BUNZL
2021 FULL YEAR RESULTS

INTRODUCTION

Frank van Zanten, Chief Executive Officer

2021 HIGHLIGHTS

Continued growth through the pandemic and further strategic progress

- **7.1%[1] revenue growth y-o-y; 17.1%[1] growth vs. 2019**
- **2.8%[1] adjusted operating profit[2] growth y-o-y; 23.2%[1] growth vs. 2019**
- **102% cash conversion[2] supportive to 1.6x FY21 net debt/ EBITDA[3] position**
- **5.4% dividend per share increase; 29th year of consecutive growth**
- **£508m of committed acquisition spend vs £375m 5-year average; strong pipeline**
- **Only 2% of Group revenue generated from consumables that are facing regulation**

Notes

1. At constant exchange rates
2. Alternative performance measure – see Appendix 1
3. At average exchange rates and based on historical accounting standards, in accordance with Group's external debt covenants

CONSISTENT LONG-TERM FOCUS

Strong track record of growth guided by a clear purpose and proven strategy

We deliver essential business solutions around the world and create long term sustainable value for the benefit of all stakeholders

Core values drive our value-added proposition

- Humility
- Responsiveness
- Reliability
- Transparency

Consistent and proven compounding strategy

- Profitable organic growth
- Operating model improvements
- Acquisition growth

With sustainability integral to our success

- Responsible supply chains
- Investing in a diverse workforce
- Taking action on climate change
- Providing tailored alternative solutions

Customers	**Agile response** to Covid-19 with high levels of demand fulfilled for customers
Colleagues	**High employee engagement; c.90%** have a strong commitment to Bunzl
Environment	**Consolidation** model supported **c.60%** reduction in carbon intensity since 2010
Suppliers	**>10,000 strong supplier relationships** ensured reliable supply over pandemic
Communities	**>700 ethical audits** in Asia in 2021 with remedial actions taken
Shareholders	**Consistent track record**; **10%** dividend per share CAGR between 1992 and 2021

FINANCIAL RESULTS

Richard Howes, Chief Financial Officer

REVENUE GROWTH

Good underlying growth, supported by inflation

Revenue growth[1]

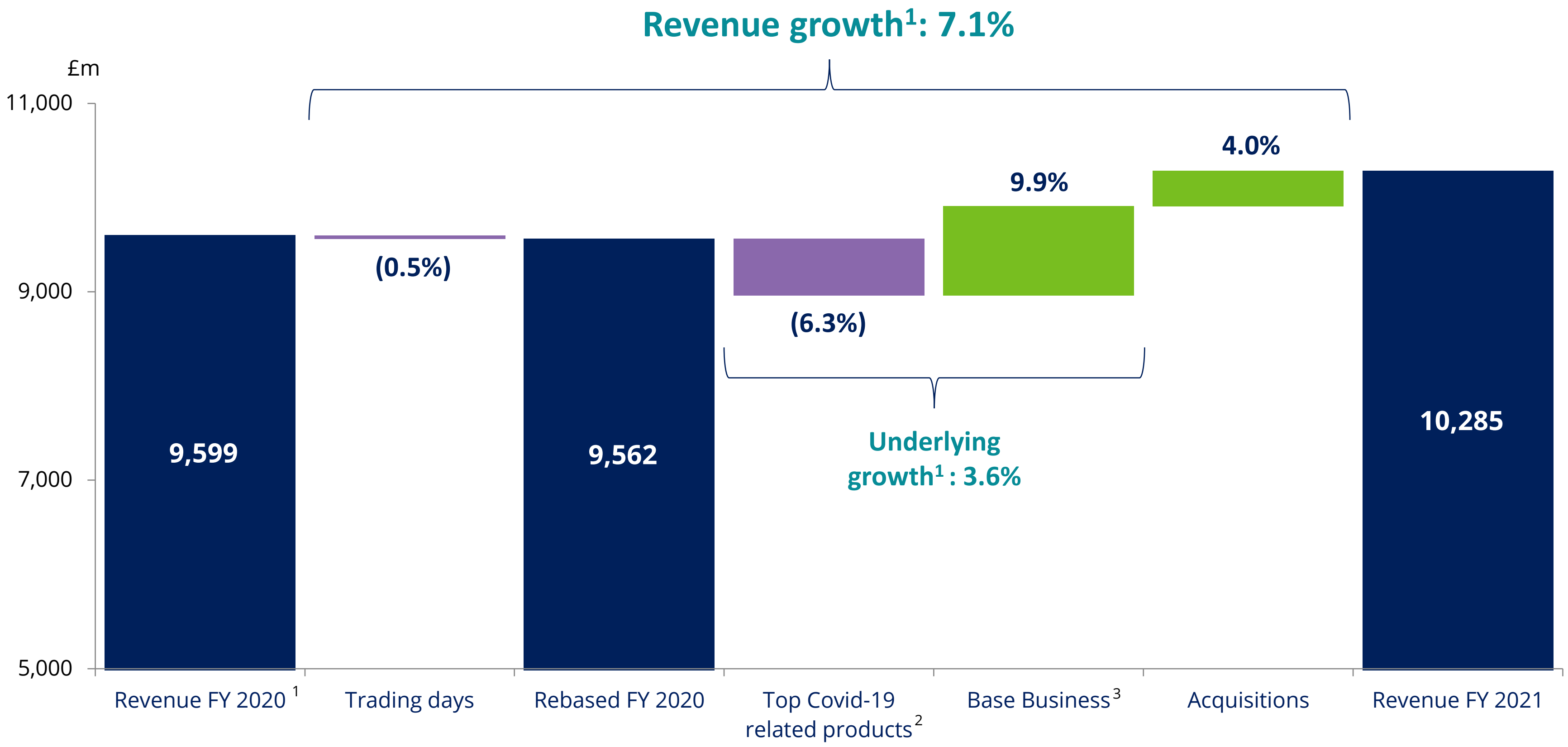
7.1%

Underlying growth vs 2020[1]

