



2018 Integrated
Report •

INTEGRATED REPORT



ABOUT THIS REPORT

This integrated report includes a summarized presentation of BIC and the components of our identity: our vision, our economic model, our organizational structure and our actions to create sustainable value.

Inspired by the framework published by the International Integrated Reporting Council (IIRC), this report was presented to the Board of Directors and was managed internally, applying a comprehensive approach to all aspects of our performance – financial, economic, social and environmental.

As an introduction to the Registration Document, this report is written with all of our stakeholders in mind, and in particular our shareholders, our customers, our consumers, our employees and all of our partners including suppliers and NGOs.

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2018 PROFILE

BIC is a family-owned company listed on the Paris Stock Exchange and a world leader in Stationery, Lighters and Shavers. For more than 70 years, BIC has honored the tradition of providing high-quality, inventive and reliable choices for everyone, everywhere, every time.

Since the creation of the Company in 1944, BIC's corporate responsibility, operational and financial performances have relied on **several fundamental strategic pillars:**

€1,949.8 M
in Net Sales

€173.4 M
in Net Income
Group Share

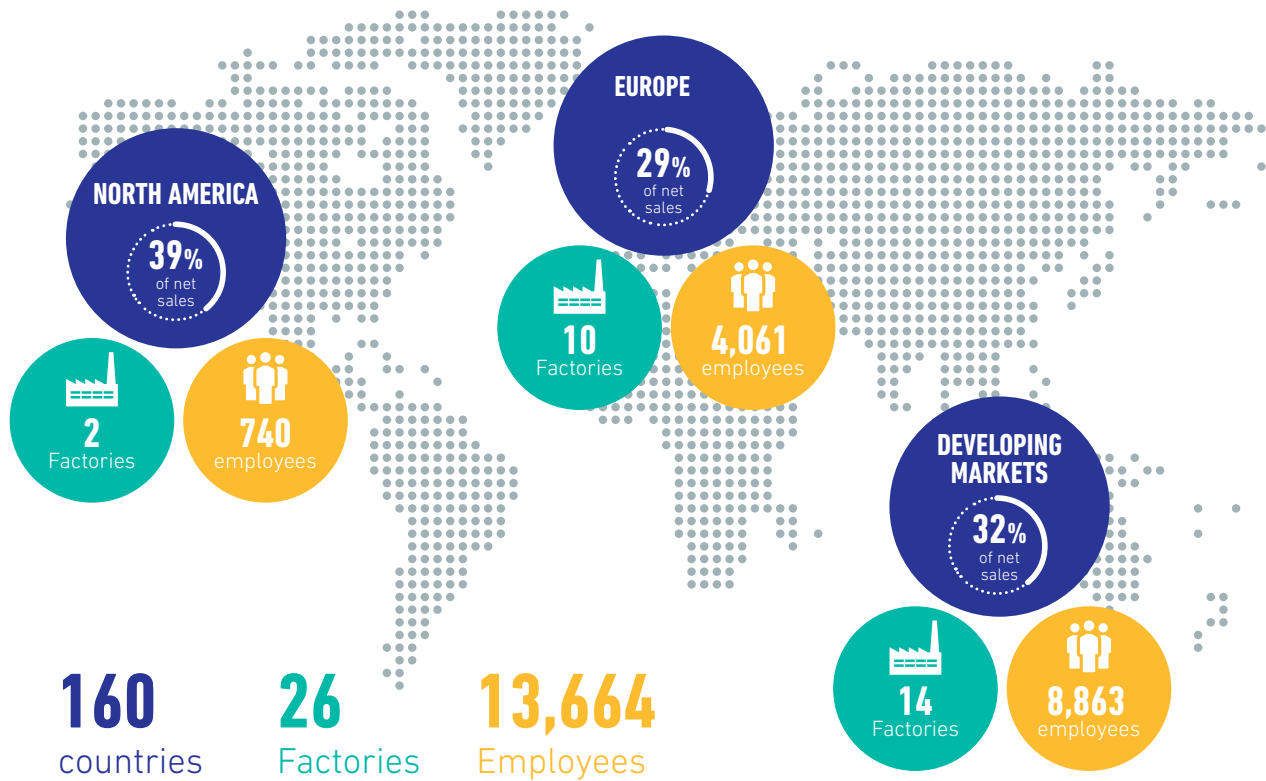
At least 50 %
of BIC® products
offer one or more
environmental benefits

4 million
points of sale

32 million
BIC® products
bought every day
worldwide



WORLD LEADER IN THE CONSUMER GOODS MARKETS*



* Figures as of December 31, 2018.

TRUE COMMITMENT TO SUSTAINABLE AND RESPONSIBLE GROWTH



Quality products sold at a fair price and continually improved

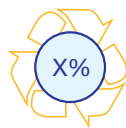
- Long-lasting products with a light environmental footprint manufactured with a minimum of resources and offering long life performance.
- An eco-design approach, integrating alternative solutions such as the use of recycled materials or bioplastics in the manufacturing of certain products.



A unique industrial expertise and effective control of manufacturing costs

- 26 high performance factories (21 are located in developed countries according to the HDI* indicator).
- 92% of Net Sales realized with products manufactured in our own factories.

* HDI: Human Development Index – United Nations Development Program.



A historical socially responsible approach

- A complete program for the training and development of its employees' skills and employability.
- A clear vision, a lasting philosophy and fundamental shared Values: Ethics, Responsibility, Teamwork, Simplicity and Ingenuity.

A STRONG GOVERNANCE

Board of Directors



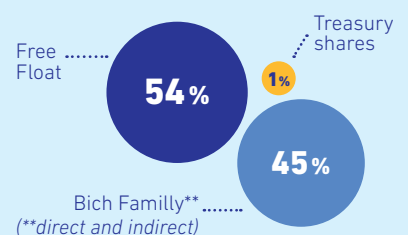
11 Directors

4 Nationalities

40% Independents

40% Women

Shareholding structure



BIC VISION

Our Philosophy: Building on our Values, Inventing the Future

Our history timeline shows how BIC grew from humble beginnings to the iconic brand we are today.

