

# Environmental data

## ➔ BIC AND THE ENVIRONMENT

Ethical conduct toward our employees, consumers, customers, suppliers and shareholders is a fundamental and pervasive operating principle within the BIC Group. Accordingly, BIC has maintained a long-standing commitment to protecting the environment, as well as safeguarding the health and welfare of our employees, neighbors and consumers.

We recognize that nearly every aspect of a manufacturing business, including the production, distribution, and end disposal of a product and its packaging, has the potential to impact the environment, human health or safety.

It is clearly our responsibility to minimize those impacts. Our approach is to collaborate with our employees, suppliers, customers and consumers to identify, assess and minimize the environmental, health and safety impacts resulting from our manufacturing operations, our products, and our product packaging.

This is the sixth year BIC has published a Sustainable Development Report.

## ➔ SCOPE AND CHOICE OF INDICATORS

SOCIÉTÉ BIC has chosen to broaden the scope of this report beyond that outlined in Article 116 of the Law on New Economic Regulations, which prescribes the environmental data required from publicly traded companies.

In order to supply pertinent information in conformity with the law, BIC supplies worldwide consolidated data whenever it is available and relevant.

Indicators were chosen to provide greater clarity for all data provided. Indicators were selected to reflect the Group's activities and the impact of those activities on the environment.

The information presented here represents consolidated data from all subsidiary factories, French and foreign, unless only local data is available, or if this data is more relevant than consolidated data. This report does not include all factories of advertising and promotional products. Several additions to this business were acquired in 2009 and will be gradually integrated into the Group. This report includes all the other factories of the BIC Group that manufacture finished or semi-finished products for sale to the general public, our engineering companies, and the primary BIC packaging operations.

To ensure a better reliability to the published data, energy information of previous years has been updated.

## ➔ COMPANY INTERNAL ENVIRONMENTAL MANAGEMENT. CAPACITIES FOR REDUCING ENVIRONMENTAL RISKS

BIC's overall approach to environmental protection is outlined in a document entitled "Environmental, Health and Safety Policy for the BIC Group" signed by BIC's Chairman and Chief Executive Officer in April 2005.

Among other commitments, this policy obligates all BIC factories to implement Environmental Management Systems (EMS). The BIC Group has prepared a detailed set of requirements for Management System implementation that meets the unique needs of our factories, but is purposely designed to achieve continuous improvement of environmental performance. The Group has also developed a formal guidance program to assist the implementation of Management Systems by recently acquired sites.

The implementation of Management Systems is 92% complete for the Environment and 89% complete for Health and Safety.

Recently acquired factories must develop and execute a plan to establish Management Systems and integrate into the BIC environmental approach.

As part of their EMS commitment, BIC factories plan, execute and document the results of numerous planned projects intended to improve environment performance.

## ➔ ENVIRONMENTAL EVALUATION OR CERTIFICATION

The BIC Group has directed all BIC factories to establish an Environmental Management System compliant with an internal Group standard. Individual factories are free to exceed this Group standard, where appropriate, as long as they maintain a focus on continuous improvement of environmental performance.

ISO 14001 certification is not implemented in the whole Group but only for the factories that have chosen this way of making progress.

## ➔ MEASURES TAKEN, WHERE APPLICABLE, TO ENSURE THAT OPERATIONS ARE IN CONFORMITY WITH APPLICABLE LAWS AND REGULATIONS CONCERNING THE ENVIRONMENT

The plants maintain routine and periodic controls intended to ensure compliance with local regulatory requirements. These controls are carried out internally, or with the assistance of an independent external company. An action plan is established to correct any identified compliance issues.

The implementation of the Group Environmental Management system assists plants with regulatory compliance.

In 2008, in accordance with the European REACH regulation, the BIC Group has pre-registered relevant chemical substances.



➔ **CONTINGENCY PLANS SET UP TO DEAL WITH POLLUTION ACCIDENTS WITH CONSEQUENCES OUTSIDE OF THE PLANTS**

Emergency prevention and response plans have been established in locations where there is an identified risk of an accident with consequences outside plant boundaries.

In particular, our two SEVESO plants have a *Plan d'Opération Interne*. Outside of France, many plants have equivalent emergency plans that address risks with potential off-site consequences. For example, plants in the USA and New Zealand maintain an "Emergency Response Plan" that includes planning and prevention for off-site scenarios.

For our two high-threshold SEVESO plants, we have a major hazard prevention policy and have implemented a safety management system to prevent major accidents, in conformity with the ministerial decree of May 10, 2000, transposition in French law of the European Council directive 96/82/EC.