3.6%

Underlying growth vs 2019[1]

8.5%



Notes

1. At 2021 constant exchange rates
2. Top 8 Covid-19 related products are masks, sanitisers, disposable gloves, disinfectants, coveralls, disposable wipes, face shields and eye protection. The total revenue from these products declined from c.£2,109m in 2020 to c.£1,511m in 2021, excluding the impact of acquisitions and adjusted for trading days
3. Base business defined as underlying revenue excluding the top 8 Covid-19 related products

INCOME STATEMENT

Good profit growth despite expected margin headwinds from revenue mix

Adjusted operating profit[1] growth[2]

2.8%

compared to 2019:
23.2%

Operating margin[1] movement

c.(40)bps

Effective tax rate

22.3%

2022 tax rate guidance:
c.24%

£m	2021	2020	REPORTED GROWTH	CONSTANT EXCHANGE
Revenue	**10,285.1**	10,111.1	1.7%	7.1%
Adjusted operating profit[1]	**752.8**	778.4	(3.3)%	2.8%
Operating margin[1]	**7.3%**	7.7%		
Adjusted profit before income tax[1,3]	**698.2**	715.6	(2.4)%	3.9%
Effective tax rate[1]	**22.3%**	23.1%		
Adjusted profit for the year[1]	**542.5**	550.5	(1.5)%	4.9%
Adjusted earnings per share[1,4]	**162.5p**	164.9p	(1.5)%	4.9%
Total dividend per share	**57.0p**	54.1p	5.4%	
Statutory				
Operating profit	**623.3**	618.5		
Profit before income tax[3]	**568.7**	555.7		
Basic earnings per share[4]	**132.7p**	128.8p		

Notes
1. Alternative performance measure – see Appendix 1
2. At constant exchange
3. Net finance cost in 2021 was £54.6 million and £62.8 million in 2020
4. Weighted average number of shares of 333.8 million in 2021 and 333.8 million in 2020

CASH FLOW

Consistently strong cash conversion

Cash conversion[1]

102%

Average cash conversion[1] since 2004

98%

Free cash flow[1] growth[4] vs.2019

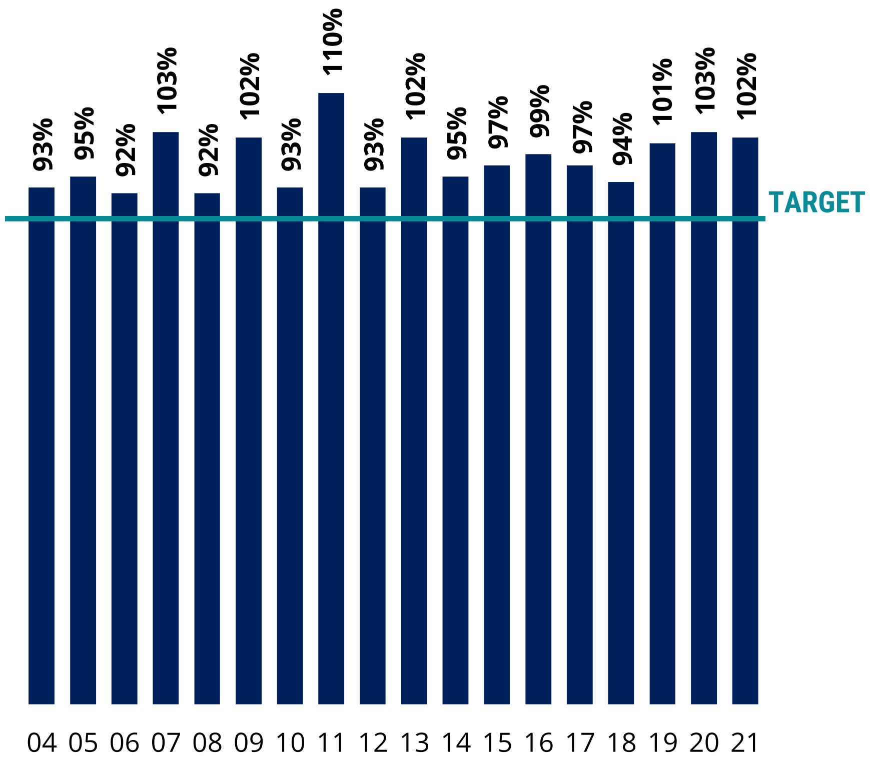
15%

£m	2021	2020
Operating cash flow[1,3]	**741.6**	776.8
Net interest (excluding lease liabilities)	**(34.8)**	(41.5)
Income tax paid	**(181.4)**	(153.8)
Free cash flow[1]	**525.4**	581.5
Dividends paid	**(180.4)**	(171.5)
Net receipts/(payments) relating to employee share schemes	**19.5**	(8.4)
Net cash inflow before acquisitions	**364.5**	401.6
Acquisitions[2]	**(452.7)**	(387.5)
Net cash (outflow)/inflow	**(88.2)**	14.1
Cash conversion[1]	**102%**	103%