For the past seventy years, thanks to our unique industrial expertise and the commitment of each and every one of our employees, we have been able to dedicate ourselves to our mission: providing high-quality, inventive and reliable choices for everyone, everywhere, every time.

OUR BRANDS



OUR HERITAGE

1944

Marcel Bich (1914-1994) buys a factory in Clichy, France, and sets up business with his partner, Édouard Buffard (1908-1996), as a maker of writing instruments parts.

1950

Marcel Bich, believing in the potential for the ballpoint pen, adapts and improves the ballpoint invented by the Hungarian László Bíró, and in December 1950, launches his own ballpoint pen in France under the BIC® brand, a shortened and more memorable version of his own name. The quality and affordable price of the BIC® Cristal® ballpoint pen means that it is quickly adopted by an increasing number of consumers.

1951-1960

Significant geographical expansion in Europe (Belgium, Italy, UK, Netherlands, Austria, Switzerland, Spain and Scandinavia), in the Americas (USA and Brazil), in the Middle East and in Africa.

1972

SOCIÉTÉ BIC is listed on the Paris Stock Exchange.

1973

BIC diversifies its product portfolio and launches the BIC® lighter with an adjustable flame. Its reliability and quality make it an immediate success.

1975

BIC pioneers the "one-piece shaver".

1993

BIC launches BIC® Evolution®, a graphite and coloring pencil made with recycled materials.

2004

BIC launches its Sustainable Development Program.

2009

BIC acquires 40% of Cello Pens, the leading brand and manufacturer of writing instruments in India.

2012

BIC acquires a site in Tunisia for the construction of a writing instrument facility to expand the Group's manufacturing footprint and meet consumer demand in this region more effectively.

2015

October: BIC outlines a five-year investment plan to modernize its industrial Stationery facilities. The project includes a 12 million euros investment to expand the Samer production facility (North of France).

December: Cello group sells its remaining stake in Cello Pens to BIC, increasing BIC's stake in Cello Pens to 100%.

2018

On May 16, 2018, Gonzalve Bich is appointed BIC's Chief Executive Officer. Pierre Vareille is appointed Chairman of the Board of Directors.

December 2018: BIC sells its subsidiary BIC Sport and refocuses on its core activities: Stationery, Lighters and Shavers.

December 2018: BIC announces the transfer of Haco Industries Kenya Ltd manufacturing facilities and 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 in the world.



OUR VISION

We offer inventive and reliable products for everyone, everywhere, every time

SIMPLE

When creating its first product, the BIC® Cristal® ball pen, BIC decided to focus on the essentials: creating a simple, high-quality tool, sold at the right price, to facilitate an everyday gesture that can be used by anyone, no matter where they are in the world;

INVENTIVE

The Group's development has always followed changes in consumer expectations. Whenever BIC identifies a specific need or desire, its Research & Development teams come up with an ingenious solution to optimize performance;

RELIABLE

The best way to create consumer loyalty is to offer the same high quality throughout the product's life: more than 2 km of writing from one BIC® Cristal® ball pen, 3,000 ignitions from one BIC® Maxi pocket lighter and 17 shaves from a BIC® Flex 3 shaver;

FOR EVERYONE, EVERYWHERE

With BIC® products, everyone is sure that they will find the best solution at the best price, with a guaranteed level of quality. BIC also decided to position itself close to its consumers, with more than 4 million points of sale, from street kiosks to department stores and e-commerce, in more than 160 countries.

OUR DNA

OUR COMMON VALUES

Ethics, Responsibility, Teamwork, Simplicity, Ingenuity

Both in its own activities and through those of its sub-contractors, the same driving principles define BIC's framework for action and are formalized in its Code of Conduct, its Ethical Charter and its Anti-Corruption Policy.

OUR HUMAN FOUNDATION

Men and women, cornerstone of our philosophy

By making solid commitments to motivate our current and future employees to "unlock the best versions of themselves", BIC reaffirms that the success of the Company is above all built by its People.

OUR INDUSTRIAL FOUNDATION

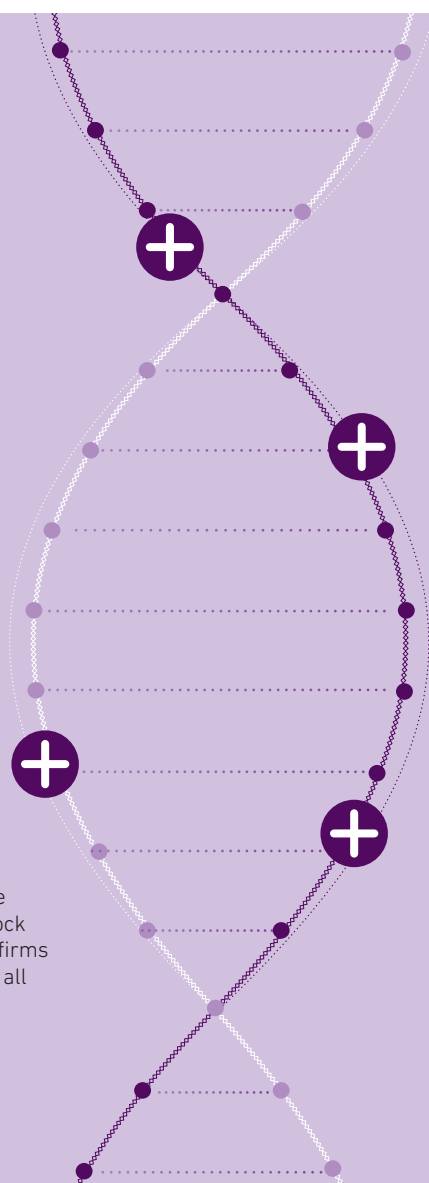
Controlled manufacturing, International network

Through its 26 self-owned and self-operated factories, BIC ensures that it remains constantly in control of its manufacturing costs. Shared across the Group, the tools, machines and methods developed by BIC guarantee the high quality, reliability and safety of its products.

OUR SHAREHOLDER BASE

Family shareholding, long-term vision

A listed family company since it was first created, BIC has always relied on a stable family shareholding which today owns 45% of the Group's share capital. This shareholding structure provides strong support for BIC's long-term vision.



