restrictions attached to each class of existing shares

Double voting rights

Extract from the articles of incorporation (Article 15.5) – "Shareholders' Meetings"

"A voting right which is double the right conferred on the other shares, in light of the portion of the share capital they represent, is attributed to all the fully paid-up shares for which proof is provided of a nominative registration for at least two years in the name of the same shareholder.

Any share converted to a bearer share or the ownership of which is transferred loses the aforementioned double voting right. Nonetheless, a transfer following death, the liquidation of the community estate of two spouses or a donation among the living in favor of a spouse or a relative entitled to inherit does not cause the loss of the right acquired and does not interrupt the two-year period referred to above.

Furthermore, in the event of a capital increase, through the incorporation of reserves, profits or share premiums, the double voting right may be conferred, at the time of issue, upon the nominative shares allotted at no charge to a shareholder on account of existing shares for which he or she enjoys this right".

Indivisibility of the shares

Extract from the articles of incorporation (Article 8 ter) – “Indivisibility of the shares”

1. “The shares are indivisible vis-à-vis the Company. Joint owners of shares are represented at Shareholders’ Meetings by one of them or by a joint representative of their choice. If they are unable to agree, a representative will be appointed by the Presiding Judge of the Commercial Court, ruling in chambers (référé), at the request of the most diligent joint-owner.
2. If the shares are burdened with a right of usufruct, the entry in the books recording their registration will mention this right of usufruct. Unless the Company is informed of an agreement to the contrary, the voting right will belong to the usufructuary at Ordinary Shareholders’ Meetings and to the bare owner at Extraordinary Shareholders’ Meetings. However, notwithstanding any agreement to the contrary, when the usufruct results from a donation of the bare ownership of shares performed under the provisions of Article 787B of the General Tax Code, the usufructuary’s voting right will be limited to decisions concerning the allocation of profits. For all other decisions that lie within the competence of an Ordinary or Extraordinary Shareholders’ Meeting, the voting right will belong to the bare owner. The usufructuary and the bare owner must notify the Company that they intend to take advantage of these provisions”.

Action necessary to change the Shareholders’ rights

The articles of incorporation do not contain any special condition relating to changing the Shareholders’ rights.

Shareholders’ Meetings – Methods of calling meetings – Conditions of admission – Conditions for exercising voting rights

Extract from the articles of incorporation (Article 15) – “Shareholders’ Meetings”

“15.1 Shareholders’ Meetings are convened and deliberate under the conditions stipulated by law and the decrees in force.

Meetings take place either at the registered office or at any other place specified in the notice.

15.2 Any shareholder may take part, personally or by proxy, in the Shareholders’ Meetings, upon presenting proof of his/her identity and of the ownership of his/her shares, in accordance with the terms and conditions provided for by the laws and regulations in force.

Upon decision of the Board of Directors published in the notice of meeting, the Shareholders can participate and vote at the Shareholders’ Meeting by videoconference or by telecommunication or teletransmission means allowing their identification, in compliance with legal and regulatory conditions in force at the moment of their use. These Shareholders are deemed present or represented.

15.3 Remote voting is exercised in compliance with legal and regulatory conditions in force.

Upon decision of the Board of Directors published in the notice of meeting, Shareholders can use for this purpose, within the mandatory deadlines, the electronic remote proxy or voting form available on the website put in place by the Meeting’s centralizing agent. These Shareholders are deemed present or represented.

The proxy or the vote addressed by such electronic means before the Meeting, as well as their acknowledgement of receipt, will be deemed irrevocable written instructions enforceable on all parties, it being specified that if the shares are sold before the record date provided by Article R. 225-85 of the French Commercial Code, the Company shall invalidate or amend accordingly, as the case may be, the proxy or vote expressed before such date and time”.

Provision that would have an effect of delaying, deferring or preventing a change in control of the issuer

See § 7.3. Shareholding.

Provision setting the ownership threshold above which shareholder ownership must be disclosed

Extract from the articles of incorporation (Article 8 bis) – “Crossing thresholds”

“In addition to the disclosure thresholds provided for in the applicable laws and regulations, any individual or legal entity, acting alone and/or in concert, coming into possession, directly or indirectly, in any manner whatsoever within the meaning of Articles L. 233-7 et. seq. of the French Commercial Code, of a number of securities representing a fraction of the capital equal to or higher than 1% of the capital and/or voting rights must communicate to the Company the total number of shares, voting rights and securities giving future access to the capital (and voting rights potentially attached to these securities), that this individual or legal entity holds, alone and/or in concert, directly and/or indirectly. The information shall be sent by registered letter with acknowledgement of receipt within five (5) trading days of the date on which the threshold is crossed.

Once a shareholder’s interest exceeds the above-mentioned 1% threshold, said shareholder must notify the Company each time an additional threshold of 0.5% of the capital or voting rights is crossed, even when such notification is not required under the disclosure obligations provided for in the applicable laws and regulations. This obligation applies under the same conditions and within the same deadline, when the holding in the share capital falls below the foregoing threshold.

Upon request, recorded in the minutes of the Shareholders’ Meeting, of one or several Shareholders holding at least 2% of the capital and/or of the voting rights of the Company, the shareholder who has not carried out the declarations provided for in the present article is deprived of the voting rights attached to the shares exceeding the fraction of the capital that has not been declared. Withdrawal of voting rights will apply to any Shareholders’ Meeting held until the expiry of a two-year period following the date at which such disclosure is properly made”.

Conditions imposed by the articles of incorporation, governing changes in the capital, where such conditions are more stringent than is required by law

Not applicable.



7.2. SHARE CAPITAL

As of December 31, 2023, the outstanding capital of Société BIC amounts to 161,474,031.98 euros divided into 42,270,689 shares with a par value of 3.82 euros each. Issued shares are fully paid-up.

SHARE CAPITAL EVOLUTION OVER THE LAST THREE YEARS

Date	Type of operation	Amount of capital change (in euros)	Impact on share premium/ retained earnings (in euros)	Total share capital (in euros)	Shares outstanding at conclusion of the operation
2023					
(Decision of the Chief Executive Officer on December 14, on the basis of a delegation of authority by the BM on December 12)	Cancellation of treasury shares under the authorizations granted by the Shareholders' Meetings of May 16, 2023 (resolution 23)	(6,423,471.34)	(93,576,510)	161,474,031.98	42,270,689
2022					
(Decision of the Chief Executive Officer on December 23, on the basis of a delegation of authority by the BM of December 13)	Cancellation of treasury shares under the authorizations granted by the Shareholders' Meetings of May 19, 2021 and May 18, 2022 (resolution 18)	(2,772,185.46)	(36,403,195.23) charged to retained earnings	167,897,503.32	43,952,226
2021					
(December 9 BM)	Cancellation of treasury shares as authorized by AGM of May 19, 2021 (resolution 16)	(2,742,484.96)	(36,486,677.99)	170,669,688.78	44,677,929

BM: Board Meeting.

AGM: Annual General Meeting.

AUTHORIZATIONS TO INCREASE THE CAPITAL AT THE CLOSING OF THE 2023 FISCAL YEAR

As of the date of this Universal Registration Document, Société BIC has the following authorizations granted by the Shareholders' Meetings which it has not used during the past financial year:

Nature of the delegation of authority or authorization	Date of the General Meeting	Term	Maximum amount (in € or percentage of share capital)	Use of delegation or authorization
Authorizations for the General Meeting of May 16, 2023				
Authorization for the Board of Directors to trade in Company shares (resolution 5)	May 16, 2023	18 months	10% of the share capital	None
Authorization to be granted to the Board of Directors to reduce the Company's share capital by cancellation of own shares (resolution 23)	May 16, 2023	18 months	10% of the share capital	Authorization used in the context of the share capital reduction executed on December 14, 2023- Cancellation of shares representing 3.85% of the share capital (Board decisions dated December 12, 2023 and decisions of the CEO as of December 14, 2023).

Nature of the delegation of authority or authorization	Date of the General Meeting	Term	Maximum amount (in € or percentage of share capital)	Use of delegation or authorization
Delegation of authority to the Board of Directors to carry out a capital by issuing shares or securities giving access to the capital, reserved for participants in a company stock ownership plan, with cancellation of preferential subscription rights in favor of the latter (resolution 24)	May 16, 2023	26 months	3% of the share capital	None
Authority to be given to the Board of Directors to decide on the issuance of ordinary shares giving access to the capital, without preferential subscription rights (resolution 25)	May 16, 2023	26 months	10% of the share capital	None
Other authorizations still in force				
Delegation of authority to be given to the Board of Directors to increase the share capital by issuing new ordinary shares and/or securities giving access to the capital, with preservation of Shareholders' preferential rights of subscription (resolution 19)	May 18, 2022	26 months	17 million euros	None
Delegation of authority to be given to the Board of Directors to decide to increase the share capital on one or several occasions by incorporation of reserves, profits or premiums or other sums of money whose capitalization shall be accepted (resolution 20)	May 18, 2022	26 months	Maximum total amount of reserves, profits and/or premiums	None
Authorization to be given to the Board of Directors to proceed with restricted stock awards to employees and corporate officers by granting existing shares and/or shares to be issued, entailing the waiver by Shareholders of their preferential subscription right (resolution 17)	May 19, 2021	38 months	4% of the share capital (limited to 0.4% for company officers).	On October 26, 2021, as part of Sharing Horizon, the Board of Directors decided the granting of 59,720 standard free shares ⁽¹⁾ . These free shares were granted with a vesting period of 2 years. On February 14, 2022, the Board of Directors decided the granting of 240,156 performance free shares and 118,947 standard free shares (without performance conditions). These free shares were granted with a vesting period of 3 years. The delegation was used for 0.95% of the share capital. ⁽¹⁾
Authorization to be given to the Board of Directors to grant stock options and/or stock purchase options entailing the waiver by Shareholders of their preferential subscription rights (resolution 18)	May 19, 2021	38 months	4% of the share capital (limited to 1% for company officers)	On May 19, 2021, the Board of Directors made a one-time exceptional grant of Horizon stock options to Gonzalve Bich and members of the Executive Committee. These options were granted with a vesting period of 5 years.

The text of these delegations is available on the website <https://investors.bic.com/en-us>

(1) The Free Shares were delivered on October 26, 2023.



7.3. SHAREHOLDING

7.3.1. SHARE CAPITAL BREAKDOWN

The table below lists the Shareholders who, to the best of the Company's knowledge, hold more than 5% of the share capital and/or of the voting rights of the Company. The Company is not aware of any other shareholder holding more than 5% of the share capital or of the voting rights. This table also gives information regarding treasury shares owned by Société BIC.

Name	December 31, 2023					
	Number of shares	% of shares (approx.)	Number of theoretical voting rights ^{(c) (d)}	% of theoretical voting rights	Number of voting rights exercisable in AGM ^{(c) (d)}	% of voting rights exercisable in AGM
Bich family concert, including ^(a) :	19,984,882	47.28	39,749,851	63.58	39,749,851	64.05
• Société M.B.D.	12,886,000	30.48	25,772,000	41.22	25,772,000	41.52
• Bich family (excluding M.B.D.)	7,098,882	16.79	13,977,851	22.36	13,977,851	22.52
Silchester International Investors LLP ^(e)	3,580,491	8.47	3,580,491	5.73	3,580,491	5.77
Other Shareholders	18,253,589	43.18	18,734,098	29.97	18,734,098	30.18
Treasury shares ^(b)	451,727	1.07	451,727	0.72	-	-
TOTAL	42,270,689	100.00	62,516,167	100.00	62,064,440	100.00

Name	December 31, 2022					
	Number of shares	% of shares (approx.)	Number of theoretical voting rights ^{(c) (d)}	% of theoretical voting rights	Number of voting rights exercisable in AGM ^{(c) (d)}	% of voting rights exercisable in AGM
Bich family concert, including ^(a) :	20,064,271	45.65	39,996,633	61.60	39,996,633	62.00
• Société M.B.D.	12,886,000	29.32	25,756,000	39.67	27,756,000	39.93
• Bich family (excluding M.B.D.)	7,178,271	16.33	14,240,633	21.93	14,240,633	22.07
Silchester International Investors LLP	3,609,720	8.21	3,609,720	5.56	3,609,720	5.60
Other Shareholders	19,861,630	45.19	20,904,355	32.20	20,904,355	32.40
Treasury shares ^(b)	416,605	0.95	416,605	0.64	-	-
TOTAL	43,952,226	100.00	64,927,313	100.00	64,510,708	100.00

Name	December 31, 2021					
	Number of shares	% of shares (approx.)	Number of theoretical voting rights ^{(c) (d)}	% of theoretical voting rights	Number of voting rights exercisable in AGM ^{(c) (d)}	% of voting rights exercisable in AGM
Bich family concert, including ^(a) :	20,701,136	46.33	41,244,965	62.82	41,244,965	63.07
• Société M.B.D.	12,886,000	28.84	25,726,000	39.18	25,726,000	39.34
• Bich family (excluding M.B.D.)	7,815,136	17.49	15,518,965	23.64	15,518,965	23.73
Silchester International Investors LLP	3,325,347	7.44	3,325,347	5.06	3,325,347	5.09
Other Shareholders	20,388,540	45.63	20,821,315	31.71	20,821,315	31.84
Treasury shares ^(b)	262,906	0.59	262,906	0.40	-	-
TOTAL	44,677,929	100.00	65,654,533	100.00	65,391,627	100.00

(a) The Bich family concert is composed of Société M.B.D. (a company – société en commandite par actions) and of Bich family members holding direct interests in Société BIC. Most Bich family members hold direct interests in Société BIC as well as indirect interests through Société M.B.D.