Notes

1. Alternative performance measure – see Appendix 1
2. Including acquisition related items
3. Before acquisition related items
4. At actual exchange rates

Cash conversion since 2004



BALANCE SHEET

Substantial capacity for continued self-funded acquisitions

Net debt : EBITDA[1,2]

1.6x

Substantial capacity for self-funded acquisitions with 2.0x-2.5x target leverage

FY 21 committed acquisition spend

£508m

ROIC[1]

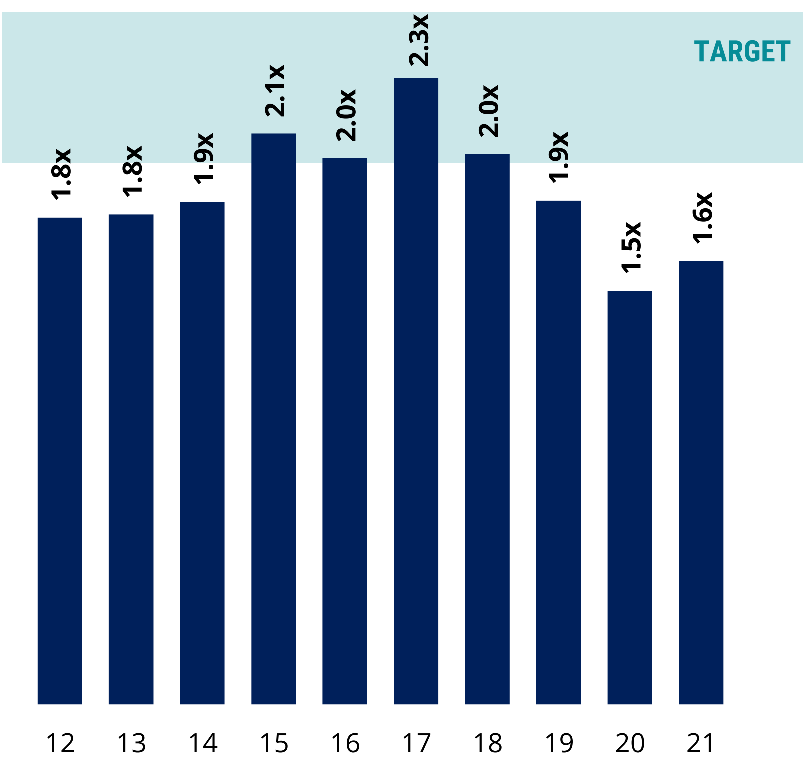
15.1%

£m	DECEMBER 2021	DECEMBER 2020
Intangibles	**2,766.8**	2,441.9
Right-of-use assets	**448.3**	453.4
Property, plant and equipment	**120.9**	122.7
Working capital[1]	**1,027.6**	1,021.4
Other net liabilities	**(364.8)**	(323.0)
	3,998.8	3,716.4
Net pension surplus/(deficit)	**31.2**	(44.8)
Net debt excluding lease liabilities[1]	**(1,337.4)**	(1,255.0)
Lease liabilities	**(488.7)**	(497.5)
Equity	**2,203.9**	1,919.1
Net debt : EBITDA[1]	**1.9x**	1.8x
Net debt : EBITDA[1] (covenant basis[2])	**1.6x**	1.5x
Return on invested capital[1]	**15.1%**	16.2%
Return on average operating capital[1]	**43.3%**	45.4%

Notes

1. Alternative performance measure - see Appendix 1
2. On a covenant basis - at average exchange rates and based on historical accounting standards, in accordance with Group's external debt covenants