BIC MODEL

A leader in all our markets

Since 1944, BIC has built a reliable business model that meeting the evolving needs of its consumers. We design and manufacture products in three different categories: Stationery, Lighters and Shavers.

Thanks to our unique expertise and a carefully controlled production process, we have positioned ourselves as an international leader in all three markets. BIC is present in almost all regions across the world with Net Sales of 1,949.8 million euros in 2018.



OUR MARKETS AND ACTIVITIES

STATIONERY



Since the launch of the BIC® Cristal® pen in 1950, BIC has continuously diversified its product range.

Our product portfolio now covers the following segments: pens, markers, correction products, coloring pens and pencils, and mechanical pencils.

It encompasses over 15 sub-segments (ball pens, roller pens, fountain pens, etc.).

#2 WORLDWIDE

LIGHTERS



Since 1973, BIC has capitalized on the safety and high quality of its lighters.

BIC® lighters comply with stringent safety, quality and performance requirements.

#1 WORLDWIDE
FOR BRANDED POCKET LIGHTERS

SHAVERS



In 1975, BIC revolutionized wet shaving when it launched the first one-piece shaver.

BIC covers today the one-piece, double-edge shaver segments as well as the refillable segment with its online subscription offer.

Over the past few years, BIC focused on investing to improve performance and on developing new products notably for the three-blade and five-blade one-piece segments.

#2 WORLDWIDE
FOR ONE-PIECE SHAVERS

* Share of 2018 Net Sales.



OUR RESOURCES

And how we use them •

OUR TEAM MEMBERS BUILDING OUR SUCCESS

- **13,664** worldwide
- **5 shared values:** ethics, responsibility, team spirit, simplicity and ingenuity
- **€506M** in payroll costs
- **27,517** training days
- Development and internal promotion rate: **25%**

A CONTROLLED PRODUCTION LINE

- **26 factories** on **4 continents**
- **92%** of Net Sales realized with products manufactured in our own factories
- **2,000** suppliers
- **€998.7M** in purchases of raw materials, consumables and services

A GLOBAL DISTRIBUTION NETWORK

- **4 million** points of sale in **160 countries**
- Distribution methods tailored to emerging markets (individual kiosks and micro-shops) as well as mature markets (e-commerce)

A CULTURE OF INNOVATION ROOTED IN THE GROUP

- **70 years** of brand history
- **8 recognized brands:** BIC®, Cello®, Conté®, BIC Kids®, Tipp-Ex®, Wite-Out®, BIC Soleil® and BIC Shave Club®
- **€48.4M** in brand and patent assets
- **1.8%** of net sales invested in R&D
- **100%** of new Stationery products subject to eco-measurement

A HEALTHY FINANCIAL SITUATION

- **€1,638.1M** Shareholders' Equity
- **€149.8M** Cash Generation
- **€394.6M** Cash Flow from Operations

A SUSTAINABLE PROCUREMENT STRATEGY

- **€509.3M** in purchases of raw materials*
- On-going long-term progress in all factories: reducing water and energy consumption and waste production
- Taking action to optimize the transportation of products
- Material-saving at the heart of our product design and manufacturing processes

VALUE CREATED

By the Group for itself, its Shareholders, its Stakeholders and for the society as a whole •

EMPLOYABILITY, WELL-BEING AND SAFETY AT WORK

- **84.3%** employee commitment rate •
- **2.09** rate of workplace accidents •
- **1.4%** rate of absenteeism •

RELIABLE AND HIGH-QUALITY PRODUCTS AT THE RIGHT PRICE SIMPLIFYING EVERYDAY LIFE

- **€1,949.8M** in Net Sales •
- **32 millions** of products bought every day worldwide •

A LEADER IN EACH OF ITS MARKETS N° 2 IN STATIONERY, N° 1 IN LIGHTERS, N° 2 IN ONE-PIECE SHAVERS

- **15-20 products** launched each year in Stationery and Shavers •
- **At least 50%** of products have an environmental benefit •
- **19 NF Environment** product references for Stationery

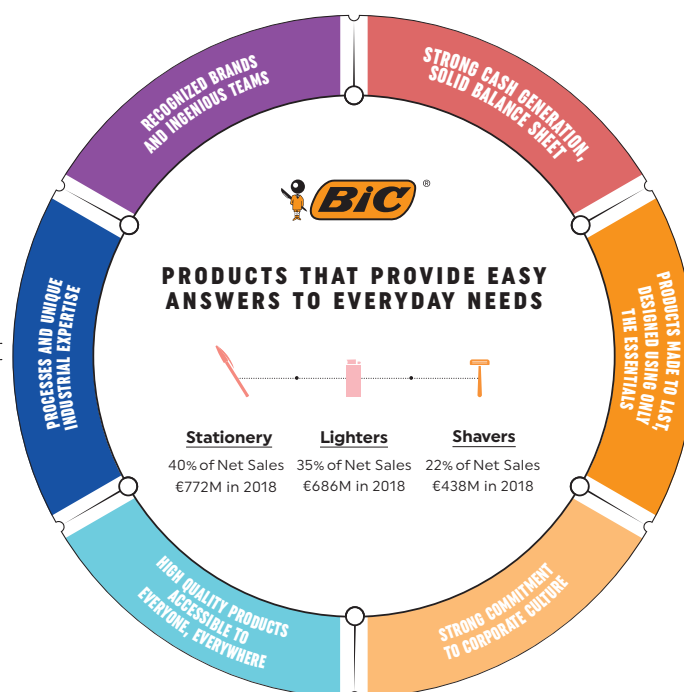
RESULTS DEDICATED TO LONG-TERM GROWTH

- **€173.4M** Net Income •
- **€125.4M** Capital Expenditure •
- **€157.8M** Ordinary Dividends •
- **€54.0M** Share Repurchase

PRODUCTS DESIGNED WITH WHAT IS JUST NECESSARY

- Water consumption **-2.6%**** •
- Energy consumption **+1.3%**** •
- Waste production **-1.9%**** •
- Greenhouse gas emissions **-1.9%**** •

OUR SIMPLE, RESPONSIBLE, SUSTAINABLE AND VALUE-CREATING ECONOMIC MODEL



In order to achieve our mission to offer our consumers high quality products that respond to their everyday needs, we rely on our assets as well as on solid and diversified resources. Their unique combination allows us to create value and share it with our Shareholders, our Stakeholders and for the Society as a whole.

