

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2024

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission File Number 001-08454

ACCO Brands Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of  
Incorporation or Organization)

36-2704017

(I.R.S. Employer  
Identification Number)

Four Corporate Drive  
Lake Zurich, Illinois 60047

(Address of Registrant's Principal Executive Office, Including Zip Code)

(847) 541-9500

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	ACCO	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2024, the registrant had outstanding 92,881,008 shares of Common Stock.

### **Cautionary Statement Regarding Forward-Looking Statements**

Certain statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, particularly those anticipating future financial performance, business prospects, growth, strategies, business operations and similar matters, results of operations, liquidity, and financial condition and those related to cost reductions and anticipated pre-tax savings and restructuring costs are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the beliefs and assumptions of management based on information available to us at the time such statements are made. These statements, which are generally identifiable by the use of the words "will," "believe," "expect," "intend," "anticipate," "estimate," "forecast," "future," "predict," "project," "plan," and similar expressions, are subject to certain risks and uncertainties, are made as of the date hereof, and we undertake no duty or obligation to update them. Forward-looking statements are subject to the occurrence of events outside the Company's control and actual results and the timing of the events may differ materially from those suggested or implied by such forward-looking statements due to numerous factors that involve substantial known and unknown risks and uncertainties. Investors and others are cautioned to not place undue reliance on forward-looking statements when deciding whether to buy, sell or hold the Company's securities.

Some of the factors that could affect our results or cause our plans, actions and results to differ materially from those expressed in the forward-looking statements contained in this Quarterly Report on Form 10-Q are detailed in "Part I, Item 1. Business" and "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, as well as in "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Quarterly Report on Form 10Q and from time to time in our other Securities and Exchange Commission (the "SEC") filings.

### **Website Access to Securities and Exchange Commission Reports**

The Company's Internet website can be found at [www.accobrand.com](http://www.accobrand.com). The Company makes available free of charge on or through its website its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as practicable after the Company files them with, or furnishes them to, the SEC.

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ACCO Brands Corporation and Subsidiaries  
Condensed Consolidated Balance Sheets

	September 30, 2024 (unaudited)	December 31, 2023
<i>(in millions)</i>		
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 102.0	\$ 66.4
Accounts receivable, net	325.7	430.7
Inventories	324.8	327.5
Other current assets	41.5	30.8
Total current assets	794.0	855.4
Total property, plant and equipment	577.6	599.6
Less: accumulated depreciation	(423.9)	(429.5)
Property, plant and equipment, net	153.7	170.1
Right of use asset, leases	86.3	91.0
Deferred income taxes	102.7	104.7
Goodwill	459.0	590.0
Identifiable intangibles, net	740.9	815.7
Other non-current assets	20.9	17.9
Total assets	<u>\$ 2,357.5</u>	<u>\$ 2,644.8</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Notes payable	\$ 7.9	\$ 0.2
Current portion of long-term debt	51.3	36.5
Accounts payable	182.4	183.7
Accrued compensation	42.4	53.3
Accrued customer program liabilities	77.4	104.0
Lease liabilities	22.3	20.5
Other current liabilities	114.0	143.8
Total current liabilities	497.7	542.0
Long-term debt, net	849.8	882.2
Long-term lease liabilities	71.3	76.8
Deferred income taxes	118.1	125.6
Pension and post-retirement benefit obligations	143.9	157.6
Other non-current liabilities	61.2	73.6
Total liabilities	1,742.0	1,857.8
Stockholders' equity:		
Common stock	1.0	1.0
Treasury stock	(47.0)	(45.1)
Paid-in capital	1,911.1	1,913.4
Accumulated other comprehensive loss	(548.9)	(526.3)
Accumulated deficit	(700.7)	(556.0)
Total stockholders' equity	615.5	787.0
Total liabilities and stockholders' equity	<u>\$ 2,357.5</u>	<u>\$ 2,644.8</u>

See Notes to Condensed Consolidated Financial Statements (Unaudited).

**ACCO Brands Corporation and Subsidiaries**  
**Consolidated Statements of Income (Loss)**  
(Unaudited)

(in millions, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net sales	\$ 420.9	\$ 448.0	\$ 1,218.1	\$ 1,344.2
Cost of products sold	284.0	303.2	818.2	915.9
Gross profit	136.9	144.8	399.9	428.3
Operating costs and expenses:				
Selling, general and administrative expenses	92.2	98.8	274.4	291.8
Amortization of intangibles	11.7	10.8	33.2	32.7
Restructuring	6.7	3.0	6.1	6.3
Impairment of goodwill and intangible assets	—	—	165.2	—
Total operating costs and expenses	110.6	112.6	478.9	330.8
Operating income (loss)	26.3	32.2	(79.0)	97.5
Non-operating expense (income):				
Interest expense	13.7	15.6	40.8	45.0
Interest income	(2.0)	(1.6)	(6.1)	(6.2)
Non-operating pension expense	0.4	0.2	5.6	0.5
Other expense (income), net	0.4	(3.6)	(0.4)	(2.1)
Income (loss) before income tax	13.8	21.6	(118.9)	60.3
Income tax expense	4.5	6.7	3.3	22.7
Net income (loss)	<u>\$ 9.3</u>	<u>\$ 14.9</u>	<u>\$ (122.2)</u>	<u>\$ 37.6</u>
Per share:				
Basic income (loss) per share	\$ 0.10	\$ 0.16	\$ (1.27)	\$ 0.40
Diluted income (loss) per share	\$ 0.09	\$ 0.15	\$ (1.27)	\$ 0.39
Weighted average number of shares outstanding:				
Basic	96.0	95.4	96.2	95.2
Diluted	97.5	96.7	96.2	96.8

See Notes to Condensed Consolidated Financial Statements (Unaudited).

**ACCO Brands Corporation and Subsidiaries**  
**Consolidated Statements of Comprehensive Income (Loss)**  
**(Unaudited)**

<i>(in millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income (loss)	\$ 9.3	\$ 14.9	\$ (122.2)	\$ 37.6
Other comprehensive income (loss) net of tax:				
Unrealized (loss) gain on derivative instruments, net of tax benefit (expense) of \$0.5 and \$(0.3) and \$0.3 and \$(0.2), respectively	(1.3)	0.7	(0.7)	0.4
Foreign currency translation adjustments, net of tax expense of \$(0.4) and \$(0.4) and \$(0.9) and \$(0.2), respectively	13.1	(7.0)	(23.4)	0.2
Recognition of deferred pension and other post-retirement items, net of tax benefit (expense) of \$1.3 and \$(1.2) and \$(0.8) and \$(0.6), respectively	(4.8)	4.5	1.5	2.2
Other comprehensive income (loss) net of tax:	7.0	(1.8)	(22.6)	2.8
Comprehensive income (loss)	<u>\$ 16.3</u>	<u>\$ 13.1</u>	<u>\$ (144.8)</u>	<u>\$ 40.4</u>

See Notes to Condensed Consolidated Financial Statements (Unaudited).

**ACCO Brands Corporation and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited)

<i>(in millions)</i>	Nine Months Ended September 30,			
	2024		2023	
<b>Operating activities</b>				
Net (loss) income	\$	(122.2)	\$	37.6
Loss (gain) on disposal of assets		0.2		(0.3)
Depreciation		21.2		25.2
Amortization of debt issuance costs		2.2		2.3
Amortization of intangibles		33.2		32.7
Stock-based compensation		9.2		10.4
Non-cash charge for impairment of goodwill and intangible assets		165.2		—
Changes in operating assets and liabilities:				
Accounts receivable		88.5		30.9
Inventories		(3.1)		35.5
Other assets		(7.6)		(5.4)
Accounts payable		1.3		(72.8)
Accrued expenses and other liabilities		(63.5)		(17.8)
Accrued income taxes		(29.1)		(7.6)
Net cash provided by operating activities		95.5		70.7
<b>Investing activities</b>				
Additions to property, plant and equipment		(8.6)		(9.7)
Proceeds from the disposition of assets		0.1		2.2
Net cash used by investing activities		(8.5)		(7.5)
<b>Financing activities</b>				
Proceeds from long-term borrowings		96.1		121.9
Repayments of long-term debt		(117.2)		(145.4)
Borrowings (repayments) of notes payable, net		7.5		(7.3)
Dividends paid		(21.5)		(21.4)
Repurchases of common stock		(12.5)		—
Payments related to tax withholding for stock-based compensation		(1.9)		(1.7)
Net cash used by financing activities		(49.5)		(53.9)
Effect of foreign exchange rate changes on cash and cash equivalents		(1.9)		2.2
Net increase in cash and cash equivalents		35.6		11.5
<b>Cash and cash equivalents</b>				
Beginning of the period	\$	66.4	\$	62.2
End of the period	\$	102.0	\$	73.7
<b>Cash paid during the year for:</b>				
Interest	\$	43.4	\$	48.7
Income taxes	\$	32.4	\$	30.2

See Notes to Condensed Consolidated Financial Statements (Unaudited).

**ACCO Brands Corporation and Subsidiaries**  
**Consolidated Statement of Stockholders' Equity**  
(Unaudited)

	Common Stock		Paid-in	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
(in millions)	Shares	Value	Capital	Shares	Value			
<b>Balance at December 31, 2023</b>	99.8	\$ 1.0	\$ 1,913.4	4.9	\$ (45.1)	\$ (526.3)	\$ (556.0)	\$ 787.0
Net loss	—	—	—	—	—	—	(6.3)	(6.3)
Gain on derivative financial instruments, net of tax	—	—	—	—	—	0.5	—	0.5
Translation impact, net of tax	—	—	—	—	—	(21.2)	—	(21.2)
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	2.4	—	2.4
Stock-based compensation	—	—	5.4	—	—	—	(0.3)	5.1
Common stock issued, net of shares withheld for employee taxes	1.1	—	—	0.3	(1.9)	—	—	(1.9)
Dividends declared \$0.075 per share	—	—	—	—	—	—	(7.2)	(7.2)
Other	—	—	—	—	—	—	0.1	0.1
<b>Balance at March 31, 2024</b>	<u>100.9</u>	<u>\$ 1.0</u>	<u>\$ 1,918.8</u>	<u>5.2</u>	<u>\$ (47.0)</u>	<u>\$ (544.6)</u>	<u>\$ (569.7)</u>	<u>\$ 758.5</u>
Net loss	—	—	—	—	—	—	(125.2)	(125.2)
Gain on derivative financial instruments, net of tax	—	—	—	—	—	0.1	—	0.1
Translation impact, net of tax	—	—	—	—	—	(15.3)	—	(15.3)
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	3.9	—	3.9
Stock-based compensation	—	—	2.9	—	—	—	(0.4)	2.5
Common stock issued, net of shares withheld for employee taxes	0.1	—	—	—	—	—	—	—
Dividends declared, \$0.075 per share	—	—	—	—	—	—	(7.1)	(7.1)
Other	—	—	—	—	—	—	(0.3)	(0.3)
<b>Balance at June 30, 2024</b>	<u>101.0</u>	<u>\$ 1.0</u>	<u>\$ 1,921.7</u>	<u>5.2</u>	<u>\$ (47.0)</u>	<u>\$ (555.9)</u>	<u>\$ (702.7)</u>	<u>\$ 617.1</u>
Net income	—	—	—	—	—	—	9.3	9.3
Loss on derivative financial instruments, net of tax	—	—	—	—	—	(1.3)	—	(1.3)
Translation impact	—	—	—	—	—	13.1	—	13.1
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	(4.8)	—	(4.8)
Common stock repurchases	(2.4)	—	(12.5)	—	—	—	—	(12.5)
Stock-based compensation	—	—	1.9	—	—	—	(0.3)	1.6
Dividends declared, \$0.075 per share	—	—	—	—	—	—	(7.2)	(7.2)
Other	—	—	—	—	—	—	0.2	0.2
<b>Balance at September 30, 2024</b>	<u>98.6</u>	<u>\$ 1.0</u>	<u>\$ 1,911.1</u>	<u>5.2</u>	<u>\$ (47.0)</u>	<u>\$ (548.9)</u>	<u>\$ (700.7)</u>	<u>\$ 615.5</u>

See Notes to Condensed Consolidated Financial Statements (Unaudited).