Net debt : EBITDA[1,2] over the last 10 years

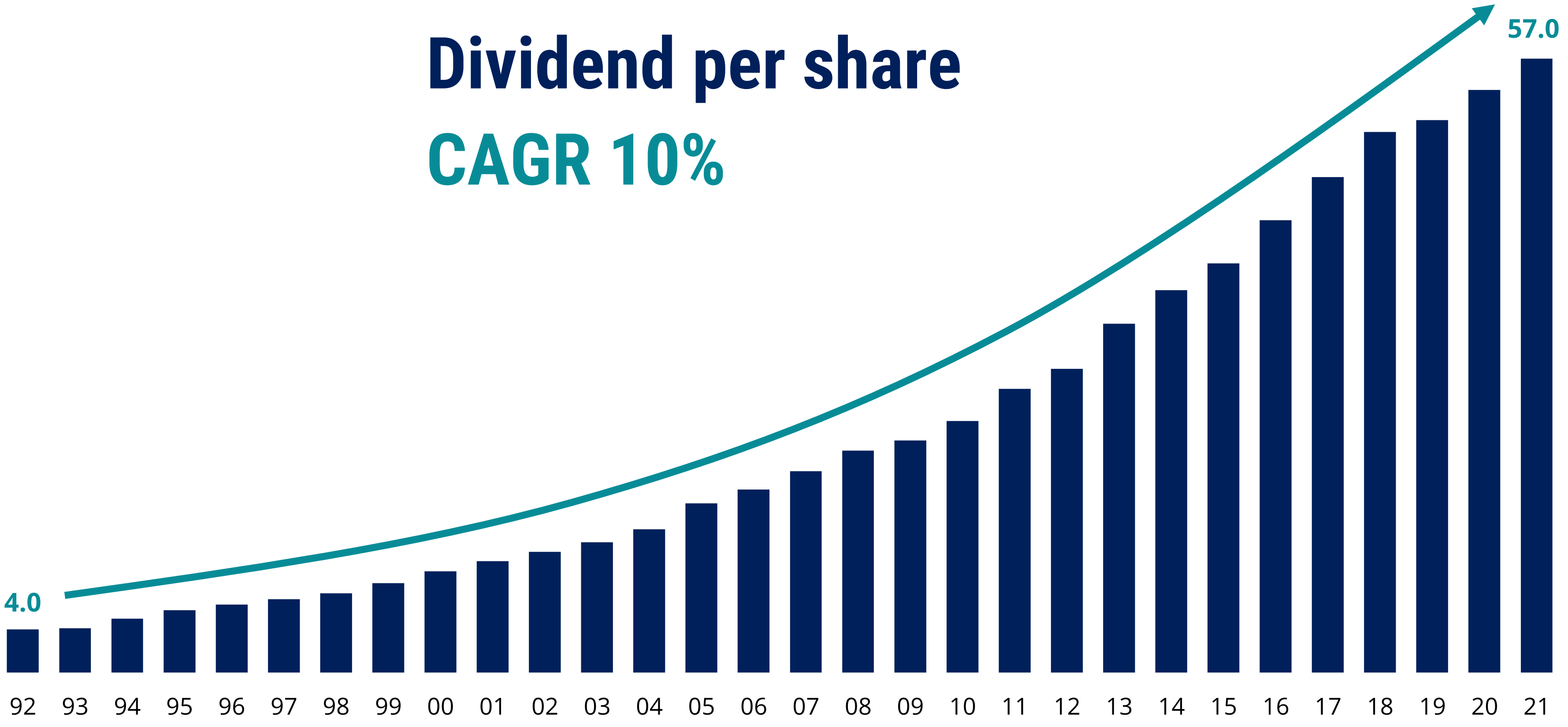


DIVIDEND GROWTH CONTINUES

Good dividend growth as dividend cover begins to normalise

29 years

of consecutive dividend increases



FINANCIAL SUMMARY

Another strong year that positions Bunzl for continued success

- Strength and resilience of diversified business model demonstrated
- Strong double digit profit growth 2021 vs 2019
- £508 million of committed acquisition spend largely funded by cash generated in 2021
- Net debt to EBITDA in a strong position for continued acquisition investment
- 29th consecutive year of dividend growth, with 10% CAGR since 1992

BUSINESS REVIEW AND OUTLOOK

Frank van Zanten, Chief Executive Officer

DIVERSIFICATION DRIVES RESILIENCE

Sector mix transitioning to normalisation

Diversification has supported the business over a multi-year period

Healthcare, Safety and Cleaning & Hygiene impacted by reduced Covid-19 related sales in 2021 but remain higher than in 2019

Foodservice and Retail made a strong recovery in 2021

	2021 revenue as % of Group total	*Underlying revenue 2021 vs. 2019*	*Underlying revenue 2021 vs. 2020*
Healthcare Safety Cleaning & Hygiene	**33%** vs 32% in 2019	↑ *+10% vs 2019*	↓ (12)% y-o-y Driven by the expected decline in Covid-19 related sales
Grocery Other	**29%** vs 28% in 2019	↑ *+10% vs 2019*	↑ +9% y-o-y
Foodservice Retail	**38%** vs 40% in 2019	↑ *+6% vs. 2019*	↑ +16% y-o-y

All sectors supported by Covid-19 related product sales

COVID-19 RELATED SALES

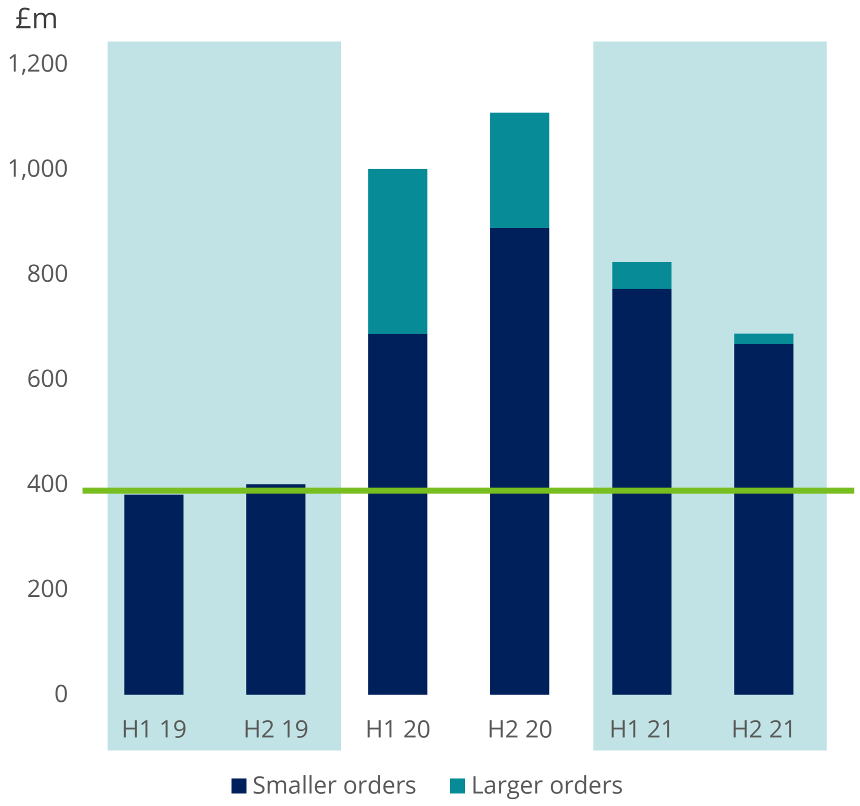
Sales reduced as expected but remain substantially higher than 2019