* Raw materials, consumables used and change in inventory

** Per tons of products - between 2017 and 2018



OUR CHALLENGES: TURNING RISKS INTO OPPORTUNITIES

Over the past seventy years, the environment in which BIC operates has undergone considerable change. To name a few, globalization of trade, worldwide demographic growth, scarcity of raw materials and access to education, are some of the major changes that have occurred in our ecosystem. Understanding these evolutionary changes is essential, to ensure that we best meet the expectations of our stakeholders, remain true to our mission and fulfill our commitments over time.

By diversifying our activities and our geographical presence, we expose ourselves to risks that could affect our reputation and performance. It is for this reason that we are committed to an active and dynamic approach to risk management, anticipating and managing risks while turning them into opportunities. For each identified risk, the appropriate section of the Registration Document provides additional information.

	SOCIAL AND HUMAN CAPITAL	INDUSTRIAL AND COMMERCIAL CAPITAL	INTELLECTUAL, BRAND AND IMAGE CAPITAL	ENVIRONMENTAL CAPITAL	FINANCIAL CAPITAL
	<p>Opportunity : ensure a working environment favorable to the development and fulfillment of employees</p> <ul style="list-style-type: none"> Employees experience and skills Employees health and safety NFPS Human Rights and fundamental freedoms NFPS 	<p>Opportunity: respond to the customers requirements and gain position on new markets</p> <ul style="list-style-type: none"> Strategic and operational risks Industrial risks Product safety and consumer health and safety NFPS 	<p>Opportunity: design new and innovative products</p> <ul style="list-style-type: none"> Reputation and brand Corruption and fair practices NFPS 	<p>Opportunity: design responsible products light on raw materials and long on life performance</p> <ul style="list-style-type: none"> Environment and Climate Change NFPS Production of plastic waste and resource depletion NFPS 	<p>Opportunity : reinforce the Group's ability to finance its development and invest in its future performance</p> <ul style="list-style-type: none"> Market risks NFPS
RISKS					

NFPS : Non Financial Performance Statement.



BIC RESPONSE

<p>Introduction of training programs, individual employee development plans and internal succession plans</p> <p>Identification and support of future managers</p> <p>Management of health and safety, continuous improvement of work environments and organization, awareness programs for accident prevention</p> <p>Adoption of BIC Code of Conduct</p>	<p>Close monitoring of distributors' sales and orders</p> <p>Implementation and monitoring of preventive measures and safety systems for gas and solvent storage areas</p> <p>Employee training to recognize potential hazards and take preventive and corrective action</p> <p>Implementation of a Product Safety Policy</p>	<p>Support the launch of new products, through communication programs</p> <p>Invest a significant portion of Net Sales in R&D</p> <p>Definition of the BIC Group Code of Ethics</p> <p>Launch of the Group Anti-Corruption policy and BIC Group Code of Ethics</p>	<p>Implementation of BIC's Sustainable Development Program "Writing the Future, Together" and HSE (Health, Safety and Environmental) Policy</p> <p>Continuous reduction of direct and indirect CO₂ emissions per ton of production</p> <p>Definition of an eco-design approach to limit the use of non-renewable raw materials, encouraging material-saving and promoting the use of alternative materials</p>	<p>Management of the shareholders' equity so as to maintain a solid cash position, enabling us to make targeted investments, perform strategic bolt-on acquisitions and ensure shareholder return</p>
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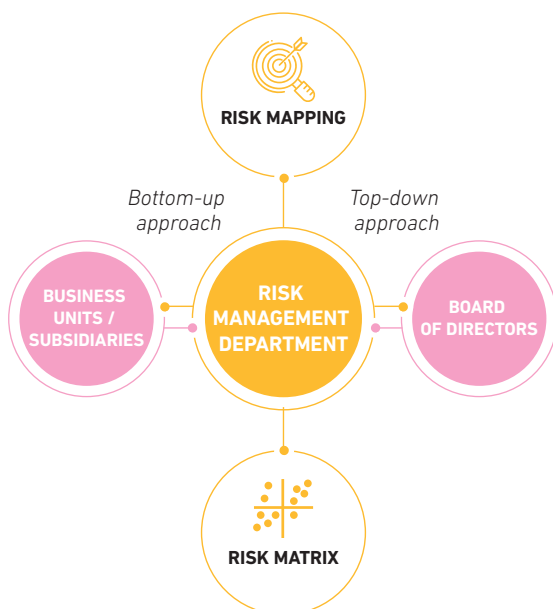
© Kai Jünemann, SOCIETE BIC



© Franck Juery

OUR RISK MANAGEMENT

In order to fully achieve its strategic objectives and ensure its long-term performance, BIC has adopted a proactive risk management procedure to identify, analyze, manage and monitor its main risks.



- Bottom-up approach: **self-assessment** of significant risks
- Top-down approach: **Group risks mapping updated every two years**. Consolidation carried out by the **Risk Management department** which delivers a **risk Group matrix**



- **Action plans** related to key risks are reviewed and **discussed during Board of Directors' meetings**
- **Major identified risks** are managed and monitored by the **Board of Directors**
- **Each site/department** sets up its own **dashboards and key indicators**, to identify and track risks, to assess the means and reduce their impact
- **Scheduled update** of risk mapping



BIC WAY

At BIC, we know that the way we produce our products and manage our business really matters. This is why we remain connected to our stakeholders and our environment in order to provide the best responses to current challenges. Since the Group's creation, our governance guarantees this long-term commitment.

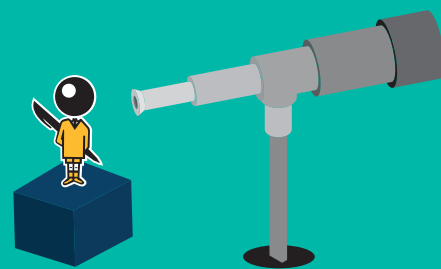
OUR PRIORITIES



2019 OUTLOOK

We expect 2019 Group Net Sales **to grow slightly on a comparative basis** and Normalized Income from Operations margin **to be between 16.5% and 18%**.