**ACCO Brands Corporation and Subsidiaries**  
**Consolidated Statement of Stockholders' Equity Continued**  
(Unaudited)

	Common Stock		Paid-in	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
(in millions)	Shares	Value	Capital	Shares	Value			
<b>Balance at December 31, 2022</b>	98.9	\$ 1.0	\$ 1,897.2	4.6	\$ (43.4)	\$ (540.3)	\$ (504.4)	\$ 810.1
Net loss	—	—	—	—	—	—	(3.7)	(3.7)
Loss on derivative financial instruments, net of tax	—	—	—	—	—	(0.9)	—	(0.9)
Translation impact, net of tax	—	—	—	—	—	8.9	—	8.9
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	(1.5)	—	(1.5)
Stock-based compensation	—	—	6.2	—	—	—	(0.6)	5.6
Common stock issued, net of shares withheld for employee taxes	0.9	—	—	0.3	(1.7)	—	—	(1.7)
Dividends declared \$0.075 per share	—	—	—	—	—	—	(7.1)	(7.1)
Other	—	—	(0.1)	—	0.1	—	0.1	0.1
<b>Balance at March 31, 2023</b>	<u>99.8</u>	<u>\$ 1.0</u>	<u>\$ 1,903.3</u>	<u>4.9</u>	<u>\$ (45.0)</u>	<u>\$ (533.8)</u>	<u>\$ (515.7)</u>	<u>\$ 809.8</u>
Net income	—	—	—	—	—	—	26.4	26.4
Gain on derivative financial instruments, net of tax	—	—	—	—	—	0.6	—	0.6
Translation impact, net of tax	—	—	—	—	—	(1.7)	—	(1.7)
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	(0.8)	—	(0.8)
Stock-based compensation	—	—	3.4	—	—	—	(0.1)	3.3
Dividends declared, \$0.075 per share	—	—	—	—	—	—	(7.1)	(7.1)
Other	—	—	0.1	—	—	—	(0.2)	(0.1)
<b>Balance at June 30, 2023</b>	<u>99.8</u>	<u>\$ 1.0</u>	<u>\$ 1,906.8</u>	<u>4.9</u>	<u>\$ (45.0)</u>	<u>\$ (535.7)</u>	<u>\$ (496.7)</u>	<u>\$ 830.4</u>
Net income	—	—	—	—	—	—	14.9	14.9
Gain on derivative financial instruments, net of tax	—	—	—	—	—	0.7	—	0.7
Translation impact	—	—	—	—	—	(7.0)	—	(7.0)
Pension and post-retirement adjustment, net of tax	—	—	—	—	—	4.5	—	4.5
Stock-based compensation	—	—	1.7	—	—	—	(0.2)	1.5
Dividends declared, \$0.075 per share	—	—	—	—	—	—	(7.2)	(7.2)
Other	—	—	—	—	(0.1)	—	0.3	0.2
<b>Balance at September 30, 2023</b>	<u>99.8</u>	<u>\$ 1.0</u>	<u>\$ 1,908.5</u>	<u>4.9</u>	<u>\$ (45.1)</u>	<u>\$ (537.5)</u>	<u>\$ (488.9)</u>	<u>\$ 838.0</u>

See Notes to Condensed Consolidated Financial Statements (Unaudited).

**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**1. Basis of Presentation**

As used in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, the terms "ACCO Brands," "ACCO," the "Company," "we," "us," and "our" refer to ACCO Brands Corporation and its consolidated subsidiaries.

The management of ACCO Brands Corporation is responsible for the accuracy and internal consistency of the preparation of the condensed consolidated financial statements and notes contained in this Quarterly Report on Form 10-Q.

The condensed consolidated interim financial statements have been prepared pursuant to the rules and regulations of the SEC. Although the Company believes the disclosures are adequate to make the information presented not misleading, certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP") have been condensed or omitted pursuant to those rules and regulations. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

The Condensed Consolidated Balance Sheet as of September 30, 2024 and the related Consolidated Statements of Income (Loss), Consolidated Statements of Comprehensive Income (Loss), and Consolidated Statements of Stockholders' Equity for the three and nine months ended September 30, 2024 and 2023, and the Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2024 and 2023 are unaudited. The December 31, 2023 Condensed Consolidated Balance Sheet data was derived from audited financial statements but does not include all annual disclosures required by GAAP. The financial statements included herein were prepared by management and reflect all adjustments (consisting solely of normal recurring items unless otherwise noted) which are, in the opinion of management, necessary for the fair presentation of the results of operations and cash flows for the interim periods ended September 30, 2024 and 2023, and the financial position of the Company as of September 30, 2024. Interim results may not be indicative of results for a full year.

Effective January 1, 2024, the Company reorganized its previously reported North America, EMEA and International operating segments into two operating segments, Americas and International. The Americas segment includes the U.S., Canada, Brazil, Mexico and Chile and the International segment includes EMEA, Australia, New Zealand and Asia. Prior period results have been reclassified to reflect this change in our operating segments. See "Note 16. Information on Business Segments" for further details.

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting periods. Actual results could differ from those estimates.

**2. Recent Accounting Pronouncements and Adopted Accounting Standards**

***Recent Accounting Pronouncements***

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires a public entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. The ASU does not change how a public entity identifies its operating segments, aggregates them, or applies the quantitative thresholds to determine its reportable segments. This ASU is effective for annual periods beginning after December 15, 2023, and for interim periods beginning after December 15, 2024, with early adoption permitted. We are evaluating the effect this guidance will have on our segment disclosures.

## ACCO Brands Corporation and Subsidiaries

### Notes to Condensed Consolidated Financial Statements (Unaudited)

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances the income tax disclosures to provide information to better assess how an entity's operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are evaluating the effect this guidance will have on our tax disclosures.

There were no other recently issued accounting standards that are expected to have an impact on the Company's financial condition, results of operations or cash flow.

#### **Recently Adopted Accounting Standards**

There were no accounting standards that were adopted in the first nine months of 2024 that had a material effect on the Company's financial condition, results of operations or cash flow.

### **3. Long-term Debt and Short-term Borrowings**

Notes payable and long-term debt, listed in order of the priority of security interests in assets of the Company, consisted of the following as of September 30, 2024 and December 31, 2023:

<i>(in millions)</i>	September 30, 2024	December 31, 2023
Euro Senior Secured Term Loan A, due March 2026 (floating interest rate of 5.35% at September 30, 2024 and 5.93% at December 31, 2023)	\$ 205.5	\$ 218.2
USD Senior Secured Term Loan A, due March 2026 (floating interest rate of 6.94% at September 30, 2024 and 7.50% at December 31, 2023)	72.8	78.0
Australian Dollar Senior Secured Term Loan A, due March 2026 (floating interest rate of 6.48% at September 30, 2024 and 6.42% at December 31, 2023)	30.7	32.5
U.S. Dollar Senior Secured Revolving Credit Facility, due March 2026 (floating interest rate of 6.94% at September 30, 2024 and 7.4% at December 31, 2023)	13.5	7.3
Australian Dollar Senior Secured Revolving Credit Facility, due March 2026 (floating interest rate of 6.40% at September 30, 2024 and 6.42% at December 31, 2023)	9.0	14.3
Senior Unsecured Notes, due March 2029 (fixed interest rate of 4.25%)	575.0	575.0
Other borrowings	7.9	0.3
Total debt	914.4	925.6
Less:		
Current portion	59.2	36.7
Debt issuance costs, unamortized	5.4	6.7
Long-term debt, net	<u>\$ 849.8</u>	<u>\$ 882.2</u>

#### **Credit Agreement**

The Company is party to a Third Amended and Restated Credit Agreement (the "Credit Agreement"), dated as of January 27, 2017, among the Company, certain subsidiaries of the Company, Bank of America, N.A., as administrative agent, and the other agents and various lenders party thereto. The Credit Agreement, as amended, provides for a senior secured credit facility, which consists of a €300.0 million (US\$320.8 million based on January 27, 2017 exchange rates) term loan facility, an A\$80.0 million (US\$60.4 million based on January 27, 2017 exchange rates) term loan facility, a US\$100.0 million term loan facility, and a US\$600.0 million multi-currency revolving credit facility (the "Revolving Facility").

From July 2018 to November 2022, the Company entered into six amendments (the "Amendments") to the Credit Agreement. The following are the key changes, among other things, to the Credit Agreement as a result of the Amendments:

- replace the minimum fixed coverage ratio of 1.25:1.00 with a minimum Interest Coverage Ratio (as defined in the Credit Agreement) of 3.00:1.00;

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- increase the maximum Consolidated Leverage Ratio (as defined in the Credit Agreement) financial covenant for each of the five fiscal quarters beginning December 31, 2022, and ending December 31, 2023;
- modify the maximum Consolidated Leverage Ratio financial covenant for all first and second fiscal quarters after December 31, 2023, from the current level of 4.00x to 4.50x, while maintaining the current level of 4.00x for all third and fourth fiscal quarters;
- increase the Company's flexibility under the restricted payments baskets; and
- change the U.S. dollar reference rate from LIBOR-based pricing to SOFR-based pricing, with no changes to existing margins.

As of September 30, 2024, the maturity of the Credit Agreement was March 31, 2026 and the pricing was as follows:

Consolidated Leverage Ratio	Applicable Rate on Euro/AUD/CDN Dollar Loans	Applicable Rate on Base Rate Loans	Undrawn Fee
> 4.50 to 1.00	2.50 %	1.50 %	0.500 %
≤ 4.50 to 1.00 and > 4.00 to 1.00	2.25 %	1.25 %	0.375 %
≤ 4.00 to 1.00 and > 3.50 to 1.00	2.00 %	1.00 %	0.350 %
≤ 3.50 to 1.00 and > 3.00 to 1.00	1.75 %	0.75 %	0.300 %
≤ 3.00 to 1.00 and > 2.00 to 1.00	1.50 %	0.50 %	0.250 %
≤ 2.00 to 1.00	1.25 %	0.25 %	0.200 %

As of September 30, 2024, there were \$22.5 million in borrowings outstanding under the Revolving Facility. The remaining amount available for borrowings was \$569.0 million (allowing for \$8.5 million of letters of credit outstanding on that date).

As of September 30, 2024, our Consolidated Leverage Ratio was approximately 3.50 to 1.00 versus our maximum covenant of 4.00 to 1.00.

On October 30, 2024, the Company entered into a seventh amendment to the Credit Agreement to extend the maturity of the senior secured credit facility to October 30, 2029. The following are the key changes, among other things, to the Credit Agreement as a result of the seventh amendment:

- the current Revolving Facility provides for outstanding borrowings not to exceed \$467.5 million;
- the outstanding USD Senior Secured Term Loan A of \$72.8 million as well as the Australian Dollar Senior Secured Term Loan A of A\$44.4 million (US\$29.2 million based on October 30, 2024 exchange rates) were repaid in full by borrowing under the Revolving Facility;
- €61.2 million (US\$66.4 million based on October 30, 2024 exchange rates) out of the total outstanding Euro Senior Secured Term Loan A of €184.1 million (US\$199.8 million based on October 30, 2024 exchange rates) was repaid by borrowing under the Revolving Facility; and
- added a springing maturity covenant if the Senior Unsecured Notes are not refinanced before their maturity of March 15, 2029.

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No changes were made to the financial covenants and the pricing was updated as follows:

Level	Consolidated Leverage Ratio	SOFR Spread	Undrawn Fee
I	> 4.25x	225 bps	37.5 bps
II	> 3.50x	200 bps	35.0 bps
III	> 2.50x	175 bps	30.0 bps
IV	≤ 2.50x	150 bps	25.0 bps

**Senior Unsecured Notes**

On March 15, 2021, the Company completed a private offering of \$575.0 million in aggregate principal amount of 4.25 percent Senior Unsecured Notes (the "Notes") due March 2029. Interest on the Notes is payable semiannually on March 15 and September 15 of each year. The Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by each of the Company's existing and future U.S. subsidiaries, other than certain excluded subsidiaries.