Covid-19 related products decline driven by fewer larger orders

Deflation on certain Covid-19 related products impacted H2 margin

Covid-19 related orders remain substantially higher than in 2019

Absolute Covid-19 related products[1] revenue



- Glove prices stabilised towards the end of 2021 but will impact year-on-year comparison in the first half of 2022
- Bunzl's global sourcing capabilities, including Shanghai sourcing office, continues to be a competitive advantage
- **Expect Covid-19 related orders to remain ahead of 2019 levels in 2022**

Note

1. Covid-19 related products are the top 8 Covid-19 related products, which are masks, sanitisers, disposable gloves, disinfectants, coveralls, disposable wipes, face shields and eye protection

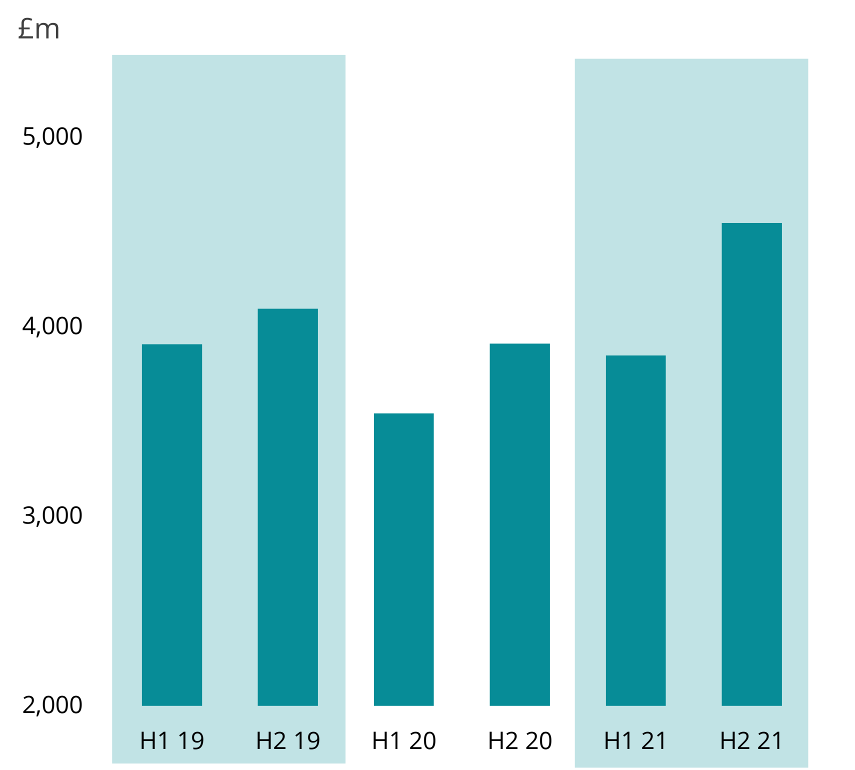
RECOVERY OF THE BASE BUSINESS

Base business recovery supported by inflation through 2021

2021 base business revenue broadly in-line with 2019, driven by inflation and recovery in H2

Foodservice, Grocery and Retail were the drivers of improvement over the year; Safety, Cleaning & Hygiene still impacted

Absolute base business[1] revenue



- Recovery led by North America and Latin America
- Foodservice, Retail and Grocery drove the improvement over the year, strongly supported by inflation
- Healthcare traded well compared to 2019
- Cleaning & Hygiene and Safety impacted by work from home and soft end safety markets

Note

1. Base business defined as underlying revenue, which is revenue excluding acquisitions made over the period and adjusted for trading days, excluding the top 8 Covid-19 related products

INFLATION

Product cost Inflation managed to date with successful pass-through

Inflation strongly supportive to revenue growth, with Covid-19 related inflation in H1 and base business inflation in H2

Operating cost inflation more than offset by revenue growth driven by product cost inflation and efficiency measures

Inflation dynamics somewhat supportive to operating margin

Product cost inflation

Covid-19 related products
Glove prices stabilising; Current prices will impact H1 22 revenue year-on-year

Base business
Strong inflation in plastics, paper and chemicals

Good progress in passing through product price inflation to customers

- With our largest customers, particularly in North America, product price movements often factored into agreements
- Elsewhere, regular price renegotiations required

Inflation remained strong to the end of the year, but some moderate tempering of plastic prices seen in some regions

Operating cost inflation

Wage inflation particularly strong in North America and UK & Ireland

- More benign impact in Continental Europe and Asia Pacific
- Started to stabilise in North America

Outbound freight inflation has risen, as has property cost inflation linked to lease expiries