- In a continued challenging trading environment, overall sales performance may be subject to macro-economic uncertainties and continued competitive pressure in Shavers in the U.S. Growth drivers include distribution gains and success with added-value products.
- Gross Profit will be impacted by increasing raw material costs, the impact of unfavorable foreign exchange trends and the potential impact of sales volumes on cost of production. Normalized Income from Operations will also be affected by additional Brand Support Investments.



MISSION AND PURPOSE

We believe in offering high quality, inventive and reliable products and solutions, respectful to our environment.

Consistent with our Values and faithful to our Philosophy "Honor the Past, Invent the Future,"

we are committed to our stakeholders for the long-term: consumers, employees, local communities, customers, and shareholders.

We are convinced that facilitating fair access to education for all by improving learning conditions is a powerful way to build a sustainable planet-friendly future, for each and every one of us.

LONG-TERM AMBITION

Our long-term ambition is to focus on the following:

- **drive profitable growth;**
- **continue investments in people, R&D, New Products and Brands;**
- **increase productivity;**
- **maintain a strong Cash Generation;**
- **sustain Total Shareholders Remuneration.**



Writing the Future, Together

The Group's new commitment for 2025

We aim for our commitment to Sustainable Development to be long-term and large-scale, one that creates value for the Group and for all of its stakeholders.

Having been committed to sustainable and responsible development since 2004, BIC's Sustainable Development Program, which lies at the heart of the Group's strategy, is strengthening every year.

In 2018, BIC launched an ambitious and long-term program "Writing the Future, Together" in order to make the most of the transformation opportunities offered by sustainable development. For this, BIC has outlined five major commitments to be met by

2025. These commitments were defined following the analysis of the Group's key challenges; in accordance with the United Nations' Sustainable Development Goals (UN SDGs); after internal consultations within the Group's main departments: (categories, continents and Group functions); and lastly, followed by a co-construction phase of the commitments, with key input from the Leadership Team.

#1 FOSTERING SUSTAINABLE INNOVATION IN BIC® PRODUCTS



UN Sustainable Goals

Simple, inventive designs, with less raw materials and long on life performance: Sustainable Development is coded into BIC® products right from the design phase.

OUR COMMITMENT FOR 2025

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

Quick Facts

As part of its ecodesign strategy, BIC Group works closely with two French start-ups: Microfactory specialized in microfluids and PILI, in the manufacture of dyes from bacteria.

WHERE ARE WE IN 2018?

- We defined **8 categories of criteria** used to improve the environmental and social footprint of BIC® products and helped address the plastics challenges including responsible chemistry.



#2 ACTING AGAINST CLIMATE CHANGE



UN Sustainable Goals

At BIC, we deploy a global approach to energy consumption (energy efficiency, use of renewable energy, etc.) based on a Group roadmap and local choices that take into account opportunities.

The use of renewable electricity will contribute to reduce BIC’s greenhouse gas emissions significantly by 2025.

OUR COMMITMENT FOR 2025

By 2025, BIC will use 80% renewable electricity⁽¹⁾.

WHERE ARE WE IN 2018?

• In 2018, the Group used **68% of renewable electricity**.

QUICK FACTS

French factories & Clichy headquarters already use renewable electricity, so do the plants in Manaus (Brazil), Tarragona (Spain), Milford and the offices in Shelton (U.S.) since 2012 and the plant in Athens (Greece) since 2016.

#3 COMMITTING TO A SAFE WORK ENVIRONMENT

The Group has always been committed to the safety, health and well-being of all people working on a BIC site. Our aim is to provide a safe and nurturing workplace.



UN Sustainable Goals

OUR COMMITMENT FOR 2025

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

WHERE ARE WE IN 2018?

- An international network of HSE (Health, Safety and Environment) experts from **3 continents** was organized to share best practices and implement local roadmaps to aim at zero accidents.
- **Reporting of accidents for all factories and offices** has been carried out.
- An **HSE tool for accident monitoring** and management is being implemented across most categories and continents.

QUICK FACTS

In the Stationery category, all the plant Directors were gathered for two days and each defined a security strategy for their respective plant. These strategies were communicated to employees and their implementation started during 2018.

(1) Through renewable energy certificates, green contracts and specific Power Purchase Agreements, as well as renewable electricity production on BIC’s sites.



#4 PROACTIVELY INVOLVING SUPPLIERS

Being a responsible company requires control of its entire value chain. To do this, our Purchasing team analyze all the risks, select and collaborate with our most strategic suppliers following a responsible approach.



UN Sustainable Goals

OUR COMMITMENT FOR 2025

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

QUICK FACTS

In 2018, the Group's purchasers and the procurement managers were mobilized for a complete review of the entire supplier database in order to identify – out of the 15,000 suppliers – the 346 strategic ones for the BIC Group.

WHERE ARE WE IN 2018?

At the end of 2018, strategic suppliers and associated risks and opportunities were identified. The BIC Group has mapped the risks related to its purchases (100% of the amounts purchased) and the existing management systems. Next step will be to set up an action plan to strengthen supplier relation:

- **346 strategic suppliers**
- **10 categories** of purchases evaluated
- **95 identified risks**
- **31 categories of actions** identified

#5 IMPROVING LIVES THROUGH EDUCATION

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



UN Sustainable Goals

OUR COMMITMENT FOR 2025

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

QUICK FACTS

To reinforce our commitment in promoting education, BIC created a position for an "Education Engagement Director" in charge of strengthening BIC's actions in this area.

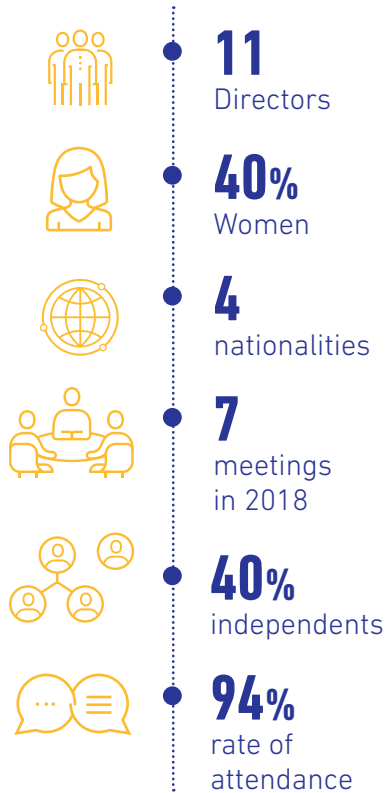
WHERE ARE WE IN 2018?