➔ **TRAINING AND INFORMATION ON THE ENVIRONMENT AND SAFETY**

In 2005, BIC launched a campaign to raise employee awareness of its sustainable development program. This included presentations to site management and the distribution of brochures printed in national languages. Since 2007, BIC University and members of the Sustainable Development Team co-developed an e-Learning course which highlighted sustainable development and BIC's Sustainable Development Policy.

The BIC Group Environment, Health & Safety (EH&S) policy is communicated to all factories.

The BIC Group does not maintain an independent measure of training-days devoted to EH&S issues at our plants. EH&S training was integrated into the 86,491 hours of technical training completed in 2009.

➔ **EXPENSES FOR PREVENTING CONSEQUENCES ON THE ENVIRONMENT**

Investment budgets related to the environment are an integral part of the annual budgets of all factories.

Annually, BIC factories plan and implement both short and long-term improvement programs targeted at preventing or minimizing consequences to the environment. In 2009, 1.1 million euros were invested in environmental improvement programs.

➔ **PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS**

The Company maintains insurance to cover its installations for potential civil liability. The Company maintains environmental liability and civil liability insurance in the event of injury or damage to third-parties. In addition, the Company carries mandatory insurance for its employees, as well as property damage and business interruption insurance for its buildings and business personal property.

➔ **COMPENSATION PAID DURING THE FISCAL YEAR UNDER COURT ORDER**

➔ **NONE. ACTIONS TAKEN TO REPAIR DAMAGE TO THE ENVIRONMENT**

No significant activities were necessary in 2009.

➔ **CONSUMPTION OF WATER RESOURCES**

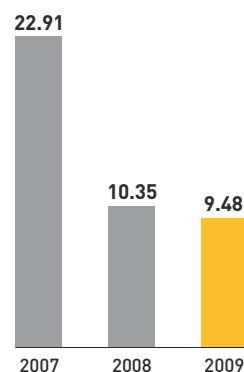
Water consumption, per tonne of product, has decreased by more than 8% between 2008 and 2009. This continues a multi-year record of dramatic improvement in water-use efficiency for the BIC Group.

Globally, 50% of the sites reduced their water consumption in 2009, leading to an overall water consumption decrease of more than 11% for the Group. BIC Rasoirs (France), which now represents 49% of the Group's water consumption, has continued to realize the results of recent process improvements and achieved an 18% decrease in water usage over the past year.

Moreover, 3 sites have decreased water consumption despite increased production. For example, BIC Violex (Greece) cut water usage by 9% even while production increased by 0.8%. Other sites have improved their ratio of water consumption per tonne of production. As one example, BIC CORPORATION Milford (USA) decreased its consumption ratio by 33% thanks to awareness and action resulting from the installation and monitoring of water meters on certain water-consuming equipment.

BIC plants around the world reported 12 projects targeted specifically at water savings.

**ANNUAL WATER CONSUMPTION NORMALIZED TO BIC GROUP PRODUCTION**  
(Cubic meters per tonne)



➔ CONSUMPTION OF ENERGY RESOURCES

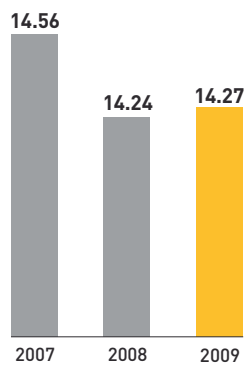
Energy consumption per tonne of production for the entire BIC Group was nearly flat to 2008 (0.03 point). Although 21 of 30 plants reduced total energy usage for an absolute reduction of 3.3%, these reductions did not always match changes in production volumes. This is because energy consumption is not always linearly linked to production, but often depends on other factors such as weather. Nevertheless, some factories reduced energy consumption, despite increased production, including BIC Ecuador (Ecuador) and BIC Amazonia (Brazil).

A few notable improvements in energy efficiency per unit production were achieved by BIC Ecuador (Ecuador), BIC Écriture 2000 (France) and BJ 75 (France) with respective decreases of 27%, 12% and 8%.

BIC Écriture 2000 (France) has significantly reduced energy consumption thanks to the installation of a variable speed compressor to more closely match demand, as well as new controls to better regulate building heat based on outside temperature. BJ 75 (France) credits their improvement to several actions, including installation of state-of-the-art systems for heating and air conditioning control.

As a result of factory Environmental Management Systems, at least 31 energy-saving projects were either completed or in-progress during 2009.

ANNUAL ENERGY CONSUMPTION NORMALIZED TO BIC GROUP PRODUCTION (Giga joules per tonne)



➔ CONSUMPTION OF RAW MATERIALS

BIC is committed to optimizing the quantity of raw materials necessary to manufacture and sell our products.