(b) Treasury shares without voting rights.

(c) The difference between the number of shares and the number of voting rights is caused by double voting rights (see § 7.1. Information on the Company).

(d) Voting rights attached to treasury shares are included in the number of theoretical voting rights but excluded from the number of exercisable voting rights.

(e) This information is set forth in the threshold crossing statement sent by Silchester International Investors LLP dated on December 19, 2023.



To the best of the Company's knowledge, there are no agreements between the Shareholders providing preferential transfer or purchase conditions for BIC shares or agreements whose implementation could result in a change of control.

It is specified that the Bich family holding, Société M.B.D., which holds more than 20% of the share capital and of the voting rights, has concluded various collective agreements relating to the retention of at least 12 million BIC securities. These agreements date back as far as December 15, 2003 for the oldest. They include various members of the family's concert in order to allow these members, if the need arises, to take advantage of Article 787 B of the French General Tax Code.

The following officer is part of all or of some of these agreements: Gonzalve Bich and Nikos Koumettis. All the signatories have close personal links with Gonzalve Bich, except for Nikos Koumettis and none of them – with the exception of Société M.B.D. – holds more than 5% of the share capital or of the voting rights of the Company.

Except for the granting of double voting rights to nominative shares owned for at least two years, no special voting rights are granted to the main Shareholders.

The Company is controlled as described in the table above. The prevention of potential abusive exercise of its power by a shareholder is ensured by regular meetings of the Board of Directors and by the presence of five Independent Directors who are in the majority in the committees (Audit Committee, Remuneration Committee and Nominations, Governance and CSR Committee).

7.3.2. EMPLOYEES' SHAREHOLDING

No profit sharing scheme exists in respect of the issuer (Société BIC has no employees) but each subsidiary can have its own agreement in accordance with the applicable law. Stock options plans and free share plans are described in Note 23 to the consolidated financial statements.

In 2021, the Board of Directors approved the grant of free standard shares to all employees of the Company, with the exception of the

Chief Executive Officer, under the Sharing *Horizon* Employee Share Plan. These standard shares have no performance conditions attached and were delivered on October 26, 2023 (to employees still present at that date).

As of December 31, 2023, there is no employees' shareholding (as defined in Article L. 225-102 of French Commercial Code).

7.3.3. CROSSING OF LEGAL THRESHOLDS

To the best of the Company's knowledge, no shareholder has made a change in ownership during 2023 that would exceed the threshold of 5% of the capital or voting rights.

7.3.4. DECLARATION OF STATUTORY THRESHOLDS CROSSINGS

In accordance with article 8 bis of Société BIC, of articles of association, any individual or legal entity that comes to own more than 1% of the capital and/or voting rights is required to inform the Company of the total number of shares it owns, by registered letter with acknowledgement of receipt within five trading days of the day

on which the fraction is reached. This notification must be renewed, under the same conditions, each time an additional threshold of 0.5% of the share capital or voting rights is crossed.

In this respect, several shareholders have notified the Company of the crossing of statutory thresholds during the fiscal year 2023.

7.3.5. ELEMENTS THAT COULD HAVE INFLUENCE ON A TAKE-OVER BID OR THAT COULD DELAY OR PREVENT A CHANGE OF CONTROL (ARTICLE L. 225-100-3 OF THE FRENCH COMMERCIAL CODE)

To the best of the Company's knowledge, no element other than those mentioned below is likely to have an influence on a take-over bid, or have the effect of delaying or preventing a change of control:

- Société M.B.D., Société BIC's family holding, is a *société en commandite par actions*;
- the articles of association of the Company provide:
 - the granting of double voting right to nominative shares owned for at least two years (see § 7.1. *Information on the Company*),
 - the obligation to inform the Company when the holding of share capital or of voting rights becomes equal to or higher than 1% and, beyond this threshold, higher than a whole multiple of 0.5% (see § 7.1. *Information on the Company*);
- Shareholders' Meeting authorizations to increase the share capital (see § 7.2. *Share Capital – Table relating to these authorizations*).



7.4. TREASURY SHARES AND SHARE BUYBACK

7.4.1. TREASURY SHARES HELD BY SOCIÉTÉ BIC AS OF DECEMBER 31, 2023

Purpose ^(a)	Number of shares	% capital	Nominal value (in euros)
Liquidity agreement	22,561	0.05	86,183.02
Free share grants	429,166	1.02	1,639,414.12
Cancellation	-	-	-
External growth operations	-	-	-
TOTAL^(b)	451,727	1.07	1,725,597.14

(a) Article L. 225-209 of the French Commercial Code.

(b) As of December 31, 2023, the book value of BIC shares held by Société BIC in accordance with Articles L. 225-209 et seq. of the French Commercial Code amounts to 26,343,457.23 euros. As of the same date, the market value of these shares is 28,391,041.95 euros (on the basis of the closing price at this date, i.e. 62.85 euros).

7.4.2. SHARE BUYBACK PROGRAM – OPERATIONS CARRIED OUT IN 2023

Operation	Number of shares	% capital	Nominal value (in euros)	Average sale/ purchase price (in euros)
Share buyback (excl. liquidity agreement) ^(a)	1,951,722	4.62	7,455,578.04	59.52
Liquidity agreement ^(a) :				
• Share buyback	538,075	1.27	2,055,446.50	59.71
• Sale of shares	538,852	1.27	2,058,414.64	60.15
Shares transferred under free share plans	234,286	0.55	894,972.52	90.11
Cancelled shares	1,681,537	3.98	6,423,471.34	59.52
Shares used for external growth operations	-	-	-	-

(a) Brokerage fees related to sale and buy-back transactions disclosed above amounted to 511,475.72 euros.

During the last 24 months, the Board of Directors cancelled 2,407,240 shares, representing 5.69% of the share capital as of December 31, 2023.

7.4.3. DESCRIPTION OF THE SHARE BUYBACK PROGRAM SUBMITTED TO THE SHAREHOLDERS' MEETING OF MAY 29, 2024

The Board of Directors will submit to the Shareholders' Meeting of May 29, 2024 a resolution authorizing the Board of Directors to undertake operations with regards to the shares of the Company (see section 8 Board of Directors' Report and draft resolutions to the Shareholders' Meeting of May 29, 2024 -

Resolution 5). If this resolution is approved by the Shareholders, the Board of Directors will implement the share buyback program described below. This paragraph constitutes the description of the share buyback program provided by Articles 241-1 et seq. of the General Regulation of the AMF.

TREASURY SHARES HELD BY SOCIÉTÉ BIC AS OF MARCH 1, 2024

Purpose	Number of shares
Liquidity agreement	22,191
Free share grants	435,812
Cancellation	-
External growth operations	-
TOTAL	458 003

If the Shareholders' Meeting of May 29, 2024 approves the above-mentioned resolution, the Board of Directors will be authorized to buy back shares representing a maximum of 10% of the share capital on the date of the decision to buy back the shares, for a maximum amount of 1.26 billion euros and in order to:

- provide liquidity and stimulate the market of the shares of the Company through an investment service provider acting pursuant to a liquidity agreement compliant with professional ethics standards recognized by the French Financial Markets Authority;
- hold them in order to subsequently remit them as payment, as exchange or otherwise, within the scope of potential external growth operations in accordance with the market practices approved by the French Financial Markets Authority;
- remit them at the moment of the exercise of rights attached to securities giving access to the Company's share capital by redemption, conversion, exchange, presentation of a warrant or by any other means;
- allocate them to employees and officers, notably within the scope of sharing in the Company's success, employee profit-sharing schemes, the stock option program, the free share plan or through an employee savings scheme;
- cancel them entirely or partly, in accordance with the conditions provided by the regulations in force, within the limit of 10% of the capital existing on the cancellation date, per period of 24 months;

- deliver them in a payment, exchange or contribution transaction carried out in connection with an external growth transaction, merger, demerger or asset contribution, within the limits specified in the applicable regulations;
- implement all market practices that may be authorized by the French Financial Markets Authority.

If some shares are bought back in order to hold them and to subsequently remit them as payment or exchange within the scope of a merger, demerger or contribution operation, the above-mentioned limits shall be decreased to 5% of the share capital on the date of the decision to buy back the shares. The Company will not at any time hold more than 10% of the total number of its own shares forming the share capital.

The purchase price may not be higher than 300 euros per share.

The authorization so given by the Shareholders' Meeting would be valid for a period of 18 months starting from May 29, 2024.

It could not be used during public offers on the Company's shares.

The purchase of shares of the Company carried out pursuant to this authorization shall also comply with the rules enacted by the French Financial Markets Authority regarding the conditions and the periods of intervention on financial market.

7.5. INVESTOR RELATIONS

BIC's Investor Relations team answers all inquiries from individual and institutional investors alike. All information regarding Shareholders and general financial and economic information regarding Société BIC are available on the Company's website: <http://www.bic.com>/or by addressing an email to investors.info@bicworld.com.

BIC regularly holds meetings with analysts and institutional investors during roadshows and brokers' conferences in the major financial marketplaces such as Paris, London, Frankfurt, Boston and New York City. BIC also holds meetings with dedicated SRI (Socially Responsible Investment) investors.

In 2023, BIC organized 10 roadshows and participated in several investor conferences to meet both shareholders and non-shareholders. BIC hosted an investor update event in Paris, on the 11th of September 2023, to deliver an interim update on its five-year Horizon Strategic Plan.

On May 16, 2023, BIC held its Annual Shareholders' Meeting. The event was broadcasted live in video format, and a replay was available on BIC's website after the Annual Shareholders' Meeting. All documents and the transcript of the event were posted on the Group's website within 24 hours of the event. The Annual Shareholders' Meeting presentation and transcript are available to Shareholders at the following address: <https://investors.bic.com/en-us/shareholders/assemblees-generales-annuelles>.

A free information hotline is also available to the individual Shareholders at +33 (0)800 10 12 14 (toll-free number for France).



7.6. SHARE INFORMATION

BIC shares are listed on Euronext Paris (continuous quotation) and are part of the SBF 120 and CAC Mid 60 indexes.

In 2023, non-financial ratings included: CDP Climate Leadership Level A-; AAA MSCI rating; "Prime" ISS ESG Corporate rating

of C+;ISS ESG corporate rating of C+ Quality in the Governance Category, Award "Prime"; Moody's ESG overall score of 58/100.

Its ISIN code is FR 0000120966.