**Guarantees and Security**

Generally, obligations under the Credit Agreement are guaranteed by certain of the Company's existing and future subsidiaries, and are secured by substantially all of the Company's and certain guarantor subsidiaries' assets, subject to certain exclusions and limitations.

**4. Leases**

The Company leases its corporate headquarters, various other facilities for distribution, manufacturing, and offices, as well as vehicles, forklifts and other equipment. The Company determines if an arrangement is a lease at inception. Leases are included in "Right of use asset, leases" ("ROU Assets"), and the current portion of the lease liability is included in "Lease liabilities" and the non-current portion is included in "Long-term lease liabilities" in the Condensed Consolidated Balance Sheets. The Company currently has an immaterial amount of financing leases and leases with terms of more than one month and less than 12 months. ROU Assets and Lease liabilities are recognized based on the present value of lease payments over the lease term. Because most of the Company's leases do not provide an implicit rate of return, the Company uses its incremental collateralized borrowing rate, on a regional basis, in determining the present value of lease payments. The incremental borrowing rate is dependent upon the duration of the lease and has been segmented into three groups of time. All leases within the same region and the same group of time share the same incremental borrowing rate. The Company has lease agreements with lease and non-lease components, which are combined for accounting purposes for all classes of underlying assets except information technology equipment.

The components of lease expense were as follows:

(in millions)	Three months ended September 30,				Nine Months Ended September 30,			
	2024		2023		2024		2023	
Operating lease cost	\$	7.2	\$	7.3	\$	21.8	\$	21.4
Sublease income		(0.8)		(0.6)		(2.4)		(1.9)
Total lease cost	\$	6.4	\$	6.7	\$	19.4	\$	19.5

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Other information related to leases was as follows:

<i>(in millions, except lease term and discount rate)</i>	Nine Months Ended September 30,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 20.8	\$ 22.6
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 14.4	\$ 14.7
Weighted average remaining lease term:		
Operating leases	5.8 years	
Weighted average discount rate:		
Operating leases	5.2 %	

Future minimum lease payments, net of sublease income, for all non-cancelable leases as of September 30, 2024 were as follows:

<i>(in millions)</i>	Operating Leases
2024	\$ 7.1
2025	25.2
2026	20.6
2027	15.3
2028	12.8
2029	10.1
Thereafter	18.1
Total minimum lease payments	109.2
Less imputed interest	15.6
Future minimum payments for leases, net of sublease rental income and imputed interest	<u>\$ 93.6</u>

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**5. Pension and Other Retiree Benefits**

The components of net periodic benefit (income) cost for pension and post-retirement plans for the three and nine months ended September 30, 2024 and 2023 were as follows:

(in millions)	Three Months Ended September 30,					
	U.S.		Pension		Post-retirement	
	2024	2023	2024	2023	2024	2023
Service cost	\$ —	\$ —	\$ 0.1	\$ 0.1	\$ —	\$ —
Interest cost	1.9	2.0	4.6	5.1	—	—
Expected return on plan assets	(3.2)	(3.0)	(4.9)	(5.5)	—	—
Amortization of net loss (gain)	0.6	0.6	1.4	1.1	(0.1)	(0.1)
Amortization of prior service cost	—	—	0.1	0.1	—	—
Net periodic benefit (income) cost <sup>(2)</sup>	<u>\$ (0.7)</u>	<u>\$ (0.4)</u>	<u>\$ 1.3</u>	<u>\$ 0.9</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>

(in millions)	Nine Months Ended September 30,					
	U.S.		Pension		Post-retirement	
	2024	2023	2024	2023	2024	2023
Service cost	\$ —	\$ —	\$ 0.5	\$ 0.3	\$ —	\$ —
Interest cost	5.7	6.0	13.8	15.0	—	—
Expected return on plan assets	(9.6)	(9.0)	(14.6)	(16.2)	—	—
Amortization of net loss (gain)	1.8	1.8	4.0	3.2	(0.3)	(0.3)
Amortization of prior service cost	—	—	0.2	0.3	—	—
Settlement <sup>(1)</sup>	—	—	4.4	—	—	—
Net periodic benefit (income) cost <sup>(2)</sup>	<u>\$ (2.1)</u>	<u>\$ (1.2)</u>	<u>\$ 8.3</u>	<u>\$ 2.6</u>	<u>\$ (0.3)</u>	<u>\$ (0.3)</u>

(1) Settlement of \$4.4 million resulting from the wind-up of the ACCO Brands Canada Salaried and Hourly pension plans which was completed in the second quarter of 2024.

(2) The components of net periodic benefit (income) cost, other than service cost, are included in the line "Non-operating pension expense" in the Consolidated Statements of Income (Loss).

We expect to contribute approximately \$17.7 million to our defined benefit plans in 2024. For the nine months ended September 30, 2024, we have contributed \$11.8 million to these plans.

**6. Stock-Based Compensation**

The following table summarizes our stock-based compensation expense (including stock options, restricted stock units ("RSUs") and performance stock units ("PSUs") for the three and nine months ended September 30, 2024 and 2023:

(in millions)	Three months ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Stock option compensation expense	\$ 0.1	\$ 0.3	\$ 0.4	\$ 2.4
RSU compensation expense	1.3	1.3	6.3	4.9
PSU compensation expense	0.2	(0.1)	2.5	3.1
Total stock-based compensation expense	<u>\$ 1.6</u>	<u>\$ 1.5</u>	<u>\$ 9.2</u>	<u>\$ 10.4</u>

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The following table summarizes our unrecognized compensation expense and the weighted-average period over which the expense will be recognized as of September 30, 2024:

<i>(in millions, except weighted average years)</i>	September 30, 2024	
	Unrecognized Compensation Expense	Weighted Average Years Expense To Be Recognized Over
Stock options	\$0.2	0.5
RSUs	\$8.4	2.1
PSUs	\$4.5	1.7

**7. Inventories**

The components of inventories were as follows:

<i>(in millions)</i>	September 30, 2024	December 31, 2023
Raw materials	\$ 39.4	\$ 50.1
Work in process	4.3	4.7
Finished goods	281.1	272.7
Total inventories	<u>\$ 324.8</u>	<u>\$ 327.5</u>

**8. Goodwill and Identifiable Intangible Assets**

***Goodwill***

We test goodwill for impairment at least annually as of our measurement date of May 31st and on an interim basis if an event or circumstance indicates that it is more likely than not that an impairment loss has been incurred. During the second quarter, we identified triggering events within our Americas reporting unit indicating that it was more likely than not that an impairment loss had been incurred. The triggering events included a decline in forecasted cash flows within specific product categories, and a decline in our stock price. Accordingly, as of May 31, 2024, we completed an impairment assessment, on a quantitative basis, of goodwill for both the Americas and International reporting units. The result of our assessment was that the fair value of the Americas reporting unit did not exceed its carrying value resulting in an impairment charge of \$127.5 million. The result of our assessment was that the fair value of the International reporting unit exceeded its carrying value and we concluded that no impairment existed.

Estimating the fair value of each reporting unit requires us to make assumptions and estimates regarding our future. We utilized a combination of discounted cash flows and market approach. The financial projections used in the valuation models reflected management's assumptions regarding revenue growth rates, economic and market trends, cost structure, discount rate, and other expectations about the anticipated short-term and long-term operating results for each of our two reporting units.

We believe the assumptions used in our goodwill impairment analysis are appropriate and result in reasonable estimates of the implied fair value of each reporting unit. However, given the economic environment and the uncertainties regarding the impact on our business, there can be no assurance that our estimates and assumptions, made for purposes of our goodwill impairment testing, will prove to be an accurate prediction of the future. If our assumptions regarding future performance are not achieved, or if future events occur that adversely affect our enterprise value, we may be required to record additional goodwill impairment charges in future periods.



**ACCO Brands Corporation and Subsidiaries**

**Notes to Condensed Consolidated Financial Statements (Unaudited)**

Changes in the net carrying amount of goodwill by segment were as follows:

<i>(in millions)</i>	<b>ACCO Brands Americas</b>	<b>ACCO Brands International</b>	<b>Total</b>
Balance at December 31, 2023	\$ 383.6	\$ 206.4	\$ 590.0
Goodwill impairment	(127.5)	—	(127.5)
Foreign currency translation	(1.5)	(2.0)	(3.5)
Balance at September 30, 2024	<u>\$ 254.6</u>	<u>\$ 204.4</u>	<u>\$ 459.0</u>

The goodwill balance includes \$403.3 million and \$530.8 million of accumulated impairment losses as of December 31, 2023 and September 30, 2024, respectively.

**Identifiable Intangible Assets**

We test indefinite-lived intangibles for impairment at least annually as of our measurement date of May 31st and on an interim basis if an event or circumstance indicates that it is more likely than not that an impairment loss has been incurred. During the second quarter, we identified a triggering event for our indefinite-lived trade names within our Americas reporting unit indicating that it was more likely than not that an impairment loss had been incurred. The triggering event was a decline in forecasted cash flows within certain product categories. Accordingly, as of May 31, 2024, we completed an impairment assessment, on a quantitative basis, for our indefinite-lived trade names. The result of our assessment was that the fair value of the Five Star® indefinite-lived trade name did not exceed its carrying value resulting in an impairment charge of \$37.7 million. The result of our assessment of the Swingline® and ACCO® indefinite-lived trade names was that the fair value of each exceeded its carrying value and we concluded that no impairment existed.

Estimating the fair value of each trade name requires us to make assumptions and estimates regarding our future. We utilized a relief-from-royalty discounted cash flows approach. The financial projections used in the valuation models reflected management's assumptions regarding revenue growth rates, economic and market trends, royalty rate, discount rate, and other expectations about the anticipated short-term and long-term operating results for each of our three indefinite-lived trade names.

We believe the assumptions used in our impairment analysis are appropriate and result in reasonable estimates of the implied fair value of each our indefinite-lived trade names. However, given the economic environment and the uncertainties regarding the impact on our business, there can be no assurance that our estimates and assumptions, made for purposes of our indefinite-lived intangible impairment testing, will prove to be an accurate prediction of the future.

As of June 1, 2024, we changed our Five Star® and Swingline® indefinite-lived trade names to amortizable intangible assets as they no longer met the indefinite-lived criteria. We began amortizing both trade names on a straight-line basis over a life of 30 years as of June 1, 2024.

**ACCO Brands Corporation and Subsidiaries**

**Notes to Condensed Consolidated Financial Statements (Unaudited)**

The gross carrying value and accumulated amortization by class of identifiable intangible assets as of September 30, 2024 and December 31, 2023, were as follows:

	September 30, 2024			December 31, 2023		
(in millions)	Gross Carrying Amounts	Accumulated Amortization	Net Book Value	Gross Carrying Amounts	Accumulated Amortization	Net Book Value
Indefinite-lived intangible assets:						
Trade names <sup>(1)</sup>	\$ 101.2	\$ (44.5)	\$ 56.7	\$ 295.1	\$ (44.5)	\$ 250.6
Amortizable intangible assets:						
Trade names <sup>(2)</sup>	648.5	(156.0)	492.5	497.1	(142.0)	355.1
Customer and contractual relationships	362.7	(235.0)	127.7	362.4	(221.3)	141.1
Vendor relationships	82.4	(20.8)	61.6	82.4	(16.7)	65.7
Patents	8.2	(5.8)	2.4	8.2	(5.0)	3.2
Subtotal	1,101.8	(417.6)	684.2	950.1	(385.0)	565.1
Total identifiable intangibles	<u>\$ 1,203.0</u>	<u>\$ (462.1)</u>	<u>\$ 740.9</u>	<u>\$ 1,245.2</u>	<u>\$ (429.5)</u>	<u>\$ 815.7</u>

(1) Accumulated amortization prior to the adoption of authoritative guidance on goodwill and other intangible assets, at which time further amortization ceased.