- The learning conditions of about **15 million children** were improved for the period 2017-2018.
- BIC launched its **1st BIC Global Education Week**, from October 1st to 5th 2018, BIC team members got one full working day to volunteer and make a positive contribution for learners around the world. 63 BIC sites from 40 countries participated.
- **Education** represents **82% of BIC's community activities** (in value).



GOVERNANCE: A BOARD OF DIRECTORS WORKING FOR THE BIC® BRAND

KEY FIGURES AND COMPOSITION⁽¹⁾



(1) The Board of Directors held a meeting on February 12, 2019 wherein they approved Marie-Aimée Bich-Dufour's decision to resign from her position of Executive Vice-President, effective as of March 31, 2019. On the recommendation of the Nominations, Governance and CSR Committee, the Board of Directors will submit her appointment as Director to the Shareholders' Meeting of May 22, 2019, succeeding Marie-Henriette Poinsot, who has resigned. The Board will also submit to the AGM the appointment of Maëlys Castella, succeeding Mario Guevara.

BOARD'S FUNCTIONING

The history of our Group is deeply rooted in an entrepreneurial spirit: we consider entrepreneurship to be in our DNA. It is vitally important for the Board of Directors and the Chief Executive Officer to foster this spirit and keep it alive in our culture for future generations.



BIC has the support of a competent Board of Directors committed to defining and implementing the Group's strategy and ensuring its functioning. Composed of eleven members, the Board of Directors is supported in its work by three specialized committees; the Audit Committee, the Compensation Committee and, since 2017, the Nominations, Governance and Corporate Social Responsibility (CSR) Committee.


The respective roles of the Board and Chief Executive Officer (CEO) are complementary and clearly defined. It begins with the Board providing a direction and a set of expectations and guidelines to the CEO, who is in charge of constructing the long-term strategy



and annual plans to achieve these goals. In turn, the Board reviews these plans, challenges where needed and ultimately approves. Upon approval, the Board joins with the Chief Executive Officer as accountable parties for our Group's long-term strategy.


The Board also carries the responsibility to monitor performance of the business. Establishing expectations and perimeters is one of the most important functions of the Board, and it is the Chief Executive Officer's responsibility to provide the necessary information, analysis and insight to inform the Board: macro-economic trends, competitive landscapes, new technologies, acquisition opportunities, SWOT analysis, return on investments (ROI) analysis, etc.





1. **Pierre Vareille**  
Chairman of the Board

2. **Gonzalve Bich**  
*Chief Executive Officer
 Director*

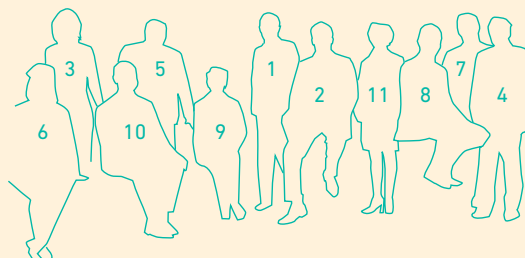
3. **Elizabeth Bastoni**  
Director



4. **Vincent Bedhome** 
*Director representing
 the employees*

5. **François Bich** 
Director



6. **Marie-Pauline
 Chandon-Moët** 
Director

 *Independent*




7. **John Glen**  
Director

8. **Mario Guevara**  
Director

9. **Candace Matthews**  
Director

10. **Société MBD** 
*Director represented
 by Édouard Bich*

11. **Marie-Henriette Poinot** 
Director

DIVERSIFIED AND COMPLEMENTARY PROFILES

With support from the Nominations, Governance and CSR Committee, the Board strives for a balanced composition adapted to the challenges faced by the Group. The Board is thus composed of men and women, all with high level management experience and/or with expertise in a particular field (such as finance, production and human resources). Moreover, the Board of Directors endeavors to be composed of at least one-third Independent Directors. Since May 2018, the BIC Group has transformed its governance structure by appointing Gonzalve Bich, as Chief Executive Officer and Pierre Vareille as Chairman of the Board of Directors.

THREE COMMITTEES CHAIRED BY INDEPENDENT DIRECTORS

Each committee is made up of Directors with skills specifically identified to carry out its missions. For each committee, the appropriate section of the Registration Document provides additional information.

Audit Committee

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

Compensation Committee

The Compensation Committee makes recommendations on the Compensation Policy for the Chairman of the Board and the Corporate Officers (and on all their compensation and/or benefits elements), on attendance fees and on performance metrics, in collaboration with the Audit Committee.

Nomination, Governance and CSR Committee

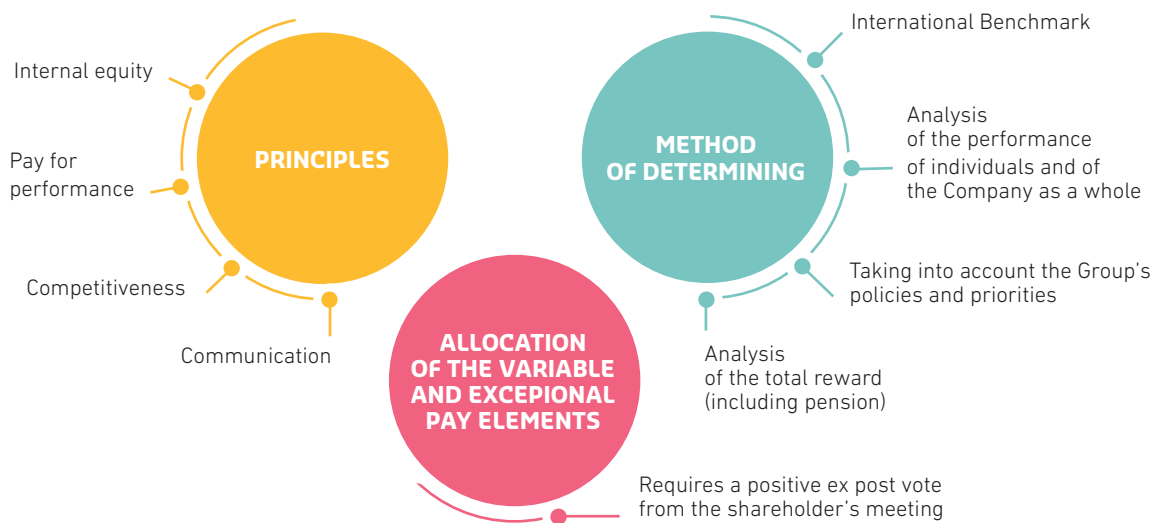
The Nomination, Governance and CSR Committee regularly examines the composition and functioning of the Board of Directors, proposes solutions to the Board for the succession planning of the Chairman of the Board, the Chief Executive Officer and the Corporate Officers. It reviews the report on social, societal and environmental responsibility as well as the actions taken by the Group in this respect and the progress made against the strategy and commitments taken.