BIC SHARE PRICE IN 2023 AND 2024

	Closing price	Average price (closing)	Highest traded	Lowest traded	Number of shares traded	Trading amounts (in thousand euros)
January 2023	66.70	63.42	67.35	60.55	1,050,444	66,897
February 2023	61.20	64.46	69.15	60.15	1,630,128	103,734
March 2023	58.10	60.12	63.35	57.75	1,319,737	79,622
April 2023	55.95	57.87	59.75	53.25	969,897	55,735
May 2023	55.80	57.20	59.35	55.35	977,405	55,943
June 2023	52.50	53.73	55.90	51.45	768,068	41,221
July 2023	55.60	52.88	57.50	51.15	686,777	36,570
August 2023	59.00	57.47	59.50	55.00	591,195	33,904
September 2023	62.45	62.10	64.50	59.05	690,337	43,054
October 2023	59.25	60.15	62.90	55.65	666,661	39,945
November 2023	61.75	61.26	62.95	58.95	605,867	37,169
December 2023	62.85	62.42	64.90	60.50	418,828	26,145
January 2024	64.10	64.26	65.60	62.25	399,627	25,669
February 2024	66.80	64.88	69.70	61.70	662,271	43,701

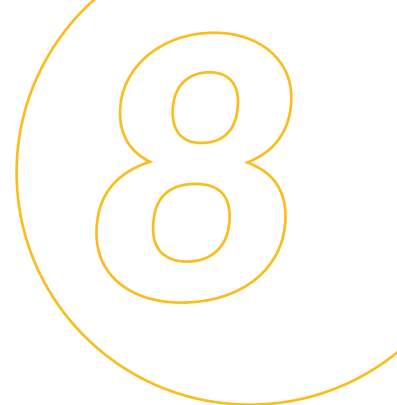
SHARE CUSTODIAL SERVICE

SOCIÉTÉ GÉNÉRALE SECURITIES SERVICES

Département des Titres

32, rue du Champ de Tir

44312 Nantes Cedex 3 (France)



BOARD OF DIRECTORS' REPORT AND DRAFT RESOLUTIONS OF THE SHAREHOLDERS' MEETING OF MAY 29, 2024

This section presents the draft resolutions that will be submitted to the General Shareholders' Meeting of the Company, scheduled for May 29, 2024 and the report of the Board of Directors (explanatory statements) regarding those resolutions. The Board of Directors' Report and the draft resolutions are the ones approved by the Board of Directors during its meetings on February 19, 2024 and March 26, 2024. They may be subject to further amendments in the final Convening Notice to be published in the BALO official journal, where necessary, in order to take into account subsequent decisions of the Board of Directors.

8.1. ORDINARY GENERAL MEETING	329
Resolutions 1 and 2	
Approval of the financial statements for the fiscal year 2023	329
Resolution 3	
Appropriation of earnings and setting of dividend	330
Resolution 4	
Related-party agreements	331
Resolution 5	
Share buyback	332
Resolutions 6 and 7	
Renewal of Directors	333
Resolution 6	
Renewal of Société M.B.D. as Director	334
Resolution 7	
Renewal of Marie-Aimée Bich-Dufour as Director	334
Resolution 8	
Appointment of a Statutory Auditor in charge of certifying the sustainability-related information	335
Resolutions 9 to 15	
Corporate Officers and Directors' remuneration	335
Resolution 9	
Approval of the information on the remuneration of all Corporate Officers for 2023 (ex-post vote)	336
Resolution 10	
Approval of Gonzalve Bich's remuneration for 2023, Chief Executive Officer (ex-post vote)	337
Resolution 11	
Approval of the remuneration policy for the Executive Corporate Officers for FY 2024 (ex-ante vote)	337
Resolution 12	
Approval of Nikos Koumettis' remuneration for 2023, Chair of the Board of Directors (ex-post vote)	338



Resolution 13		
Approval of the remuneration policy for the Chair of the Board of Directors for FY 2024 (<i>ex-ante</i> vote)		338
Resolution 14		
Remuneration policy for Directors for FY 2024 (<i>ex-ante</i> vote)		339
Resolution 15		
Remuneration granted to members of the Board of Directors for FY 2024 (<i>ex-ante</i> vote)		339
8.2. EXTRAORDINARY GENERAL MEETING		340
Resolution 16		
Authorization to reduce the share capital by cancellation of treasury shares		340
Resolution 17		
Authorization to be granted to the Board of Directors to proceed with the free allocation of existing and/or to be issued shares, involving Shareholders' waiver of their preferential subscription rights.		341
Resolution 18		
Delegation of authority to be given to the Board of Directors to increase the share capital by issuing new ordinary shares and/or securities giving access to the share capital, with preservation of Shareholders' preferential rights of subscription		343
Resolution 19		
Delegation of authority to be given to the Board of Directors in order to decide to increase the share capital on one or several occasions by incorporation of reserves, profits or premiums or other sums of money whose capitalization shall be accepted		345
Resolution 20		
Authorization to perform formalities		346

8.1. ORDINARY GENERAL MEETING

RESOLUTIONS 1 AND 2

Approval of the financial statements for the fiscal year 2023

Purpose

The first two resolutions relate to the approval of the financial statements of the parent Company and of the consolidated group for the fiscal year ended December 31, 2023.

The parent Company financial Statements for the fiscal year ended December 31, 2023 show earnings of 266,546,105.21 euros.

The consolidated financial statements for the fiscal year ended December 31, 2023 show a consolidated net profit attributable to Group Shareholders of 226,514,681 euros.

First resolution

Approval of the parent Company financial Statements for the fiscal year 2023

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- having reviewed the parent Company financial Statements for the fiscal year ended December 31, 2023, the reports of the Board of Directors and the Statutory Auditors;
- approves, as presented, the parent Company financial statements for the fiscal year, including the balance sheet, income statement, and notes, which show a net profit of 266,546,105.21 euros, as well as the transactions reflected in these financial statements or described in these reports.

In accordance with Article 223 quater of the French General Tax Code, the General Meeting notes that there are no expenses and charges referred to in Article 39, paragraph 4 of the French General Tax Code.

Second resolution

Approval of the consolidated financial Statements for the fiscal year 2023

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- having reviewed the consolidated financial statements for the year ended December 31, 2023, the reports of the Board of Directors and the Statutory Auditors;
- approves, as presented, the consolidated financial statements for the fiscal year, including the balance sheet, income statement, and notes, which show a net profit of 226,514,681 euros, as well as the transactions reflected in these financial statements or described in these reports.



RESOLUTION 3

Appropriation of earnings and setting of dividend

Purpose

Given the 266,546,105.21 euros in profit for FY 2023 and retained earnings of 560,058,309.87 euros, together constituting the distributable earnings, you are hereby asked to:

- set a dividend for the fiscal year ended December 31, 2023 at 4.27 euros per share, comprising an ordinary dividend of 2.85 euros per share and an extraordinary dividend of 1.42 euros per share. This means distributing a total dividend to Shareholders of 178,566,967.74 euros (subject to treasury shares) ⁽¹⁾;
- carry forward the balance of 87,957,987.47 euros to retained earnings; and
- allocate 21,150 euros to the special "works of art" reserve.

The ordinary dividend for the year 2023 will be paid from June 12, 2024. The extraordinary dividend will be paid from September 18, 2024.

The dividend is defined before any tax and/or social security levy which may apply depending on the Shareholder's personal circumstances. Shareholders are invited to consult a tax adviser, as appropriate.

Third resolution

Appropriation of earnings for the fiscal year ended December 31, 2023 and setting the dividend

The General Meeting, on the proposal of the Board of Directors:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- after considering the reports of the Board of Directors and the Statutory Auditors:
- notes that the earnings for FY 2023 total 266,546,105.21 euros,
- notes that retained earnings total 560,058,309.87 euros,
- notes that total earnings available for distribution total 826,604,415.08 euros, and
- decides to allocate the total earnings as follows:

Dividend	178,566,967.74 euros ^(a)
Retained earnings brought forward	87,957,987.47 euros
Works of art special reserve	21,150 euros

(a) Based on 42,270,689 shares representing the Company's share capital as of December 31, 2023, it being specified that in the event of a change in the number of shares entitled to dividends, the total amount of dividends would be adjusted accordingly.

The General Meeting decides to distribute a dividend of 4.27 euros per share, comprising an ordinary dividend of 2.85 euros per share and an extraordinary dividend of 1.42 euros per share. If the number of shares conferring dividend rights were to change ⁽²⁾, the total dividend will be adjusted accordingly. Moreover, the amount allocated to the retained earnings account would be determined on the basis of dividends actually paid.

The effect of this allocation will be to increase Shareholders' equity to 1,156,796,528.31 euros and reserves to 287,923,272.95 euros.

The ordinary dividend for the year 2023 will be paid from June 12, 2024. The extraordinary dividend will be paid from September 18, 2024.

The aforementioned dividend is set before any tax and/or social security levy that may apply depending on the Shareholder's personal circumstances. It is specified that dividends paid to individuals who are French tax residents are subject to a flat-rate withholding tax (PFNL) at the rate of 12.8%. This deduction constitutes an advanced payment of income tax that is deductible from the tax due the following year.

(1) Based on 42,270,689 shares representing the Company's share capital as of December 31, 2023, it being specified that in the event of a change in the number of shares entitled to dividends, the total amount of dividends would be adjusted accordingly.

(2) From the 42,270,689 shares in the share capital and 451,727 of treasury shares at December 31, 2023.



At the time of its final taxation, for individuals who are French tax residents, the dividend is subject either to a single flat-rate withholding tax of 12.8% ⁽¹⁾ or, if the taxpayer expressly and irrevocably opts for a global withholding tax, to income tax according to the progressive scale after application of the 40% ⁽²⁾ tax deduction. This option must be exercised when filing the income tax return and at the latest before the deadline for filing the return. The flat-rate withholding tax, deducted at source, is deducted from the tax thus determined. The dividend is also subject to social security withholdings at a rate of 17.2%. The portion of the social security contributions relating to the CSG due on dividends, when they are taxed at the progressive income tax rate, is, up to 6.8 points, deductible from the taxable income of the year of its payment ⁽³⁾. In addition, taxpayers whose taxable income exceeds certain thresholds are subject to the exceptional contribution on high incomes at a rate of 3% or 4%, depending on the case ⁽⁴⁾. Dividends paid to Shareholders who

are not French tax residents are subject to a withholding tax at a rate of 12.8% for individuals and 25% for legal entities ⁽⁵⁾, in accordance with Article 119 bis of the French General Tax Code. This withholding tax may be reduced by the application of the tax treaty between France and the beneficiary's country of residence for tax purposes, if the beneficiary proves that he or she is a tax resident of the country that has concluded the treaty with France.

In accordance with the provisions of Article L. 225-210 of the French Commercial Code, the General Meeting decides that the dividend on shares held by the Company on the payment date will be allocated to "retained earnings".

In accordance with the provisions of Article 243 bis of the French General Tax Code, the General Meeting notes that the following dividends were distributed in respect of the three previous fiscal years:

FY	Number of shares	Dividend distributed per share ^(a) (in euros)
2020	44,954,858	1.80
2021	44,677,929	2.15
2022	43,054,271	2.56

(a) Where the progressive income tax scale is chosen, dividends may qualify for the 40% deduction provided for in Article 158-3.2° of the French Tax Code, under certain conditions.

RESOLUTION 4

Related-party agreements

Purpose

The purpose of the 4th resolution is to invite, in accordance with Article L. 225-38 of the French Commercial Code, to acknowledge the special report of the Statutory Auditors on related-party agreements entered into by Société BIC during the fiscal year ended December 31, 2023.

In this respect, we inform you that (i) no regulated agreements or commitments were entered into during the fiscal year ended December 31, 2023 and (ii) no regulated agreements entered into in prior years have been continued.

Fourth resolution

Reports of the Statutory Auditors on related-party agreements

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- notes that it has been presented with the Statutory Auditors' special report on related-party agreements referred to

Article L. 225-38 of the French Commercial Code, which (i) does not mention any new agreements entered into during the year ended December 31, 2023, and (ii) contains information concerning the continuation, during the year, of agreements entered into in prior years.

(1) Article 200 A of the General Tax Code.

(2) Article 200 A, 2, and Article 158-3.2° of the French General Tax Code – in case of option for the progressive income tax scale, the dividend is eligible for the 40% tax deduction.

(3) Article 154 quinquies, II of the General Tax Code.

(4) Article 223 sexies of the General Tax Code.

(5) Article 187 of the General Tax Code.



RESOLUTION 5

Share buyback

Purpose

You are asked to renew the 18-month authorization for the Board of Directors to purchase, hold or sell Company shares.

The highlights of this resolution are as follows:

- these share buybacks may not be done during public tender offer periods involving Company shares;
- the maximum number of shares that may be purchased would represent 10% of the share capital;
- the maximum purchase price would be kept at 300 euros per share. This would result in a maximum theoretical purchase amount of circa 1,268,120,400 euros (net of trading costs); and
- BIC may buy back its own shares notably for the implementation of employee stock ownership plans and the use of shares for acquisitions.

