

BIC



for those

who choose

it



SUSTAINABLE  
DEVELOPMENT  
REPORT

2006



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See also our reference document for:  
2.3, 2.4, 2.6, 2.14, 2.15, 2.16, 2.19, 3.3, 3.4, EC7, EC9, EC10, EN7

### Scope and choice of indicators

The period covered is January 1, 2006, to December 31, 2006.

Indicators have been chosen to allow clear interpretation of the data. Information was collected by our sustainable development program managers in each operating unit: Department of Sustainable Development, Legal, R&D, Logistics, Sales, Manufacturing, Communications and Human Resources. Data is the result of consolidating Company-wide information from all French and foreign sites, except when only local data is available, or when it is more relevant than consolidated information. Environmental, Health & Safety performance indicators for manufacturing sites are the result of Group-level consolidation of information from questionnaires sent to each of the sites. Summaries of actions in our local communities were drawn from questionnaires sent annually to management of each subsidiary. Performance indicators for our corporate social responsibility program, regarding our subcontractors, only concern those who are under global contract.

The sustainable development committee members verify the accuracy of the published data.

## 7 Our approach puts a premium on continuous improvement

It is expressed through a program implemented Company-wide, year after year and backed by a dedicated organization.

## 16 Our goal is to master the impacts of our business

This includes the design, manufacturing, packaging and transportation of BIC® products

## 32 BIC values at the heart of each relationship, each commitment

Since its beginning, the BIC® brand was built on strong values of ethics, simplicity and ingenuity, all of which are experienced today by the company's stakeholders

→ LIFT HERE TO SEE TABLE SUMMARIZING ACTION PLAN

# Our priorities, accomplishments and objectives

## Our priorities

## Our objectives in 2006

Management	
Project management	<ul style="list-style-type: none"> <li>• 3 steering committee meetings</li> <li>• Program review after 3 years</li> <li>• Integration of the expectations of our partners into our sustainable development program</li> </ul>
Sustainable Development training program	<ul style="list-style-type: none"> <li>• Presentation of our program to employees: 100% worldwide</li> </ul>
External communications	<ul style="list-style-type: none"> <li>• Publication of our second sustainable development report</li> <li>• Design of a dedicated Web site</li> <li>• Additional information posted on the BIC Web site</li> </ul>
Climate change	NA
Our products "minimize impact on the environment"	
Ecodesign	<ul style="list-style-type: none"> <li>• Systematic measurement of the environmental impact of all new stationery products</li> <li>• 100% of R&amp;D engineers trained for stationery products</li> <li>• Analysis of the environmental impact of our principal stationery products</li> <li>• Integration of ecodesign for new products in the shaver category</li> </ul>
Our factories "safe and clean"	
EH&S Policy	<ul style="list-style-type: none"> <li>• Follow-up, coordination and support for implementation of the Environmental, Health &amp; Safety (EH&amp;S) management systems in factories</li> </ul>
Environmental Management System	<ul style="list-style-type: none"> <li>• Begin worldwide implementation of the Environmental Management System</li> </ul>
Health and Safety Management System	<ul style="list-style-type: none"> <li>• 4 pilot sites implement the BIC requirements for a Health and Safety Management System</li> </ul>
Climate change	NA
Our subcontractors "respect international labor organization (ILO) standards"	
Global contract manufacturers	<ul style="list-style-type: none"> <li>• 100% of global contract manufacturers compliant with the BIC Group Code of Conduct (or are implementing a corrective action plan)</li> <li>• Presentation of the BIC Corporate Social Responsibility (CSR) program to contract manufacturers</li> </ul>
Local contract manufacturers	<ul style="list-style-type: none"> <li>• Implementation of an evaluation plan for contract manufacturers to meet local needs</li> </ul>
BIC Group Code of Conduct internal assessment	<ul style="list-style-type: none"> <li>• 3 self-assessments of BIC facilities</li> </ul>
Raw material suppliers to the BIC Group	<ul style="list-style-type: none"> <li>• Integration of CSR principles into the qualification process for raw material suppliers to the BIC Group</li> </ul>
Our packaging "light and practical" (our logistical operations)	
Packaging	<ul style="list-style-type: none"> <li>• Implementation of ecodesign manual for packaging and training</li> <li>• Analysis of 100% of new packaging designs according to ecodesign principles</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>• Measurement of greenhouse gases for our European transportation chain and identification of areas of improvement</li> </ul>
Our values, our commitment to ethics "a day-to-day reality for each and every employee"	
Vision & Values	<ul style="list-style-type: none"> <li>• Implement and follow up on action plans to improve on our values</li> <li>• Implementation in Milford (USA) of the action plan relative to employee commitment</li> <li>• Implementation of an annual opinion survey of employees concerning adherence to BIC values</li> </ul>
Code of Ethics	<ul style="list-style-type: none"> <li>• Internal dissemination and commitment to the Code of Ethics</li> </ul>
Golden Rules of Ethics	<ul style="list-style-type: none"> <li>• Dissemination of the Golden Rules of Ethics in the different management structures of the Company</li> </ul>
Our employees "individual development and training for a shared future"	
People Development	<ul style="list-style-type: none"> <li>• Integration of the BIC Vision &amp; Values in annual performance reviews</li> <li>• Creation of an internal reference guide defining skills for each competency</li> <li>• Training plans for non-managerial employees (to achieve broader coverage)</li> </ul>
Human Resources reporting	<ul style="list-style-type: none"> <li>• Continuous improvement: optimization for clarity in reporting on the basis of expert feedback (non-financial analysts, other stakeholders)</li> </ul>
Our spirit of solidarity "we offer help to citizens of the world who are in need"	
Subsidiaries reporting	<ul style="list-style-type: none"> <li>• Publication of the 2005 initiatives performed by subsidiaries</li> </ul>
Our customers, our consumers, "trust based on responsibility, quality and safety"	
Raise awareness among the sales force	<ul style="list-style-type: none"> <li>• On the basis of our second report, in-depth training for large-account managers in Europe</li> <li>• Implementation of this training in other continents</li> </ul>

This table presents the BIC Group's progress and priorities in sustainable development, actions undertaken in 2006 and planned for 2007.

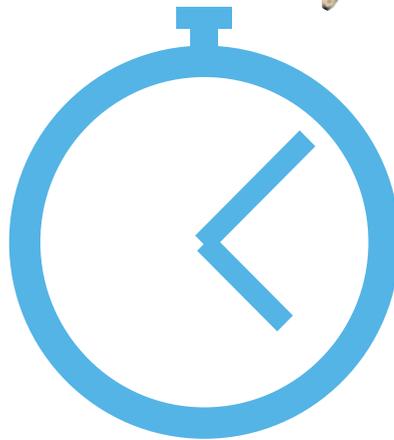
**Our accomplishments**

**Our objectives for 2007**

<ul style="list-style-type: none"> <li>• 100%</li> <li>• A forum devoted to sustainable development, organized in October 2006, concluded the third steering committee meeting of the year</li> </ul>	<ul style="list-style-type: none"> <li>• Elaborate strategic development concepts for BIC</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Organize focused working groups for discussions</li> <li>• Present the BIC program to the Board</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Train BIC managers "in-depth" about sustainable development and about the BIC sustainable development program</li> <li>• Raise awareness among all employees about progress in the BIC sustainable development program</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> <li>• Canceled</li> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Regular updates to the BIC Web site</li> </ul>
<ul style="list-style-type: none"> <li>• Carbon emissions assessed (Bilan Carbone® in French) for head offices in Clichy, France</li> <li>• Presentation about climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Implement an action plan to reduce emissions of greenhouse gases at corporate head offices</li> <li>• Train managers regarding climate change</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> <li>• 100%</li> <li>• 30 products, representing over 60% of sales, have been analyzed</li> <li>• 80%</li> </ul>	<ul style="list-style-type: none"> <li>• Pursue implementation of the BIC ecodesign process</li> <li>• Communicate to our partners regarding our environmental impact and opportunities for progress</li> <li>• Continue to conduct R&amp;D assessments of new materials</li> <li>• Follow through on integration of ecodesign for new products in the shaver category</li> </ul>
<ul style="list-style-type: none"> <li>• 100% (see "Our Factories")</li> <li>• 78%</li> <li>• The 4 pilot sites are operational. Implementation is in progress at the other sites</li> <li>• 73%</li> <li>• The pilot sites have been defined. Implementation is in progress</li> </ul>	<ul style="list-style-type: none"> <li>• Complete the implementation of EH&amp;S management systems at all sites</li> </ul>
<ul style="list-style-type: none"> <li>• Emissions of greenhouse gases, linked to consumption of fossil fuels have been calculated</li> <li>• Carbon emissions (Bilan Carbone®) for the BIC shavers factory in France have been assessed</li> </ul>	<ul style="list-style-type: none"> <li>• Calculate greenhouse gas emissions, linked to the consumption of fossil fuels, on site (direct emissions)</li> <li>• A carbon emissions assessment (Bilan Carbone®) for the BIC Amazonia factory is planned</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> <li>• 100%</li> <li>• 47 contract manufacturers have been identified</li> <li>• Of which 10 have already been assessed</li> <li>• 100%</li> <li>• 4 self-assessments have been carried out</li> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize internal training in the BIC program</li> <li>• Finalize implementation of the action plan for local contract manufacturers</li> <li>• Carry out self-assessments in 17 BIC factories</li> <li>• Implement during the second quarter of 2007 the action plan for our suppliers of plastics</li> </ul>
<ul style="list-style-type: none"> <li>• 20%</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate ecodesign with packaging</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Update measurement for 2006</li> <li>• Measure greenhouse gases for our North and Latin American transportation chains</li> </ul>
<ul style="list-style-type: none"> <li>• Modified</li> <li>• 100%</li> <li>• Objective modified (see opposite)</li> <li>• To be completed in 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct an opinion survey every 2 years</li> </ul>
<ul style="list-style-type: none"> <li>• To be completed at start of 2007</li> <li>• Company-wide dissemination to contributors</li> </ul>	
<ul style="list-style-type: none"> <li>• 100%</li> <li>• 50%</li> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Implement the program "Act 'Green' at work" (Nos Gestes Verts au Travail)</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate proactively about achievements</li> </ul>
<ul style="list-style-type: none"> <li>• 100%</li> <li>• A themed brochure for customers has been developed</li> </ul>	<ul style="list-style-type: none"> <li>• Systematically integrate the BIC sustainable development program with customer relations</li> </ul>

# Lightweight products that are made to last

The more a product is designed to be lightweight and the longer it lasts, the better its environmental performance. BIC® branded products combine excellent performance for both criteria.



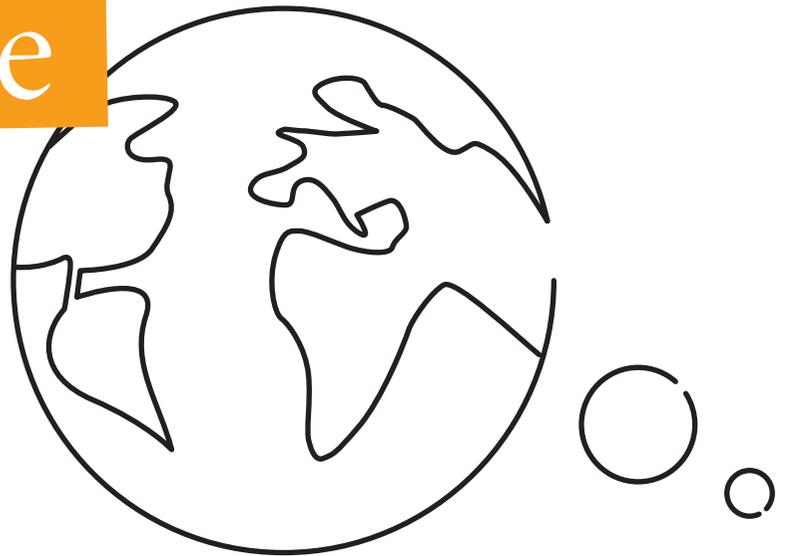
BIC



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Throughout its history, the BIC Group has always been committed to responsible business practices.

Today, we see the rising importance of sustainable development as an extraordinary opportunity to reaffirm that commitment and the values that are the foundation of our identity.

Beyond being in step with our times, sustainable development for BIC means an attitude and the will to do the right thing.





### Large and focused program

Clearly identified objectives  
and implemented action plans



### 25 committee members of different nationalities from across the entire Group

Strong internal awareness  
and a will to achieve



### Our products at the heart of our program

With a view to measuring their impact

From left to right:

Mario Guevara,  
CEO

Marie-Aimée Bich-Dufour,  
Executive Vice President

Christine Desbois,  
Sustainable Development  
Director



## Our products



### Lightweight products

Just 4 to 5 grams of plastic  
in each of our best-selling products



### Remarkably long-lasting in usage

2 to 3 kilometers of writing for a ballpoint pen;  
3,000 lights from a Maxi lighter;  
7 to 10 days of shaving for a shaver



### Measuring the impact of BIC® products

Our ecodesign approach

From left to right:

Billy Salha, Group Shavers

Peter Van den Broeck,  
BIC Benelux & Nordic

Franck Rolion, Group  
Stationery Design  
& Engineering



# Our values in action



## BIC Values in action

140 meetings about “values in action”  
at 60 sites every 2 years



## Building skills and employability among our workforce

15,723 training days



## Good corporate citizenship

Fighting AIDS in South Africa;  
opening new doors to education in Brazil



## Over 100 charitable programs

From left to right:

François Eyssette,  
Group Human Resources

Sister Stella Smith,  
AIDS Program manager,  
South Africa

Linda Kwong,  
Communications  
USA and Oceania



# BIC



## responsible

## daily

The BIC® brand is distributed and recognized worldwide. As a result, we are very aware of our responsibilities in terms of ethics, the impact of our businesses, and our commitments to all of our stakeholders.

Our third annual sustainable development report presents the progress we have made, the actions we have undertaken, and our current and future objectives.

### **“Disposable and/or sustainable;” that is the question**

For many of us, the BIC® brand has become a symbol representing practical, quality products at affordable prices. Yet for some, the brand is also synonymous with “disposable” products.

For BIC, committing to sustainable development begins with the search for an answer to the question “Are disposable products compatible with the sustainable development movement?.” Our response can be found in the section “Our products.”

### **A history of commitment**

The BIC® products philosophy has always been one of “just what’s necessary.” That way, we ensure simplicity, functionality, quality and the best quality/price ratio.



# Our **approach** puts a premium on continuous improvement

The BIC sustainable development program seems to us the best way to analyze and drive progress in the social and environmental quality of our activities. Today, we are prepared to respond better to our partners' new expectations regarding sustainable development. We already see progress and we are working for the long-term.