(2) Reflects the change of two indefinite-lived trade names from indefinite-lived intangibles to amortizable intangible assets as of June 1, 2024.

The Company's intangible amortization expense for the three and nine months ended September 30, 2024 was \$11.7 million and \$33.2 million, respectively, and \$10.8 million and \$32.7 million for the three and nine months ended September 30, 2023, respectively.

Estimated amortization expense for amortizable intangible assets, as of September 30, 2024, for the current year and the next five years is as follows:

(in millions)	2024	2025	2026	2027	2028	2029
Estimated amortization expense <sup>(3)</sup>	\$ 45.1	\$ 45.7	\$ 43.6	\$ 41.2	\$ 39.0	\$ 37.2

(3) Actual amounts of amortization expense may differ from estimated amounts due to changes in foreign currency exchange rates, additional intangible asset acquisitions, impairment of intangible assets, accelerated amortization of intangible assets and other events.

## 9. Restructuring

The Company recorded \$6.7 million and \$6.1 million of net restructuring expense for the three and nine months ended September 30, 2024, respectively, which were primarily for severance costs related to cost reduction initiatives in both the Americas and International segments. The Company recorded \$3.0 million and \$6.3 million of restructuring expense for the three and nine months ended September 30, 2023, respectively, which were primarily related to severance costs associated with the footprint rationalization program in the International segment.

# ACCO Brands Corporation and Subsidiaries

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The summary of the activity in the restructuring liability for the nine months ended September 30, 2024 was as follows:

(in millions)	Balance at December 31, 2023	Provision	Cash Expenditures	Non-cash Items/Curren cy Change	Balance at September 30, 2024
Employee termination costs <sup>(1)</sup>	\$ 27.5	\$ 6.1	\$ (11.4)	\$ (0.1)	\$ 22.1
Other	0.9	—	(0.9)	—	0.0
Total restructuring liability	<u>\$ 28.4</u>	<u>\$ 6.1</u>	<u>\$ (12.3)</u>	<u>\$ (0.1)</u>	<u>\$ 22.1</u>

(1) We expect the remaining \$22.1 million employee termination costs to be substantially paid in the next twelve months.

The summary of the activity in the restructuring liability for the nine months ended September 30, 2023 was as follows:

(in millions)	Balance at December 31, 2022	Provision	Cash Expenditures	Non-cash Items/Curren cy Change	Balance at September 30, 2023
Employee termination costs	\$ 8.7	\$ 4.9	\$ (6.9)	\$ —	\$ 6.7
Other	—	1.4	(0.2)	—	1.2
Total restructuring liability	<u>\$ 8.7</u>	<u>\$ 6.3</u>	<u>\$ (7.1)</u>	<u>\$ —</u>	<u>\$ 7.9</u>

## 10. Income Taxes

For the three months ended September 30, 2024, we recorded income tax expense of \$4.5 million on income before taxes of \$13.8 million. For the three months ended September 30, 2023, we recorded income tax expense of \$6.7 million on income before taxes of \$21.6 million. The \$2.2 million decrease in tax expense compared to the three months ended September 30, 2023 was primarily driven by the decrease in income before taxes during the three months ended September 30, 2024.

For the nine months ended September 30, 2024, we recorded income tax expense of \$3.3 million on a loss before taxes of \$118.9 million. For the nine months ended September 30, 2023, we recorded income tax expense of \$22.7 million on income before taxes of \$60.3 million. The \$19.4 million decrease in tax expense was primarily driven by the tax benefits related to the impairment of indefinite-lived intangibles and the settlement of certain pension plans. In addition, there were changes to uncertain tax positions based on the statutes of limitations and Brazilian income tax refunded related to certain interest income generated. Income before taxes during the nine months ended September 30, 2024 was lower also driving a decrease in tax expense. The non-cash goodwill impairment charge of \$127.5 million had no associated tax benefit.

The U.S. federal statute of limitations remains open for the years 2020 and forward. Foreign and U.S. state jurisdictions have statutes of limitations generally ranging from 2 to 6 years. Years still open to examination by foreign tax authorities in major jurisdictions include Australia (2020 forward), Brazil (2019 forward), Canada (2020 forward), Germany (2020 forward), Sweden (2022 forward) and the U.K. (2022 forward). We are currently under examination in certain foreign and U.S. jurisdictions.

## Organisation for Economic Co-operation and Development (“OECD”) Global Anti-Base Erosion Model Rules (Pillar Two)

Legislatures and taxing authorities in many jurisdictions in which we operate may enact changes to, or seek to enforce, novel interpretations of their tax rules. These changes may include modifications that can be temporary or permanent. For example, the Organisation for Economic Cooperation and Development (the “OECD”), the European Union and other countries (including countries in which we operate) have committed to enacting substantial changes to numerous long-standing tax principles impacting how large multinational enterprises are taxed. In particular, the OECD’s Pillar Two initiative introduces a 15% global minimum tax applied on a country-by-country basis and for which many jurisdictions have now committed to an effective enactment date starting January 1, 2024. Management is currently assessing the impact and materiality of these potential new rules as well as any other changes in domestic and international tax rules and regulations.

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***Brazil Tax Assessments***

In connection with our May 1, 2012, acquisition of the Mead Consumer and Office Products business ("Mead C&OP"), we assumed all of the tax liabilities for the acquired foreign operations including its operating entity in Brazil ("ACCO Brazil"). In December of 2012, the Federal Revenue Department of the Ministry of Finance of Brazil ("FRD") issued a tax assessment against ACCO Brazil, challenging the tax deduction of goodwill from ACCO Brazil's taxable income for the year 2007 (the "First Assessment"). A second assessment challenging the deduction of goodwill from ACCO Brazil's taxable income for the years 2008, 2009 and 2010 was issued by the FRD in October 2013 (the "Second Assessment" and together with the First Assessment, the "Brazil Tax Assessments").

The final administrative appeal of the Second Assessment was decided against the Company in 2017. In 2018, we challenged this decision to the first judicial level. In the fourth quarter of 2022, this case was decided against the Company by the first level judicial court. We have appealed this decision to the second judicial level. In the event we do not prevail at the judicial level, we will be required to pay an additional penalty representing attorneys' costs and fees; accordingly, in the first quarter of 2019, the Company recorded an additional reserve in the amount of \$5.6 million. In connection with the judicial challenge, we were required to provide security to guarantee payment of the Second Assessment should we not prevail.

In the third quarter of 2020, the final administrative appeal of the First Assessment was decided against the Company, and we determined that we would challenge this decision. In 2022, we challenged this adverse decision in the tax authority's lawsuit at the judicial level seeking to collect the tax. In connection with the judicial challenge, we were required to provide security to guarantee payment of the First Assessment should we not prevail.

We believe we have meritorious defenses and intend to vigorously contest both of the Brazil Tax Assessments; however, there can be no assurances that we will ultimately prevail. The ultimate outcome will not be determined until the Brazilian judicial process is complete. It is possible we could have a final decision regarding the Second Assessment at any time in the next twelve to eighteen months. If the FRD's initial position is ultimately sustained, payment of the amount assessed would materially and adversely affect our cash flow in the year of settlement.

Because there is no settled legal precedent on which to base a definitive opinion as to whether we will ultimately prevail, we consider the outcome of these disputes to be uncertain. Since it is not more likely than not that we will prevail, in 2012, we recorded a reserve in the amount of \$44.5 million (at December 31, 2012 exchange rates) in consideration of this contingency, of which \$43.3 million was recorded as an adjustment to the purchase price, and which included the 2007-2012 tax years plus penalties and interest through December 2012.

During the third quarter of 2023, there was a change in Brazilian law which allowed us to seek a cancellation of the 75 percent standard penalty that would be payable in the event we do not prevail in our actions challenging the Brazil Tax Assessments. Following completion of the necessary administrative procedures, during the fourth quarter of 2023, the Company reduced its reserve for this contingency by \$13.3 million, representing the amount of the cancelled penalties, as well as interest and other fees related to those penalties.

We will continue to actively monitor administrative and judicial court decisions and evaluate their impact, if any, on our legal assessment of the ultimate outcome of our disputes. In addition, we will continue to accrue interest related to this contingency until such time as the outcome is known or until evidence is presented that we are more likely than not to prevail. During the nine months ended September 30, 2024 and 2023, we accrued additional interest as a charge to current income tax expense of \$0.5 million and \$1.3 million, respectively. At current exchange rates, our accrual as of September 30, 2024, including tax, penalties and interest is \$20.0 million (reported in "Other non-current liabilities").

**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**11. Earnings per Share**

Total outstanding shares as of September 30, 2024 and 2023, were 93.4 million and 94.9 million, respectively. Under our stock repurchase program, during each of the three and nine months ended September 30, 2024, we repurchased and retired 2.4 million shares, and during the three and nine months ended September 30, 2023, we did not repurchase or retire any shares. For each of the nine months ended September 30, 2024 and 2023, we acquired 0.4 million and 0.3 million shares, respectively, related to tax withholding for share-based compensation.

The calculation of basic earnings per share of common stock is based on the weighted-average number of shares of common stock outstanding in the year, or period, over which they were outstanding. Our calculation of diluted earnings per share of common stock assumes that any shares of common stock outstanding were increased by shares that would be issued upon exercise of those stock awards for which the average market price for the period exceeds the exercise price less the shares that could have been purchased by the Company with the related proceeds, including compensation expense measured but not yet recognized.

Our weighted-average number of shares outstanding for the three and nine months ended September 30, 2024 and 2023 was as follows:

(in millions)	Three months ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Weighted-average number of shares of common stock outstanding - basic	96.0	95.4	96.2	95.2
Effect of dilutive securities:				
Restricted stock units	1.5	1.3	—	1.6
Weighted-average shares and assumed conversions - diluted <sup>(1)</sup>	97.5	96.7	96.2	96.8

(1)As a result of the net loss for the nine months ended September 30, 2024, diluted earnings per share does not include the effects of the stock awards for which the average market price for the period exceeds the exercised price, as their effect would have been anti-dilutive.

Awards of potentially dilutive shares of common stock, which have exercise prices that were higher than the average market price during the period, are not included in the computation of dilutive earnings per share as their effect would have been anti-dilutive. For the three and nine months ended September 30, 2024, the number of anti-dilutive shares was approximately 10.0 million and 10.2 million, respectively. For the three and nine months ended September 30, 2023, the number of anti-dilutive shares was approximately 10.4 million and 9.8 million, respectively.

**12. Derivative Financial Instruments**

We are exposed to various market risks, including changes in foreign currency exchange rates and interest rate changes. We enter into financial instruments to manage and reduce the impact of these risks, not for trading or speculative purposes. The counterparties to these financial instruments are major financial institutions. We continually monitor our foreign currency exposures in order to maximize the overall effectiveness of our foreign currency hedge positions. Principal currencies hedged against the U.S. dollar include the Euro, Australian dollar, Canadian dollar, Swedish krona, British pound and Japanese yen. We are subject to credit risk, which relates to the ability of counterparties to meet their contractual payment obligations or the potential non-performance by counterparties to financial instrument contracts. Management continues to monitor the status of our counterparties and will take action, as appropriate, to further manage our counterparty credit risk. There are no credit contingency features in our derivative financial instruments.

When hedge accounting is applicable, on the date we enter into a derivative, the derivative is designated as a hedge of the identified exposure. We measure the effectiveness of our hedging relationships both at hedge inception and on an ongoing basis.

**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**Forward Currency Contracts**

We enter into forward foreign currency contracts with third parties to reduce the effect of fluctuating foreign currencies, primarily on foreign denominated inventory purchases and intercompany loans. Our primary exposure to currency movements is in the Euro, the Swedish krona, the British pound, the Brazilian real, the Australian dollar, the Canadian dollar, and the Mexican peso.