The objectives and description of the authorization can be found in the resolution below and in Chapter 7 of the 2023 Universal Registration Document. For the fiscal year 2023, Société BIC repurchased 1,951,722 shares of the Company for a total amount of 116,157,460 euros. Of the shares repurchased, 16,157,479 euros were used to implement the free share plans and the remaining shares (representing a total amount of 99,999,981 euros) were canceled.

Fifth resolution

Authorization for the Board of Directors to trade in Company shares

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- after considering the Report of the Board of Directors;
- authorizes the Board of Directors to purchase or arrange for the purchase of Company shares, in accordance with notably Articles L. 22-10-62 et seq. & L. 225-210 et seq. of the French Commercial Code, EU Regulation No. 596/2014 of April 16, 2014 and its implementing regulations, the AMF General Regulation and market practice accepted by the AMF for:
 - a. the allotment of shares following the exercise of stock purchase options by employees and/or executive officers of the Company and of affiliated companies or economic interest groups related to it pursuant to applicable legal and regulatory provisions,
 - b. the implementation of any plan for the allocation of shares subject to performance conditions or not, under a global employee share program, to employees and/or Corporate Officers of the Company and of affiliated companies (as defined under applicable laws and regulations) or economic interest groups, either directly or *via* entities acting on their behalf,
 - c. the sale of shares to employees (either directly or through employee savings mutual funds) under employee shareholding plans or company savings plans,
 - d. the delivery of shares upon exercise of convertible securities,
 - e. the subsequent delivery of shares as payment or exchange in the context of external growth transactions,
 - f. the cancellation of shares up to the maximum legal limit,
 - g. ensuring the liquidity of the market in Company shares by an investment services provider acting completely independently within the framework of a liquidity agreement in compliance with conduct of business rules and market practice accepted by the French financial market regulator, the AMF (Autorité des Marchés Financiers),
 - h. the use of any market practice accepted or that may be accepted by the AMF (Autorité des Marchés Financiers) and, more generally, undertaking any other transaction that complies with prevailing regulations.

Shares may be purchased, sold, transferred or exchanged at any time on one or more occasions, except during a public tender offer period, and by any means, provided that laws and regulations in force are complied with, on any market, off the stock market, over the counter, in whole or in part through purchases of blocks of shares, by a public tender offer in cash or in shares, by using options or derivatives (with the exception of put option sales), either directly or indirectly through the intermediation of an investment services provider or in any other manner, in accordance with applicable regulations.

The General Meeting sets the maximum purchase price at 300 euros per share (excluding trading costs) and delegates to the Board of Directors in the event of corporate actions involving the Company's equity, and notably a capital increase by capitalizing reserves, restricted stock unit awards, a stock split or reverse stock split, a distribution of reserves or any other assets, a share capital redemption, or any corporate action, the power, with the power of sub-delegation, to adjust the above purchase price to take into account the impact of such transactions on the value of the shares.

The General Meeting duly notes that the maximum number of shares that may be purchased under this authorization may not, at any time, exceed 10% of the total shares in the share capital (i.e., on an indicative basis, 4,227,068 shares as of December 31, 2023, representing a maximum theoretical purchase price (excluding acquisition costs) of 1,268,120,400 euros). Purchases of own shares by the Company may not at any time result in the Company holding over 10% of its share capital, either directly or indirectly through subsidiaries. Furthermore, the number of shares acquired by the Company to be held and used later in payment or exchange for acquisitions may not exceed 5% of its share capital.

As treasury shares are not entitled to dividends, the amount corresponding to unpaid dividends will be allocated to the retained earnings account.

The General Meeting delegates full powers to the Board of Directors with the ability to sub-delegate in accordance with the conditions set out by law, to:

- place all orders on any market or carry out any transaction off-market;
- enter into and terminate any agreements for the repurchase, the sale or the transfer of shares;

- allocate or re-allocate the shares acquired to the various objectives under the applicable law and regulation;
- prepare all documents, file all declarations, issue all statements and carry out all formalities with the AMF or any other authority regarding the trades done under this resolution;
- define the terms and conditions under which, where applicable, the rights of holders of securities giving access to the Company's share capital will be preserved in accordance with regulatory provisions; and
- carry out all other formalities, and, generally, take any necessary or useful measures for the implementation of this authorization.

The Board of Directors will inform the General Meeting of the transactions carried out pursuant to this resolution, in accordance with applicable regulation.

The authorization is granted for eighteen months from the date of this General Meeting. The authorization cancels and supersedes, for the unused portion, the prior authorization granted in the 5th resolution of the Combined General Meeting of May 16, 2023.

RESOLUTIONS 6 AND 7

Renewal of Directors

Purpose

The mandates of Société M.B.D., represented by Édouard Bich, and Marie-Aimée Bich-Dufour are set to expire at the end of this General Meeting.

On the recommendation of the Nominations, Governance, and CSR Committee, the Board of Directors proposes the renewal of the mandates of Société M.B.D. and Marie-Aimée Bich-Dufour for a duration of three years.

The biographies and the number of shares held by Société M.B.D. and Marie-Aimée Bich-Dufour are provided in Chapter 4.1.3.3 of the 2023 Universal Registration Document.

Renewal of the mandate of Director for Société M.B.D., member of the Audit Committee.

Société M.B.D., the Bich family's controlling company, holds 30.48% of the Company's share capital and 41.22% of its voting rights and has been a Director since 2006.

Société M.B.D., represented by Édouard Bich, has attended 100% of Board and Audit Committee meetings since the renewal of its mandate in 2021.

Renewal of the mandate of Director for Marie-Aimée Bich-Dufour, Director and member of the Nominations, Governance, and CSR Committee.

Marie-Aimée Bich-Dufour has been a Director since 2019. She has attended 100% of Board and Nominations, Governance and CSR Committee meetings since her renewal in 2021.

The candidates have indicated that they accept the duties entrusted to them and that they are not subject to any measure that would prohibit them from exercising those duties.





RESOLUTION 6

Renewal of Société M.B.D. as Director

Sixth resolution

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- having considered the Report of the Board of Directors;
- decides to reappoint Société M.B.D. as Director for three years.

Société M.B.D.'s term of office will therefore expire at the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ended December 31, 2026.

RESOLUTION 7

Renewal of Marie-Aimée Bich-Dufour as Director

Seventh resolution

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- having considered the Report of the Board of Directors;
- decides to reappoint Marie-Aimée Bich-Dufour as Director for three years.

Marie-Aimée Bich-Dufour's term of office will therefore expire at the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ended December 31, 2026.



RESOLUTION 8

Appointment of a Statutory Auditor in charge of certifying the sustainability-related information

Purpose

As a result of the entry into force of Ordinance No. 2023-1142 of December 6, 2023, relating to the publication and certification of sustainability-related information and the environmental, social, and corporate governance obligations of commercial companies, transposing Directive (EU) No. 2022/2464 (known as the "CSRD"), the Company will publish the sustainability-related information required by the aforementioned regulations, starting from 2025 (information related to the 2024 fiscal year). Such sustainability-related information shall be certified either by a Statutory Auditor ("Commissaire aux comptes) or by an Independent Third-party Organism ("Organisme Tiers Indépendant" or "OTI") included on the list of the French Accreditation Committee.

Thus, based on the recommendation of the Nominations, Governance and CSR Committee, the Board of Directors proposes that you appoint Grant Thornton as Statutory Auditor responsible for certifying sustainability information, for a term of office of three fiscal years.

The Board underlines the recognized expertise of Grant Thornton regarding sustainability matters and its ability to support the Company in implementing its new regulatory obligations. This choice is particularly based on its extensive knowledge of the challenges and organization of the Group in addition to the consistency between Grant Thornton's geographical coverage and that of the Group's activities. The appointment of Grant Thornton would also strengthen the interconnection between financial and sustainability information, and the Board underlines the high quality of its previous work for the Company.

Eighth resolution

Appointment of a Statutory Auditor in charge of certifying the sustainability-related information

The General Meeting:

- voting in accordance with the *quorum* and majority rules pertaining to Ordinary Shareholders' Meetings;
- having considered the Report of the Board of Directors;
- decides to appoint, in accordance with Articles L.821-40 et seq. of the French Commercial Code, Grant Thornton as Statutory Auditor in charge of certifying the sustainability-related information, for a period of three fiscal years, by derogation to the provisions of Article L. 821-44 of

the French Commercial Code and in accordance with Article 38 of Ordinance No. 2023-1142 of December 6, 2023, relating to the publication and certification of sustainability-related information and the environmental, social and corporate governance obligations of commercial companies.

The term of office of Grant Thornton will then expire at the close of the Ordinary General Meeting called to approve the financial statements of the fiscal year ended December 31, 2026.

RESOLUTIONS 9 TO 15

Corporate Officers and Directors' remuneration

Purpose

Seven resolutions relating to remuneration are submitted to Shareholders for approval regarding:

- the remuneration of Corporate Officers referred to in Article L. 22-10-9 I of the French Commercial Code for the fiscal year 2023 (*ex-post* vote) (9th resolution);
- the remuneration paid in FY 2023 or granted in this period to Gonzalve Bich, Chief Executive Officer (*ex-post* vote) (10th resolution);
- the remuneration policy for the Executive Corporate Officers for 2024 (*ex-ante* vote) (11th resolution);
- the remuneration paid in FY 2023 or granted in this period to, Nikos Koumettis, the Chair of the Board of Directors (*ex-post* vote) (12th resolution);
- the remuneration policy for the Chair of the Board of Directors for 2024 (*ex-ante* vote) (13th resolution);
- the remuneration policy for Directors (*ex-ante* vote) (14th resolution); and
- the remuneration to be allocated among members of the Board of Directors for 2024 (*ex-ante* vote) (15th resolution).





RESOLUTION 9

Approval of the information on the remuneration of all Corporate Officers for 2023 (ex-post vote)

Purpose

Pursuant to Article L. 22-10-34 I of the French Commercial Code, you are asked to approve the information mentioned in Article L. 22-10-9 I of the French Commercial Code on the remuneration of all Corporate Officers for 2023.

These components are described in Chapter 4.2 of the 2023 Universal Registration Document.

Ninth resolution

Approval of the information on the remuneration of the Corporate Officers referred to Article L. 22-10-9 (I) of the French Commercial Code for FY 2023 (ex-post vote)

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;
- after considering the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code;
- approves, pursuant to Article L. 22-10-34 I of the French Commercial Code, the information mentioned in Article L. 22-10-9 I of the French Commercial Code as described in this report.



RESOLUTION 10

Approval of Gonzalve Bich's remuneration for 2023, Chief Executive Officer (*ex-post* vote)

Purpose

Pursuant to Article L.22-10-34 II of the French Commercial Code, you are asked to approve all components of the total remuneration and benefits paid in for 2023 or awarded for 2023 to Gonzalve Bich, Chief Executive Officer.

These components are described in Chapter 4.2 of the 2023 Universal Registration Document.

These remuneration components were determined in accordance with the remuneration policy for Executive Corporate Officers, as approved by the General Meeting of May 16, 2023.

The annual variable remuneration, the payment of which is, pursuant to French law, subject to the approval of this resolution, is detailed in Chapter 4.2 of the 2023 Universal Registration Document (paragraph 4.2.1.1).

Tenth resolution

Approval of the fixed, variable or exceptional components of total remuneration and benefits paid or granted for the period ended December 31, 2023, to Gonzalve Bich, Chief Executive Officer (*ex-post* vote)

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;

- after considering the report on Corporate Governance referred to in Article L.225-37 of the French Commercial Code;
- approves, pursuant to Article L.22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of total remuneration and benefits of all kinds paid in the period ended December 31, 2023, or granted in the same period to Gonzalve Bich, Chief Executive Officer, which are presented in this report.

RESOLUTION 11

Approval of the remuneration policy for the Executive Corporate Officers for FY 2024 (*ex-ante* vote)

Purpose

Pursuant to Article L.22-10-8 of the French Commercial Code, you are asked to approve the remuneration policy for the Executive Corporate Officers of the Company for 2024. This has been set by the Board of Directors on the recommendation of the Remuneration Committee.

This remuneration policy is described in the report on Corporate Governance provided for by Article L.225-37 of the French Commercial Code included in Chapter 4.2 of the 2023 Universal Registration Document (paragraph 4.2.2).