Interview with Bruno Bich and Mario Guevara



Our corporate governance and ethics



Our sustainable development management





## Interview with Bruno Bich, Chairman of the Board, and Mario Guevara, Chief Executive Officer

### **How do you reconcile disposable products with the Company's commitment to sustainable development?**

**BB:** Our products are sometimes considered perfect symbols of "disposable," while in reality they are used more than once. Although perceptions of disposable products have evolved, and may seem negative today, our products are simple to use, accessible to everyone, lightweight and long-lasting.

Thanks to our sustainable development program, and the environmental studies we have conducted, we know that the less a product weighs and the less plastic it contains, the better it is for the environment; and the longer it lasts, the less impact it has on the environment. Bringing to market a lightweight product that draws a line 2 to 3 kilometers long, or lights 3,000 times, or shaves for 7 to 10 days, and is also affordable even for those with the least purchasing power – that's what sustainable development is really about.

### **What were the most significant developments in 2006 regarding your products?**

**BB:** BIC faced growing competition from low-cost, low-quality Asian lighters. Consumer safety has always been at the heart of BIC's commitment, which is why the Company has made significant investments in automated quality assurance. This is the only way to guarantee consistent quality and safety for all of our lighters, which meet or exceed ISO 9994 safety specifications.

**MG:** In 2006, BIC announced the launch of the first "system" shaver in the Group's history, BIC® Soleil® for women with cartridge refills. This marks a major evolution of BIC's shaver portfolio and builds upon our strong women's franchise. This new shaver will be launched in March 2007 in the USA and UK markets.

**BB:** In the stationery category, we are aware of the rising demand among large European companies and governments for writing products that deliver superior environmental performance.

We are also looking at innovative materials, including vegetable-based and recyclable plastics. At the same time, we remain committed to the concept of the BIC® Cristal® pen, which is an ecologically-friendly product, blending two characteristics essential for the environment – long-lasting and lightweight.

### **In 2006, how did BIC react to growing concerns about sustainable development and climate change?**

**BB:** Even if the impact of our activities on climate change is small, we all – the BIC Group and all of its employees – have a role to play. That's why we're working with our teams and logistics partners to increase awareness and ensure that our response is effective.

**MG:** During 2006, we strengthened our program by leveraging the skills and talents of our multinational sustainable development team. In particular, as promised, we measured our real impact on climate change by conducting several surveys of greenhouse gas emissions. This led us to a detailed review of our transportation methods and we are now focusing on reducing the use of airfreight. In our factories, we're striving to further improve energy efficiency and in our administrative offices, we're raising awareness among our teams about simple ways for each of us to help protect the environment.

### **BIC's sustainable development program is three years old. What results have you seen?**

**MG:** BIC is one of the rare companies in its industry to have a full program for sustainable development.

For three years, we have been measuring the impact of our products on the environment. We have also integrated a measurement and ecodesign tool into the development of new writing instruments and shavers. We have launched a project to minimize our packaging and reduce its impact. Our Environmental, Health and Safety management systems have been considerably strengthened in all of our factories, and we have provided training to our subcontractors on social responsibility. Our employees are fully involved through training and our in-house program, Act green at work (Gestes Verts au Travail). One last point: the theme of sustainable development has taken center stage in our relations with all of our audiences, especially with our customers.

Above all, our program continues to improve our global performance.



# Our corporate governance and ethics

Respect for standards of good governance



	GOVERNANCE: LEGAL OBLIGATIONS AND VOLUNTARY RECOMMENDATIONS	BIC PERFORMANCE		
<b>Board members</b>	One third independent directors (having no relationship with the Company, the Group or its managers that could be construed to constitute a conflict of interest) <sup>(1)</sup>	Board of Directors	Audit Committee	Compensation Committee
		4/10	3/4	2/3
	Number of Board meetings during the year <sup>(1)</sup>		5	
	Attendance rate <sup>(1) (3)</sup>		81.6%	
	Existence of standing committees <sup>(1)</sup>		2 committees	
	Number of standing committee meetings during the year <sup>(1)</sup>		Audit Committee	Compensation Committee
			2	3
	Attendance rate <sup>(1) (4)</sup>		Audit Committee	Compensation Committee
			83.3%	100%
	Evaluation of Board performance once every year <sup>(1)</sup>		At the beginning of 2005, performance was evaluated by a confidential questionnaire. No change was made to the Board's rules of order	
Length of the mandate of Board members		3 years, renewable. The age limit is set at 65 years of age		
Multiple mandates <sup>(2)</sup>		All members conform to the rules concerning multiple mandates		
Emoluments of Board members		Reference Document – Board Management Report		
<b>Shareholders</b>	Quorum for Shareholder meetings	66.6% in response to the first invitation		

(1) According to the Viénot and Bouton Reports.

(2) French law concerning corporate governance (Nouvelles Régulations Economiques, also called NRE).

(3) Takes into account participation by videoconferencing. The attendance rate is 91.55% when participation of directors, using telecommunications, is counted. The attendance rate given by SOCIÉTÉ BIC will count, in the future, participation using telecommunications, expressly allowed since the Decree of December 11, 2006.

(4) Takes into account participation using telecommunications.



On February 28, 2006, the powers of Chairman of the Board and Chief Executive Officer were separated. The position of Chairman of the Board is now held by Bruno Bich, and that of Chief Executive Officer by Mario Guevara.

### Double voting rights

The BIC Group takes a long-term view of its actions and, therefore, needs a shareholder base which supports this vision. That is why its articles of incorporation attribute double voting rights to all nominative, fully paid-up shares, held by the same shareholder for at least two years and regardless of the profile and nationality of the shareholder.

### Our shareholders and sustainable development

The BIC Group now presents virtually systematically its position on sustainable development in communications with all of its individual shareholders. At the end of 2006, we initiated a proactive approach towards the Socially Responsible Investment financial community, presenting our sustainable development program to about 10 SRI institutional investors.

## COMMENTS

### from Bertrand Le Pan de Ligny

of Silchester International Investors, an institutional investor based in London, which holds nearly 11.5% of the share capital of SOCIÉTÉ BIC

*The role of a shareholder is to ensure that the financial resources of an enterprise are correctly allocated in order to create long term value for all stakeholders. This includes all investment commitments and implicitly covers social and environmental responsibility.*

*Silchester is aware of the commitment of BIC to sustainable development and appreciates, in this sense, that the Group keeps us informed of developments in its program, and that it listens to our suggestions. The commitment of the BIC Group should enable it to highlight its differentiation strategy, to win market share and to create value. This way, it satisfies all of its stakeholders.*

*Main areas of progress, in our view, are to keep its Board of Directors informed regularly of advances in its program and to develop communications about its products and the environment, primarily aimed at consumers.*



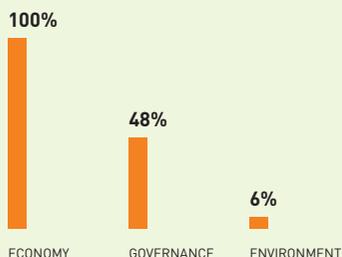
## The opinion

### of Marie-Aimée Bich-Dufour

Executive Vice President

*When the program was launched, many people at BIC didn't even know what was meant by sustainable development. Three years later, every aspect of sustainable development is now taken into account.*

TOPICS OF INTEREST TO OUR INSTITUTIONAL INVESTORS, IN 2006<sup>(1)</sup>



<sup>(1)</sup> Calculation method for the indicator: 170 contacts over the year; 170 references to economics, 81 to governance, and 10 to environment out of 261 topics discussed.

#### OBJECTIVES FOR 2006

- Disseminate internally our Code of Ethics
- Implement BIC Golden Rules in the different management structures of the Group

#### RESULTS

- To be completed in 2007
- To be completed at the start of 2007



# The Code of Ethics and its daily application



## The principles of our Code of Ethics

### Principles of action

- Respect for fundamental human rights: standards of the International Labour Organization (ILO), forbidding all forms of harassment and discrimination.
- Respect for the environment: Health, safety and environmental protection in factories, sharing our objectives and values with our subcontractors, low-impact products, ecological awareness in the office.
- Respect for the law.
- Social dialogue.

### Principles of behavior

- Avoid conflicts of interest.
- Protection of Company property.
- Professional responsibility.
- Integrity and honesty in relations with our customers and suppliers.



[www.bicworld.com](http://www.bicworld.com)

### Ethics at work

Ethics is the first of the BIC Group's five values. Based on the Code of Ethics of our American subsidiary, BIC Corporation, a program and a Code of Ethics were formalized last year for all of the Group's sites. In order to ensure implementation throughout the Group, a guide on ethics was published. This guide will enable each of us to ask the right questions as we go about our work.

The guide will be distributed in 2007. It is also important to note that the BIC Golden Rules, written in 2006 for each skill center, make it possible to illustrate professional situations in concrete terms.

### What Ethics mean at BIC

Following are opinions drawn from the responses of 7,300 employees, 97% of the target audience, surveyed between February and April 2006, as part of the rollout of BIC Values.

Below is a summary of the findings:

#### WHAT "ETHICAL" MEANS

Honesty	Tell the truth spontaneously; don't withhold information; know when to say "no" or "I don't know"; find solutions rather than a guilty party
Confidence/ Recognition	Know how to show confidence, communicate, and act transparently
Respect	Listening, respect for people, schedules, timetables, the law, stakeholders, and equipment Set a good example
Equality	No preferential treatment

#### ETHICAL EVERY DAY

Pre-conditions	Problems encountered	Action plans proposed
The example set by management: mutual respect	Stressed-out managers, not sufficiently exemplary and unwilling to listen	Coaching by Human Resources in order to handle difficult cases. Specific training for managers
Open, clear communication	Limited transparency (e.g., concerning site closures). Everyone's ideas are not always heard	Communicate while respecting the obligations of the law and confidentiality Encourage more direct communication with general management
Clear limits and definitions of what is ethical	Differing interpretations of what is ethical depending on competencies	Code of Ethics and Golden Rules by skill center



# Our sustainable development management: a method that takes root

## Sustainable development program implemented Company-wide

In 2006, the BIC sustainable development program included the following initiatives:

- a presentation at the Annual Shareholders' Meeting, May 24, 2006
- a campaign to raise Company employee awareness through presentations made to site management and also through awareness brochures published in national languages; work began in May 2005 and finished at the beginning of 2006; members of site management teams and of the BIC sustainable development committee jointly made all presentations;
- presentations during skill-building seminars;
- presentations to new hires as part of the "Welcome to BIC" orientation program at BIC University;
- integration with internal communications materials;
- presentations to major customers,
- presentation to investors.

## Structures dedicated to sustainable development

In 2003, on the initiative of Bruno Bich, the BIC Group started a sustainable development program. Operational responsibility was given to Marie-Aimée Bich-Dufour, one of the Group's two Executive Vice Presidents.

Christine Desbois, Sustainable Development Director, coordinates a sustainable development steering committee, which includes 25 members of different nationalities – notably French, American, Brazilian and Greek – who represent major Group cross-organizational functions.

The sustainable development committee:

- proposes to the Leadership Team strategies and tactical action items, as well as reports on actions undertaken,
- oversees implementation of action items within the Company.

The committee meets three times a year, and is chaired by Mario Guevara, BIC Chief Executive Officer.

### MANAGEMENT INDICATORS

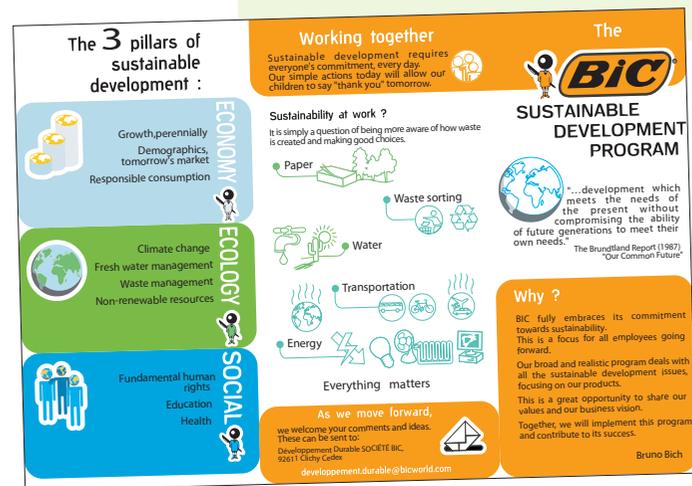
100% of employees are aware of the BIC sustainable development program.

- 14,000 awareness brochures published in 16 languages.
- Management in 100% of our sites has received a presentation of the sustainable development program.

A new awareness campaign for all employees is set for 2007.

### FOR MORE DETAILS, SEE

- Letter to Our Shareholders (Marcel Bich, 1972)
- BIC Group Code of Conduct
- Vision & Values
- Environment, Health & Safety policies
- Code of Ethics



## The opinion of Christine Desbois

Sustainable Development Director

*The BIC sustainable development program is for every one of us a real opportunity to see our business differently, to learn and to progress. First of all, we're convinced that our products are easy on the environment.*

*Today, we're organized and have shown that our environmental and social performance has improved; for example, in the factories and with our subcontractors.*



## BIC Group evaluations by Corporate Social Responsibility analysts

The assessments of Corporate Social Responsibility (CSR) rating agencies are the result of evaluations of companies according to social and environmental criteria, and serve to constitute market indexes for those interested in “ethical” investment. Criteria vary from one agency to another. Evaluations are based on questionnaire surveys and information made public by companies.

In 2006, the BIC Group was surveyed by several rating agencies. The conclusions were positive and BIC was listed in two major indexes.

### The Advanced Sustainable Performance Index (ASPI Eurozone)

EVALUATION BY VIGEO

THE INDEX LISTS THE 120 COMPANIES TRADED IN THE EUROZONE, OF WHICH 48 ARE FRENCH, WITH THE BEST RATINGS FOR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY



“BIC proves to be committed in a consistent way to the respect of CSR issues. The company has a formalized approach to all the main CSR issues, effective means are implemented and this results in one of the best performances in the sector. In particular, customer and supplier issues are at the center of the interest of the company’s policies and initiatives. BIC is in the same way formally committed to the respect and the promotion of Human Rights especially in the workplace. The environmental policy is comprehensive and formalized. The corporate governance, despite the recent progresses, remains the only domain in which place for improvement is still present.”