Forward currency contracts are used to hedge foreign denominated inventory purchases for Europe, Australia, Canada, Japan and New Zealand, and are designated as cash flow hedges. Unrealized gains and losses on these contracts are deferred in Accumulated Other Comprehensive Income (Loss) ("AOCI") until the contracts are settled and the underlying hedged transactions relating to inventory purchases are recognized, at which time the deferred gains or losses will be reported in the "Cost of products sold" line in the Consolidated Statements of Income (Loss). As of September 30, 2024 and December 31, 2023, we had cash flow foreign exchange contracts outstanding with a U.S. dollar equivalent notional value of \$99.5 million and \$80.2 million, respectively, which were designated as hedges.

Forward currency contracts used to hedge foreign denominated intercompany loans are not designated as hedging instruments. Gains and losses on these derivative instruments are recognized within "Other (income) expense, net" in the Consolidated Statements of Income (Loss) and are largely offset by the change in the current translated value of the hedged item. The periods of the forward foreign exchange contracts correspond to the periods of the hedged transactions, with some relating to intercompany loans which extend beyond September 2025. As of September 30, 2024 and December 31, 2023, we had foreign exchange contracts outstanding with a U.S. dollar equivalent notional value of \$108.7 million and \$102.3 million, respectively, which were not designated as hedges.

The following table summarizes the fair value of our derivative financial instruments as of September 30, 2024 and December 31, 2023:

		Fair Value of Derivative Instruments					
		Derivative Assets		Derivative Liabilities			
(in millions)	Balance Sheet Location	September 30, 2024	December 31, 2023	Balance Sheet Location	September 30, 2024	December 31, 2023	
<b>Derivatives designated as hedging instruments:</b>							
Foreign exchange contracts	Other current assets	\$ 0.2	\$ 0.3	Other current liabilities	\$ 2.3	\$ 1.6	
<b>Derivatives not designated as hedging instruments:</b>							
Foreign exchange contracts	Other current assets	0.9	1.0	Other current liabilities	0.3	0.1	
Foreign exchange contracts	Other non-current assets	4.9	3.2	Other non-current liabilities	4.9	3.2	
Total derivatives		<u>\$ 6.0</u>	<u>\$ 4.5</u>		<u>\$ 7.5</u>	<u>\$ 4.9</u>	

**ACCO Brands Corporation and Subsidiaries**

**Notes to Condensed Consolidated Financial Statements (Unaudited)**

The following tables summarize the pre-tax effect of our derivative financial instruments on the condensed consolidated financial statements for the three and nine months ended September 30, 2024 and 2023:

	The Effect of Derivative Instruments in Cash Flow Hedging Relationships on the Consolidated Financial Statements					
	Amount of Gain (Loss) Recognized in AOCI (Effective Portion)		Location of (Gain) Loss Reclassified from AOCI to Income	Amount of (Gain) Loss Reclassified from AOCI to Income (Effective Portion)		
	Three months ended September 30,			Three months ended September 30,		
(in millions)	2024	2023		2024	2023	
Cash flow hedges:						
Foreign exchange contracts	\$ (2.0)	\$ 1.5	Cost of products sold	\$ 0.3	\$ (0.6)	

	The Effect of Derivative Instruments in Cash Flow Hedging Relationships on the Consolidated Financial Statements					
	Amount of Gain (Loss) Recognized in AOCI (Effective Portion)		Location of (Gain) Loss Reclassified from AOCI to Income	Amount of (Gain) Loss Reclassified from AOCI to Income (Effective Portion)		
(in millions)	Nine months ended September 30,			Nine months ended September 30,		
	2024	2023		2024	2023	
Cash flow hedges:						
Foreign exchange contracts	\$ (0.4)	\$ 1.9	Cost of products sold	\$ (0.6)	\$ (1.4)	

<b>The Effect of Derivatives Not Designated as Hedging Instruments on the Consolidated Financial Statements</b>						
<i>(in millions)</i>	<b>Location of (Gain) Loss Recognized in Income on Derivatives</b>	<b>Amount of (Gain) Loss Recognized in Income</b>		<b>Amount of (Gain) Loss Recognized in Income</b>		
		<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>		
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	
Foreign exchange contracts	Other expense (income), net	\$ 1.1	\$ (3.1)	\$ (1.0)	\$ (0.1)	

**13. Fair Value of Financial Instruments**

In establishing a fair value, there is a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The basis of the fair value measurement is categorized in three levels, in order of priority, as described below:

- Level 1      Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2      Unadjusted quoted prices in active markets for similar assets or liabilities, or  
Unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or  
Inputs other than quoted prices that are observable for the asset or liability
- Level 3      Unobservable inputs for the asset or liability

We utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

## ACCO Brands Corporation and Subsidiaries

### Notes to Condensed Consolidated Financial Statements (Unaudited)

We have determined that our financial assets and liabilities described in "Note 12. Derivative Financial Instruments" are Level 2 in the fair value hierarchy. The following table sets forth our financial assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2024 and December 31, 2023:

<i>(in millions)</i>	September 30, 2024	December 31, 2023
<b>Assets:</b>		
Forward currency contracts	\$ 6.0	\$ 4.5
<b>Liabilities:</b>		
Forward currency contracts	\$ 7.5	\$ 4.9

Our forward currency contracts are included in "Other current assets," "Other current liabilities," "Other non-current assets," or "Other non-current liabilities." The forward foreign currency exchange contracts are primarily valued based on the foreign currency spot and forward rates quoted by banks or foreign currency dealers. As such, these derivative instruments are classified within Level 2.

The fair values of cash and cash equivalents, notes payable to banks, accounts receivable and accounts payable approximate carrying amounts due principally to their short maturities. The carrying amount of total debt was \$914.4 million and \$925.6 million and the estimated fair value of total debt was \$874.9 million and \$870.9 million at September 30, 2024 and December 31, 2023, respectively. The fair values are determined from quoted market prices, where available, and from using current interest rates based on credit ratings and the remaining terms of maturity.

#### **Nonrecurring Fair Value Measurements**

On a nonrecurring basis, we remeasure the fair value of the goodwill of our reporting units and our trade name indefinite-lived intangibles if an event or circumstance indicates that it is more likely than not that an impairment loss has been incurred. The fair value of our reporting units and trade names are considered Level 3 measurements. Level 3 measurements require significant unobservable inputs that are reflected in our assumptions. See "Note 8. Goodwill and Identifiable Intangible Assets" for more information.

#### **14. Accumulated Other Comprehensive Income (Loss)**

AOCI is defined as net income (loss) and other changes in stockholders' equity from transactions and other events from sources other than stockholders. The components of, and changes in, AOCI were as follows:

<i>(in millions)</i>	Derivative Financial Instruments	Foreign Currency Adjustments	Unrecognized Pension and Other Post- retirement Benefit Costs	Accumulated Other Comprehensiv e Income (Loss)
<b>Balance at December 31, 2023</b>	\$ (0.7)	\$ (349.8)	\$ (175.8)	\$ (526.3)
Other comprehensive loss before reclassifications, net of tax	(0.3)	(23.4)	(5.5)	(29.2)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	(0.4)	—	7.0	6.6
<b>Balance at September 30, 2024</b>	<u>\$ (1.4)</u>	<u>\$ (373.2)</u>	<u>\$ (174.3)</u>	<u>\$ (548.9)</u>



**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

The reclassifications out of AOCI for the three and nine months ended September 30, 2024 and 2023 were as follows:

(in millions)	Three months ended September 30,		Nine months ended September 30,		
	2024	2023	2024	2023	
Details about Accumulated Other Comprehensive Income (Loss) Components	Amount Reclassified from Accumulated Other Comprehensive Income (Loss)		Amount Reclassified from Accumulated Other Comprehensive Income (Loss)		Location on Income Statement
Gain (loss) on cash flow hedges:					
Foreign exchange contracts	\$ (0.3)	\$ 0.6	\$ 0.6	\$ 1.4	Cost of products sold
Tax expense (benefit)	0.1	(0.2)	(0.2)	(0.4)	Income tax expense
Net of tax	<u>\$ (0.2)</u>	<u>\$ 0.4</u>	<u>\$ 0.4</u>	<u>\$ 1.0</u>	
Defined benefit plan items:					
Amortization of net actuarial loss <sup>(1)</sup>	\$ (1.9)	\$ (1.6)	\$ (9.1)	\$ (4.7)	
Amortization of prior service cost <sup>(1)</sup>	(0.1)	(0.1)	(0.2)	(0.3)	
Total before tax	(2.0)	(1.7)	(9.3)	(5.0)	
Tax benefit	0.5	0.6	2.3	1.5	Income tax expense
Net of tax	<u>\$ (1.5)</u>	<u>\$ (1.1)</u>	<u>\$ (7.0)</u>	<u>\$ (3.5)</u>	
Total reclassifications for the period, net of tax	<u>\$ (1.7)</u>	<u>\$ (0.7)</u>	<u>\$ (6.6)</u>	<u>\$ (2.5)</u>	

(1) These AOCI components are included in the computation of net periodic benefit (income) cost for pension and post-retirement plans including \$3.6 million resulting from the wind-up of the ACCO Brands Canada Salaried and Hourly pension plans in the second quarter of 2024. See "Note 5. Pension and Other Retiree Benefits" for additional details.

## 15. Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to our customers in an amount reflective of the consideration we expect to receive in exchange for those goods or services. Taxes we collect concurrent with revenue producing activities are excluded from revenue. Incidental items incurred that are immaterial in the context of the contract are expensed.

At the inception of each contract, the Company assesses the products and services promised and identifies each distinct performance obligation. To identify the performance obligations, the Company considers all products and services promised regardless of whether they are explicitly stated or implied within the contract or by standard business practices.

Freight and distribution activities performed before the customer obtains control of the goods are not considered promised services under customer contracts and therefore are not distinct performance obligations. The Company has chosen to account for shipping and handling activities as a fulfillment activity, and therefore accrues the expense of freight and distribution in "Cost of products sold" when products are shipped.

As of December 31, 2023, there was \$2.9 million of unearned revenue associated with outstanding service or extended maintenance agreements ("EMAs"), primarily reported in "Other current liabilities." During the three and nine months ended September 30, 2024, \$0.4 million and \$2.2 million of the unearned revenue was earned and recognized. As of September 30, 2024, the amount of unearned revenue from EMAs was \$3.1 million. We expect to earn and recognize approximately \$2.6 million of the unearned amount in the next 12 months and \$0.5 million in periods beyond the next 12 months.

**ACCO Brands Corporation and Subsidiaries**

**Notes to Condensed Consolidated Financial Statements (Unaudited)**

The following tables present our net sales disaggregated by regional geography, by reporting business segments and our net sales disaggregated by the timing of revenue recognition for the three and nine months ended September 30, 2024 and 2023:

<i>(in millions)</i>	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
United States	\$ 189.8	\$ 195.0	\$ 552.0	\$ 613.1
Canada	23.7	25.3	71.1	78.6
Latin America	45.6	64.1	125.5	159.1
ACCO Brands Americas	259.1	284.4	748.6	850.8
EMEA <sup>(1)</sup>	125.5	126.6	370.2	388.1
Australia/N.Z.	28.6	29.7	76.9	82.1
Asia	7.7	7.3	22.4	23.2
ACCO Brands International	161.8	163.6	469.5	493.4
Net sales <sup>(2)</sup>	<u>\$ 420.9</u>	<u>\$ 448.0</u>	<u>\$ 1,218.1</u>	<u>\$ 1,344.2</u>

(1) EMEA is comprised largely of Europe, but also includes export sales to the Middle East and Africa.

(2) Net sales are attributed to geographic areas based on the location of the selling subsidiaries.