Eleventh resolution

Approval of the remuneration policy for the Executive Corporate Officers for FY 2024 (*ex-ante* vote)

The General Meeting:

- voting under the *quorum* and majority rules required for Ordinary General Meetings;

- after considering the report on Corporate Governance referred to in Article L.225-37 of the French Commercial Code;
- approves, pursuant to Article L.22-10-8 of the French Commercial Code, the remuneration policy for the Executive Corporate Officers for fiscal year 2024 as described in this report.

RESOLUTION 12

Approval of Nikos Koumettis' remuneration for 2023, Chair of the Board of Directors (*ex-post* vote)

Purpose

Pursuant to Article L. 22-10-34 II of the French Commercial Code, you are requested to approve all components of the total remuneration and benefits paid in or awarded during the 2023 fiscal year to Nikos Koumettis, Chair of the Board of Directors.

These elements of remuneration were determined in accordance with the remuneration policy for the Chair of the Board of Directors, as approved by the General Meeting of May 16, 2023.

These components are described in Chapter 4.2 of the 2023 Universal Registration Document (paragraph 4.2.3).

Twelfth resolution

Approval of the fixed, variable or exceptional components of total remuneration and benefits paid or granted in fiscal year 2023 to Nikos Koumettis, Chair of the Board of Directors (*ex-post* vote)

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;

- after considering the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code;
- approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of total remuneration and benefits of all kinds paid up during the fiscal year ended December 31, 2023 or granted for the same fiscal year to Nikos Koumettis, Chair of the Board of Directors, as presented in this report.

RESOLUTION 13

Approval of the remuneration policy for the Chair of the Board of Directors for FY 2024 (*ex-ante* vote)

Purpose

Pursuant to Article L. 22-10-8 of the French Commercial Code, you are requested to approve the remuneration policy for the Chair of the Board of Directors for 2024. This policy has been set by the Board of Directors on the recommendation of the Remuneration Committee.

This remuneration policy is described in the report on Corporate Governance provided for in Article L. 225-37 of the French Commercial Code included in Chapter 4.2 of the 2023 Universal Registration Document (paragraph 4.2.4).

Thirteenth resolution

Approval of the remuneration policy for the Chair of the Board of Directors for FY 2024 (*ex-ante* post)

The General Meeting:

- voting under the *quorum* and majority rules required for Ordinary General Meetings;

- after considering the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code;
- approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the remuneration policy for the Chair of the Board of Directors for fiscal year 2024 as described in this report.

RESOLUTION 14

Remuneration policy for Directors for FY 2024 (*ex-ante* vote)

Purpose

Pursuant to Article L. 22-10-8 of the French Commercial Code, you are requested to approve the remuneration policy for the Directors of the Company for FY 2024. This has been set by the Board of Directors on the recommendation of the Remuneration Committee.

This remuneration policy is described in the report on Corporate Governance provided for by Article L. 225-37 of the French Commercial Code included in Chapter 4.2 of the 2023 Universal Registration Document (paragraph 4.2.4).

Fourteenth resolution

Approval of the remuneration policy for Directors for FY 2024 (*ex-ante* vote)

The General Meeting:

- voting under the *quorum* and majority rules required for Ordinary General Meetings;

- after considering the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code;
- approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the remuneration policy for Directors for fiscal year 2024 as described in this report.

RESOLUTION 15

Remuneration granted to members of the Board of Directors for FY 2024 (*ex-ante* vote)

Purpose

You are requested to set a maximum total annual amount of remuneration to be allocated among members of the Board of Directors of 550,000 euros for FY 2024.

Fifteenth resolution

Setting the total annual amount of remuneration for Directors for the year 2024 (*ex-ante* vote)

The General Meeting:

- voting in accordance with *quorum* and majority rules for Ordinary General Meetings;

- after considering the Board of Directors' Report;
- sets for fiscal year 2024 the total maximum amount provided for by Article L. 225-45 of the French Commercial Code available for remuneration to members of the Board of Directors at 550,000 euros.

8.2. EXTRAORDINARY GENERAL MEETING

RESOLUTION 16

Authorization to reduce the share capital by cancellation of treasury shares

Purpose

You are requested to authorize the Board of Directors to reduce the Company's share capital by cancellation of all or part of the treasury shares.

In accordance with legal provisions, the shares may only be cancelled up to 10% of the share capital per 24-month period.

This authorization would be for a period of 18 months and would cancel the prior authorization granted to the Board of Directors in the 23rd resolution of the General Meeting of May 16, 2023.

Sixteenth resolution

Authorization to be granted to the Board of Directors to reduce the Company's share capital by cancellation of treasury shares

The General Meeting:

- voting in accordance with *quorum* and majority rules for Extraordinary General Meetings;
- after considering the Report of the Board of Directors and the Special Report of the Auditors;
- authorizes the Board of Directors, in accordance with Article L. 22-10-62 et seq. of the French Commercial Code, to cancel, on one or more occasions, some or all of the Company's own shares held by the Company in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, up to a maximum of 10% of the share capital per twenty-four month periods.

The General Meeting grants full powers to the Board of Directors (with the option to further delegate) to:

- reduce the share capital by canceling shares;
- approve the definitive amount of the share capital reduction, set the terms and conditions and certify completion thereof;
- allocate the difference between the carrying amount of the shares cancelled and their par value to available reserves or additional paid-in capital;
- amend the articles of incorporation accordingly; and
- more broadly, carry out any formalities and requirements needed to implement this resolution.

The authorization is granted for eighteen months from the date of this General Meeting. It cancels and supersedes the unused portion and unexpired period of the prior authorization granted in the 23rd resolution of the General Meeting of May 16, 2023.

RESOLUTION 17

Authorization to be granted to the Board of Directors to proceed with the free allocation of existing and/or to be issued shares, involving Shareholders' waiver of their preferential subscription rights.

Purpose

You are proposed to renew the authorization to grant free shares to employees of the Group and certain of its Corporate Officers, which expires on September 19, 2024.

This authorization would be part of a strategy to retain employees and executives.

The characteristics of this scheme are described in paragraph 4.2.5.3 – Global Long Term Incentive Plans (performance-based shares) of the 2023 Universal Registration Document.

Under this authorization, the number of shares that could be granted for free cannot represent more than 4% of the share capital on the day of their allocation decision by the Board of Directors. The total number of shares granted for free to Corporate Officers during one fiscal year cannot represent more than 0,4% of the share capital on the day of their allocation decision by the Board of Directors.

In accordance with Article L. 225-197-1 of the Commercial Code, the free allocation of shares to beneficiaries may be permanent, subject to satisfaction of other conditions set at the time of allocation, including the condition of presence and/or performance conditions, for all or part of the allocated shares:

- for all allocations not subject to performance conditions:
 - either at the end of an acquisition period, which cannot be shorter than the period required by the legal provisions applicable on the date of the aforementioned allocation decision, to a holding period that cannot be shorter than the period required by the legal provisions applicable on the date of the allocation decision (currently one year),
 - or at the end of a minimum acquisition period of two years, and in this case, without being subject to a minimum holding period,

it being understood that the Board of Directors will have the option to choose one of these two options, alternate between them, or use them simultaneously, and will have the option, in either case, to extend the acquisition period, extend the holding period in the first case, and set a minimum holding period in the second case;

- for all allocations subject to performance conditions granted to Corporate Officers and members of the Executive Committee of the Company, at the end of a minimum acquisition period of three years.

If the General Meeting approves this resolution, any free share allocations will be decided by the Board of Directors based on proposals from the Remuneration Committee, after evaluating their performance.

The Board of Directors will determine the identity of the beneficiaries of the allocations, the number of shares allocated to each, and the performance conditions to be met, if any, for the final acquisition of all or part of the shares.

For the Company's Corporate Officers and for all members of the Executive Committee, the final grant of shares would be subject to performance conditions in addition to the presence condition. These conditions would be defined in advance by the Board of Directors based on one or more criteria, and their achievement would be evaluated over a period of at least three fiscal years.

The free allocation of shares may be made without performance conditions as part of allocations to employees of the Group or some of them and/or as part of the implementation of employee share ownership plans (except for Corporate Officers of the Company).

The Board of Directors proposes that this authorization, which would cancel and replace the one granted by the 17th resolution of the General Meeting on May 19, 2021, be granted for a period of thirty-eight (38) months from this General Meeting.

The report of the Auditors associated with this resolution will be available on the Company's website: <https://corporate.bic.com/en-us>, in the section "INVESTORS/Shareholders Meetings/Annual General Meeting 2024".

Seventeenth resolution

Authorization to be granted to the Board of Directors to proceed with the free allocation to employees and Corporate Officers of existing and/or to be issued shares, with Shareholders waiving their preferential subscription rights.

The General Meeting,

- taking into account the quorum and majority rules required for Extraordinary General Meetings;
- after having reviewed the report of the Board of Directors and the special report of the Auditors, in accordance with Articles L. 225-197-1 and following, and L. 22-10-59 and L. 22-10-60 of the Commercial Code:
 - a. authorizes the Board of Directors, with the possibility of subdelegation to the extent permitted by law, to proceed, once or several times, with free allocations of existing or to be issued shares of the Company ("**Free Shares**"),
 - b. decides that the existing or to be issued shares allocated under this authorization cannot represent more than 4% of the share capital on the day of their allocation decision by the Board of Directors, it being specified that the shares allocated to Corporate Officers of the Company under this authorization cannot represent more than 0,4% of the share capital on the day of their allocation decision by the Board of Directors; this maximum number of shares, to be issued or existing, does not take into account the additional shares that could be allocated due to an adjustment of the initially allocated shares following a capital operation of the Company,
 - c. decides that the beneficiaries of the allocations may be employees of the Company, or certain categories of them and/or entities directly or indirectly related to it within the meaning of Article L. 225-197-2 of the Commercial Code, as well as Corporate Officers of the companies or entities mentioned above, determined by the Board of Directors in accordance with the provisions of Articles L. 225-197-1 and following of the Commercial Code, or some of them, and who, furthermore, meet the conditions and, if applicable, the allocation criteria that will have been set by the Board of Directors,
 - d. decides that if allocations are granted to Corporate Officers referred to in Article L. 225-197-1 II, paragraphs 1 and 2 of the Commercial Code, they can only be made under the conditions of Article L. 225-197-6 of the Commercial Code and subject to the achievement of one or more performance criteria, which will be set by the Board of Directors,
 - e. decides that any allocation will be subject in full to the achievement of one or more performance condition(s) set by the Board of Directors, especially allocations in favor of Corporate Officers of the Company. By exception, the Board of Directors may make free allocations of shares without performance conditions as part of allocations made to employees of the Group or certain categories of them and/or as part of employee share ownership operations (except for Corporate Officers of the Company),
 - f. decides that the allocation of said shares to their beneficiaries will become definitive, subject to the satisfaction of other conditions set at the time of allocation, for all or part of the allocated shares:
 - for all allocations not subject to performance conditions:
 - either at the end of an acquisition period that cannot be less than the period required by the legal provisions applicable on the date of the allocation decision (currently one year), it being understood that the acquired shares will be subject, at the end of the aforementioned acquisition period, to a holding period that cannot be less than the period required by the legal provisions applicable on the date of the allocation decision (currently one year),
 - or at the end of a minimum two-year acquisition period, and in this case, without being subject to a minimum holding period, it being understood that the Board of Directors has the option to choose one of these two options, alternate between them, or use them simultaneously, and has the option, in either case, to extend the acquisition period, and, in the first case, to extend the holding period and, in the second case, to set a minimum holding period,
 - it being understood that the Board of Directors has the option to choose one of these two options, alternate between them, or use them simultaneously, and has the option, in either case, to extend the acquisition period, and, in the first case, to extend the holding period and, in the second case, to set a minimum holding period,
 - for all allocations subject to performance conditions granted to Corporate Officers of the Company, at the end of a minimum three-year acquisition period,
 - g. Decides, in derogation from the foregoing, that the shares may be definitively allocated before the end of the acquisition period in case of disability of the beneficiary corresponding to classification in the second and third categories provided for in Article L. 341-4 of the Social Security Code, on the day of the disability determination, and that said shares will be freely transferable by the concerned beneficiary independently of the aforementioned holding period,
 - h. Takes note that in the event of the free allocation of new shares, this decision will result, as the allocated shares are definitively allocated, in an increase in capital by the incorporation of reserves, profits, or share premium in favor of the beneficiaries of the allocated shares and the corresponding waiver by the Shareholders in favor of the beneficiaries of the allocated shares of their preferential subscription rights on the said shares and on the portion of reserves, profits, and premiums thus incorporated,