We have initiated an ecodesign method for stationery and shaver products. This is a preventive approach that enables us to integrate environmental concerns, beginning at the product design stage. In 2009, BIC began using SimaPro, an ecodesign expert software, to help our designers quantify and, when possible, minimize the environmental impact of a product, even before it is manufactured.

Recycled materials are used in the BIC® Ecolutions™ stationery range launched in 2008. Several years of R&D work resulted in the 2008 launch of the first BIC shaver in bioplastic - the BIC® Ecolutions™ shaver. The use of this agriculturally-based material

allows BIC to reduce the consumption of non-renewable raw materials.

In 2009, BIC factories implemented 5 programs targeting raw material reduction, and another 5 aimed at packaging.

➔ WASTE

**Hazardous waste**

Between 2008 and 2009, the BIC Group achieved a 0.8% decrease in the amount of hazardous waste generated per tonne of production.

A few significant highlights include BIC Mexico (Mexico) with a large 54% reduction, BIC Ecuador (Ecuador) with a 40% decrease and BIC Boulogne (France) with a 24% cut.

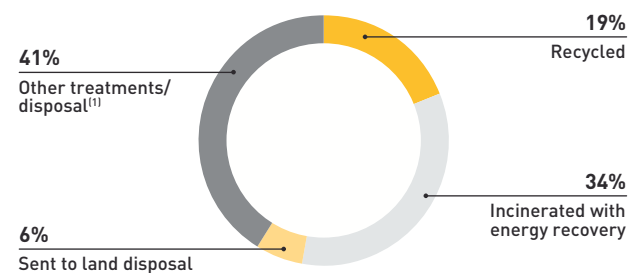
BIC Écriture 2000 (France) achieved part of its 10% reduction in hazardous waste thanks to the re-use of some raw material packaging. This year, BIC Boulogne (France), as a result of recycling solvents used to produce ink, eliminated 14 tonnes of hazardous waste.

BIC Group factories worked on over 24 programs to reduce generation of waste.

ANNUAL PRODUCTION OF HAZARDOUS WASTE NORMALIZED TO BIC GROUP PRODUCTION (Tonne per tonne)



2009 BIC GROUP HAZARDOUS WASTE TREATMENT (% of total expressed in tonnes)

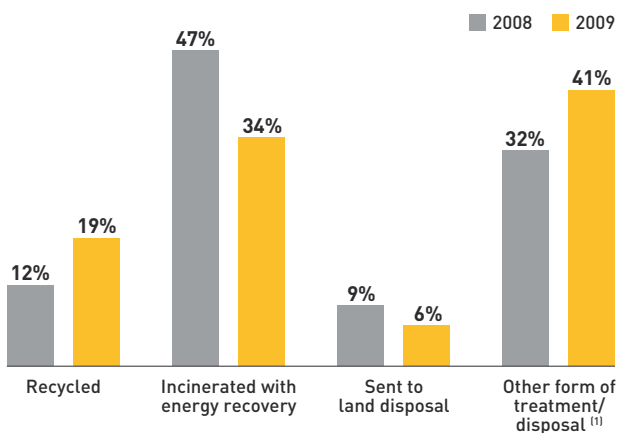


(1) "Other treatments/disposal" represents all other forms of waste treatment, including incineration without energy recovery.





**HAZARDOUS WASTE CATEGORISATION IN 2008 & 2009**  
(% of total expressed in tonnes)



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

**Non-hazardous waste**

In 2009, the Group measured a 3% decrease in the amount of non-hazardous waste produced per tonne of production. The absolute quantity of non-hazardous waste dropped over 6%.

Fifteen plants reduced their waste-to-production ratio, including BIC CORPORATION Milford (USA) with a 35% reduction, BIC APP St. Petersburg (USA) with a 22% decrease, BIC Amazonia (Brazil) with 21%, and BIMA (France) with a 19% improvement.

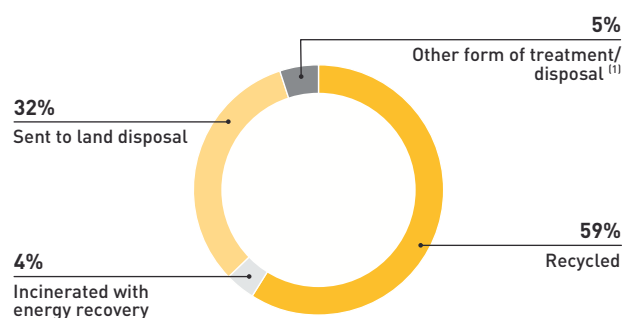
Reduction efforts at BIC Rasoirs (France) included additional recycling of plastics from defective products back into the process.