<i>(in millions)</i>	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Product and services transferred at a point in time	\$ 416.3	\$ 439.8	\$ 1,195.0	\$ 1,313.2
Product and services transferred over time	4.6	8.2	23.1	31.0
Net sales	<u>\$ 420.9</u>	<u>\$ 448.0</u>	<u>\$ 1,218.1</u>	<u>\$ 1,344.2</u>

**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**16. Information on Business Segments**

Effective January 1, 2024, the Company reorganized its previously reported North America, EMEA and International operating segments into two operating segments, Americas and International. The Americas includes the U.S., Canada, Brazil, Mexico and Chile, and International includes EMEA, Australia, New Zealand and Asia. The new organizational structure aligns with how the Chief Operating Decision Maker ("CODM") analyzes and evaluates the Company's performance. This change will simplify and delay the Company's operating structure and reduce costs through headcount reductions, supply chain optimization, global footprint rationalization, and better leverage of our sourcing capabilities. Prior period results have been reclassified to reflect this change in our operating segments.

The Company's two segments are as follows:

Operating Segment	Geography	Primary Brands	Primary Products
ACCO Brands Americas	United States, Canada and Latin America	Five Star <sup>®</sup> , PowerA <sup>®</sup> , Tilibra <sup>®</sup> , AT-A-GLANCE <sup>®</sup> , Kensington <sup>®</sup> , Quartet <sup>®</sup> , GBC <sup>®</sup> , Mead <sup>®</sup> , Swingline <sup>®</sup> , Barrilito <sup>®</sup> , Foroni <sup>®</sup> and Hilroy <sup>®</sup>	Note taking products, computer and gaming accessories; planners; workspace machines, tools and essentials and dry erase boards and accessories.
ACCO Brands International	EMEA, Australia/N.Z., and Asia	Leitz <sup>®</sup> , Rapid <sup>®</sup> , Kensington <sup>®</sup> , Esselte <sup>®</sup> , Rexel <sup>®</sup> , PowerA <sup>®</sup> , GBC <sup>®</sup> , NOBO <sup>®</sup> , Franken <sup>®</sup> , Derwent <sup>®</sup> , Marbig <sup>®</sup> , Artline <sup>®</sup> * and Spirax <sup>®</sup> *Australia/N.Z. only	Filing and organization products; workspace machines, tools and essentials; computer and gaming accessories; dry erase boards and accessories; and writing and art products.

**Customers**

We distribute our products through a wide variety of channels to ensure that our products are readily and conveniently available for purchase by consumers and other end-users, wherever they prefer to shop. These channels include mass retailers, e-tailers, technology distributors, discount, drug/grocery and variety chains, warehouse clubs, hardware and specialty stores, independent office product dealers, office superstores, wholesalers, and contract stationers. We also sell directly through e-commerce sites and our direct sales organization.

Net sales by reportable business segment for the three and nine months ended September 30, 2024 and 2023 were as follows:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
ACCO Brands Americas	\$ 259.1	\$ 284.4	\$ 748.6	\$ 850.8
ACCO Brands International	161.8	163.6	469.5	493.4
Net sales	<u>\$ 420.9</u>	<u>\$ 448.0</u>	<u>\$ 1,218.1</u>	<u>\$ 1,344.2</u>

## ACCO Brands Corporation and Subsidiaries

### Notes to Condensed Consolidated Financial Statements (Unaudited)

Operating income (loss) by business segment for the three and nine months ended September 30, 2024 and 2023 was as follows:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
ACCO Brands Americas	\$ 25.9	\$ 33.8	\$ (76.7)	\$ 106.5
ACCO Brands International	9.5	9.4	30.1	26.2
Segment operating income (loss)	35.4	43.2	(46.6)	132.7
Corporate	(9.1)	(11.0)	(32.4)	(35.2)
Operating income (loss) <sup>(1)</sup>	26.3	32.2	(79.0)	97.5
Interest expense	13.7	15.6	40.8	45.0
Interest income	(2.0)	(1.6)	(6.1)	(6.2)
Non-operating pension expense	0.4	0.2	5.6	0.5
Other expense (income), net	0.4	(3.6)	(0.4)	(2.1)
Income (loss) before income tax	<u>\$ 13.8</u>	<u>\$ 21.6</u>	<u>\$ (118.9)</u>	<u>\$ 60.3</u>

(1) Operating income (loss) is defined as i) net sales; ii) less cost of products sold; iii) less selling, general and administrative expenses; iv) less amortization of intangibles; v) less restructuring; and vi) less change in the fair value of contingent consideration.

## 17. Commitments and Contingencies

### *Pending Litigation - Brazil Tax Assessments*

In connection with our May 1, 2012, acquisition of the Mead C&OP business, we assumed all of the tax liabilities for the acquired foreign operations including ACCO Brazil. For further information, see "Note 10. Income Taxes - *Brazil Tax Assessments*" for details on tax assessments issued by the FRD against ACCO Brazil challenging the tax deduction of goodwill from ACCO Brazil's taxable income for the years 2007 through 2010. If the FRD's initial position is ultimately sustained, payment of the amount assessed would materially and adversely affect our cash flow in the year of settlement.

### *Brazil Tax Credits*

In May 2021, the Supreme Court of Brazil issued its final ruling in a leading case related to the computation of certain indirect taxes which provides that the indirect tax base should not include the gross amount of the value-added tax known as "ICMS." The Supreme Court further ruled that taxpayers can recognize future operating credits ("Tax Credits") for excess indirect tax payments from past periods due to the inclusion of ICMS in the indirect tax base to the extent the taxpayer had filed judicial challenges seeking to recover excess tax payments prior to March 15, 2017 and for any excess tax payments made after March 15, 2017.

ACCO Brazil filed legal actions requesting recovery of these excess tax payments by way of future Tax Credits covering various time periods prior to March 15, 2017. All of these cases have been finally decided in a court of law in favor of ACCO Brazil. During the nine months ended September 30, 2024, ACCO Brazil completed the necessary administrative steps which allowed it to benefit from additional Tax Credits and record a gain of \$1.9 million, which is included in "Other (income) expense, net," on our Consolidated Statements of Income (Loss). The Tax Credits will be utilized against future tax obligations.

Indústria Gráfica Foroni Ltda. ("Foroni"), in years prior to its acquisition by ACCO Brazil, also filed a legal action in Brazil to recover these excess indirect tax payments and this legal action has been finalized. Upon the expiration of the applicable statute of limitations, we are required under agreements with the former owners of the Foroni business to remit certain recovered tax credits, less the applicable tax and expenses, to the extent the tax credits relate to a tax period prior to the acquisition date.

**ACCO Brands Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

In September of 2021, the Supreme Court of Brazil issued its final ruling in a leading case which provides that corporate income tax ("IRPJ") and social contribution on net income ("CSLL") should not be levied on the Special System of Clearance and Custody ("SELIC") interest rate received by taxpayers on the refund of overpaid taxes as in our Tax Credits. During the nine months ended September 30, 2024, ACCO Brazil filed legal actions requesting recovery of these excess tax payments and completed the necessary administrative steps which allowed it to record an income tax benefit of \$2.6 million.

***Other Pending Litigation***

We are party to various lawsuits and regulatory proceedings, primarily related to alleged patent infringement, as well as other claims incidental to our business. In addition, we may be unaware of third-party claims of intellectual property infringement relating to our technology, brands, or products, and we may face other claims related to business operations. Any litigation regarding patents or other intellectual property could be costly and time-consuming and might require us to pay monetary damages or enter into costly license agreements. We also may be subject to injunctions against development and sale of certain of our products.

It is the opinion of management that (other than the Brazil Tax Assessments) the ultimate resolution of currently outstanding matters will not have a material adverse effect on our financial condition, results of operations or cash flow. However, there is no assurance that we will ultimately be successful in our defense of any of these matters or that an adverse outcome in any matter will not affect our results of operations, financial condition or cash flow. Further, future claims, lawsuits and legal proceedings could materially and adversely affect our business, reputation, results of operations and financial condition.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Introduction

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three and nine months ended September 30, 2024 and 2023 should be read in conjunction with the unaudited condensed consolidated financial statements of ACCO Brands Corporation and the accompanying notes contained therein.

### Overview of the Company

ACCO Brands is a leading global consumer, technology and business branded products company, providing well-known brands and innovative product solutions used in schools, homes and at work. We have expanded into higher growth product categories, while increasing our sales mix to higher growth channels, including retail and mass merchants, e-tailers, and technology specialists. We have an experienced management team with a proven ability to grow brands, integrate acquisitions, manage seasonal businesses, run lean organizations and navigate challenging environments. Our products are sold primarily in the U.S., Europe, Australia, Canada, Brazil and Mexico.

Effective January 1, 2024, the Company reorganized its previously reported North America, EMEA and International operating segments into two operating segments, Americas and International. Americas includes the U.S., Canada, Brazil, Mexico and Chile and International includes EMEA, Australia, New Zealand and Asia. This change will simplify and delay the Company's operating structure and reduce costs through headcount reductions, supply change optimization, global footprint rationalization, and better leverage of our sourcing capabilities. Prior period results have been reclassified to reflect this change in our operating segments. Each business segment designs, markets, sources, manufactures, and sells recognized consumer, technology and business branded products used in schools, homes and at work. Product designs are tailored to end-user preferences in each geographic region, and where possible, leverage common engineering, design, and sourcing.

Our product categories include gaming and computer accessories; storage and organization; notebooks; shredding; laminating and binding machines; stapling; punching; planners; dry erase boards; and do-it-yourself tools, among others. We distribute our products through a wide variety of channels to ensure that our products are readily and conveniently available for purchase by consumers and other end-users, wherever they prefer to shop. These channels include mass retailers, e-tailers, technology distributors, discount, drug/grocery and variety chains, warehouse clubs, hardware and specialty stores, independent office product dealers, office superstores, wholesalers, and contract stationers. We also sell directly through e-commerce sites and our direct sales organization.

### Overview of Performance

The Company continues to be impacted by softer global demand, reflecting lower consumer and office spending due to the macroeconomic conditions and geopolitical uncertainties. We expect these collective global trends to continue to impact our financial results.

During the third quarter, our net sales decreased \$27.1 million, or 6.0 percent, compared to the prior year's third quarter. The decrease is due to lower back-to-school purchases by our customers in Latin America and North America. Additionally, global demand was weaker for certain office related products. These declines were partially offset by growth in the technology accessories categories. Gross margin increased 20 basis points compared to the prior-year period primarily due to the impact of cost reduction actions, partly offset by the impact of volume declines.

We reported operating income of \$26.3 million in the third quarter, compared to \$32.2 million in the prior year's third quarter. The decline in operating results was primarily due to lower sales volume and higher restructuring expense.

Our operating cash flow for the first nine months was cash provided of \$95.5 million compared to cash provided of \$70.7 million in the prior year primarily reflecting reductions in working capital. Our operating cash flow continues to be seasonal with a historic pattern of strong inflows during the second half of the year.