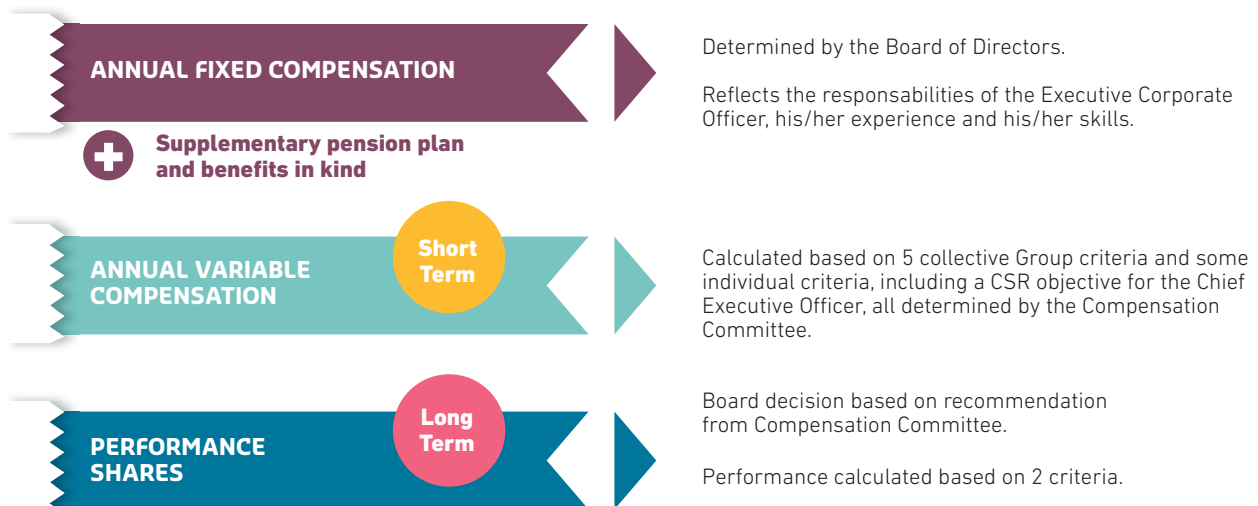
COMPENSATION POLICY: TRANSPARENT AND EXEMPLARY

In addition to the AFEP-MEDEF Code to which the Group refers, the compensation policy for members of the Board of Directors is centered around four principles identical to those applicable for all Group employees: internal equality; the recognition of individual and collective performance (linked to the achievement of key targets that contribute to the business success); competitiveness; and clear communication in relation to compensation policies.

COMPENSATION POLICY GENERAL PRINCIPLES



COMPENSATION POLICY PARTICULAR PRINCIPLES GOVERNING COMPENSATION



BIC PERFORMANCE

In order to create value for all its stakeholders, the Group capitalizes on its Brands, its historical markets its products and its distribution channels.

2018 RESULTS

Full Year 2018 Net Sales were 1,949.8 million euros, up 1.5% on a comparative basis. Europe grew by 1.8% North America grew by 1.4%, and Developing Markets grew by 1.5%, all on a comparative basis.

- Full Year 2018 Net Sales increased by 1.7% on a comparative basis
- Net Sales grew low-single digit in Europe driven by a robust Back-to-School season across most European countries.
- North America's Net Sales were up mid-single digit, driven by new added-value product launches and e-commerce momentum.
- Latin America Net Sales grew mid-single digit driven by a strong performance in Mexico
- In Middle-East and Africa, Net Sales were stable
- In India, Cello Pens' Domestic Net Sales increased low-single digit.

STATIONERY



- Full Year 2018 Net Sales were up 1.7% on a constant currency basis.
- Europe's Net Sales increased mid-single digit, driven by Eastern Europe's robust performance.
- In North America, Net Sales were relatively flat as the U.S. total wet shave market continued to be disruptive.
- Net Sales increased mid-single digit in Latin America where BIC outperformed the overall market, growing market share in all major countries.
- In Middle-East and Africa, Net Sales declined high-single digit.

LIGHTERS



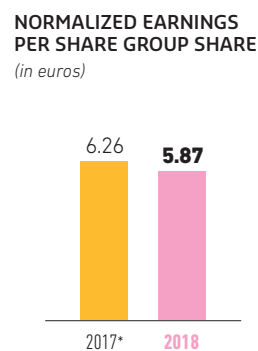
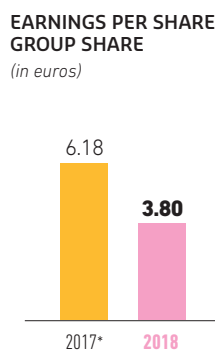
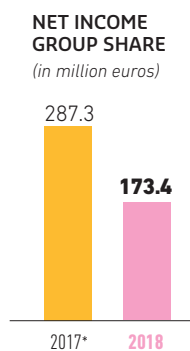
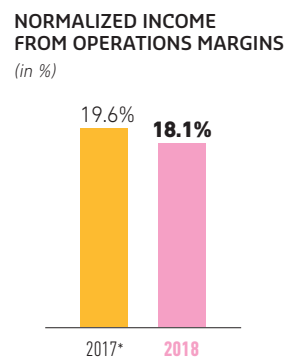
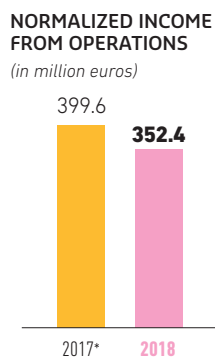
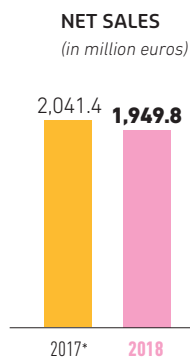
- Full Year 2018 Net Sales were up 2.4% on a comparative basis.
- In Europe, Net Sales increased mid-single digit, driven by both Western Europe and Eastern Europe, notably Russia with further distribution gains.
- In North America, Net Sales grew low single digit while Latin America posted mid-single digit growth driven by distribution gains in Mexico.