Across the BIC Group, factories executed over 24 programs intended to reduce generation of waste.

**ANNUAL PRODUCTION OF NON HAZARDOUS WASTE NORMALIZED TO BIC GROUP PRODUCTION (tonne per tonne)**

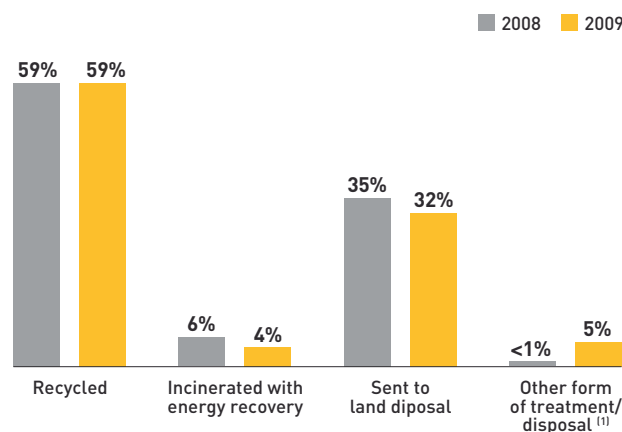


**2009 BIC GROUP NON HAZARDOUS WASTE TREATMENT**  
(% of total expressed in tonnes)



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

**NON HAZARDOUS WASTE CATEGORISATION IN 2008 & 2009**  
(% of total expressed in tonnes)



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

➔ **CONDITIONS FOR USE OF SOILS**

In Europe and the USA, as part of an industrial restructuring resulting in the closure of factories, BIC has ensured that plant decommissioning was performed in accordance with local law and best environmental practices. Between 1999 and 2006, BIC carried out studies of the soil and subsoil, although most sites were not subject to any such compulsory examination. Such studies of European plants used over a long period of time demonstrate that our business does not have a significant impact on soil and subsoil.

For French plants subject to specific regulatory requirements, the policy for preventing the risk of soil pollution is an integral part of the BIC operating plan.

➔ **AIR, WATER AND SOIL RELEASE THAT SERIOUSLY AFFECT THE ENVIRONMENT. MEASURES TAKEN TO LIMIT THE EFFECTS ON BIOLOGICAL BALANCE, NATURAL HABITATS, AND PROTECTED ANIMAL AND PLANT SPECIE**

The nature of our manufacturing operations, primarily molding and the assembly of plastic products, should result in a relatively low local environmental impact as compared to what many think of as typical "heavy" manufacturing. Nevertheless, our Sustainable Development Program requires all BIC plants to measure, assess and reduce any potentially significant environmental impacts.

For 2009, 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 10,930 tonnes of CO<sub>2</sub> equivalent, representing a reduction of 374 tonnes of CO<sub>2</sub> equivalent compared to 2008 emissions.

➔ **NOISE AND ODOR IMPACT**

Odor is considered an insignificant aspect for our activities.

As far as noise impact is concerned, measures are taken within the property limits in the context of local regulations.

In the event that noise pollution is identified in the future, we will assess the situation and implement any appropriate corrective actions.

## Note to the management report of the Board of Directors

➔ **AUTHORIZATIONS OF CAPITAL INCREASE AT THE CLOSING OF 2009 FINANCIAL YEAR**

SOCIÉTÉ BIC has, at December 31, 2009, the following authorizations which were granted by the Annual Shareholders' Meeting:

**I. AUTORIZATION OF CAPITAL INCREASE WITH THE SHAREHOLDERS' PRE-EMPTIVE RIGHT OF SUBSCRIPTION**

Maximum amount <i>(in million euros)</i>	Ordinary shares: 50 Various securities: 650
Date	May 21, 2008
Term	26 months
Limit date of validity	July 20, 2010
Use	No
Issuance price	The issuance price of ordinary shares and/or of various securities (and the shares to which the latter shall give right), is set by the Board of Directors, with or without premium, in compliance with the rules and regulations in force.

**II. AUTORIZATION OF CAPITAL INCREASE WITHOUT THE SHAREHOLDERS' PRE-EMPTIVE RIGHT OF SUBSCRIPTION**

Maximum amount <i>(in million euros)</i>	Ordinary shares: 50 Various securities: 650
Date	May 21, 2008
Term	26 months
Limit date of validity	July 20, 2010
Use	No
Issuance price	The issuance price of ordinary shares and/or of various securities (and the shares to which the latter shall give right), is set by the Board of Directors, with or without premium, in compliance with the rules and regulations in force (the weighted average exchange of the last three sessions of the stock market preceding the setting of the price, eventually reduced by a maximum reduction of 5%).