### Consolidated Results of Operations for the Three and Nine Months Ended September 30, 2024 and 2023

(in millions, except per share data)	Three Months Ended September 30,		Amount of Change		Nine Months Ended September 30,		Amount of Change	
	2024	2023	\$	%/pts	2024	2023	\$	%/pts
Net sales	\$420.9	\$448.0	\$(27.1)	(6.0)%	\$1,218.1	\$1,344.2	\$(126.1)	(9.4)%
Cost of products sold	284.0	303.2	(19.2)	(6.3)%	818.2	915.9	(97.7)	(10.7)%
Gross profit	136.9	144.8	(7.9)	(5.5)%	399.9	428.3	(28.4)	(6.6)%
Gross profit margin	32.5 %	32.3 %		0.2 pts	32.8 %	31.9 %		0.9 pts
Selling, general and administrative expenses	92.2	98.8	(6.6)	(6.7)%	274.4	291.8	(17.4)	(6.0)%
SG&A% to net sales	21.9 %	22.1 %		(0.2) pts	22.5 %	21.7 %		0.8 pts
Amortization of intangibles	11.7	10.8	0.9	8.3 %	33.2	32.7	0.5	1.5 %
Restructuring	6.7	3.0	3.7	123.3 %	6.1	6.3	(0.2)	(3.2)%
Impairment of goodwill and intangible assets	—	—	—	NM	165.2	—	165.2	NM
Operating income (loss)	26.3	32.2	(5.9)	(18.3)%	(79.0)	97.5	(176.5)	NM
Operating income margin	6.2 %	7.2 %		(1.0) pts	(6.5)%	7.3 %		(13.8) pts
Interest expense	13.7	15.6	(1.9)	(12.2)%	40.8	45.0	(4.2)	(9.3)%
Interest income	(2.0)	(1.6)	(0.4)	25.0 %	(6.1)	(6.2)	0.1	(1.6)%
Non-operating pension expense	0.4	0.2	0.2	100.0 %	5.6	0.5	5.1	NM
Other expense (income), net	0.4	(3.6)	4.0	(111.1)%	(0.4)	(2.1)	1.7	(81.0)%
Income (loss) before income tax	13.8	21.6	(7.8)	(36.1)%	(118.9)	60.3	(179.2)	NM
Income tax expense	4.5	6.7	(2.2)	(32.8)%	3.3	22.7	(19.4)	(85.5)%
Effective tax rate	32.6 %	31.0 %		1.6	(2.8)%	37.6 %		(40.4) pts
Net income (loss)	9.3	14.9	(5.6)	(37.6)%	(122.2)	37.6	(159.8)	NM
Weighted average number of diluted shares outstanding:	97.5	96.7	0.8	0.8 %	96.2	96.8	(0.6)	(0.6)%
Diluted income (loss) per share	\$0.09	\$0.15	\$(0.06)	(40.0)%	\$(1.27)	\$0.39	\$(1.66)	NM
Comparable sales (Non-GAAP) <sup>(1)</sup>	\$425.3	\$448.0	\$(22.7)	(5.0)%	\$1,225.5	\$1,344.2	\$(118.7)	(8.8)%

(1) See reconciliation to GAAP contained in Part I, Item 2. "Supplemental Non-GAAP Financial Measure."

#### Net Sales

For the three months ended September 30, 2024, net sales decreased \$27.1 million, or 6.0 percent, including \$4.4 million, or 1.0 percent, from adverse foreign exchange. Comparable net sales decreased 5.0 percent. The sales decline was driven by lower volume, which was down 4.7 percent, due to lower back-to-school sales in Latin America and North America. Additionally, global demand was weaker for certain office related products. These declines were partially offset by growth in the technology accessories categories. The exit of lower margin business in North America accounted for approximately 2.0 percent of the decline.

For the nine months ended September 30, 2024, net sales decreased \$126.1 million, or 9.4 percent, including \$7.4 million, or 0.6 percent, from adverse foreign exchange. Comparable net sales decreased 8.8 percent. The sales decline was driven by lower volume, which was down 8.5 percent, primarily due to softer global business and consumer demand for certain product categories, and from the exit of lower margin business in North America which accounted for approximately 3.0 percent of the decline.

#### Gross Profit

For the three months ended September 30, 2024, gross profit decreased \$7.9 million, or 5.5 percent, primarily due to volume declines partly offset by the impact of global cost reduction actions. Adverse foreign exchange reduced gross profit by \$1.4 million, or 1.0 percent.

For the nine months ended September 30, 2024, gross profit decreased \$28.4 million, or 6.6 percent, primarily due to volume declines partly offset by the impact of global cost reduction actions and improved product mix. Adverse foreign exchange reduced gross profit by \$2.0 million, or 0.5 percent.

### *Selling, General and Administrative Expenses*

Selling, general and administrative expenses ("SG&A") include advertising, marketing, selling (including commissions), research and development, customer service, depreciation related to assets outside the manufacturing and distribution processes, and all other general and administrative expenses outside the manufacturing and distribution functions (e.g., finance, human resources, information technology).

For the three months ended September 30, 2024, SG&A decreased \$6.6 million, or 6.7 percent, primarily due to the impact of global cost reduction actions and lower incentive compensation expense, partly offset by people cost inflation. Favorable foreign exchange reduced SG&A by \$0.7 million, or 0.7 percent.

For the nine months ended September 30, 2024, SG&A decreased \$17.4 million, or 6.0 percent, primarily due to the impact of global cost reduction actions and lower incentive compensation expense, partly offset by people cost inflation. Favorable foreign exchange reduced SG&A by \$1.0 million, or 0.3 percent.

### *Operating Income (Loss)*

For the three months ended September 30, 2024, we reported operating income of \$26.3 million, a decrease of \$5.9 million, primarily due to the impact of lower sales volume and higher restructuring expense, partly offset by lower SG&A expense.

For the nine months ended September 30, 2024, we reported an operating loss of \$79.0 million, a decrease of \$176.5 million, primarily due to non-cash impairment charges of \$165.2 million related to goodwill and an indefinite-lived trade name within our Americas reporting unit. In addition, the impact of lower sales volume more than offset moderating product costs and lower SG&A expense.

### *Income Tax Expense*

For the three months ended September 30, 2024, we recorded income tax expense of \$4.5 million on income before taxes of \$13.8 million. This compared with an income tax expense of \$6.7 million on income before taxes of \$21.6 million for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, we recorded income tax expense of \$3.3 million on a loss before taxes of \$118.9 million. This compared with an income tax expense of \$22.7 million on income before taxes of \$60.3 million for the nine months ended September 30, 2023.

See "Note 10. Income Taxes" for more information.

### *Net Income (Loss)/Diluted Income (Loss) per Share*

For the three months ended September 30, 2024, net income was \$9.3 million compared to net income of \$14.9 million in the prior year. The decrease was due to lower operating income as noted above.

For the nine months ended September 30, 2024, net loss was \$122.2 million compared to a net income of \$37.6 million in the prior year. The net loss was primarily due to the non-cash impairment charges related to goodwill and an indefinite-lived trade name.



## Segment Net Sales and Operating Income (Loss) for the Three and Nine Months Ended September 30, 2024 and 2023

### ACCO Brands Americas

(in millions)	Three Months Ended September 30,		Amount of Change		Nine Months Ended September 30,		Amount of Change	
	2024	2023	\$	%/pts	2024	2023	\$	%/pts
<b>Net sales</b>	<b>\$259.1</b>	<b>\$284.4</b>	<b>\$(25.3)</b>	<b>(8.9)%</b>	<b>\$748.6</b>	<b>\$850.8</b>	<b>\$(102.2)</b>	<b>(12.0)%</b>
Segment operating income (loss) <sup>(1)</sup>	25.9	33.8	(7.9)	(23.4)%	(76.7)	106.5	(183.2)	NM
<i>Segment operating income (loss) margin</i>	10.0 %	11.9 %		(1.9) pts	(10.2)%	12.5 %		(22.7) pts
Comparable sales (Non-GAAP) <sup>(2)</sup>	\$265.5	\$284.4	\$(18.9)	(6.6)%	\$754.1	\$850.8	\$(96.7)	(11.4)%

(1) Segment operating income (loss) excludes corporate costs. See "Part I, Item 1. Note 16. Information on Business Segments" for a reconciliation of total "Segment operating income (loss)" to "Income (loss) before income tax."

(2) See reconciliation to GAAP contained in Part I, Item 2. "Supplemental Non-GAAP Financial Measure."

For the three months ended September 30, 2024, net sales decreased \$25.3 million, or 8.9 percent, as a result of lower volume of \$15.3 million, or 5.4 percent, and price decreases which reduced sales by \$3.6 million, or 1.3 percent. The volume decline was primarily due to moderating demand trends in Latin America and lower replenishment for back-to-school products in North America. The exit of lower margin business in North America accounted for approximately 3.0 percent of the decline. These declines were partially offset by growth in technology accessories. Adverse foreign exchange reduced net sales \$6.4 million, or 2.3 percent.

For the nine months ended September 30, 2024, net sales decreased \$102.2 million, or 12.0 percent, as a result of lower volume of \$84.0 million, or 9.9 percent, and price decreases which reduced sales by \$12.7 million, or 1.5 percent. The volume decline was primarily due to softer business and consumer demand for our office products, and from the exit of lower margin business in North America, which accounted for approximately 4.0 percent. Adverse foreign exchange reduced net sales \$5.5 million, or 0.6 percent.

For the three months ended September 30, 2024, we reported operating income of \$25.9 million, a decrease of \$7.9 million, primarily due to the impact of lower sales volume and \$3.4 million of higher restructuring expense, partly offset by lower SG&A expense as a result of our cost reduction initiatives and reduced incentive compensation. Adverse foreign exchange reduced operating income \$0.6 million, or 1.8 percent.

For the nine months ended September 30, 2024, we reported an operating loss of \$76.7 million, a decrease of \$183.2 million, primarily due to the non-cash impairment charges totaling \$165.2 million related to goodwill and an indefinite-lived trade name. The remaining change in operating results was from the impact of lower sales volume and \$3.2 million of higher net restructuring expense, partly offset by moderating product costs and lower SG&A expense as a result of our cost reduction initiatives and reduced incentive compensation. Adverse foreign exchange increased operating loss \$0.2 million, or 0.2 percent.

## ACCO Brands International

(in millions)	Three Months Ended September 30,		Amount of Change		Nine Months Ended September 30,		Amount of Change	
	2024	2023	\$	%/pts	2024	2023	\$	%/pts
<b>Net sales</b>	<b>\$ 161.8</b>	<b>\$ 163.6</b>	<b>\$ (1.8)</b>	<b>(1.1)%</b>	<b>\$ 469.5</b>	<b>\$ 493.4</b>	<b>\$ (23.9)</b>	<b>(4.8)%</b>
Segment operating income <sup>(1)</sup>	9.5	9.4	0.1	1.1 %	30.1	26.2	3.9	14.9 %
Segment operating income margin	5.9 %	5.7 %		0.2 pts	6.4 %	5.3 %		1.1 pts
Comparable sales (Non-GAAP) <sup>(2)</sup>	\$ 159.8	\$ 163.6	\$ (3.8)	(2.3)%	\$ 471.4	\$ 493.4	\$ (22.0)	(4.4)%

(1) Segment operating income excludes corporate costs. See "Part I, Item 1. Note 16. Information on Business Segments" for a reconciliation of total "Segment operating income (loss)" to "Income (loss) before income tax."

(2) See reconciliation to GAAP contained in Part I, Item 2. "Supplemental Non-GAAP Financial Measure."

For the three months ended September 30, 2024, net sales decreased \$1.8 million, or 1.1 percent, primarily due to lower volume of \$5.6 million, or 3.4 percent, partly offset by price increases which added \$1.8 million, or 1.1 percent. The lower volume reflects reduced business and consumer demand for our office products, partially offset by growth in technology accessories. Favorable foreign exchange increased net sales \$2.0 million, or 1.2 percent.

For the nine months ended September 30, 2024, net sales decreased \$23.9 million, or 4.8 percent, primarily due to lower volume of \$30.7 million, or 6.2 percent, partly offset by price increases which added \$8.7 million, or 1.8 percent. The lower volume reflects reduced business and consumer demand for our office products, partially offset by growth in technology accessories. Adverse foreign exchange reduced net sales \$1.9 million, or 0.4 percent.

For the three months ended September 30, 2024, operating income increased \$0.1 million primarily due to the cumulative benefit of cost reduction actions offsetting the impact of lower volume. Favorable foreign exchange increased operating income \$0.2 million, or 2.1 percent.

For the nine months ended September 30, 2024, operating income increased \$3.9 million primarily due to lower restructuring expense and the cumulative benefit of cost reduction actions offsetting the impact of lower volume. Adverse foreign exchange reduced operating income \$0.5 million, or 1.9 percent.

## Liquidity and Capital Resources

Our primary liquidity needs are to support our working capital requirements, service indebtedness and fund capital expenditures and dividends. Our principal sources of liquidity are cash flows from operating activities, cash and cash equivalents held, and seasonal borrowings under our \$600 million multi-currency revolving credit facility (the "Revolving Facility"). As of September 30, 2024, there was \$22.5 million in borrowings outstanding under the Revolving Facility (\$17.0 million reported in "Current portion of long-term debt" and \$5.5 million reported in "Long-term debt, net"), and the amount available for borrowings was \$569.0 million (allowing for \$8.5 million of letters of credit outstanding on that date). We had \$102.0 million in cash on hand. We maintain adequate financing arrangements at market rates.