- i. Grants fullpowers to the Board of Directors to implement this resolution, with the possibility of subdelegation within the limits and under the conditions specified above, in particular:
 - determine whether the allocated shares are to be issued and/or existing shares, and modify its choice before final allocation,
 - determine the categories of beneficiaries of the allocation(s),
 - freely determine the identity of the beneficiaries, the number of shares allocated to each of them, set the conditions, allocation criteria, and performance criteria for the shares,
 - set the allocation conditions (including presence and, if applicable, performance), decide on the amount of the allocation(s), the dates and terms of each one, as well as the date, even retroactive, from which the issued securities will be entitled to dividends,
 - determine the final durations of the acquisition period and the holding period of the shares within the limits set by law and the General Meeting above,
 - register the allocated shares free of charge in a nominative account in the name of their holder, indicating the unavailability and duration thereof,
- allocate an unavailable reserve for the rights of the beneficiaries in an amount equal to the total nominal value of the shares that may be issued through a capital increase, by withdrawing the necessary amounts from any reserves over which the Company has discretionary authority,
- make the necessary withdrawals from this unavailable reserve in order to release the nominal value of the shares to be issued in favor of the beneficiaries, and accordingly increase the share capital by the nominal amount of the allocated shares,
- in the event of a capital increase, make corresponding amendments to the bylaws and carry out the ensuing formalities,
- in the event of financial operations covered by the first paragraph of Article L. 228-99 of the Commercial Code, during the acquisition period, implement, if it deems it appropriate, all measures to preserve and adjust the rights of share allocation recipients in accordance with the terms and conditions provided for in said article,
- j. decides that the present authorization is granted for a period of thirty-eight (38) months from the date of this General Meeting. It renders ineffective for the unused portion and the unexpired period and replaces the authorization granted by the General Meeting of May 19, 2021, in its 17th resolution.

RESOLUTION 18

Delegation of authority to be given to the Board of Directors to increase the share capital by issuing new ordinary shares and/or securities giving access to the share capital, with preservation of Shareholders' preferential rights of subscription

Purpose

You are asked to delegate to the Board of Directors the authority to proceed, in France or abroad, with one or several issuance(s) of new ordinary shares of the Company and/or of securities giving access by any means to the Company's share capital, with preservation of Shareholders' preferential rights of subscription.

This system is intended to give your Board of Directors the opportunity to react quickly to the financial needs of the Company, allowing it also to select, in due time, the most appropriate type of securities to be issued.

The authorization would cover the issuance of ordinary shares and/or any securities giving access to the share capital (hereinafter the "Complex Capital Securities" "Valeurs Mobilières Composées"), notably for example, shares with warrants, bonds with share subscription warrants, bonds convertible into shares or equity warrants.

The total nominal amount of issuances likely to be performed immediately or in the future would not exceed 16 million euros.

To these amounts shall be added, if necessary, the additional nominal amount of securities to be issued in order to preserve, in accordance with the law, the rights of bearers of already issued investment securities giving right to shares.

We remind you that the decision to issue securities giving right to the share capital would also entail waiver by the Shareholders of their preferential rights of subscription to the share capital to which the securities issued would give right.

You are asked to decide that if the subscriptions on an irreducible basis and, if applicable, on a reducible basis, do not absorb all the ordinary shares and/or securities issued, the Board may offer to the public all or part of the unsubscribed shares.

This delegation of authority would be given for a period of 26 months starting from the date of this General Meeting and would replace the delegation granted to the Board of Directors by the 19th resolution of the General Meeting of May 18, 2022.

This delegation may not be used during public offers on the Company's shares.

If necessary, the Board of Directors will keep you informed about the use of this delegation of authority under the conditions provided by law.



Eighteenth resolution

Delegation of authority to be given to the Board of Directors to increase the share capital by issuing new ordinary shares and/or securities giving access to the capital, with preservation of Shareholders' preferential rights of subscription

The General Meeting:

- voting in accordance with *quorum* and majority rules for Extraordinary General Meetings;
- after considering the Report of the Board of Directors and the Special Report of the Auditors;
- deliberating in compliance with Articles L. 225-129 et seq., L. 228-91 and L. 228-92 of the French Commercial Code;
- delegates authority to the Board of Directors to decide, immediately or in the future, with preservation of Shareholders' preferential rights of subscription, in France and/or abroad, either in euros, in foreign currency or in any unit of account established by reference to a set of currencies:
 - one or several increases of the share capital, by cash contribution and issuing new ordinary shares of the Company, and/or
 - one or several issues of securities (hereinafter the "Complex Capital Securities" "Valeurs Mobilières Composées") giving access by any means to the Company's share capital.

The General Meeting decides that the total nominal amount of issuances likely to be performed immediately or in the future shall not exceed 16 million euros, it being specified that to these amounts, shall be added, if necessary, the additional nominal amount of shares to be issued in order to preserve, in accordance with the law, the rights of the bearers of already issued investment securities giving right to shares.

Consequently, the General Meeting delegates authority to the Board of Directors to, notably, and without this list being exhaustive:

- a. assess the timeliness of deciding whether or not to carry out one or several increase(s) of the share capital by issuing new ordinary shares of the Company and/or one or several issuance(s) of Complex Capital Securities;
- b. decide the nature and characteristics of the Complex Capital Securities;
- c. set the amount of the increase(s) of the share capital by issuing new ordinary shares and/or issuance of Complex Capital Securities;
- d. determine the conditions and methods of performance of the share capital increase(s) and/or of the issuance of Complex Capital Securities, notably set the issuance price of the new ordinary shares and/or of the Complex Capital Securities (and the shares to which the latter shall give right), with or without premium, in accordance with the rules and regulations in force;
- e. set the opening and closing dates of subscriptions, extend these dates if necessary, organize receipt of funds and more generally acknowledge the final performance of the increase(s) of share capital and/or the issuance of Complex Capital Securities, and/or the capital increases resulting from the exercise of Complex Capital Securities;
- f. proceed with the modification of the articles of incorporation accordingly, do all that is necessary and carry out all legal formalities;
- g. conclude with any investment service provider of its choice, any firm underwriting agreement relating to the issuance;

- h. determine the conditions and methods of exercising rights attached to the issued Complex Capital Securities;
- i. take all necessary measures for the proper management of the issuing of Complex Capital Securities and draft an issuance contract for each category and issuance of Complex Capital Securities;
- j. decide the issuance of shares to which the Complex Capital Securities shall give right and set the date of possession of said shares;
- k. prepare all the documents necessary to inform the public, Shareholders and holders of previously issued Complex Capital Securities;
- l. take all measures to ensure, if necessary, the preservation of the rights of holders of already issued Complex Capital Securities giving right to the allocation of share capital, in accordance with the rules and regulations in force and notably the provisions of Articles L. 228-98 to L. 228-102 of the French Commercial Code;
- m. take all measures to proceed with the appointment of a representative of stock owners for each category of Complex Capital Securities issued;
- n. delegate to the Chief Executive Officer or, in accordance with the latter, to one or several Executive Vice-President(s), the authority to decide on the performance of the share capital increase(s) and/or the issuance of Complex Capital Securities, as well as the authority to suspend it, under the conditions and according to the methods set by the Board of Directors.

The General Meeting takes note that, in accordance with Article L. 225-132 of the French Commercial Code, the decision to issue securities giving access to the share capital also prevails over waiving by the Shareholders of their preferential rights of subscription to the share capital to which the securities issued give right.

The General Meeting decides that if the subscriptions have not been taken up in full by Shareholders exercising their pre-emptive rights as described above, the Board may take one or more of the following courses of action, in the order of its choice: (i) freely allocate all or some of the unsubscribed securities among the investors of its choice, (ii) offer the unsubscribed securities for subscription by the public and/or (iii) limit the amount of the issue to the subscriptions received provided that at least three-quarters of the issue is taken up.

This delegation of authority is given for a period of 26 months starting from the date of this General Meeting.

The General Meeting takes note that this delegation replaces any previous delegation having the same purpose, and notably, the delegation granted to the Board of Directors by the 19th resolution of the General Meeting of May 18, 2022.

In accordance with Article L. 225-129-5 of the French Commercial Code, the other details of implementation of the operation will be explained in a supplementary report from the Board of Directors and issued when the Board exercises the delegation of authority given by this General Meeting in accordance with provisions set by decree.

The Board of Directors shall inform the General Meeting each year of operations performed within the scope of this resolution.



RESOLUTION 19

Delegation of authority to be given to the Board of Directors in order to decide to increase the share capital on one or several occasions by incorporation of reserves, profits or premiums or other sums of money whose capitalization shall be accepted

Purpose

You are asked, in accordance with Article L. 225-129 of the French Commercial Code, to delegate to the Board of Directors, for a period of 26 months, the authority to increase the share capital of the Company, on one or several occasions, in the proportions and at the times the Board shall deem necessary, by incorporation of all or part of the reserves, profits and/or premiums or other sums whose capitalization shall be legally or statutorily possible, and this by attribution of new free shares of the Company or by increase of the nominal value of the existing shares of the Company.

The maximum nominal amount of the share capital increase(s) likely to be decided by the Board of Directors or by the Chief Executive Officer and performed by virtue of this delegation, may not be higher than the global maximum amount of reserves, profits and/or premiums or other sums that may be incorporated into the share capital.

This delegation may not be used during public offers on the Company's shares.

This delegation would cancel any other previous delegation having the same purpose, and notably the delegation of authority granted to the Board of Directors by the 20th resolution of the General Meeting of May 18, 2022.

Nineteenth resolution

Delegation of authority to be given to the Board of Directors to decide to increase the share capital on one or several occasions by incorporation of reserves, profits or premiums or other sums of money whose capitalization shall be accepted

The General Meeting:

- voting in accordance with *quorum* and majority rules for Extraordinary General Meetings;
 - after considering the Report of the Board of Directors and the Special Report of the Auditors;
 - making use of the option provided in Article L. 225-129 of the French Commercial Code, decides:
 - to delegate to the Board of Directors, for a period of 26 months, the authority to decide a share capital increase, on one or several occasions, in the proportions and at the times the Board shall deem necessary, by incorporation of all or part of the reserves, profits and/or premiums or other sums whose capitalization shall be legally or statutorily possible, and by attribution of new free shares of the Company and/or by increase of the nominal value of the existing shares of the Company,
 - that the maximum nominal amount of the share capital increase(s) likely to be decided by the Board of Directors or by the Chief Executive Officer (or Executive Vice-President) and performed by virtue of this delegation, cannot be higher than the global maximum amount of reserves, profits and/or premiums or other sums that may be incorporated into the share capital and which will exist at the time of the decision to increase the share capital of the Company, not taking into account the amount that may be necessary to preserve, in accordance with the law, the rights of bearers of already issued securities giving access to the shares of the Company.
- Consequently, the General Meeting delegates to the Board of Directors the authority, notably, and without this list being exhaustive, to:
- a. determine the amount and nature of sums to be incorporated in the Company's share capital;
 - b. set the number of the Company's new shares to be issued and which shall be freely allocated and/or the amount of existing shares whose nominal value shall be increased;
 - c. determine the date, possibly retroactively, from which the Company's new shares shall be entitled to dividends or that at which the increase in the nominal value of the Company's existing shares shall be effective;
 - d. decide, if necessary, that the rights resulting in fractions of shares are not negotiable or assignable and that the corresponding shares shall be sold, the proceeds from such sale being allocated to owners of rights under the conditions and within the time periods provided for by the regulations in force;
 - e. deduct from one or several items of the available reserves the sums necessary to bring the legal reserve amount to one-tenth of the Company's share capital after each share capital increase;
 - f. take all measures to ensure the proper implementation of each share capital increase and to acknowledge the performance of each share capital increase, proceed to the modification of the articles of incorporation accordingly and carry out all relevant legal formalities;
 - g. take all measures to allow holders of securities giving access to the capital, to obtain new shares of the Company;
 - h. delegate to the Chief Executive Officer or in agreement with the latter, to one or several Executive Vice-President(s), the authority to decide on the performance of the capital increase(s), as well as to postpone such issue, under the conditions and in accordance with the methods set by the Board of Directors.

The General Meeting takes note that this delegation shall cancel any other previous delegation having the same purpose, and notably the delegation of authority granted to the Board of Directors by the 20th resolution of the General Meeting of May 18, 2022.