SHAVERS



KEY GROUP INDICATORS



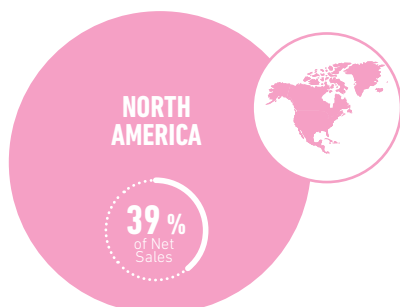
* Restated from IFRS 15.

BY CATEGORY

(in million euros)

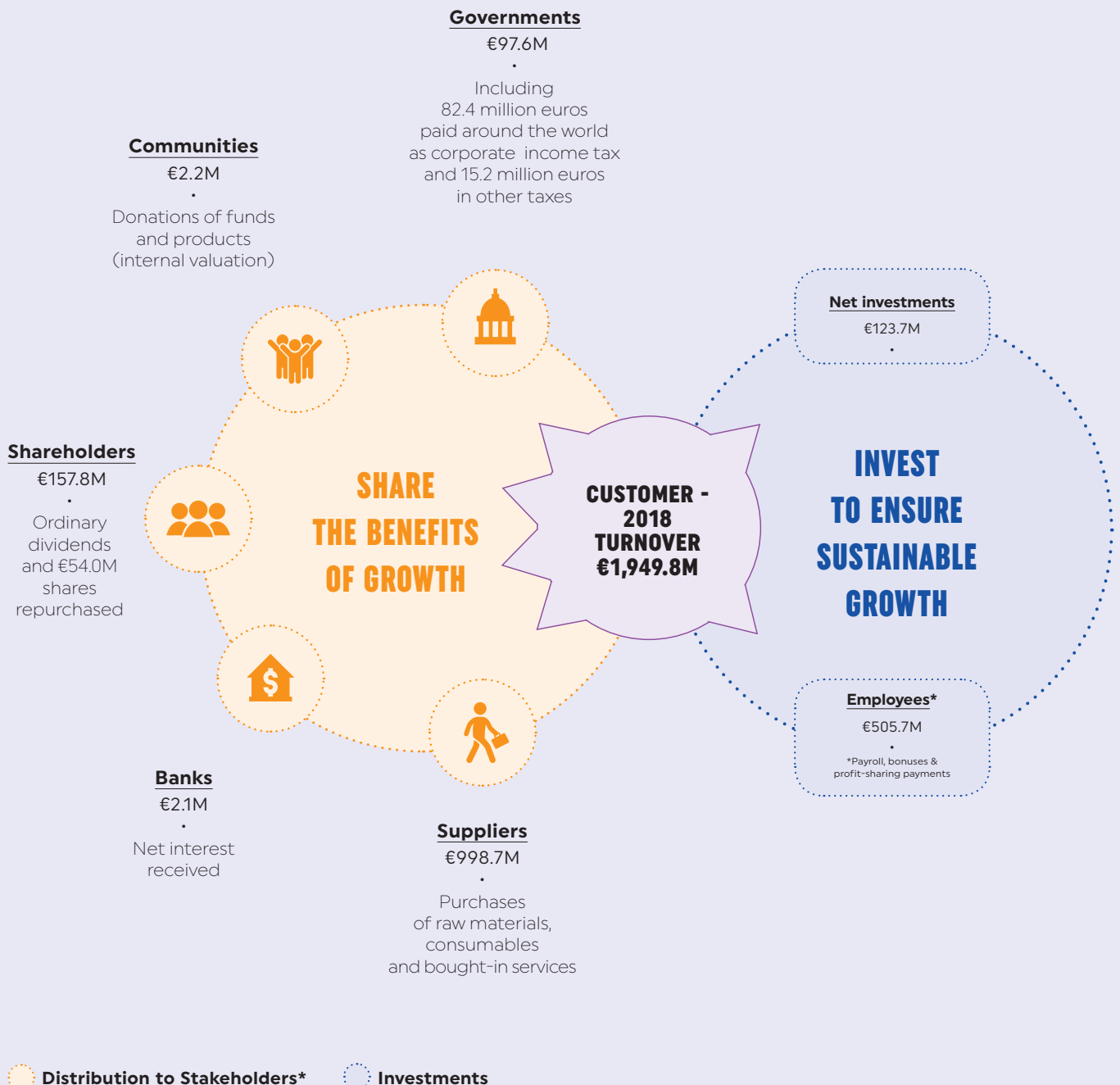
	2018 Net Sales	2018 Normalized Income From Operations	2018 Normalized Income From operations Margins
Group	1,949.8	352.4	18.1%
Stationery	771.9	62.8	8.1%
Lighters	685.8	247.0	36.0%
Shavers	438.0	45.4	10.4%
Other Products	54.0	-2.8	-0.1%

BY GEOGRAPHY



VALUE SHARING: A BALANCE BETWEEN INVESTMENT AND REDISTRIBUTION

BIC's business model has always been driven by a fundamental objective: to create long-term value and distribute it fairly to all of our Stakeholders – Consumers, Employees, Local Communities, Customers and Shareholders. Our 2018 results prove that our commitment to sustainable growth is bearing fruit. This philosophy will continue to inspire the Group's strategy in the years to come.



* Distribution to Stakeholders does not take into account the change in working capital requirements.





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