As of September 30, 2024, our Consolidated Leverage Ratio was approximately 3.50 to 1.00 versus our maximum covenant of 4.00 to 1.00. We had no debt maturities before March 2026.

Our priorities for cash flow use, after funding business operations, include debt reduction, dividends, share repurchases and funding strategic acquisitions.

The \$339.4 million of debt outstanding as of September 30, 2024 under our senior secured credit facilities had a weighted average interest rate of 6.72 percent, and the \$575.0 million outstanding principal amount of our senior unsecured notes due 2029 had a fixed interest rate of 4.25 percent.

On October 30, 2024, the Company entered into a seventh amendment to the Credit Agreement to extend the maturity of the credit facility to October 30, 2029. The Company repaid in full the outstanding USD Senior Secured Term Loan A, the Australian Dollar Senior Secured Term Loan A and part of the outstanding Euro Senior Secured Term Loan A by borrowing

under the Revolving Facility. After giving effect to the seventh amendment, the current Revolving Facility provides for outstanding borrowings not to exceed \$467.5 million. See "Note 3. Long-term Debt and Short-term Borrowings" for more information.

#### Adequacy of Liquidity Sources

We believe that cash flow from operations, our current cash balance and other sources of liquidity, including borrowings available under our Revolving Facility, will be adequate to support our requirements for working capital and restructuring expenditures, and to service indebtedness for the foreseeable future.

#### Restructuring Activities

From time to time the Company may implement restructuring, realignment or cost-reduction plans and activities, including those related to integrating acquired businesses.

For additional details, see "Note 9. Restructuring" to the condensed consolidated financial statements contained in "Part I, Item 1. Financial Information" of this Quarterly Report on Form 10-Q.

#### Cash Flow for the Nine Months Ended September 30, 2024 and 2023

During the nine months ended September 30, 2024, our cash and cash equivalents increased \$35.6 million, as compared to an increase of \$11.5 million in the first nine months of the prior year. The following table summarizes our cash flows for the periods presented:

(in millions)	Nine Months Ended September 30,		Amount of Change
	2024	2023	
Net cash flow provided by:			
Operating activities	\$ 95.5	\$ 70.7	\$ 24.8
Investing activities	(8.5)	(7.5)	(1.0)
Net (repayments) borrowings	(13.6)	(30.8)	17.2
Dividends paid	(21.5)	(21.4)	(0.1)
All other financing	(14.4)	(1.7)	(12.7)
Financing activities	(49.5)	(53.9)	4.4
Effect of foreign exchange rate changes on cash and cash equivalents	(1.9)	2.2	(4.1)
Net increase in cash and cash equivalents	<u>\$ 35.6</u>	<u>\$ 11.5</u>	<u>\$ 24.1</u>

#### Cash Flow from Operating Activities

Cash provided by operating activities during the nine months ended September 30, 2024, was driven by cash provided by trade working capital of \$86.7 million, which includes accounts receivable, inventory and accounts payable. This was partially offset by cash payments for incentive compensation, interest and taxes.

Cash provided by operating activities during the nine months ended September 30, 2023, was driven by net income adjusted for non-cash add backs primarily consisting of amortization of intangibles, depreciation, and stock-based compensation expense. This was partially offset by cash payments for incentive compensation, interest and taxes.

#### Cash Flow from Investing Activities

Cash used by investing activities during the nine months ended September 30, 2024 and 2023 was primarily due to capital expenditures. The prior year also included proceeds of \$2.2 million from the sale of our facility in Japan.

### Cash Flow from Financing Activities

Cash used by financing activities during the nine months ended September 30, 2024, was primarily due to cash outflows from a net decrease in debt, dividend payments, and cash used to repurchase common stock.

Cash used by financing activities during the nine months ended September 30, 2023, was primarily due to cash outflows from a net decrease in debt and dividend payments.

### Supplemental Non-GAAP Financial Measure

To supplement our condensed consolidated financial statements presented in accordance with generally accepted accounting principles in the U.S. ("GAAP"), we provide investors with certain non-GAAP financial measures, including comparable sales. Comparable sales represent net sales excluding the impact of material acquisitions, if any, and with current-period foreign operation sales translated at prior-year currency rates. We sometimes refer to comparable sales as comparable net sales.

We use comparable sales both to explain our results to stockholders and the investment community and in the internal evaluation and management of our business. We believe comparable sales provide management and investors with a more complete understanding of our underlying operational results and trends, facilitate meaningful period-to-period comparisons and enhance an overall understanding of our past and future financial performance. Comparable sales should not be considered in isolation or as a substitute for, or superior to, GAAP net sales and should be read in connection with the Company's financial statements presented in accordance with GAAP.

The following tables provide a reconciliation of GAAP net sales as reported to non-GAAP comparable sales:

Comparable Sales - Three Months Ended September 30, 2024			
Non-GAAP			
(in millions)	GAAP Net Sales	Currency Translation	Comparable Sales
ACCO Brands Americas	\$259.1	\$(6.4)	\$265.5
ACCO Brands International	161.8	2.0	159.8
Total	\$420.9	\$(4.4)	\$425.3

  

Amount of Change - Three Months Ended September 30, 2024			
compared to the Three Months Ended September 30, 2023			
\$ Change - Net Sales			
Non-GAAP			
(in millions)	GAAP Net Sales Change	Currency Translation	Comparable Sales Change
ACCO Brands Americas	\$(25.3)	\$(6.4)	\$(18.9)
ACCO Brands International	(1.8)	2.0	(3.8)
Total	\$(27.1)	\$(4.4)	\$(22.7)

  

% Change - Net Sales			
Non-GAAP			
	GAAP Net Sales Change	Currency Translation	Comparable Sales Change
ACCO Brands Americas	(8.9)%	(2.3)%	(6.6)%
ACCO Brands International	(1.1)%	1.2%	(2.3)%
Total	(6.0)%	(1.0)%	(5.0)%

Comparable Sales - Nine Months Ended September 30, 2024			
Non-GAAP			
(in millions)	GAAP Net Sales	Currency Translation	Comparable Sales
ACCO Brands Americas	\$748.6	\$(5.5)	\$754.1
ACCO Brands International	469.5	(1.9)	471.4
Total	\$1,218.1	\$(7.4)	\$1,225.5

**Amount of Change - Nine Months Ended September 30, 2024  
compared to the Nine Months Ended September 30, 2023**

\$ Change - Net Sales			
Non-GAAP			
(in millions)	GAAP Net Sales Change	Currency Translation	Comparable Sales
ACCO Brands Americas	\$(102.2)	\$(5.5)	\$(96.7)
ACCO Brands International	(23.9)	(1.9)	(22.0)
Total	\$(126.1)	\$(7.4)	\$(118.7)

**% Change - Net Sales**  
Non-GAAP

	GAAP Net Sales Change	Currency Translation	Comparable Sales
ACCO Brands Americas	(12.0)%	(0.6)%	(11.4)%
ACCO Brands International	(4.8)%	(0.4)%	(4.4)%
Total	(9.4)%	(0.6)%	(8.8)%

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

See "Part II, Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*" of the Company's Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to Foreign Exchange Risk Management or Interest Rate Risk Management in the quarter ended September 30, 2024 or through the date of this report.

**ITEM 4. CONTROLS AND PROCEDURES**

**(a) Evaluation of Disclosure Controls and Procedures.**

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation under the supervision of the Chief Executive Officer and the Chief Financial Officer, and with the participation of our Disclosure Committee, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of September 30, 2024.

**(b) Changes in Internal Control over Financial Reporting.**

There were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II — OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

There are various claims, lawsuits and pending actions against us incidental to our operations, including the income tax assessments against our Brazilian subsidiary, ACCO Brands Brasil Ltda. (the "Brazil Tax Assessments"), which is more fully described in "Part I, Item 1. Note 10. Income Taxes, **Brazil Tax Assessments**" to the Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

It is the opinion of management that (other than the Brazil Tax Assessments) the ultimate resolution of currently outstanding matters will not have a material adverse effect on our financial condition, results of operations or cash flow. However, there is no assurance that we will ultimately be successful in our defense of any of these matters or that an adverse outcome in any matter will not affect our results of operations, financial condition or cash flow. Further, future claims, lawsuits and legal proceedings could materially and adversely affect our business, reputation, results of operations, and financial condition.

### ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors from those disclosed in "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(a) Not applicable.

(b) Not applicable.

(c) Common Stock Purchases

The following table provides information about our purchases of equity securities during the quarter ended September 30, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program <sup>(1)</sup>	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program <sup>(1)</sup>
July 1, 2024 to July 31, 2024	—	\$ —	—	\$ 105,645,579
August 1, 2024 to August 31, 2024	1,510,580	4.97	1,510,580	98,132,394
September 1, 2024 to September 30, 2024	929,761	5.33	929,761	93,179,856
Total	<u>2,440,341</u>	<u>\$ 5.11</u>	<u>2,440,341</u>	<u>\$ 93,179,856</u>

(1) The Company's Board of Directors has authorized the repurchase of up to \$200 million in shares of its common stock.

The number of shares to be purchased, if any, and the timing of purchases will be based on the Company's stock price, leverage ratios, cash balances, general business and market conditions, and other factors, including alternative investment opportunities and working capital needs. The Company may repurchase its shares, from time to time, through a variety of methods, including open-market purchases, privately negotiated transactions and block trades or pursuant to repurchase plans designed to comply with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended. Any stock repurchases will be subject

to market conditions, SEC regulations and other considerations and may be commenced or suspended at any time or from time to time, without prior notice. Accordingly, there is no guarantee as to the number of shares, if any, that will be repurchased or the timing of such repurchases.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

### ITEM 5. OTHER INFORMATION

During the three months ended September 30, 2024, no director or officer of the Company who is required to file reports under Section 16 of the Exchange Act informed us that he or she adopted, materially modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

### ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
31.1	<a href="#">Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a> *
31.2	<a href="#">Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a> *
32.1	<a href="#">Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a> **
32.2	<a href="#">Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a> **
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
*	Filed herewith.
**	Furnished herewith.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### REGISTRANT:

#### ACCO BRANDS CORPORATION

By: /s/ Thomas W. Tedford

Thomas W. Tedford

President and Chief Executive Officer  
(principal executive officer)

By: /s/ Deborah A. O'Connor

Deborah A. O'Connor

Executive Vice President and Chief Financial Officer  
(principal financial officer)

By: /s/ James M. Dudek, Jr.

James M. Dudek, Jr.

Senior Vice President, Corporate Controller and Chief  
Accounting Officer  
(principal accounting officer)

Date: November 1, 2024



**CERTIFICATIONS**

I, Thomas W. Tedford, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ACCO Brands Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Thomas W. Tedford

Thomas W. Tedford

President and Chief Executive Officer

Date: November 1, 2024

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**CERTIFICATIONS**

I, Deborah A. O'Connor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ACCO Brands Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Deborah A. O'Connor

Deborah A. O'Connor

Executive Vice President and Chief Financial Officer

Date: November 1, 2024

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**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**

**As adopted pursuant to**

**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of ACCO Brands Corporation on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof, (the "Report"), I, Thomas W. Tedford, Chief Executive Officer of ACCO Brands Corporation, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1)The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of ACCO Brands Corporation.

By: /s/ Thomas W. Tedford

Thomas W. Tedford

President and Chief Executive Officer

Date: November 1, 2024

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**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**

**As adopted pursuant to**

**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of ACCO Brands Corporation on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof, (the "Report"), I, Deborah A. O'Connor, Chief Financial Officer of ACCO Brands Corporation, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of ACCO Brands Corporation.

By: /s/ Deborah A. O'Connor

Deborah A. O'Connor

Executive Vice President and  
Chief Financial Officer

Date: November 1, 2024

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