Operating efficiency measures in 2021

Group continued to take actions to enhance efficiencies

- >15 warehouse consolidations
- UK & Ireland shared service roll-out with a range of new technologies implemented

NORTH AMERICA / CONTINENTAL EUROPE

Inflation supported North America; Europe saw growth excluding larger Covid orders

£m	North America 2021	North America 2020	North America Reported	North America Constant exchange	North America Underlying	Continental Europe 2021	Continental Europe 2020	Continental Europe Reported	Continental Europe Constant exchange	Continental Europe Underlying
Revenue	**6,144.7**	5,843.8	5.1%	12.4%	9.2%	**1,972.9**	2,127.3	(7.3)%	(2.7)%	(5.7)%
Adjusted operating profit[1]	**401.3**	395.7	1.4%	8.5%		**191.8**	238.1	(19.4)%	(14.0)%	
Operating margin[1]	**6.5%**	6.8%				**9.7%**	11.2%			
Return on average operating capital[1]	**42.9%**	41.3%				**47.3%**	59.6%			

North America

- Strong growth achieved despite the decline in Covid-19 related sales and impact of Covid-19 related deflation on margin
- Substantial product inflation, particularly in grocery and foodservice, and strong recovery in demand in foodservice and retail
- Overall, the base business in the second half traded strongly ahead of 2019 levels
- Operating cost inflation accelerated through the year but was more than offset by revenue growth attributable to product inflation
- Overall, revenue in 2021 was 20% higher than in 2019[2]

Continental Europe

- Revenue and profit decline driven by limited larger Covid-19 related orders which strongly benefited the prior year
- Excluding larger Covid-19 related orders underlying sales grew moderately, supported by inflation and growth in the base business
- Strong growth in foodservice and non-food retail base businesses, but soft cleaning & hygiene and safety end markets
- Profit margin reduction reflects the return towards a more normalised revenue mix, driven by the reduction in larger Covid-19 related orders
- Overall, revenue in 2021 was 12% higher than in 2019[2]

Notes

1. Alternative performance measure - see Appendix 1
2. At constant exchange rates

UK & IRELAND / REST OF THE WORLD

Good second half recovery in UK & Ireland; strong growth in Latin America

£m	UK & Ireland 2021	2020	REPORTED	CONSTANT EXCHANGE	UNDERLYING	Rest of the World 2021	2020	REPORTED	CONSTANT EXCHANGE	UNDERLYING
Revenue	**1,254.2**	1,287.7	(2.6)%	(2.4)%	(6.2)%	**913.3**	852.3	7.2%	11.0%	4.7%
Adjusted operating profit[1]	**67.0**	68.6	(2.3)%	(2.2)%		**116.5**	104.2	11.8%	18.3%	
Operating margin[1]	**5.3%**	5.3%				**12.8%**	12.2%			
Return on average operating capital[1]	**38.4%**	41.4%				**48.9%**	50.9%			

UK & Ireland

- Revenue performance driven by the decline in larger Covid-19 related orders which strongly benefited the prior year
- Excluding larger Covid-19 related orders, good underlying sales growth driven by acceleration of recovery in the second half
- By Q4 the base business was approaching 2019 levels, supported by inflation
- Margin impact from reduced Covid-19 related sales offset by reduced net charge in relation to provisions and improvement in the base business; meaningful improvement in operating margin in H2
- Overall revenue in 2021 was 1% higher than in 2019[2], with the second half of the year being 6% higher than in 2019

Rest of the World

- Rest of the World delivered very strong growth despite the strength of performance in the prior year
- Growth driven by Latin America with strength in the base business, which traded very strongly ahead of 2019 levels, and acquisitions
- Latin America operating margin was impacted by Covid-19 related product deflation in the second half
- Asia Pacific revenue grew modestly with acquisitions and base business growth offset by a decline in Covid-19 related orders. Operating margin expansion due to strong growth within healthcare and warehouse consolidations
- Overall revenue in 2021 was 34% higher than in 2019[2]

Notes

1. Alternative performance measure - see Appendix 1
2. At constant exchange rates

2021 ACQUISITIONS SNAPSHOT

Second highest level of committed spend in Bunzl history

BUNZL

Acquisitions in 2021

14

Second highest level of committed spend in Bunzl history, despite pandemic

£508m

Acquisitions delivering to plan

McCue

- McCue Corporation acquired in October 2021
- Distributor of safety and asset protection solutions, such as barriers, floor railings and bumpers, for warehouses and high footfall environments
- Operates in the US, UK and other international markets
- Revenue of $90 million (c.£65 million) in 12 months to July 2021

Workwear Express

- Workwear Express acquired in October 2021
- A leading business in personalised workwear and promotional clothing with a strong e-commerce focus, based in the UK
- Revenue £29 million in 12 months to March 2021

MEDSHOP

- Medshop acquired in September 2021
- Online distributor of medical supplies and devices to a diverse range of healthcare customers, predominately in Australia
- Revenue in 2020 of AUD 22 million (c.£12 million)

Hydropac

- Hydropac acquired in November 2021
- Distributor of insulated packaging solutions based in the UK
- Revenue of £7 million in 2020

Intergro

- Intergro acquired in September 2021
- Distributor of agricultural supplies to commercial growers in the Eastern US with a strong own brand portfolio
- Revenue of $23 million (£17 million) in 2020