### The FTSE4Good Europe Index

EVALUATION BY EIRIS

THE INDEX LISTS 294 COMPANIES, OUT OF WHICH 41 ARE FRENCH

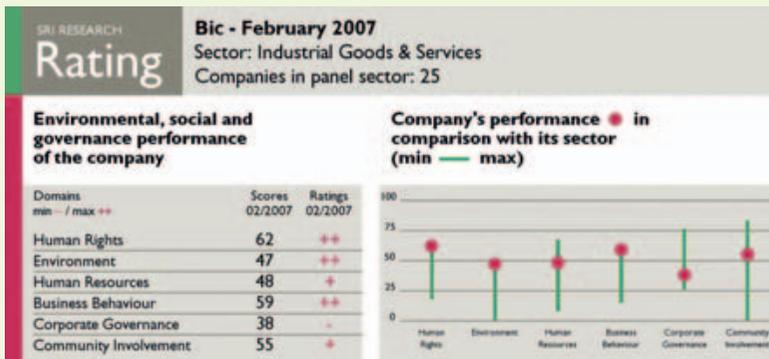


The Ethical Investment Research Service (EIRIS) recognizes the relevance of the BIC Group’s Sustainable Development policy decisions for:

- BIC Environmental, Health & Safety (EH&S) policy,
- BIC Code of Conduct,
- BIC Code of Ethics,
- customer/supplier relations,
- corporate governance.

EIRIS identified the following areas for improvement:

- environmental reporting,
- non-financial responsibilities of the Board of Directors.



### Oddo Securities

EXCERPTED FROM A STUDY BY THE RESEARCH DEPARTMENT, ISR



“Out of a panel of 76 French mid-sized companies, which were assessed as part of our research into corporate governance, BIC is one of 21 that we recommend and is also one of 13 that we prefer out of the 40 family-owned companies, which were evaluated for our study, Governance – Mid Is Beautiful.

Our methodology factors together both our corporate governance and financial recommendations.

Strong points seen for BIC in corporate governance are the separation of management, shareholder and board member roles, the organization of management succession and internal controls. Contrarily, the principle of ‘one share, one vote’ constitutes an area of improvement for the company.”



## Communication channels with our stakeholders

OUR STAKEHOLDERS	COMMUNICATION CHANNELS
<b>Shareholders and the financial community</b>	<ul style="list-style-type: none"> <li>→ Annual Shareholders' Meeting</li> <li>→ Shareholders' meetings</li> <li>→ Annual Report, Reference Document</li> <li>→ Letters to shareholders</li> <li>→ Toll-free number</li> <li>→ Road shows, visiting institutional investors</li> <li>→ Meetings and conference calls with financial analysts and journalists</li> <li>→ Regular information by telephone and by e-mail</li> <li>→ Web site</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>→ Operational partnerships with distributors, for logistics and IT solutions</li> <li>→ Participation in trade fairs</li> </ul> <p><b>See "Our Customers"</b></p>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>→ Participation in local initiatives in support of education and social issues</li> </ul> <p><b>See "Our Communities"</b></p>
<b>Consumers</b>	<ul style="list-style-type: none"> <li>→ Consumer services, also accessed via the Web</li> <li>→ Product information, accessed via the Web</li> <li>→ Consumer market testing</li> </ul> <p><b>See "Our Products"</b></p>
<b>Suppliers and subcontractors</b>	<ul style="list-style-type: none"> <li>→ Partner relations</li> <li>→ Partnering with contract manufacturers in order to foster economic, social and environmental progress</li> </ul> <p><b>See "Our Subcontractors"</b></p>
<b>The media</b>	<ul style="list-style-type: none"> <li>→ Press conferences, press releases</li> <li>→ Regular contacts with the press corps</li> </ul>
<b>Professional organizations</b>	<ul style="list-style-type: none"> <li>→ Active participation in national and international professional organizations (WIMA, EWIMA, European Federation of Lighter Manufacturers, and others)</li> </ul>
<b>Governments</b>	<ul style="list-style-type: none"> <li>→ Dialog with government authorities at all levels</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>→ Dialog and negotiations with workforce/union committees (on site)</li> <li>→ Information and training for employees: BIC University, internal newsletters, intranet (Maestro)</li> <li>→ Employee awareness programs: Vision &amp; Values, Code of Ethics, Sustainable Development</li> <li>→ Employee satisfaction surveys at the initiative of head offices in France</li> <li>→ Health and Safety management at the different sites</li> </ul> <p><b>See "Our Employees"</b></p>



# Our goal is to master the impacts of our **business**

Above all, this mission involves optimizing BIC® products, beginning at the design stage. At the same time, we have improved our environmental performance in our factories, packaging and transportation operations.



Our business



Our products



Our factories



Our transportation  
operations



# Our activities and their impacts

## Materials procurement

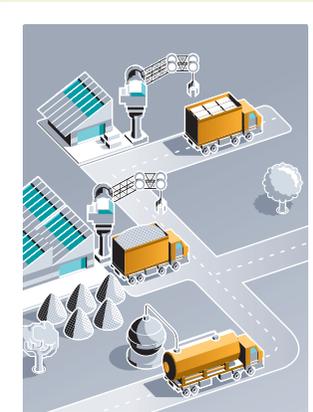
### Indicators



- Plastics account for between 15% and 16% of purchasing costs
- 4 to 5 g of plastic in each BIC® Classic shaver and BIC® Cristal® ballpoint pen
- The major environmental impacts of our products result from the use of plastics, a non-renewable resource

### Area for improvement

- Optimize materials used in new products (See "Our Products")



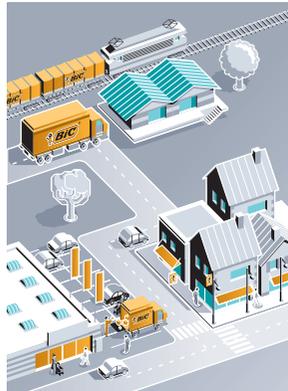
## Distribution and transportation

### Indicators

- Sales in 160 countries at 3.2 million outlets
- Number of BIC® Cristal® pens per truck: 2.7 million
- Number of BIC® Maxi lighters per truck: 831,600
- Number of BIC® Classic shavers per truck: 845,000

### Area for improvement

- Reduce the environmental impact of transportation
- Foster greater sustainable development in customer relations (See "Our Customers")



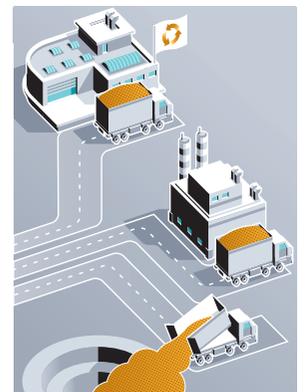
## End of life

### Indicators

- The environmental impact of the end of life cycle phases of BIC® Cristal® pens, BIC® Maxi lighters and BIC® Classic shavers represent, respectively, 0.2%, 0.4% and 0.2% of their total environmental impacts

### Area for improvement

- Optimize materials used in new products (See "Our Products")



## Production

### Indicators

- 24 factories
- Number of production sites by the UN Human Development Index of the country



- 89% of manufacturing takes place at BIC sites<sup>(1)</sup>

### Area for improvement

- Progress in Health & Safety management systems (See "Our Factories")

<sup>(1)</sup> This percentage also includes a small part of manufacturing under BIC license.

## Utilization

### Indicators

- A BIC® ballpoint pen can draw a line from 2 to 3 km long
- A BIC® Maxi lighter supplies 3,000 lights
- A BIC® shaver is good for 7 to 10 days of shaving
- 78.5% of the total environmental impact linked to the life cycle of the BIC® Classic shaver relates to the time spent shaving; a shave consumes on average 2 liters of water

### Area for improvement

- Market environmentally-friendly products
- Raise consumer awareness



# Our business

Our consumers buy each day:

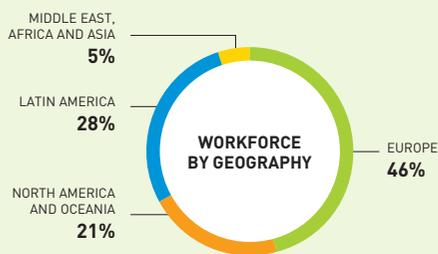
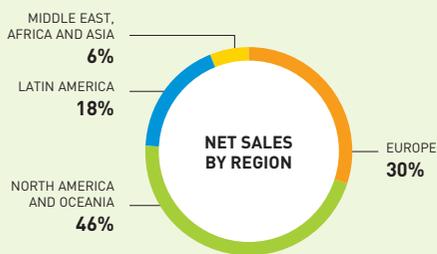
- 24 million Stationery Products (no.1 worldwide in ballpoint pens, no.2 worldwide in stationery products),
- 5 million Lighters (no.1 worldwide in branded pocket lighters),
- 10 million Shavers.

These three activities account for 96 percent of our sales revenues.

The BIC Group is also a manufacturer of water sports equipment with BIC Sport, the world's leading brand in surfing.

BIC® products are sold in over 160 countries, through some 3.2 million outlets.

BIC has 8,512 employees.



NET SALES BY COUNTRY LEVEL OF DEVELOPMENT ACCORDING TO THE UNITED NATIONS HUMAN DEVELOPMENT INDEX



WORKFORCE BY COUNTRY LEVEL OF DEVELOPMENT ACCORDING TO THE UNITED NATIONS HUMAN DEVELOPMENT INDEX



# Our products are our primary responsibility

*The lighter weight a product is,  
the better its environmental performance*

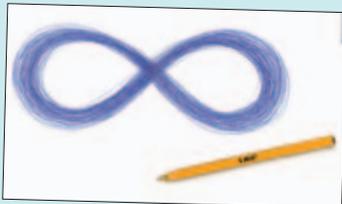
## **BIC® PRODUCTS ARE LIGHTWEIGHT PRODUCTS**

The BIC® product philosophy has always centered on simplicity, with nothing superfluous added. The materials that BIC® products are made of have only one purpose: perfect harmony between form and function.

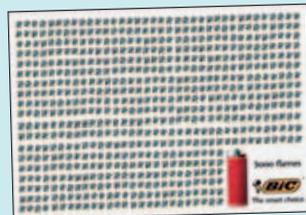
# BIC®

lightweight  
products that last  
a long time!

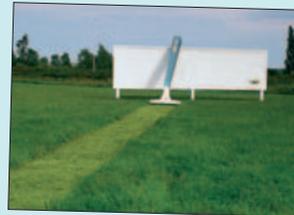
*The longer a product is used,  
the better its environmental performance*



**BIC® PRODUCTS  
WRITE A LONG TIME**  
(draw a line 2 to 3 km long)



**BIC® PRODUCTS  
LIGHT A LONG TIME**  
(3,000 lights  
for a BIC® Maxi lighter)



**BIC® PRODUCTS  
SHAVE A LONG TIME**  
(from 7 to 10 days)

Other complementary factors can reduce, but to a lesser degree, the relevant environmental impacts:

- Refills, etc.
- Bioplastics or recyclable plastics

## *Measuring the environmental performance of our products throughout their life cycles*

- In 2004, products emblematic of BIC, which also accounted for the highest sales (BIC® Cristal® ballpoint pens, BIC® Classic shavers, and BIC® Maxi lighters), were evaluated by outside experts from the agency, O2 France. In order to better anticipate emerging market trends, BIC also had some of its new products assessed.
- In 2005, BIC decided to “in-source” its approach, to measure the environmental impact of existing products and of new pens and shavers.

**These projects enabled us to measure major environmental performance criteria for our products: weight and duration of usage.**

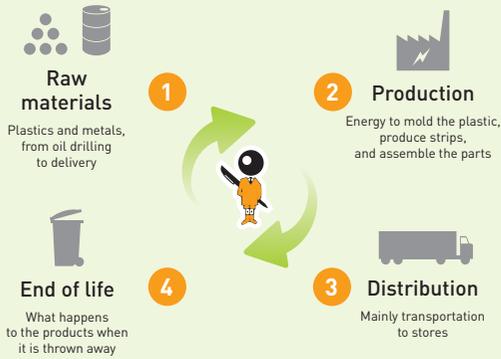
## The opinion of Billy Salha

Marketing Director, Shavers

*The groundwork has been very positive. Life cycle assessment has provided scientific data, which has focused our efforts in the right direction. In particular, this assessment has shown that environmental impact is relatively small and is more linked to usage of water while shaving and to usage of natural resources than to end of life of the shavers.*



LIFE CYCLE



**Measuring the environmental performance of our products, the BIC way**

In 2004, we initiated a project to measure the environmental performance of our products. BIC employs the method, Eco-Indicator 99, based on a life cycle assessment. This method is not covered within the framework defined by the ISO 14040 standard. Nonetheless, it enables us to identify and prioritize areas of improvement for our products. The method, Eco-Indicator 99 was developed by PRé Consultants, a Dutch Ecodesign agency, in partnership with the Dutch Ministry of Housing, Spatial Planning and the Environment, and included the contributions of scientific experts in life cycle impact assessments. Today, this approach is used by a large number of companies worldwide.

**From measuring impacts to ecodesign**

Measuring the environmental performance of new BIC® products allows for the integration of environmental questions, beginning with the product design stage. The goal is to measure, if not reduce, the environmental impact of a product over its entire life cycle, while offering consumers products that have at least the same or better quality-of-use.

In 2005, we developed an internal measurement tool, based on the method, Eco-Indicator 99, and we trained our R&D teams in its use. This tool integrates criteria of cost and quality so as to produce more with less, and to continue to guarantee the best quality and value for our consumers.

Our ecodesign tool allows us to:

- attribute an environmental rating to a product under development and to compare it with a similar BIC® product,
- measure environmental impacts:
  - at each step in the life cycle, for each part (cap, tip, clip or shaver handle);
  - for each kind of impact (use of fossil resources, greenhouse effect, water consumption, etc.).

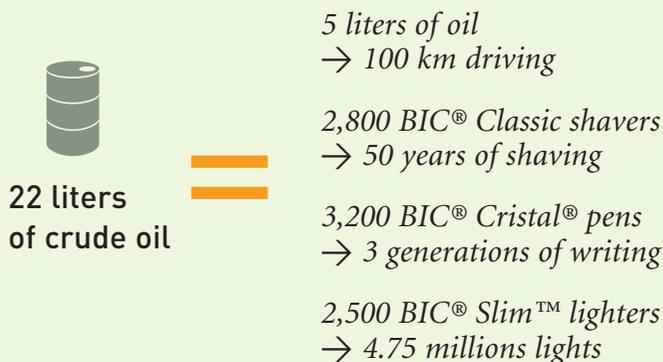
Next and only when it is reasonably possible, our R&D teams explore different scenarios for minimizing the impact by varying the materials used, production processes, manufacturing location, or by optimizing product profiles. BIC® pens and BIC® shavers, which offer several design options, are thus "ecodesigned" using this process.

**Findings from our measurement of the environmental performance of our products**

Many consumers associate "disposable" with the BIC® brand name. Nevertheless, what really counts is the real environmental performance of BIC® products in terms of environmental impacts. Here are some of our most significant findings:

- The impact of our products at the end of their life generally accounts for less than 0.2 percent of their overall impact (see table). This is explained by the fact that our products are very lightweight and that they are not hazardous for the environment.