RESOLUTION 20

Authorization to perform formalities

Purpose

This resolution allows for the performance of the legal formalities following this General Meeting.

Twentieth resolution

Authorization to perform formalities

The General Meeting fully empowers the bearer of a copy or excerpt of this document to carry out all necessary legal formalities.





ADDITIONAL INFORMATION

9.1. DOCUMENTS ON DISPLAY	348
Memorandum and articles of incorporation	348
Historical financial information	348
9.2. MAIN PRESS RELEASES	349
9.3. DECLARATION BY RESPONSIBLE PERSON OF THE UNIVERSAL REGISTRATION DOCUMENT	350
9.4. STATUTORY AUDITORS AND FEES	351
Names and addresses	351
Change of Statutory Auditors	351
Fees of the Auditors and the members of their networks	352
Auditing of historical annual financial information	352
Interim and other financial information	352
9.5. GLOSSARY	353





9.1. DOCUMENTS ON DISPLAY

MEMORANDUM AND ARTICLES OF INCORPORATION

See *Chapter 7 Information about the Issuer*.

HISTORICAL FINANCIAL INFORMATION

The 2021 and 2022 Universal Registration Documents are available on Société BIC's website (www.bic.com).



9.2. MAIN PRESS RELEASES

List of the main press releases published in 2023:

Press releases available on www.info-financiere.fr and on the Company's website: www.bic.com

Date	Title
February 14	BIC Fourth Quarter and Full Year 2022 Results
February 15	Evolution of the composition of the Board of Directors
March 20	Evolution of the composition of the Board of Directors
March 22	Remuneration of Corporate Officers
March 30	Release and availability of the 2022 Universal Registration Document
March 31	Appointment of a Director representing the employees
April 21	Annual General Meeting of 16 May 2023; Availability of the preparatory documents
April 25	First Quarter 2023 Results
May 16	Shareholders' Meeting and Board of Directors
July 26	Second Quarter and First Half 2023 Results
September 11	BIC 2023 Investor Update
October 25	Third Quarter and Nine Months Results 2023
October 26	Appointment of a Director representing the employees
December 12	Share capital reduction by cancellation of treasury shares



ADDITIONAL INFORMATION

Declaration by responsible person of the Universal Registration Document

9.3. DECLARATION BY RESPONSIBLE PERSON OF THE UNIVERSAL REGISTRATION DOCUMENT

I certify the information contained in this Universal Registration Document is, to the best of my knowledge, accurate and does not omit any material fact.

I certify that to the best of my knowledge, the accounts are prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities and financial position and profit or loss of the Company and all undertakings in the consolidation taken as a whole, and that the management report, referenced in the Cross-reference table, includes a fair review of the development and performance of the business, profit or loss and financial position of the Company and the undertakings in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

On March 27, 2024
Gonzalve Bich
Chief Executive Officer



9.4. STATUTORY AUDITORS AND FEES

NAMES AND ADDRESSES

Principal Statutory Auditors

The Company's Principal Statutory Auditors issue reports on the parent company and consolidated financial statements of Société BIC:

Ernst & Young

Represented by Mr. Jeremy Thurbin

1-2 Place des saisons Paris La Défense 1- 92400 Courbevoie, France

Tel.: +33 (0)1.46.93.60.00

Ernst & Young was appointed as Statutory Auditor of Société BIC for the first time at the General Shareholders' Meeting on May 16, 2023, for a term of six years.

Ernst & Young's term of office will expire at the close of the General Shareholders' Meeting to be held in 2029 to approve the financial statements for the year ending December 31, 2028.

Grant Thornton

Represented by Mrs. Virginie Palethorpe

29, rue du Pont 92200 Neuilly-sur-Seine, France

Tel.: +33 (0)1 41 25 85 85

The company Grant Thornton was appointed as Statutory Auditor for Société BIC for the first time at the General Shareholders' Meeting on May 23, 2007, replacing the company BDO Marque & Gendrot, outgoing, for the remaining period of the mandate of the latter.

Grant Thornton was reappointed as Statutory Auditor for a further six years at the General Shareholders' Meeting on May 16, 2023. Grant Thornton's appointment will expire at the close of the General Shareholders' Meeting to be held in 2029 to approve the financial statements for the year ending December 31, 2028.

CHANGE OF STATUTORY AUDITORS

In accordance with legal provisions, the General Shareholders' Meeting of May 16, 2023 decided not to renew or replace BEAS et IGEC as Deputy Auditors.

FEES OF THE AUDITORS AND THE MEMBERS OF THEIR NETWORKS

The fees of the Statutory Auditors and members of their networks borne by the Group are presented in Note 29 to the consolidated financial statements.

AUDITING OF HISTORICAL ANNUAL FINANCIAL INFORMATION

Audited historical annual financial information and the corresponding Auditors' reports for financial years 2021 and 2022, as well as the review of the financial position and the results related to it, were presented in previous registration documents, which have been duly filed with the *Autorité des Marchés Financiers* (French Financial Markets Authority)

(respectively no.D.22-0150 and no.D.23-0184) and are available on the website of the Group. In accordance with Article 19 of European regulation EU No. 2017/1129 of June 14, 2017, this information is incorporated by reference in this Universal Registration Document.

INTERIM AND OTHER FINANCIAL INFORMATION

Quarterly financial information has not been audited.

Half Year and annual financial information is the subject of reports by the Statutory Auditors.

9.5. GLOSSARY

● Adjusted EBIT

Adjusted means excluding normalized items as detailed in Chapter 5 section 5.1.

● Adjusted EBIT margin

Adjusted EBIT as a percentage of Net Sales.

● AFEP-MEDEF Corporate Governance Code

Refers to the AFEP-MEDEF corporate governance code of listed corporations, as revised in its December 2022 version.

● At constant currencies

Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.

● BIC Speak up

Hotline accessible to all BIC team members to report on, collect alerts and prevent any violation to Anti-Corruption Policy and Code of Conduct (incl. violation to human rights, serious bodily injury and environmental damage).

● Categories

Categories correspond to the main markets in which the Group operates such as Stationery, Lighters and Shavers.

● (on a) Comparative basis

Means at constant currencies and constant scope. Figures at constant perimeter exclude the impacts of acquisitions and/or disposals that occurred during the current year and/or during the previous year, until their anniversary date. All net sales category comments are made on a comparable basis. Organic change excludes Argentina net sales.

● Corporate Officers

Refer to the Chief Executive Officer, the Chair of the Board of Directors, the Directors and, as the case may be, any Executive Vice President who may be appointed.

● Customer/consumer

Within the Group, the term "customer" refers to a "distributor" and the term "consumer" refers to the final consumer.

● Divisions

BIC's divisions, renamed following the launch of Horizon strategic plan in November 2020 are the following: Human Expression (former Stationery category), Flame for life (former Lighter category), Blade Excellence (former Shaver category) and Other Products.

● Earnings before interest and taxes (EBIT)

Profit realized from a business' own operations. Income from operations is generated from running the primary business and excludes income from other sources. It includes other products income from operations as well as Group expenses not allocated to the other categories.

● Ecodesign

Ecodesign is the integration of the environment from the design of a product or service, and at all stages of its life cycle.

● Ecolabel

An Ecolabel is a voluntary method of environmental performance certification. An ecolabel identifies products or services proven environmentally preferable overall, within a specific product or service category.

● Enterprise Risk Management (ERM)

A framework to identify, assess, mitigate, monitor and manage potential enterprise-wide non-routine risks that could impact the Company's strategy.

● Environment, Health & Safety (EH&S) Policy

The Environment, Health & Safety (EH&S) Policy, defined in 2005 and signed by the CEO, codifies the Group's commitment to minimizing the impact of its industrial activities.

● Executive Corporate Officers

Refer to the Chief Executive Officer, and, as the case may be, any Executive Vice President who may be appointed.

● Free Cash Flow

Net Cash flow from Operating Activities less capital expenditures (CAPEX). Free cash flow does not include acquisitions and proceeds from the sale of businesses.

● Gross Profit

Gross profit is the margin that the Group realizes after deducting its manufacturing costs.



● **Group's Anti-Corruption Policy**

The Group's Anti-Corruption Policy, defined in 2016, states that BIC will not tolerate bribery or corruption in any place where it operates, upholding its reputation for integrity.

● **Group Committee**

The Group Works Council receives information on the Group's activity, financial situation, annual or multi-year employment trends and forecasts, and any preventive measures planned in the light of these forecasts, both within the Group and in each of its member companies. It is informed of the Group's economic outlook for the coming year in these areas. It is also responsible for appointing the directors representing the employees.

● **Hedge accounting**

A hedging transaction consists of purchases or sales of financial instruments that must have the effect of reducing the risk of changes in value affecting the hedged item. For an accounting transaction to qualify as a hedge, it must identify hedging items from the outset.

● **Integrated Risk Assessment**

Top-down and bottom-up risk mapping, assessment, and treatment of Enterprise Risks and Corruption Risks jointly led by Group Risk Management and the Legal Department.

● **Internal control**

The Device implemented by the management of a company to enable it to control the risky operations that must be done by the Company. For this reason, its resources are measured, directed and supervised so that management can achieve its objectives.

● **LCA**

Life Cycle Analysis (LCA) is a method for assessing a product's total environmental impact in each successive phase in its life: the extraction and transportation of the raw materials used to make it, the manufacturing processes, transportation to the consumer, product usage, and finally, end of life and waste processing.

● **Net Cash from Operating Activities**

Principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

● **Net Cash Position**

Cash and cash equivalents + Other current financial assets – Current borrowings – Non-current borrowings (except financial liabilities following IFRS 16 implementation).

● **New product**

A product is considered as a new one in the year of its launch and the three following years.

● **Original Equipment Manufacturers (OEM)**

Outsourced contract manufacturer for the development and production of finished products according to BIC design intent, specifications and potentially incorporating innovation and technologies not mastered by BIC.

● **Performance Share Plan**

Freely granted shares of SOCIÉTÉ BIC subject to performance conditions.

● **Preferential subscription right**

The advantage conferred by Article 225-132 of the French Commercial Code to the shareholder allowing him, during a given period, to be able, at the time of a capital increase, to assert a right of preference the acquisition of new shares under the conditions provided for by the Extraordinary General Meeting.

● **Product Safety Policy**

The Product Safety Policy, introduced in 2001, specifies the ten commitments adopted to ensure that the products developed and manufactured by BIC are safe in terms of human health and the environment.

● **REACH (Registration, Evaluation, Authorisation and Restriction of Chemical substances)**

REACH is a regulation of the European Union, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals.

● **Risk**

The possibility of an event occurring whose consequences could affect:

- the ability of the Company to achieve its objectives;
- the ability of the Company to respect its Values, ethics and laws and regulations;
- the persons, assets, the environment of the Company or its reputation.

● **Scope 1, 2 and 3**

Scope 1, 2 and 3 are ways of categorizing both direct and indirect Company greenhouse (GHG) emissions. Scope 1 emissions are GHG emissions emitted directly from the Company. Scope 2 emissions are indirect GHG emissions emitted from the energy purchased by the Company. Scope 3 emissions are also indirect GHG emissions, accounting for upstream and downstream emissions of a product or service, and emissions across a Company's value chain.

● **Unallocated costs**

Net costs [balance of income and expenses] of Corporate headquarters including IT, finance, legal and HR costs, and of our shared services center. These also include other net costs that can't be allocated to Divisions, notably restructuring costs, gains or losses on assets' divestiture, etc. Major unallocated items will be separately identified and disclosed.

CROSS-REFERENCE TABLE FOR UNIVERSAL REGISTRATION DOCUMENT

This reference table is based on the headings set out in Annex I and II of Delegated Regulation (EU) 2019/980 of the Commission of March 14, 2019 and refers to the pages of this Universal Registration Document on which the relevant information can be found.