TINGLEY

- Tingley Rubber acquired in December 2021
- Distributor of own brand protective safety footwear and apparel in the US
- Revenue of $68 million (c.£49 million) in 2021

CONTINUED ACQUISITION MOMENTUM

Almost £1 billion of committed spend over 2020 and 2021

BUNZL

Acquisitions over 2020 and 2021

22 announced acquisitions with almost £1 billion of committed spend

Acquisitions across all Bunzl business areas and weighted to safety, cleaning & hygiene and healthcare sectors

Some larger fast growing businesses within the mix

Companies acquired in 2020 and 2021

North America

- Intergro
- Joshen Paper & Packaging
- McCue
- MCR Safety
- Pinnacle Distribution Inc.
- Snelling 1915
- Tingley

UK & Ireland

- Abco Kovex – Powerful Packaging Solutions
- Bodyguard Workwear
- Comax – Catering | Care | Janitorial
- DeliverNet.co.uk – Here to help you care
- Workwear Express

Continental Europe

- Arprosa – Artículos de Protección, S.A.
- Disposable Discounter
- Hydropac – Insulated Shipping Systems
- ICM
- proin pinilla

Latin America

- Medcorp – Qualidade em Produtos Hospitalares
- SP Equipamentos

Australasia

- Harvey Distributors – Cleaning Products & Equipment
- Medshop
- Obex

ACQUISITIONS A KEY COMPONENT OF HISTORIC SUCCESS

Momentum and headroom supportive to future growth

Acquisition contribution to revenue growth since 2011

c.2/3

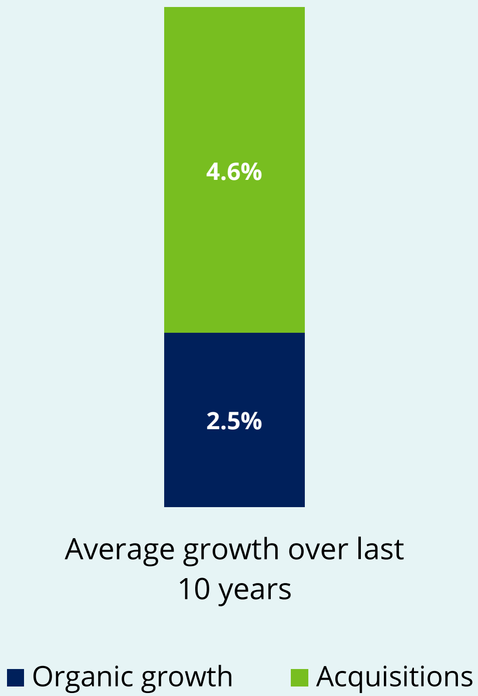
Significant committed spend over 2020 and 2021

c.£1 billion

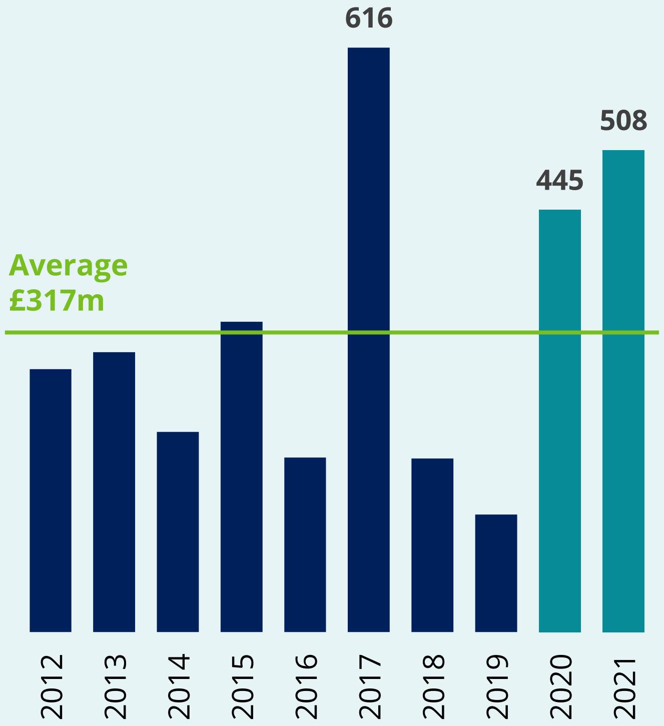
Active pipeline

Leverage and annual cash generation provides significant headroom for further investment