HOW MUCH OIL IS NEEDED FOR A BIC® PRODUCT?



- The main impact of BIC® products result from the plastic used in product manufacturing. Plastic is made from oil, which is a non-renewable resource.
- The more lightweight a product, the easier it is on the environment. Weight is the decisive factor.
- The duration of use is also fundamental. The longer a product is used, the less impact it has.

- The impacts of our products are minor compared with the impacts from their use (e.g., the impact of paper for writing instruments or water and shaving cream for shaving).
- In our product ranges, a refillable product does not necessarily have a lesser impact, chiefly due to the environmental costs of distributing refills, their weight and the duration of use of the refills themselves.



	BIC® Cristal® ballpoint pen	BIC® Velocity® gel pen	Flint lighter BIC® Maxi	Flint lighter BIC® Slim™	BIC® Maxi electronic lighter	BIC® Classic single-blade shaver	BIC® Comfort 3® triple-blade shaver
<b>Duration of use</b>	2,000 meters	800 meters	3,000 lights	1,900 lights	1,700 lights	7 days	10 days
<b>SIMPLIFIED LIFE CYCLE EVALUATION (NOT INCLUDING USAGE) RESULTS FROM THE METHOD, ECO-INDICATOR 99</b>							
<b>Test cycle</b>	2,000 meters	2,000 meters	1,000 lights	1,000 lights	1,000 lights	1 year of shaving	1 year of shaving
<b>Impact distributed over life cycle (not including usage)</b>							
<b>Comparable impact</b>	1	4.52	1	1.27	2.98	1	1.21
<b>Main impact</b>	Plastics used contribute to depletion of oil reserves	Plastics used contribute to depletion of oil reserves	Plastics used contribute to depletion of natural gas reserves	Plastics used contribute to depletion of oil reserves	Plastics used contribute to depletion of natural gas reserves	Plastics used contribute to depletion of oil reserves	Plastics used contribute to depletion of oil reserves
<b>THE FUEL BURNED BY A SMALL CAR OVER A DISTANCE OF 100 KM REQUIRES AS MUCH OIL AS IT TAKES TO PRODUCE THE PLASTIC IN:</b>							
	3,200 BIC® Cristal® 6,400 km of writing	2,100 BIC® Velocity® Gel 1,680 km of writing		2,500 BIC® Slim™ 4.75 millions lights		2,800 BIC® Classic 50 years of shaving	1,400 BIC® Comfort 3® 38 years of shaving
<b>SIMPLIFIED LIFE CYCLE EVALUATION (INCLUDING USAGE) RESULTS FROM THE METHOD, ECO-INDICATOR 99</b>							
<b>Impact distributed over life cycle (including usage)</b>							
<b>Main impact</b>	Impact of paper: energy, water pollution	Impact of paper: energy, water pollution				Water consumption	Water consumption





## Frequently asked questions from our consumers

### Does BIC intend to make wider use of recycled materials, coming from renewable raw materials, or even biodegradable ones?

BIC closely monitors evolution in these technologies and their spin-offs. It sometimes uses recycled materials (the BIC® Evolution™ product range is an example). Wider use still raises problems of cost, quality and availability. To begin with, these materials may imply significant additional costs. Their use thus becomes difficult to justify, faced with the expectations of our consumers. Furthermore, although these materials generally benefit from a positive image for the environment, the reality of their advantages for the environment is not systematic and has to be studied on a case-by-case basis.

### Does BIC foresee launching re-usable or renewable products?

Certain BIC® stationery products (fountain pens, mechanical pencils, ballpoint pens, etc.) are refillable. The necessary consumables are sold at specialized stationers or in supermarkets.

In 2000 in the U.S., BIC set up a Web site dedicated to selling refills in the American marketplace ([www.bicrefills.com](http://www.bicrefills.com)). At the end of the day, experience seems to indicate that the refill solution does not have wide appeal with today's consumers. Moreover, for simple products like ours, a refillable model does not necessarily have less of an impact, mainly because of the environmental costs of distributing refills.

### Are BIC® products recyclable?

To be recyclable, products at end of life must offer significant potential in both weight and volume, as well as be easy to disassemble, such as automobiles, glass, paper and most packaging. BIC® products do not meet these criteria. They are small, and therefore light in weight, scattered, and made of different materials, sometimes difficult to disassemble for safety reasons. Consequently, BIC® products are generally not designed to be recycled.



## COMMENTS

### from Mr. Hornung

Group Director, Quality-Security-Environment

### and Mr. Meynadier

Group Marketing Executive,

both for Lyreco, worldwide office suppliers and partners of the BIC Group

*Lyreco has committed to a sustainable development program. It is chiefly based on following ISO 14001 norms as a shared, communicable reference. It is also founded on ties with its suppliers, which depend on questionnaires, mainly concerning product safety as well as social and environmental conditions in factories.*

*Today, Lyreco is happy to see BIC's increasing commitment as evidenced by its communications about efforts for sustainable development, in general, and evaluation of the environmental impacts of its writing instruments, in particular. The new brochure from BIC on its products and the environment is, in this sense, a welcomed addition. Moreover, Lyreco believes that BIC's ecodesign tool should lead to products offering better environmental performance, without necessarily changing raw materials.*

*As a final point, Lyreco needs to define measurable, universal, independent environmental performance criteria for writing products in order to be able to respond clearly to an emerging requirement in large companies and government administrations for 'ecological pens.' BIC and Lyreco can work together to develop those criteria.*

#### OBJECTIVES FOR 2006

- Measure the environmental impact of new stationery products
- Assess the environmental impact of our main stationery products
- Integrate ecodesign into new products for the shaver category
- Train 100% of designers for stationery products
- Packaging: analyze all new packaging according to ecodesign principles; distribute ecodesign manual for packaging and train the employees involved

#### RESULTS

- 100%  
This measure is now systematic
- 100 %  
The top 30 products that account for over 60% of sales have been assessed
- 80%  
The objective has been rolled over to 2007
- 100%
- 20%

#### OBJECTIVES FOR 2007

- Systematically practice BIC ecodesign
- Communicate to our partners environmental impacts and opportunities for progress
- Continue with R&D assessments of new materials
- Integrate ecodesign with packaging



## BIC® lighters: safety first

- **Commitment 1:** All BIC lighter plants are ISO 9001 certified production plants. BIC lighter products meet or exceed ISO 9994 international safety standard requirements.
- **Commitment 2:** BIC is an active member of various associations (such as the European Federation of Lighter Manufacturers, ISO, BSI, AFNOR) in order to provide the latest and most reliable quality and safety information to its customers.
- **Commitment 3:** Each BIC lighter undergoes more than 50 separate automatic quality checks. Additionally, BIC conducts regular post-market product tests.
- **Commitment 4:** BIC continuously develops exclusive technology to ensure the quality and safety of all BIC lighters, e.g., a very stable flame and a reservoir which can resist extreme drop tests and elevated temperatures.
- **Commitment 5:** BIC has an integrated production process, designs and develops much of its own machinery and masters all the latest manufacturing technologies, from basic materials right down to the packaged product.
- **Commitment 6:** BIC employees are all guided by three principles: Method, Precision, Discipline. Each employee in the lighter plants spends nearly 25 percent of his or her time checking product conformity and proper operation of the control equipment.
- **Commitment 7:** BIC has been committed for over 30 years to sustainable, long-term safety programs.



## Reduce the impact of packaging

Many BIC® products are sold to our consumers without any packaging. In Europe, 42 percent of BIC® writing instruments are sold to our customers in boxes of 12, 20 or 50 and offered to consumers without packaging. In the same fashion, 65 percent of BIC® lighters are sold to consumers without packaging. About 67 percent of our shavers are sold to consumers in lots of 5, 10 or more, in light-weight pouches. For other packaging, we are continuously optimizing our practices on the principle of ecodesign, while nonetheless being careful to both protect and add value to products. An awareness brochure has been published, and a training program will progressively be rolled out in 2007.



## The opinion

of Aurore Fandard

Packaging Engineer for Europe

and Christian Keator,

Packaging Engineer for North America

### **Why is the BIC Packaging Ecodesign Guide important?**

*The best sustainable package can only be achieved if all department functions are familiar with the philosophy of the packaging life cycle and the package development principles. This allows a project team to develop not only the best environmental pack out but the most cost efficient to help drive sales and gross profit.*

### **How does packaging reduction impact the environment?**

*Package reduction in size and material thickness reduces the package weight to minimize the amount of material entering the waste stream. It minimizes the amount of material that needs to be recycled, reused, composted or incinerated for renewal energy.*

### **How do you work with customers to reduce packaging?**

*The Packaging Ecodesign Guide can benefit our customers in designing the most efficient size package to help reduce their transportation and warehouse handling and storage cost. Additionally, a smaller package allows the customer to increase the number of packages per peg or shelf and also offers the opportunity to reevaluate the shipping case quantity for maximum supply chain efficiency.*



# Our factories: Safe and clean



BIC factory in Manaus (Brazil) in the middle of Amazonia



BIC factories in the world

- STATIONERY
- CORRECTION PRODUCTS
- LIGHTERS
- SHAVERS

## The opinion

of Mark Sullivan,  
Carlos Paiva and Eric Bloche

EH&S Program Managers  
for the BIC Group

*Our initiatives are very appropriate for our business and have the support of top management. It is an opportunity to truly involve all employees and disciplines, not just environmental engineers, in improving and maintaining our EH&S performance.*

### OBJECTIVES FOR 2006

- Begin worldwide implementation of the Environmental Management System
- Begin worldwide implementation of Health & Safety management system

### RESULTS

- 78% complete  
Target: end of 2007
- 73%  
Target: end of 2007

### OBJECTIVES FOR 2007

- Complete the implementation of the Environmental, Health & Safety management systems
- Conduct a *Bilan Carbone*<sup>®</sup> study of BIC Amazonia



## How BIC factories protect the environment

BIC's overall approach to environmental protection is outlined in the document entitled, "Environmental, Health & Safety Policy for the BIC Group," signed in April 2005 by Bruno Bich, BIC Chairman.

Among other commitments, this policy obligates all BIC factories to implement environmental management systems. The BIC Group has prepared a detailed set of requirements for a management system that meets the unique needs of our factories, but is purposely designed to achieve continuous improvement of environmental performance. BIC has also developed a formal guidance program to assist any factories, which do not currently have a management system, in the successful design and implementation of such a system.

ISO 14000 certification is not systematically implemented throughout the Group, but in selected factories that have chosen this way to make progress. However, we do not promote nor forbid the usage of this certification.

In 2006, BIC began worldwide implementation of Environmental Management Systems (EMS) at BIC factories, after refinement at pilot facilities. Overall EMS implementation is estimated at 78% complete, with a target of December 2007 for full compliance. BIC factories are pursuing over 150 environmental improvement projects in 2007.



The largest shaver factory in the BIC Group in Greece

## Extract



from the BIC "Environment, Health & Safety" policy

### *Pollution Prevention*

Maintain a coordinated program at each BIC facility to identify and measure the environmental impacts of our operations and products and take targeted action to minimize those impacts.

### *Risk Prevention*

Operate and maintain our facilities to prevent, or at least minimize, risks to the health and safety of our employees, subcontractors and surrounding communities.

### *Regulatory Compliance*

Diligently comply with all local environmental and safety regulations.

### *Continuous Improvement*

Integrate EH&S management systems into our daily operations to maintain commitment and deliver continuous improvement.

### *Awareness and Involvement*

Maintain the awareness and involvement of our employees and other stakeholders in our improvement efforts. Communicate our EH&S performance to all stakeholders.



Please find our complete Environmental, Health & Safety policy at [www.bicworld.com](http://www.bicworld.com).

#### BIC GROUP REFERENCE DOCUMENTS

- Environmental, Health & Safety policy
- Environmental, Health & Safety policy – support
- Requirements for an environmental management system
- Requirements for a health and safety management system



# Performance

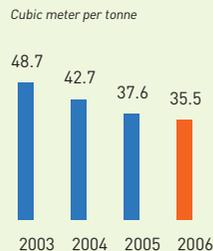
## Consumption of water resources

Water-use efficiency of the BIC Group, represented by water consumption per tone of production, has improved by 5.6% between 2005 and 2006. This is primarily due to decreases in consumption at our top two water-consuming plants. Sheaffer (USA) has downsized operations, and therefore consumption. BIC shaver factory (France) completed an audit of its water systems to optimize the use of water.

BIC shaver factory has achieved a 22% improvement in water-use efficiency. These two plants represent 87% of the total water consumption for the BIC Group, primarily for process and building cooling, therefore, their results have a significant impact on the BIC Group consumption. Most BIC facilities achieved significant improvements in water-use efficiency as a direct result of programs implemented to reduce their water consumption.

Examples of 2006 initiatives include: weekly monitoring of the water consumption at BIC Ecriture 2000 (France); and the installation of a recycled water network at BIC No Sabe Fallar (Mexico) that collects wastewater from the cooling tower and other uses. After treatment, this water is reused in the sanitary system to achieve a 15% reduction in water consumption.

## ANNUAL WATER CONSUMPTION NORMALIZED TO PRODUCTION BIC GROUP



## Consumption of energy resources including, if applicable, measures taken to improve energy efficiency and use of renewable energy sources

The BIC Group has achieved a 13% reduction in energy consumed per tonne of production since 2003. Some examples of 2006 plant initiatives to reduce energy consumption include: a 2.8% decrease in electricity consumption per unit production as a result of reductions in compressed air usage at BIC Ecuador (Ecuador); a reduction of 45000 kWh of electricity achieved through an audit of compressed air systems at BIC Graphic USA (USA).

## Consumption of raw materials

We are committed to optimizing the quantity of raw materials necessary to manufacture and sell our products. In 2005, we initiated an ecodesign method for stationery products. This is a preventive approach that enables us to integrate environmental concerns, beginning with the product design stage. Whenever feasible, our R&D teams explore alternate scenarios for minimizing environmental impact by varying the materials used, production processes, manufacturing location, or by optimizing the product profile. As a result, BIC® pens offering several design options will be ecodesigned using this process.

In parallel, manufacturing plants are working on programs targeted at reducing quantities of raw materials or substituting virgin materials with recycled materials, all while maintaining our absolute commitment to the quality and safety of BIC products. Examples of 2006 initiatives include: the discovery of a new source of recycled plastic to increase the percentage of recycled materials in BIC® Evolution™ pencils from BIC Boulogne (France); the redesign of the BIC® Cristal® cap, to reduce cap material consumption by 30% at BIC Amazonia (Brazil).