No.	Information	Pages
1.	Persons responsible, third party information, experts' reports and competent authority approval	350
2.	Statutory Auditors	351
3.	Risk factors	42 - 68
4.	Information about BIC	318 - 319
5.	Business overview	
5.1	Principal activities	18 - 19; 212 - 218
5.2	Principal markets	30 - 37
5.3	The important events in the development of the issuer's business	N/A
5.4	Strategy and objectives	26 - 29
5.5	Dependence on patents, licenses, contracts or new manufacturing processes	N/A
5.6	Basis for any statements made by the Group regarding its competitive position	30 - 37; 212 - 218
5.7	Investments	221 - 222
6.	Organisational structure	
6.1	Brief description of the Group	30 - 40
6.2	List of significant subsidiaries	282 - 284
7.	Operating and financial review	
7.1	Financial condition	20 - 23; 219; 224 - 230
7.2	Operating results	212 - 213; 225; 236 - 237; 239
8.	Capital resources	
8.1	Information on BIC's capital resources	227 - 228
8.2	Sources and amounts of cash flows	230
8.3	Information on borrowing requirements and funding structure	253 - 254
8.4	Restrictions on the use of capital resources	N/A
8.5	Anticipated sources of funding	281
9.	Regulatory environment	
9.1	Detailed description of the significant regulatory environment	51 - 59; 118 - 120
10.	Trend information	
10.1	Recent trends affecting production, sales, inventory and costs and prices Significant changes in financial performance related to published information; Trends that may have a significant impact on Société BIC (the case may be, negative declaration).	28 - 29
11.	Profit forecasts or estimates	
11.1	Publication of current/invalid profit forecast or estimate	N/A
11.2	Declaration of the main hypothesis regarding the declaration of estimated/ forecast profit	N/A
11.3	Statement on the basis of the declaration of estimated/forecast profit	N/A

No.	Information	Pages
12.	Administrative, management and supervisory bodies and Executive Corporate Officer	
12.1	Board of Directors and Senior Management	146 - 186
12.2	Conflicts of interest affecting administrative, management and supervisory bodies and Senior Management	157 - 158
13.	Remuneration and benefits	
13.1	Remuneration and benefits in kind	187 - 210
13.2	Amounts set aside or accrued to provide pension, retirement or similar benefits	201
14.	Board practices	
14.1	Expiry date of current terms of office	149
14.2	Service contracts	N/A
14.3	Information about the issuer's Audit Committee and Remuneration Committee	179 - 184
14.4	Statement regarding the compliance with the corporate governance regime	148
14.5	Potential material impacts on corporate governance	N/A
15.	Employees	
15.1	Number of employees and breakdown of persons employed	100 - 112
15.2	Shareholding and stock options	198 - 200
15.3	Employee involvement in the capital of the issuer	269 - 272; 323
16.	Major Shareholders	
16.1	Notifiable interests in share capital or voting rights	323
16.2	Existence of specific voting rights	322 - 323
16.3	Control of BIC	322 - 323
16.4	Agreements known to BIC which could lead to a change in control, if implemented	N/A
17.	Related-party transactions	280
18.	Financial information concerning BIC's assets and liabilities, financial position and profits and losses	
18.1	Historical financial information	224 - 285 ; 290 - 310
18.1.1	Audit of historical annual financial information (last three years) and audit report for each year	351
18.1.2	Change of reference date (if applicable)	N/A
18.1.3	Accounting standards	232 - 234
18.1.4	Change in accounting standards	N/A
18.1.5	Details of audited financial information	224 - 285
18.1.6	Consolidated Financial Statements	224 - 285
18.1.7	Latest financial information	232
18.2	Interim financial information and other	N/A
18.2.1	Publication of quarterly and half-year financial information (as the case may be, failure to publish quarterly and half-year financial information)	352
18.3	Audit of annual historical financial information	351
18.3.1	Independent Audit Report	286 - 289
18.3.2	Other audited information (if applicable)	N/A
18.3.3	Financial information not extracted from the audited financial statements of BIC (if applicable)	N/A
18.4	<i>Pro forma</i> financial information	N/A
18.5	Dividend policy	26 - 28
18.5.1	Distribution of dividends and applicable restrictions	220
18.5.2	Dividend amount per share	220
18.6	Legal and arbitration proceedings	29
18.7	Significant change in the financial position	29

No.	Information	Pages
19.	Additional information	
19.1	Share capital	252 - 253; 300; 322 - 323
19.1.2	Other shares	N/A
19.1.3	Treasury shares	252 - 253; 324 - 325
19.1.4	Tradeable securities	192 - 193; 200; 272
19.1.5	Conditions of acquisition	N/A
19.1.6	Options or agreements	N/A
19.1.7	History of share capital	322 - 323
19.2	Memorandum of association and by laws	318
19.2.1	Corporate purpose	318
19.2.2	Rights and privileges of shares	318; 322
19.2.3	Items potentially affecting a change of control	323
20.	Material contracts	
20.1	Summary of contracts to which Société BIC and members of the Group are parties and other contracts	N/A
21.	Documents available	
21.1	Statement of searchable documents	348

CROSS-REFERENCE TABLE WITH THE ANNUAL FINANCIAL REPORT

The Universal Registration Document contains all of the information in the Annual Financial Report governed by Article L. 451-1-2 of the French Monetary and Financial Code. To make this information easier to find, the following cross-reference table lists it by main topic.

No.	Information	Pages
Annual Financial Report		
1.	Parent company financial statements	290 - 310
2.	Consolidated financial statements	224 - 285
3.	Statutory Auditors' Report on the parent company financial statements	311 - 314
4.	Statutory Auditors' Report on the consolidated financial statements	286 - 289
5.	Management report including, at least, information mentioned in Articles L. 225-100, L. 225-100-2, L. 225-100-3 and L. 225-211 paragraph 2 of the French Commercial Code	359 - 360
6.	Declaration by person responsible for the Universal Registration Document	350
7.	Auditors' fees	285

CROSS-REFERENCE TABLE WITH THE MANAGEMENT REPORT

This Universal Registration Document includes information of the Company management report and Group management report, as provided for in Articles L. 225-100 et seq. and L. 232-1 of the French Commercial Code, as well as the report on the corporate governance pursuant to Articles L. 225-37 et seq. of the French Commercial Code, and of the Extra-financial Performance Statement, as provided for in Article L. 225-102-1 of the French Commercial Code.

The following table cross-refers each section of the management report to the corresponding pages of the Universal Registration Document:

No.	Information	Pages
Management report		
1.	Activity and business development/Results/Financial situation and performance indicators	212 - 218
2.	Use of financial instruments by the Company, when relevant for the assessment of its assets, liabilities, financial position and results	272 - 279
3.	Description of the main risks and uncertainties	44 - 50
4.	Financial risks related to climate change	44
5.	Information on the risks incurred in the event of changes in interest rates, exchange rates or stock market prices	275
6.	Internal control and risk management procedures	60 - 68
7.	Existing branches	307 - 308
8.	Material acquisitions of equity interests in companies with their head office in France	N/A
9.	Post-closing events/Outlook	28 - 29
10.	Dividends paid over the past three years	220
11.	Operations by the Company on its own shares	324 - 325
12.	Adjustments to the rights of holders of share equivalents	N/A
13.	Environmental, social and societal responsibility information	69 - 142
14.	Research and development activities	38
15.	Terms of payment of trade payables and receivables of SOCIÉTÉ BIC	310



ADDITIONAL INFORMATION

Cross-reference table with the management report

No.	Information	Pages
Management report		
16.	Vigilance plan	51 - 59
17.	Extra-financial Performance Statement:	69 - 142
	Company's business model	
	Description of the main risks regarding the way the Company considers the social and environmental consequences of its activity, and effects of this activity regarding the respect of Human Rights and on the fight against corruption and tax evasion	51 - 59 ; 123 - 125
	Description of the policies implemented by the Company and results of these policies	69 - 142
	Social consequences of the Company's activity	100 - 120
	Environmental consequences of the Company's activity	82 - 99
	Effects of the Company's activity regarding the respect of Human Rights	112 - 115
	Effects of the Company's activity regarding the fight against corruption	121 - 122
	Effects of the Company's activity regarding the fight against tax evasion	121
	Consequences of the Company's activity on climate change and use of the goods and services it produces	82 - 99
	Societal commitments in favor of sustainable development	69 - 142
	Societal commitments in favor of circular economy	94
	Societal commitments in favor of the fight against food waste	126
	Societal commitments in favor of the fight against food insecurity	126
	Societal commitments in favor of the respect of animal well-being	118
	Societal commitments to a responsible, fair trade, sustainable food	126
	Collective agreements reached within the Company and on their impact on the economic performance of the Company and on the working conditions of the employees	111 - 112
	Action to fight against discriminations and promote diversity	109 - 111
	Measures in place in favor of disabled employees	109 - 111
Appendices		
	Five-year financial summary	310



CROSS-REFERENCE TABLE OF ESG INFORMATION

For each section of the registration document, the following table gives the corresponding GRI^(a) indicators, the principles of the United Nations Global Compact and the general policies of the OECD Guidelines^(b).

Contents of the registration document	GRI ^(a)	Principles of the Global Compact	OECD ^(b) general principles	Pages
1. Group presentation, outlook, and strategy	2-1, 2-2, 2-6, 2-7, 3-2, 3-3	-	6, 10	17 - 40
2. Risks management	3-2, 3-3	-	10	41 - 68
3.1 Strategy and business model	2-17, 2-22, 2-29, 3-3	1 to 10	1, 5, 10, 11, 12, 14	71 - 81
3.2 Environment	2-29, 201-2, 301-1, 301-2, 302-1, 302-2, 302-3, 302-4, 303-1, 305-1, 305-2, 305-5, 306-1, 306-2, 306-3, 306-4, 306-5, 307-1	7, 8, 9	1, 8, 10, 11, 12, 13	82 - 99
3.3 Social	2-7, 2-29, 203-1, 203-2, 401-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 404-1, 404-2, 404-3, 405-1, 416-1, 417-1	1, 3, 4, 6	1, 2, 3, 4, 8, 9, 14	100 - 120
3.4 Ethics and Business conduct	2-6, 2-7, 2-23, 2-26, 2-29, 205-1, 205-2, 408-1, 409-1, 412-1, 414-1	1, 2, 5, 10	2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 15	121 - 122
3.5 Milestones	2-2, 2-3, 2-5	-	1, 2, 3, 9, 13	123 - 142
4. Corporate governance	2-9, 2-15, 2-19, 2-20, 2-21	-	6	143 - 210

(a) GRI: Global Reporting Initiative, version G4.

(b) OECD: Organization for Economic Co-operation and Development.

CROSS-REFERENCE TABLE OF THE CORPORATE GOVERNANCE REPORT

This Universal Registration Document includes information of the Company corporate governance report pursuant to the Articles L. 225-37, L. 225-37-1, L. 22-10-8, L. 22-10-9, L. 22-10-10, L. 22-10-11 of the French Commercial Code.

No.	Information	Pages
1.	Choice of organization of the Management	146 - 148
2.	Composition, conditions for preparing and organizing the work of the Board of Directors	149; 160 - 172
3.	Limitation of the powers of the Management	173 - 174
4.	Main functions and directorships held in any company by each by Corporate Officer	161 - 172
5.	Policy on diversity applicable to the Board of Directors	150 - 152
6.	Way the Company seeks gender balance within the Executive Committee and the top management, and results in terms of diversity among the 10% top-level positions	109 - 111 ; 150 - 152
7.	Agreements entered into between a Corporate Officer or a significant shareholder with a controlled by the issuer within the meaning of Article L. 233-3 of the French Commercial Code (regulated agreements)	315
8.	Description of the procedure put in place by the Board of Directors on regular assessment of agreements entered into in the ordinary course of business and on arms' length terms, pursuant to paragraph 2 of Article L. 225-39 and of the Article L. 22-10-12 of the French Commercial Code	178
9.	Transactions in Company's shares by Corporate Officers	158
10.	Compensation policy applicable to executive corporate officers of which restrictions on the exercise of stock options or the sale of shares by corporate officers, in the event of the grant of stock options or free shares	194 - 202
11.	Remuneration and benefits of any kind paid during the past fiscal year to each corporate executive officer	188 - 193 ; 203 - 204
12.	Ratio between compensation paid to the executive corporate officers and the average and median compensation received by BIC employees	206 - 207
13.	Summary table of the implementation of AFEP-MEDEF Code	148
14.	Table of authorizations to issue new shares and share equivalents	320 - 321
15.	Terms and conditions specific to shareholder participation in the Shareholders' Meetings	319
16.	Arrangements which may have a bearing in the event of a public takeover (incl. capital structure and elements provided for in Article L. 22-10-11 of the French Commercial Code)	323
17.	Share Capital	252 - 253 ; 300 ; 320 - 323
18.	Employee share ownership	323
19.	Statutory requirements governing changes in the share capital and shareholders' rights	319





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