## ANNUAL ENERGY CONSUMPTION NORMALIZED TO PRODUCTION BIC GROUP



## Hazardous waste

We experienced an 8.7% increase in the amount of hazardous waste generated per tone of production between 2005 and 2006 due to two extraordinary situations in 2006. The first is the shutdown of metal plating operations and the associated waste treatment area at our Sheaffer (USA) plant. This shutdown resulted in significant quantities of waste from a large-scale decontamination of equipment and the removal of all hazardous chemicals.

The second situation was a sizable increase in the production of specific chemicals at our BIMA (France) plant intended for a chemical company external to the BIC Group. This specific activity was responsible for 98% of the hazardous waste production at BIMA. Excluding these 2 plants, the amount of hazardous waste generated per tonne of production decreased by 2.4% between 2005 and 2006.

BIC plants have continued to make improvements in management of hazardous waste. In one example, BIC Viorex (Greece) has achieved a 90% reduction in the generation of grinding sludge by improving a closed loop oil system. In another example, BIC Graphic Europe (Spain) has reduced its generation of contaminated paper by 40%, using more absorbent paper in the cleaning process for ink printing screens.

## ANNUAL PRODUCTION OF HAZARDOUS WASTE NORMALIZED TO PRODUCTION BIC GROUP



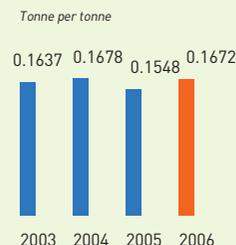
## Non-hazardous waste

In 2006, we saw an 8% increase in generation of non-hazardous waste as normalized to production. This increase is attributed to a consolidation and reorganization of global production capacity completed in 2006, primarily for stationery products. This initiative resulted in inter-Company transfer of equipment and the closure of several buildings at BIC Corporation (USA), Milford.

The disposition of obsolete equipment, fixtures and other building contents caused a large surge in metal wastes which were separated and processed for recycling. Excluding this plant, the production of non-hazardous waste was flat between 2005 and 2006.

Several improvement efforts were targeted toward non-hazardous waste. Examples of 2006 initiatives included: a process to recover plastic "sawdust" from the manufacture of BIC® Evolution™ pencils from BIC Boulogne (France); an employee training initiative to reduce the scrap pens at BIC Graphic Europe (Spain).

## ANNUAL PRODUCTION OF NON HAZARDOUS WASTE NORMALIZED TO PRODUCTION BIC GROUP

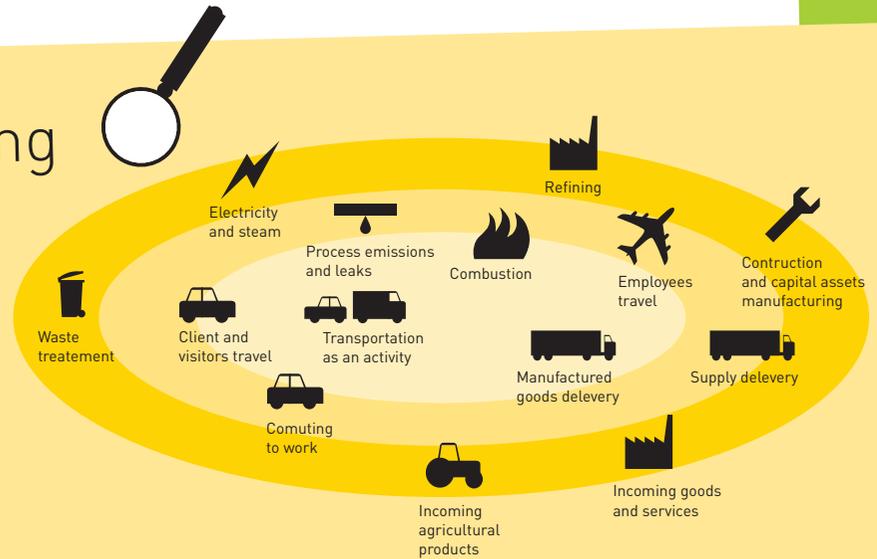


### Direct emissions of greenhouse gases

For 2006, the BIC Group quantified the direct emissions of greenhouse gases from its manufacturing plants. These emissions are Carbon Dioxide (CO<sub>2</sub>) resulting from the combustion of fossil fuels, primarily natural gas and fuel oil, by the manufacturing plants. These fuels are mainly used to heat buildings. The total amount of direct greenhouse gas emissions was estimated at 13 thousand tons of CO<sub>2</sub> equivalent (according to ADEME methodology, *Bilan Carbone*® v4, June 2006).

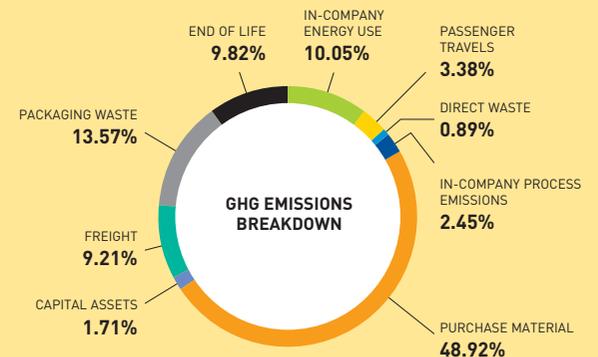


## Assessing greenhouse gas emissions for a factory



In Verberie, France, is the BIC shaver factory, the production site of BIC® Classic and BIC® Comfort 2 / Twin Plus shavers. The factory assessed its greenhouse gas (GHG) emissions for its 2005 activities. BIC shaver factory used the *Bilan Carbone*® method, provided by ADEME, a French national environmental agency. *Bilan Carbone*® is compatible with international standards, such as ISO 14064 and the GHG Protocol. Direct and indirect GHG emissions were assessed:

- Direct emissions: GHG physically emitted by on-site activities of BIC shaver factory; for example, GHG emissions from fossil fuel combustion or natural gas consumption.
- Indirect emissions: GHG physically emitted elsewhere, but resulting from activities upon which BIC shaver factory depends; for example, GHG emissions from power stations that provide electricity to BIC shaver factory or emissions from third-party shipping activities for shavers made by BIC shaver factory.



### The opinion of John Dimas,

Industrial Manager BIC shaver factory, France

*BIC shaver factory is committed to the BIC Group effort to continuously improve the sustainability of our operations. The Bilan Carbone® method (used in our GHG emissions study) helped our project team (led by H. Durussel, EH&S manager for BIC shaver factory) to better understand the environmental impacts of the factory in terms of GHG emissions, and also to improve our existing action plan in light of these findings. The detailed results of the study will assist in an energy initiative that began in early 2006, in conjunction with the BIC Group sustainable development team, purchasing management and our electricity supplier. The overall objective is to reduce energy consumption for the BIC shaver factory and consequently reduce GHG emissions.*

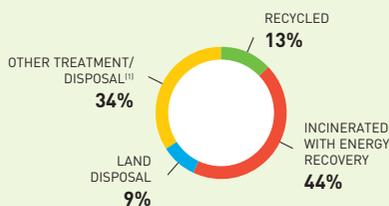
Key findings of the BIC study are :

- 1) The volume of direct (on-site) GHG emissions from BIC shaver factory is small compared to indirect sources.
- 2) The vast majority of indirect GHG emissions, i.e., physically emitted outside the BIC plant, is due to:
  - raw material production (incoming goods),
  - electricity production.

This study confirmed the need to continue focusing on further reducing consumption of energy and materials.

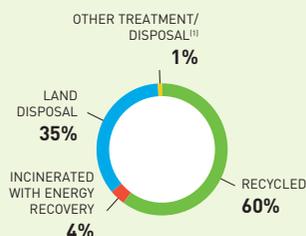
#### 2006 HAZARDOUS WASTE TREATMENT BIC GROUP

% of total expressed in tonne



#### 2006 NON HAZARDOUS WASTE TREATMENT BIC GROUP

% of total expressed in tonne

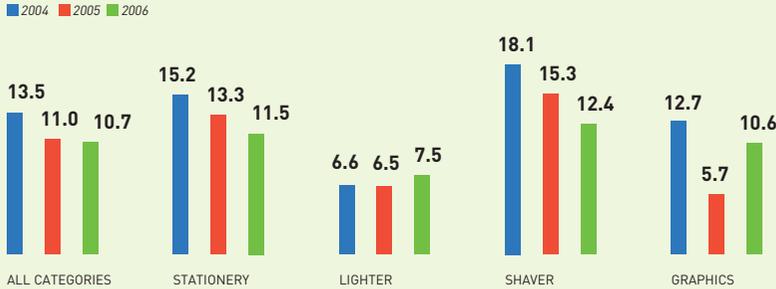


(1) "Other treatments/Disposal" represent all other forms of waste treatment, including incineration without energy recovery.



# Performance

**INCIDENCE RATE: NUMBER OF ACCIDENTS LEADING TO LOSS OF TIME BY MILLIONS OF HOURS WORKED**



**SEVERITY RATE: NUMBER OF CALENDAR DAYS LOST AS A RESULT OF ACCIDENTS BY THOUSANDS OF HOURS WORKED**



## Ensuring Health and Safety of its workers and neighbors

The BIC Group Environmental, Health & Safety policy contains a simple, but far-reaching commitment to “operate and maintain our facilities to prevent, or at least minimize, risks to the health and safety of our employees, subcontractors and surrounding communities.” Our ongoing efforts to fulfill this commitment are part of the way we do business.

BIC factories have long used a variety of methods, ranging from employee peer observation to complex hazard and operability studies, to identify and assess potential health and safety risks. Any significant risks are then controlled through preventive actions, including employee training and re-engineering.

BIC has committed to formalizing these efforts through Health & Safety management systems, designed to help maintain and improve our exceptional record for health and safety. A set of BIC Group requirements and a How-To guidance program are being used by our factories to design and implement a Health & Safety management system at each BIC facility. We believe that a properly guided, but locally grown, management system is best suited to address the local health and safety risks at each factory.

BIC factories began implementation of Health & Safety Management Systems (HSMS) in 2006. Global progress is estimated at 73% completion, with a target of December 2007 for full compliance.



## The opinion

of Mark Sullivan, Carlos Paiva and Eric Bloche, EH&S Program Managers for the BIC Group

*Our sustainable development program enjoys wide success, and each day wins the acceptance of more and more employees as we work toward 100% awareness and involvement.*



# Our transportation operations

BIC is aware of the environmental stakes in transportation, and particularly in terms of climate change. That is why it has several projects that aim to optimize transportation operations to reduce both costs and greenhouse gas (GHG) emissions.

## Applying sustainable development to logistical operations

When it comes to shipping, the BIC Group has always looked for the best balance between cost and delivery quality for its customers.

Today, as far as transport operations are concerned, BIC is facing oil price increases, driver shortages in Europe and increasing customer requirements.

The BIC Group also recognizes that the transportation sector is responsible for a quarter of greenhouse gas emissions and this has led the Group to rethink its transportation strategy:

- In fact, the BIC Group has further reduced its current and future shipping costs by fostering greater involvement of its logistics providers:
  - Sustainable development is now systematically addressed in working meetings with shipping agents. Their environmental performance and vision strongly influences whether they receive a BIC contract.
  - Sustainable development is also handled internally between the different departments concerned. The objective is to rethink the logistics flow to decrease the number of kilometers and empty runs.
- In addition, GHG emissions are being measured for the main logistical flows in order to target priority actions. GHG emission indicators will be integrated into the BIC Group logistics information system in 2007.

The Group's transportation strategy has been pilot tested in Europe. The learnings are set for dissemination throughout the entire Group, according to the needs of each sales region.

## Intermodality

On routes between France and Spain, and France and Italy, BIC Group had for many years used rail freight services from one of the rare providers in the business.

In 2006, unacceptable service quality, flexibility and costs led BIC to no longer work with this provider.

Today, rail freight is still used for distribution in the south of France by courier service.

**“Unfortunately, far from improving, rail shipping in France is more and more problematical. Notably, this is due to insufficient technical support from the provider.”**

Stéphane Recchia,  
Import-Export & Transport  
Manager for BIC



**The opinion**  
of **Bénédicte Cusinberche**,  
Supply Chain Manager Europe,  
Middle East and Africa

*Given the stakes for the planet, everyone has an obligation to measure greenhouse gas emissions. Reducing these emissions is also perfectly compatible with reducing costs.*



# Closed loop

between the Verberie factory and Château-Thierry warehouse

### Stage 1

An empty tractor-trailer truck leaves the Norbert Dentressangle staging warehouse and heads for BIC shaver factory in Verberie, France.

### Stage 2

BIC shaver factory completely fills the trailer with shavers. The truck leaves for Château-Thierry, France.

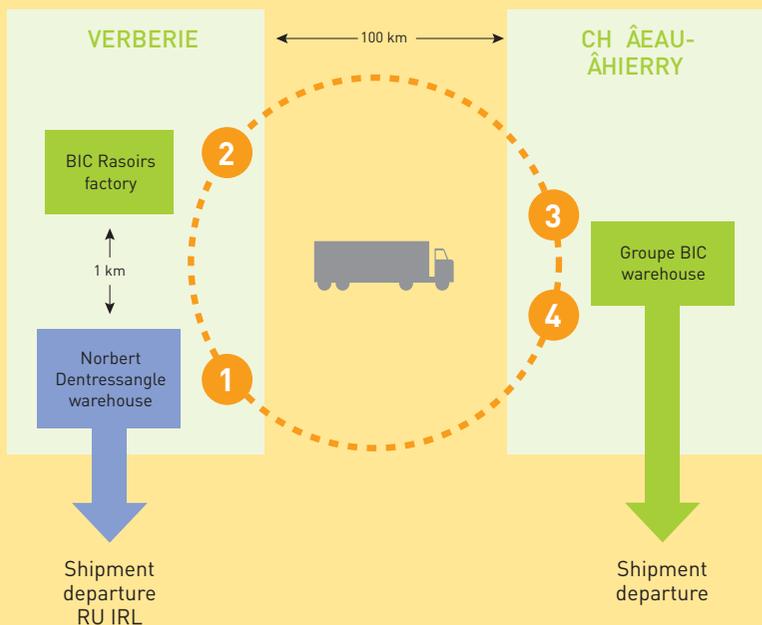
### Stage 3

The truck leaves its full trailer at the BIC warehouse in Château-Thierry. The warehouse empties the trailer, and organizes deliveries. The trailer will be filled during the day for deliveries to the UK, and for Ireland the next day.

### Stage 4

The tractor truck immediately takes a trailer, prepared the previous day (see stage 3), full of BIC® products intended for deliveries to the UK and Ireland by the freight forwarder, Norbert Dentressangle. This truck leaves for Verberie for Norbert Dentressangle warehouses, which will organize deliveries to the UK and Ireland.

The loop is thus perfect for this truck and its two trailers: 0 empty runs.



## Measuring greenhouse gas emissions for transportation operations in Europe

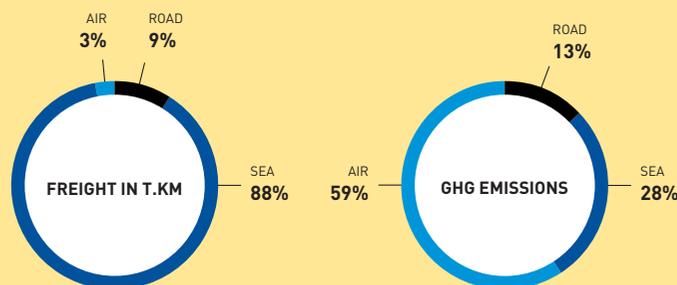
During 2006, an independent consulting agency estimated greenhouse gas emissions for European transportation operations in 2005. The Bilan Carbone®<sup>(1)</sup> method from ADEME was used, which is compatible with the international standard, GHG Protocol, and ISO 14064 norms.

For BIC, these CO<sub>2</sub> emissions are “indirect” – BIC is the contract-awarding party; however, the transportation services themselves are provided by an outside firm.

(1) The “Bilan Carbone®” method, provided by ADEME, is compatible with international standards such as ISO 14064 and the GHG protocol.

# Measuring

European freight in t.km<sup>(1)</sup> and the associated greenhouse gas emissions



### Scope and premises of the study

- Products shipped to Europe, leaving Europe and traveling within Europe for the year 2005.
  - The fill rate for trucks is the average rate as stated by ADEME, except for a few cases where the rate was optimized.
- Estimated emissions take into account the complete set of parameters: upstream emissions for vehicles, and emissions due to other causes than fuel consumption for aircraft.

### KEY FINDINGS OF THIS STUDY FOR THE BIC GROUP ARE:

- Maritime transportation is the mode most widely used; it represents 88 percent of freight in t.km. Moreover, this is the transportation mode that emits the least greenhouse gases by t.km.
- Airfreight only accounts for 3 percent of freight in t.km. Contrarily, airfreight is a significant producer of greenhouse gases, and is responsible for the majority of GHG emissions for the study (59 percent).
- Finally, although road transportation represents the majority of flows studied, the distances traveled are nonetheless shorter than for maritime or for air transportation. In sum, road transportation only accounts for 9 percent of freight in t.km and 13 percent of GHG emissions.

(1) t.km or tons.kilometers: quantity of shipped material in tons multiplied by the freight distance of this material in kilometers.





## COMMENTS

from Jean Pascal Meunier

Area Director of Norbert Dentressangle, one of Europe's leading logistics providers, partner of the BIC Group

*We work in partnership with BIC on numerous routes in Europe. We try and design organizations for optimized transportation. Our common goal is zero kilometers empty.*

*This objective has already been achieved on routes between the French warehouse and the UK. It is the same for runs between Slovakia and France; trucks are completely filled with pallets outgoing and filled on two levels returning, thanks to double decks in the trailers.*

*In 2007, we are continuing our collaboration: optimizing flows between French factories and warehousing, defining environmental performance indicators, and even proposing technological improvements to the Norbert Dentressangle fleet dedicated to BIC, including 'green' tires, 100% of the fleet compliant with Euro 4, and other issues."*

### OBJECTIVES FOR 2006

- Measure our greenhouse gas emissions for our European transportation chain

### RESULTS

- 100%

### OBJECTIVES FOR 2007

- Engage in optimization or find alternative transportation solutions in order to reduce GHG emissions without sacrificing quality of service to our customers
- Work in partnership with logistical service providers to reduce GHG emissions
- Reduce the use of airfreight
- Update measurements of GHG emissions in Europe
- Measure GHG emissions in North and Latin America



# BIC values at the heart of each relationship, each commitment

Since its beginning, the BIC® brand has stood for the values of ethics, responsibility, simplicity and ingenuity. These values have empowered all of the stakeholders in the Company to move forward. This includes its customers and consumers whom BIC serves with respect and efficiency throughout the world, as well as its employees who are guides in their quest for both professional and personal development.



Our employees



Our subcontractors



Our customers



Our communities



# Honor the past, invent the future

Every two years, BIC conducts an internal survey with regards to its values. In 2005, BIC launched this initiative, following the updating of its Vision & Values. This led to considerable communications and training throughout the Company:

- 140 "values in action" meetings were held by 200 ambassadors in 60 BIC locations; more than 7,300 BIC employees were reached (97% of the target audience).
- 13,000 leaflets were translated into 16 languages, while 4,600 posters and 15,000 cards were disseminated.
- BIC employees had the opportunity to listen to Leadership Team members during a video presentation of BIC values, which was shown in each location. BIC employees actively participated in the process and were asked to express their opinions. Local action plans were created and were, or are still being implemented.

- When asked about BIC values at work, 75 percent of respondents agreed that BIC values are applied at BIC (i.e., no gap or a limited gap between stated values and what really happens at work). The value of simplicity was identified as first for improvement.
- As a consequence of "measuring" values, specific training was put into place to help BIC employees worldwide understand BIC values and to provide guidance on how to incorporate these values into the workplace. Training will also be available to managers and employees who may have identified gaps for some values in their teams.

On the left:  
BIC volunteers  
from Manaus (Brazil)  
participate to clean up  
the riverside.



# Our employees

## Individual development and training for a shared future

BIC assumes its responsibility to its employees through:

- Strong **values** promoted and implemented throughout the Group
- **Training** and **development** for its employees, their competencies and their employability
- Clearly stated anti-discrimination policies
- Fair compensation
- Caring for its **employees**



### The opinion of François Eyssette Group Human Resources

*Our employees have shown strong motivation in support of BIC's actions in favor of the environment. The different studies of product impacts have reassured and galvanized all of our employees. Sustainable Development has become a major theme for Human Resources. We have integrated it with our processes for recruiting, people development, training and internal communications.*

#### OBJECTIVES FOR 2006

- Implement and follow up on action items for improving on values.
- Implement in Milford (USA) an action plan relative to employee commitment.
- Implement an annual opinion survey of employees on adherence to BIC values.
- Improve the quality of reviews and of development plans for managers (personalized, practical, and motivational plans): integration of Vision & Values into individual development plans and annual reviews, plus definition of a job description for each competency.
- Progressively extend training and development plans to non-managerial employees.
- Continuous improvement: optimize for clarity in reporting on the basis of expert feedback (non-financial analysts, other stakeholders).
- Refine self-assessment process and conduct 3 self-assessments in 2006.

#### RESULTS

- 100%
- 100%
- Objective modified: the opinion survey will be every 2 years. The next summary is set for December 2007.
- 100%
- 50%
- 100%
- Self assessment completed for the 4 pilot plants (Spain, Brazil, South Africa, BIC Graphic USA).

#### OBJECTIVES FOR 2007

- Implement BIC values measurement every 2 years; next summary: December 2007
- Continue the program Act green at work (*Nos gestes verts au travail*) at French sites; launch the program worldwide
- Further raise awareness among all BIC employees about the BIC sustainable development program
- Train managers about the stakes in sustainable development and achievements of the BIC sustainable development program
- Complete self-assessment process for 17 BIC factories



### Training and development

- For BIC, training and people development ensures:
- dissemination of BIC corporate culture and values throughout the Company;
- operational improvement of teams and their managers;
- identification and development of competencies for upcoming BIC leaders.

These objectives can be achieved through the active involvement of general and operational managers in the "People Development" process, and through BIC University.

### Managerial training: improve the efficiency of BIC operations and managers through BIC University

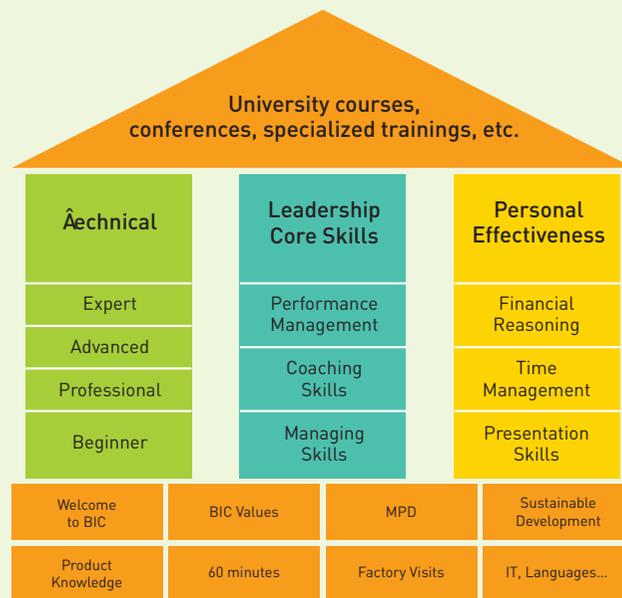
BIC University, the corporate training and development unit created in 1998, aims to develop strong leadership skills, in line with BIC values, to facilitate more effective teamwork across geographies and functions, and to bring managerial and technical tools to support BIC's business (see below). BIC University's program offers training in locations on three continents, on a global and local basis.

In 2006, some 15,723 days of training were dispensed (+20% compared to 2005), in seven key areas (see diagram).

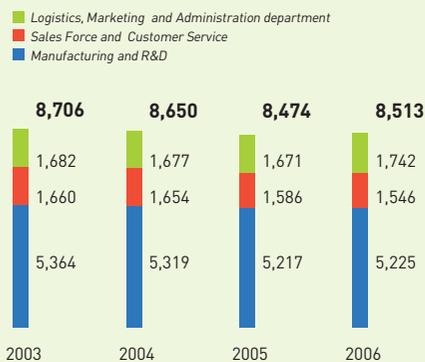
### People Development: create and develop the BIC leaders of tomorrow

BIC strongly favors the development of the talents and competencies of its employees through internal promotions (82% of the positions in the three management staff levels are filled internally), with particular attention paid to "high potential" employees, critical for the development of the Company. In 2006, a special process was launched to identify the critical resources or high expertise of BIC's key employees, with a specific plan to retain this knowledge. Similarly, a new individual development plan has been put in place, focusing on values and on employee competencies, in order to increase their short-term performance and employability.

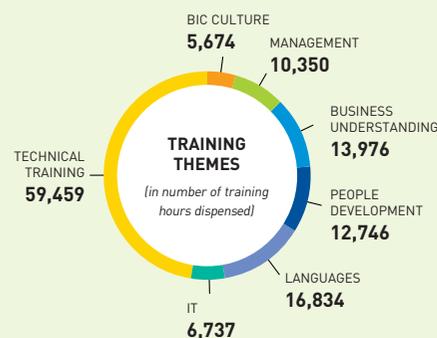
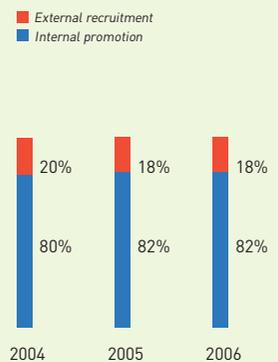
## Bic University



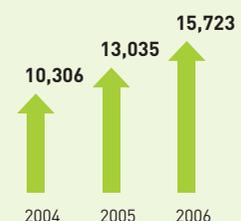
NUMBER OF EMPLOYEES BY BUSINESS ACTIVITY (HR INDICATORS)



RATE OF INTERNAL PROMOTION AMONG MANAGERS



NUMBER OF TRAINING DAYS



- 15,723 training days during the year
- Attendance of 17,835 in training during the year



# Education



of our employees in Brazil and in South Africa

EducaBic is an employee dedicated education program run at BIC Amazonia, in Manaus, Brazil. It aims to complete the education of employees who did not have the opportunity to finish basic elementary education.

The project originated in 2001, but did not actually start until 2004. Designed within a national education framework, teachers come from the public school system.

Classes cover history, biology, math, Portuguese, English, and other subjects. Almost 100 diplomas have been awarded since 2004, from 1st grade to high school.

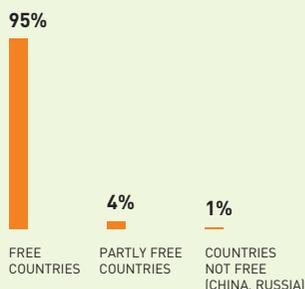
BIC South Africa (Pty) Ltd also provides scholarships for the benefit of employees' children. Scholarships are awarded according to each individual applicant's financial needs and his or her academic merit. Only applicants who are or will be studying towards their first degrees or diplomas at an accredited university, technical college or other recognized educational institution, are considered. Children of BIC senior management are not eligible to apply.

Each student's academic performance is monitored and all scholarship holders have to submit quarterly progress reports to the BIC Human Resources Department.



## WORKFORCE BY COUNTRY AT RISK (FREE, PARTLY FREE, NOT FREE)

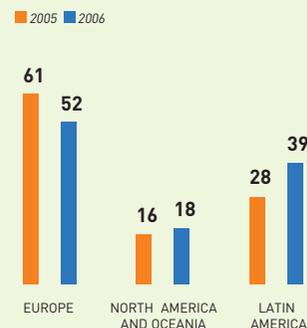
based on classification by the NGO, Freedom House



## PERCENTAGE OF WOMEN

	2004	2005	2006
Board of Directors	22%	22%	22%
Leadership Team	8%	8%	8%
Managers (levels 3, 4, 5 and 6)	nc	19%	18%
Other managers and non-managers	nc	45%	43%
<b>Total</b>	<b>45%</b>	<b>42%</b>	<b>42%</b>

## NUMBER OF DISABLED WORKERS



## Anti-discrimination

BIC is a French company with a worldwide presence. It has employees in more than 47 countries. Its Leadership Team comprises four different nationalities. Employees representing over 18 different nationalities work together at its head offices in Clichy, France.

The BIC Group benefits from diversity, and it is formally forbidden to use any discriminatory criteria, such as ethnic origin, religion, gender or age.

## Anti-discrimination and anti-harassment training in the U.S.



Anti-harassment and anti-discrimination policies are administered and posted in offices. As part of training, employees sign the anti-discrimination and anti-harassment protocol.

Clear definitions of forbidden behavior are provided for everyone, primarily pertaining to sexual harassment (verbal, physical, visual and electronic). A procedure for filing a complaint with a hierarchical superior, or the Human Resources Vice President, is in place at the discretion of the employee. A procedure to protect the employee is also in place.



## BIC Code of Conduct and Human Rights

In 2004, the BIC Group's Code of Conduct was updated. It specifies the rules to follow relative to respect of human rights at work. Each site manager is responsible for seeing that the Code of Conduct is applied on site. In 2006, a self-assessment procedure was implemented, after being successfully tested at four significant pilot sites of the Company.

### Compensation

Each BIC Group site handles locally compensation for non-managerial employees.

For managers, the BIC Group compensation policy is to position itself in all countries above the average in the relevant job markets (a policy that an internal, country-by-country study confirmed in 2005).

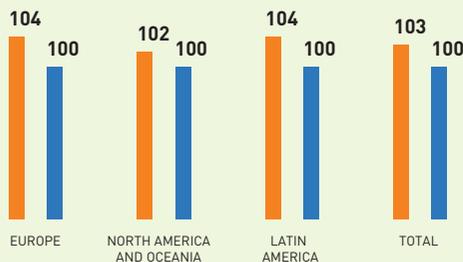
Recognition for individual performance and team performance at work is a vital element in the compensation policy of the BIC Group. On average, about 15 percent of gross salaries for managers depends on some form of variable compensation, linked to individual performance, as evaluated by each manager's hierarchical superior.

### Professional relations and labor agreements

The BIC Group implements all the applicable local collective agreements in all the countries where BIC operates. 95% of employees are covered.

BENCHMARKING OF BIC MANAGERS' COMPENSATION WITH EXTERNAL MARKET (2005)

■ BIC ■ Market median



## Principles of the BIC Code of Conduct

Principles of action:

- Safe and healthy work environment
- Engage in fair and ethical employment practices
  - Fair wages and reasonable working hours
  - No child labor
  - No forced labor
  - No discrimination
  - Freedom of association
  - Legal compliance
- No animal testing
- Environmental responsibility
- Publication

→  The complete BIC Code of Conduct is available at our Web site [www.bicworld.com](http://www.bicworld.com)

## How we act 'green' at work

At the end of 2005 in France, BIC organized a contest, called Nos gestes verts au travail (act green at work). This gave the Company a chance to reduce certain environmental impacts, while actively involving BIC employees in sustainable development. The program is now established in France and is set for implementation in the rest of our sites in 2007.

### The opinion de Danielle Beuvin

Human Resources,  
BIC Boulogne, France

*The Act Green contest was very successful at our site. Each of the winning ideas was studied and most were implemented, such as carpooling awareness aided by an intranet site, reducing the use of paper, and permanent signage to raise awareness of sustainable development. The ideas box gets suggestions.*



# Fighting against AIDS

## in South Africa

South Africa continues to have the highest number of people living with HIV in the world. In South Africa, over 5.8 million people are infected with the HIV virus.

Since the year 2000, BIC South Africa has implemented a program to fight against HIV and AIDS. This initiative is managed by a Company clinic and a steering committee composed of Company employees.

This program consists of three parts:

- An education program that aims first and foremost to educate the 200 employees of the plant to prevent healthy employees from becoming infected. Education is promoted through various media (conferences, videos, a company theater, peer educators who have been specifically trained, and special days for outreach to family members). Trying to change individual behavior takes a lot of time. Gradually, we see evidence of attitude changes, such as an understanding of how HIV is spread and an increase in the use of condoms.

100 percent of employees have access to this education program.

- Voluntary counseling and testing, with approximately 25 percent of employees who have come for voluntary testing at the Company's on-site clinic since 2002.
- A health program for the people who are infected. Clinical staff provide counseling on healthy living, nutritional supplements, prophylactic antibiotics, treatment for opportunistic infections, and laboratory monitoring. Antiretroviral medication is provided when necessary.

BIC South Africa is paying the vast majority of the medical expenses. The rest is paid for by an employee fund and by a symbolic fee charged to the people who take antiretroviral medication. 100 percent of employees who ask for antiretroviral medication benefit from it. Today, several employees are benefiting from antiretroviral therapy. All of them are able to continue to work, live normally and support their families. Some other employees receive supportive treatment, but do not yet need antiretroviral therapy.

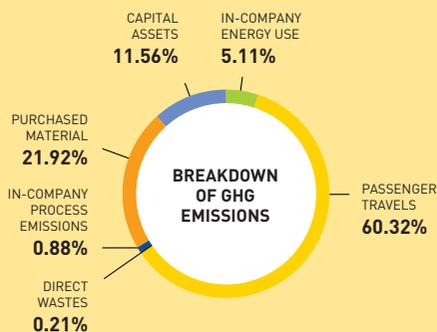
## Men as Partners

BIC South Africa has participated for two years in the initiative, Men as Partners. The focus of this is, "Reaching men to end gender-based violence and promote sexual and reproductive health". Addressing these issues has been identified by the World Health Organization as essential to slow the rate of new HIV infections. Many one-day workshops for the employees have been held at BIC SA. Additionally a special one-day event for the partners and children of the BIC employees, was held in Soweto. This is one of the poorest areas in Johannesburg, where a large part of the BIC workforce resides. In addition, BIC provides financial assistance to Men as Partners to run workshops promoting healthy gender values, at six schools in Soweto.



# Assessing

## greenhouse gas emissions at head offices in Clichy, France



During the summer of 2006, an emissions assessment (*Bilan Carbone*®) was made at BIC head offices, based on data from 2005. All of the activities at head offices were taken into account.

### WHAT ARE THE KEY FINDINGS?

Among the main learnings from this study was the fact that our emissions are much like those of any other office environment. The primary impacts concern:

- Transportation for employees
  - Emissions by service providers
  - Electricity: heating and equipment
- Emissions linked to transportation for employees concern:
- Business travel by air, which accounts for three-quarters of emissions for transportation
  - Travel in BIC vehicles (mainly the sales force), which accounts for over 10 percent of emissions for transportation

## The opinion of Jean-Marc Mongin

Labour Relation Europe, on the findings of this study

*This study enabled a large number of employees at our head office to participate in our sustainable development program during a presentation of results within the framework of BIC University. Co-workers came forward with proposals for improvement concerning the themes of air travel and pollution from vehicles. Suggestions, stemming from the program Act green at work (Nos gestes verts au travail), were also heard.*



## Employee perception in the USA

(improving BIC employee  
commitment and satisfaction)

In December 2005, an engagement survey was conducted by a polling firm at BIC Corporation, Milford (USA). 401 (of 438) salaried employees completed the survey, for an overall response rate of 92%.

### Corrective action plans

- In 2006, each department identified and developed action plans to improve the level of employee engagement within each of their respective areas.
- To begin the New Year 2007 and improve communications, BIC Milford employees attended a presentation highlighting plans to “Invent the Future” in the North America and Oceania sales region. Speakers included our CEO, Mario Guevara, and BIC Corporation President, Rick McEttrick, as well as senior category managers.
- Also created was a special DVD version of the presentation, which will be distributed in the Carolinas, BIC Canada, Australia, and New Zealand, and will be shared with all employees in those locations.
- To enhance the work environment, many of the suggestions made in the employee engagement survey will be implemented into the design of the new administrative building, located in Shelton, Connecticut (USA).

#### → OVERALL COMPANY

Given the opportunity, I would recommend BIC products and services to potential customers.

**95%**  
STRONGLY AGREE  
AND AGREE



BIC cares about Ethics & Values

**78%**  
STRONGLY AGREE  
AND AGREE



#### → MY WORK

I understand how my work supports BIC's business and financial objectives.

**85%**  
STRONGLY AGREE  
AND AGREE



#### → PEOPLE

My co-workers respect my thoughts and feelings.

**80%**  
STRONGLY AGREE  
AND AGREE



#### → OPPORTUNITIES

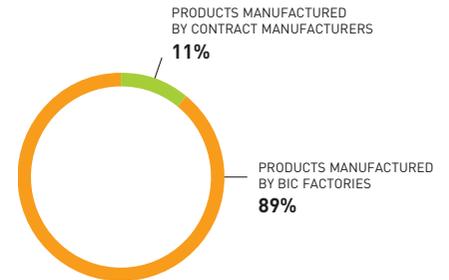
Career opportunities always go to the most qualified people

**28%**  
STRONGLY AGREE  
AND AGREE



# Our subcontractors

## Respect International Labor Organization (ILO) standards



### BIC Corporate Social Responsibility program

Only 11% of BIC's sales are derived from products manufactured by contract manufacturers. Since 2000, BIC has implemented a Corporate Social Responsibility program (CSR) that is an integral part of the qualification process for our new products manufactured by contract manufacturers.

The CSR program commits BIC to conducting its range of activities in a socially responsible manner, following the standards of the International Labor Organization. The CSR program is based on the BIC Group Code of Conduct describing the main principles to respect in order to work with the Group

This program is personally managed by a Senior Manager. Her team is working closely with the local BIC managers in the geographic areas of the contract manufacturers.

#### OBJECTIVES FOR 2006

- Implement audit plan for local and regional contract manufacturers.
- Organize training seminars for BIC employees working with BIC contract manufacturers.
- Consider incorporating CSR principals into the supplier qualification process for BIC Group' global raw material suppliers.

#### RESULTS

- 47 local contract manufacturers have been identified. A road map has been issued to these 47 local contract manufacturers, ending December 2007. 10 local contract manufacturers have been assessed.
- All training materials have been developed. Training sessions have been delivered to appropriate employees at BIC sites dealing with contract manufacturers or with self-assessments. Will be completed at all sites during the process implementation planning.
- An action plan has been developed which focuses on our plastics suppliers and it will be implemented in the second quarter of 2007.

#### OBJECTIVES FOR 2007

- Continue BIC internal training on BIC CSR
- Continue monitoring plan implementation for local contract manufacturers



## BIC CSR program in 6 steps

1

BIC Contract  
Manufacturer signs  
the BIC Group  
Code of Conduct

2

Independent  
external monitoring  
agency conducts  
an initial assessment  
of the Contract  
Manufacturer

3

Contract  
Manufacturer  
presents a corrective  
action plan (CAP)  
to BIC

4

Contract  
Manufacturer  
implements the CAP  
within an agreed,  
reasonable time  
frame

5

Follow-up  
assessment(s)  
to confirm  
implementation  
of CAP

6

Ongoing  
assessments  
(every 2 years)

The CSR program was initially designed for contract manufacturers producing BIC® products for the global market. All global contract manufacturers have been trained since 2005. This training allows our global contract manufacturers to understand and comply more easily with the BIC Group Code of Conduct. The training brochure facilitates the implementation of Corrective Action Plans with the help of the local BIC teams. An independent company systematically assesses if the global contract manufacturers conform to the BIC Group Code of Conduct and local law.

In 2005, this program was extended to all local and regional contract manufacturers which manufacture BIC® products for sale in local markets only. 47 local contracts manufacturers have been identified since 2005. They are integrating the CSR program in 2007.

## Principles of the BIC Code of Conduct

Principles of action:

- Safe and healthy work environment
- Engage in fair and ethical employment practices
  - Fair wages and reasonable working hours
  - No child labor
  - No forced labor
  - No discrimination
  - Freedom of association
  - Legal compliance
- No animal testing
- Environmental responsibility
- Publication

→  The complete BIC Code of Conduct is available at our Web site [www.bicworld.com](http://www.bicworld.com)

## To whom is the BIC CSR program targeted?

- **Global contract manufacturers:** Contract manufacturers producing BIC® products for the worldwide market.
- **Local contract manufacturers:** These contract manufacturers produce BIC® products to be sold in a local or regional market (e.g. a BIC® product sold only in Greece).
- **Licensed manufacturers:** These partners are producing BIC® products under BIC license for sale in their licensed countries (see “Our Customers”).



## The opinion of Cheryl Chadwick

Legal, BIC Corporation

*Establishing a global policy and process is an expectation of stakeholders and regulators for a global consumer products company. The CSR program has assisted us in selecting contract manufacturers who meet local labor standards and ILO standards and in turn provides us with a solid program to respond to stakeholders.*



## The opinion

of Peter Schulten and his team

Sourcing Manager, BIC Shanghai, China

### A partnership Philosophy

The success of the BIC Group's Corporate Social Responsibility (CSR) program is based on its "partnership philosophy" with its contract manufacturers. BIC's approach is to work together to motivate improvement, set goals, and seek commitment.

Peter Schulten, BIC Group Sourcing Manager in Shanghai, and his team play a critical role in this process.

In the interview below, they talk candidly about the importance of partnerships and collaboration in making continuous improvements to achieve CSR compliance.

**What do you think is the single most important key to a successful CSR program with contract manufacturers, particularly in newly developing countries?**

As a worldwide brand company, BIC is well placed to influence positive changes in factories as suppliers strive to add brand companies to their customer portfolios. BIC's consistent and continuous focus on adherence to our BIC Group Code of Conduct motivates these suppliers to become more advanced industry suppliers who are better positioned to secure new business.

**What are some of the current trends you are seeing with contract manufacturers? Positive or negative?**

We are challenged by some contract manufacturers who are taking a short-term view of CSR to pass the audit but do not maintain the improved labor standards once the audit phase is completed. In some cases, we are finding the same non-conformances during the next audit cycle (2 years).

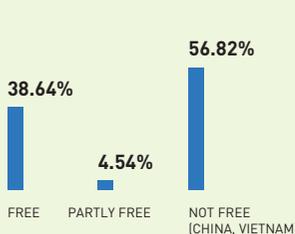
**What would you say was the most significant accomplishment for the Shanghai Sourcing Office in 2006 in the CSR program?**

The most significant accomplishment in 2006 is the success of my dedicated team in Shanghai who every day must partner with contract manufacturers to motivate them to improve labor standards that sometimes have a cost impact for the contract manufacturer.

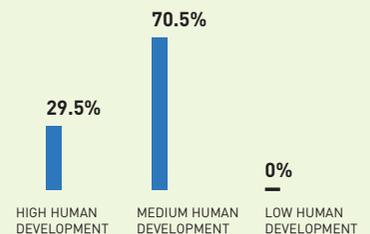
2006 CSR PERFORMANCE INDICATORS FOR GLOBAL CONTRACT MANUFACTURERS

Countries	Number of global contract manufacturers	Number of global contract manufacturers assessed	Number of global contract manufacturers in compliance with the BIC Group Code of Conduct at end of 2006	Number of global contract manufacturers with action plans at end of 2006
China	24	23	13	10
Czech Republic	2	2	1	1
India	3	3	1	2
Italy	2	2	2	0
Japan	2	1	0	1
South Korea	5	5	2	3
Malaysia	1	1	1	0
Mexico	1	1	0	1
Taiwan	2	2	2	0
Turkey	1	1	0	1
Vietnam	1	1	0	1
TOTAL	44	42	22	20

PERCENTAGE OF CONTRACT MANUFACTURERS BY COUNTRY AT RISK (FREE, PARTLY FREE, NOT FREE) BASED ON CLASSIFICATION BY THE NGO, FREEDOM HOUSE



PERCENTAGE OF CONTRACT MANUFACTURERS BY THE HUMAN DEVELOPMENT INDEX OF THEIR COUNTRY (UNITED NATIONS)



### Outcomes from assessment results

**Non-conformances with the BIC Group Code of Conduct**

- Health & Safety: 92%
- Working hours: 84%
- Unfair wages: 72%

### Main issues encountered during the process

- Not respecting limits on overtime hours
- Contract manufacturers who are taking too long (more than 6 months) to implement corrective action and achieve compliance
- Contract manufacturers are having difficulty sustaining compliance until their next audit cycle (2 years)



# Our customers

Trust built on responsibility,  
quality and safety

## Training our sales force

Since 2004, we have focused on training and motivating our European key account directors. Each of them attends training sessions devoted to sustainable development and the BIC program.

## Meet the demands of our customers

Sustainable development is now at the forefront of our customer relations. Indeed, our customers must answer more and more questions from consumers and corporate clients about the environmental impacts of products, social impacts, or even about the specific sustainable development programs of different brands.

On these topics, BIC communicates proactively with its customers in order to enable them to respond. The BIC sustainable development program, which addresses the entire spectrum of stakes, has become a common subject of discussion at working meetings between BIC and its customers. The BIC annual sustainable development report is now an essential working document. That is why, following the numerous requests from our customers concerning our sustainable development program, we have published for them a purpose-specific brochure.

## Action through partnering

At last, the sharing of information on our social and environmental performance, respectively, is organized. Practical projects that aim to improve our social and environmental performance are planned.



## The opinion of Peter Van den Broeck

BIC Benelux & Nordic

*Our involvement in sustainable development and the fact that this is part of our long-term strategy shows once again that our vision and values are more than just words. Sustainable development has become a daily subject, with the team and with our customers. Customer demands are increasing to understand better our extensive sustainable development program and the real impacts of our products.*

## BIC presence in low-income markets

BIC has been present for over 30 years in numerous emerging economies and derives 15 percent of its sales revenues from developing countries, as defined by the UN Human Development Index. In the Middle East, Africa and Asia, the purchasing power of consumers is low and it is often the determining factor in any sales approach.

Since moving into these regions, BIC has applied principles of common sense: foster solutions for local manufacturing under licensing agreements, while adapting distribution and packaging to local consumer habits.



### OBJECTIVES FOR 2006

- Continue training key account managers in Europe
- Expand this training to other continents

### RESULTS

- 100%  
In Europe, sustainable development is now systematically addressed at each customer meeting



Win-win situation for all partners:

- Local employment: about 500 jobs have been created with our licensed manufacturing partners, thanks to BIC activities in the Middle East and Africa sales region.
- Technology transfer and sharing: because of skills acquired from BIC in plastic molding technologies, many licensed manufacturers produce other plastic products of their own.
- Improved competitive edge for products brought to market.
- Limited transportation requirements.

Local production under license of BIC classic pen and shaver products essentially requires molding and product assembly operations. Both product integrity and quality are preserved.

### *Partnerships with local distributors*

BIC works in partnership with distributors, who may also be licensed manufacturers. Pricing policies are set in accordance with local consumption and take into account pricing thresholds for local sales. For instance, many countries do not use decimal monetary systems, such as euro centimes for the euro. Consequently, changing the price of a product in the smallest monetary unit that exists (e.g., from 15 to 20 naira in Nigeria where values progress in values of five naira without any smaller subdivision) can lead to a radical repositioning of the product.

BIC also works with local distributors to better understand distribution channels that are often dependent on neighborhood shops in scattered locations. The fight against counterfeit products is a major partnering theme as well.

### *Affordable products*

It is vital in countries where purchasing power is low that consumers have easy access to essential products, whether pens for education or shavers for personal hygiene.

However, consumer purchasing power in developing economies is clearly lower than in industrialized countries. Purchases are often made on a daily basis and products are bought in single-unit quantities. In certain countries, BIC® pens and shavers are offered in packages that contain just one or two articles.

This packaging strategy, in addition to the fact that the products are manufactured locally, allows BIC to offer these consumers essential products at easily affordable prices.



## COMMENTS

from Jacques Leccia

Managing Director for CFAO Industrie & Trading, a licensed manufacturer and distributor for BIC in Africa

CFAO Industrie & Trading manufactures and distributes consumer products in Africa, notably BIC® pens. Further, CFAO is investing in three areas of social responsibility: the fight against AIDS among its employees and their families; education for the children of employees; and solidarity with the local community through its association, CFAO Solidarité.

We welcome BIC's generous investment in Africa in favor of these same causes, either through its subsidiaries, or through partnering with CFAO. Especially the BIC program to fight AIDS in South Africa, with a clinic on site, seems to me very relevant.

In coming years, it would seem judicious to go even further in closer cooperation with its local partners to respond better to needs specific to Africa with targeted actions, which are more efficient in reaching local populations.

## Consumer services

Consumers can send their complaints to nationwide addresses, indicated on product packaging, or through the Group's Web site.

Complaints are generally handled by local consumer services, with expert support provided by three central offices (France, USA, and Brazil).

BIC strives to respond to each complaint with a personalized, detailed approach, and in the consumer's national language.

All feedback relative to product quality and its improvement are reviewed by the quality control department and integrated into improvement plans.



# Our communities

## The BIC Group Strategy for commitment to its local communities

### *A local approach*

In the vast majority of cases, it is our subsidiaries that initiate local community involvement programs and activities and we really want to maintain this strategy. This guarantees better understanding of local needs and the most efficient use of our contributions. In 2006, we are pleased to see that employee involvement, especially in Brazil and Central America, is increasing. Employees are volunteering their personal time, in addition to Company product/financial donations.

### *Diversified initiatives that fit local needs*

- In 2006, more than 150 community activities and programs were undertaken in the countries where BIC has operations.
- Contributions in the form of product donations are always very attractive to local community organizations, responding to basic needs, such as writing and personal hygiene. In addition to children's needs, we also addressed a growing concern for the elderly, particularly in South America.
- The majority of activities take place in the Americas and in Europe in countries such as France, Spain, and Romania. South Africa and Kenya are also very committed to community programs. Most countries support community activities and programs in their homeland. However, some countries, such as France and Spain, also focus their contributions toward developing countries.



## The opinion

of Claire Gerard and Linda Kwong,  
Communications

### **What has been the main impact of the formal BIC sustainable development program since it began three years ago?**

*It has been gratifying to see the commitment around the BIC world to activities that are addressing education or health issues in a very local, meaningful way. Distributing a formal report of our activities has really helped each of our subsidiaries better identify where the BIC Group can really give support, and has also improved the efficiency of each program.*

### **How would you describe the year 2006?**

*Once again, the 2006 community initiatives showed a diversity of programs, but all with the same "giving" spirit. Many countries improved or enhanced their community programs and all subsidiaries benefited from the sharing of results among employees through our Company intranet and employee newsletters.*

#### OBJECTIVES FOR 2006

- Internally publish initiatives in 2005 to be disseminated among all of our subsidiaries

#### RESULTS

- 100%

#### OBJECTIVES FOR 2007

- Improve sharing of information based on collected material
- Promote community activities in subsidiaries and collect new ideas involving employee participation



THEMES FOR ACTIVITIES SUPPORTING LOCAL COMMUNITIES



The estimated amount of these activities exceeds 0.5% of the Group is pre-tax profits.

TYPE OF PROGRAM	NUMBER OF ACTIVITIES	EXAMPLE OF ACTIVITIES AMONG BIC GROUP SUBSIDIARIES
<b>Product donations</b>	140	<ul style="list-style-type: none"> <li>→ France: donation of writing and shaving products for some 95 initiatives to meet local philanthropic needs: support for schools in Africa, aid for homeless people in France, support for medical care programs</li> <li>→ South Africa: BIC again partnered with the Department of Education to help donate pens, coloring products and other supplies to underprivileged children</li> <li>→ Romania: coloring products donation for 18 initiatives, including schools, orphanages and other child care organizations</li> <li>→ BIC Graphic Europe: 13 activities, including product donations for projects in Latin America countries or in Philippines, Mauritania, Malawi, Mozambique, Spain and Portugal, mainly focused on education and health</li> <li>→ Kenya: significant donation of BIC products to allow Kenyan children to attend school</li> </ul>
<b>Financial aid for philanthropic organizations</b>	44	<ul style="list-style-type: none"> <li>→ USA (BIC Corporation): financial support to more than 70 organizations since 1997. The Milford United Way, part of an international network of local organizations for emergency aid, was once again the main beneficiary in 2006</li> <li>→ USA (BIC Graphic USA): continued financial support to the Pinellas Education Foundation and employee participation in the Susan B. Komen "Race for the Cure" 5k run/walk to raise funds for the fight against breast cancer</li> <li>→ Colombia: financial contribution to allow 180 children in Bogota to receive medical services and medicines</li> <li>→ Canada: financial contributions to children's hospital and research center</li> <li>→ Ecuador: BIC sponsored an interschool contest "Genios Del Universo" with more than 170 schools and contributed to 12 university scholarships</li> </ul>
<b>Employee volunteer work</b>	25	<ul style="list-style-type: none"> <li>→ Mexico: BIC employees and their families volunteered their time to improve building and living conditions at five orphanages</li> <li>→ Nicaragua and Guatemala: BIC employees visited a home for the elderly and gave each of them a Christmas gift</li> <li>→ Brazil: BIC employees volunteered their time to help educate children and adults living along the rivers in Manaus about the importance of properly collecting and disposing waste to help preserve the environment</li> <li>→ USA (BIC Corporation): through its annual collection campaigns, the Community Service Volunteer committee distributed food and winter clothing to neighbors in need through various community organizations</li> </ul>





## BIC Mexico



sponsors career development: "BIC Continues Growing with You"

Guia-T, based in Mexico City, is an organization created in 2001 to guide young people of Mexico through the career selection process so they may grow both personally and professionally and create a strong future for Mexican society. The goal is to help teenagers understand and focus on their individual talents and interests as they prepare to enter the working world and begin their careers. Members of Guia-T include psychologists with backgrounds in teen counseling and development. Each year, they bring the empowering messages of self-esteem and key business values such as ethics

and honesty to thousands of students in Mexico City, Puebla, Guerrero and other states. In 2005, the program reached 50,000 students; in 2006, 200,000 students and in 2007, the program is estimated to reach 250,000 students, which covers 450 high schools and 25 technical schools.

"Our young people are our future and this is a successful program created just for them," said Alejandro Gonzalez, general manager of BIC Mexico. "We are very proud that BIC is a sponsor of the current Guia-T school tour, which began in September 2006 and runs through May 2007." Gonzalez noted that Guia-T is guided by a set of values that are consistent with those of BIC. As a sponsor, BIC sampled over 100,000 BIC products with students and teachers.

## BIC Corporation



sponsor Special Olympics Event

2006 marked BIC's 12-year anniversary of sponsorship with Special Olympics. In 1995, BIC was an official patron of the Special Olympics World Games in New Haven, Connecticut, USA, and has continued its commitment year after year. On September 9, 2006, BIC sponsored the Bocce event in West Haven, Connecticut. BIC employees and their families contributed their time and talent at the all-day event. Nearly 150 athletes from across Connecticut participated.



Olympic Oath:  
Let me win  
But if I cannot win  
Let me be brave  
in the attempt



# 2006 financial summary

## Distribution of revenues from business activities to our stakeholders\*

Net sales: 1.448 billion euros

- 432 million euros in Europe
- 670 million euros in North America and Oceania
- 254 million euros in Latin America
- 92 million euros in the Middle East, Africa and Asia



### EMPLOYEES

**396**  
million euros

This amount included wages, social contributions and profit-sharing paid to employees.

### SUPPLIERS

**720**  
million euros

This amount included BIC purchases of raw materials, consumables and services. Some local taxes were also included in this amount.

### SHAREHOLDERS

**95**  
million euros

BIC paid 58 million euros in dividends and also invested 37 million euros in share buybacks.

### BANKS

**(14)**  
million euros

The amount included 28 million euros of bank payment of principal of loans and 14 million euros of purchase of non-current financial assets.

### GOVERNMENTS

**92**  
million euros

Total amount of corporate income taxes paid all over the world.

### NET INVESTMENTS

**98**  
million euros

This amount included the 62 million euros for manufacturing assets, the acquisition of patents and licenses and other investments for 10 million euros, the subsidiaries acquisition for 31 million euros and the disposal of manufacturing assets for 5 million euros.

\* Does not include the change in net current working capital.

## Full year 2006 results

BIC Group net sales were 1,448.1 million euros in 2006, an increase of 4.9% as reported and 4.6% on a comparative basis. The gross profit improved 20 basis points to 49.0% of sales, reflecting the favorable impact of the USA restructuring being partly offset by the negative impact of lower production volumes due to inventory reduction. Income from operations (IFO) was up 6.6% as reported, to 253.9 million euros.

The IFO margin increased by 0.2 point to 17.5%. Normalized IFO increased 7.4% in 2006, to 258.7 million euros, compared to 240.9 million euros in 2005. Group net income increased by 8.8% as reported, to 170.2 million euros. Earnings per share was 3.43 euros in 2006, compared with 3.11 euros in 2005, an increase of 10.3%, a higher percentage change than Group net income as a result of the share repurchase and cancellation program.



## → GLOSSARY

<b>Life cycle</b>	Series of phases in the life of a product, from the extraction of raw materials, production, distribution, and usage to its disposal at end of life
<b>Sustainable Development (SD)</b>	"[...] development which meets the needs of the present without compromising the ability of future generations to meet their own needs." The Brundtland Report (1987), Our Common Future
<b>Reference Document</b>	Report containing all relevant accounting, legal and financial information, necessary to the presentation of a company for a given fiscal year. The content is defined by the circular COB no. 98-01 for companies listed on the <i>Premier Marché</i> of the Paris Bourse
<b>Ecodesign</b>	Process that consists of taking into account the environment when designing products. Ecodesign aims to reduce all aspects of environmental impact, throughout the life cycle of a product
<b>GRI</b>	Global Reporting Initiative: independent international institution that recommends rules to be followed in preparing reports on sustainable development
<b>ISO</b>	International Organization for Standardization: worldwide federation of national standards bodies
<b>NRE</b>	<i>Nouvelles Régulations Economiques</i> : French law of May 15, 2001, which stipulates new economic regulations. Article 116 requires listed French companies to disclose the way they deal with the social and environmental consequences of their business activities
<b>ILO</b>	International Labour Organization
<b>Stakeholders</b>	The different audiences who participate in, observe and are directly or indirectly influenced by an enterprise: employees, customers, consumers, suppliers, shareholders, NGOs, legal representatives, governments, local authorities, and others

This report has been prepared under the direction of Christine Desbois, Sustainable Development Director.

As such, it reflects a comprehensive team effort on the part of the BIC Group, and numerous employees from across the entire Company have participated in its preparation.

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