Average components of revenue growth over last 10 years

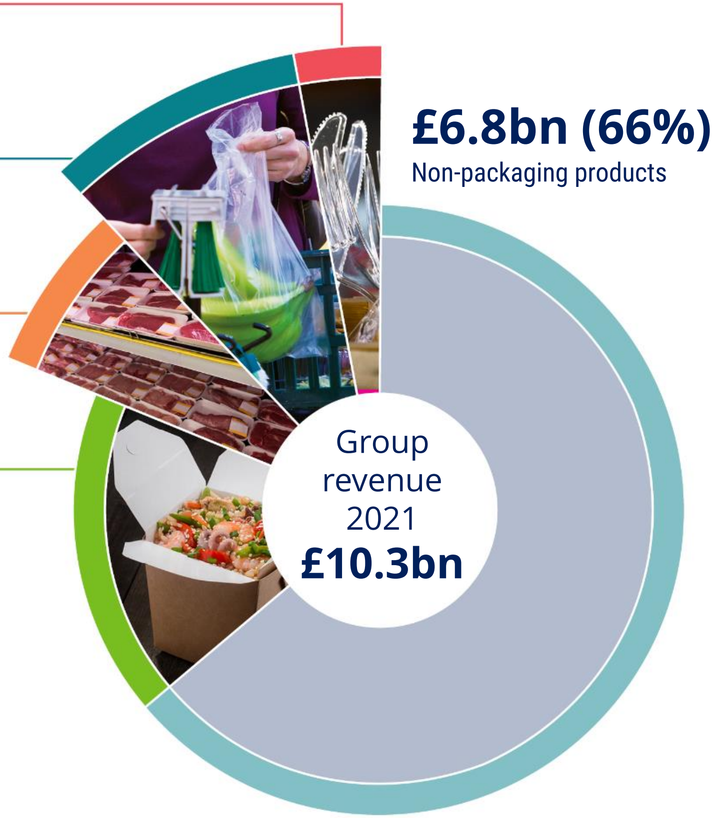


Committed acquisition spend over the last 10 years (£m)



GROUP PACKAGING SNAPSHOT

Strong position to continue to support customers with the transition



Only 2% of revenue generated by consumables facing regulation

- 84% of Group revenue attributable to non-packaging products or packaging products made from alternative materials that are well suited to a circular economy
- 2021 picture is broadly consistent with 2019, supported by inflation
- Covid caused a move back to single use plastics for hygiene reasons which is expected to be temporary
- Growth in packaging made from alternative products in 2021 due to customers transitioning, regulatory changes and shortages of plastic products

Notes

- Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure
- We have continued to exercise our judgement to allocate the sales in 2021 to non-packaging products and the four packaging categories shown
- See appendix 5 for explanations of packaging categorisations

HOW WE ARE SUPPORTING CUSTOMERS

Proactively supporting our customers with new legislation and targets

Helping customers meet their plastics ambitions

- In 2020, Empire, Canada's second largest grocery retailer, and parent company of Sobeys, Safeway, IGA, Foodland, FreshCo and many other food retail brands in Canada became **the first national grocer in Canada to replace single use plastic shopping bags** with reusable and paper bags across their banners
- Today Bunzl's **multiple supplier relationships** are a strong advantage in offering a complete solution to replace more than **800 million** plastic bags annually
- Bunzl's inventory management provided further **reassurance around product availability during launch**
- In order to manage costs within the category we identified **cost saving opportunities**
  - Implementation of an upgraded digital platform for all their one-stop-shop needs

Providing value-added advice ahead of UK plastics and waste tax changes

- In 2022 the UK is introducing a **plastic tax** on products that have less than 30% recycled content
- We have been **proactively assessing our customer's portfolios** utilising our **proprietary technology** to assess the potential financial impact to them
- We are **supporting ways to mitigate** these costs through potential changes to products

PROGRESS AGAINST OUR SUSTAINABILITY COMMITMENTS

Tailored solutions for a better world

Better packaging solutions

Today: We are committed to supporting our customers to remove, replace and reduce single use plastics

In 2021:

- 2% of Group revenues relate to consumables facing regulation
- 84% of Group revenue attributable to non-packaging products or packaging[1] products made from alternative materials

Tomorrow: Significantly increase the amount of recyclable, compostable or reusable packaging supplied to our customers

Responsible supply chain

Today: Our supply chain in Asia is covered by direct auditing and assurance practices[2]

In 2021:

- 754 audits in Asia
- 10 suppliers terminated

Tomorrow: Expanding our programme to ensure 90% of our spend in high-risk markets is sourced from assessed and compliant suppliers

Investing in our people

Today: We are focused on engagement and diverse leadership succession

In 2021:

- Initiatives have driven a strong improvement in the UK & Ireland, with women comprising 22% of senior leader roles vs. 13% in 2019
- Encouraging retention levels despite labour market tightness

Tomorrow: Expanding our diversity programmes to encourage leaders from a more diverse pool of talent

Focus on Climate Change

Today: Our consolidation model supports carbon efficiency

In 2021:

- 12% reduction in carbon intensity[3]
- Joined the Race to Zero

Tomorrow: 50% more efficient by 2030[3] (compared to 2019 baseline) and net zero by 2050, inclusive of scope 3, at the latest[4]

Notes

1. Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure
2. Asia is the most significant market by spend within regions that are classified as high risk
3. Scope 1 and 2 emissions
4. Scope 1, 2 and 3 emissions

STRENGTH THROUGH THE PANDEMIC

Pandemic has highlighted the strength of Bunzl's business model and strategy

Financial performance 2021 vs. 2019

- Revenue **+17%** higher[1], with underlying revenue[2] **+9%** higher[1]
- Adjusted operating profit[3] **+23%** higher[1]
- Mix of sector and product revenue provided resilience through the period
- Average of **102%** cash conversion; Free Cash Flow **+15%** higher at actual exchange rates
- **Two further years** of consecutive dividend per share growth

Continued strategic progress

- Almost **£1bn** of committed acquisition spend over 2020 and 2021
- Percentage of digital orders increased from **62%** in 2019 to **67%** in 2021
- **84%** of Group revenues in 2021 generated by non-packaging products and packaging[4] products made from alternative materials
- Strength of employee engagement with **88%** having a strong commitment to Bunzl
- Launch of **sustainability commitments**, including net zero carbon ambition

Attractive outlook

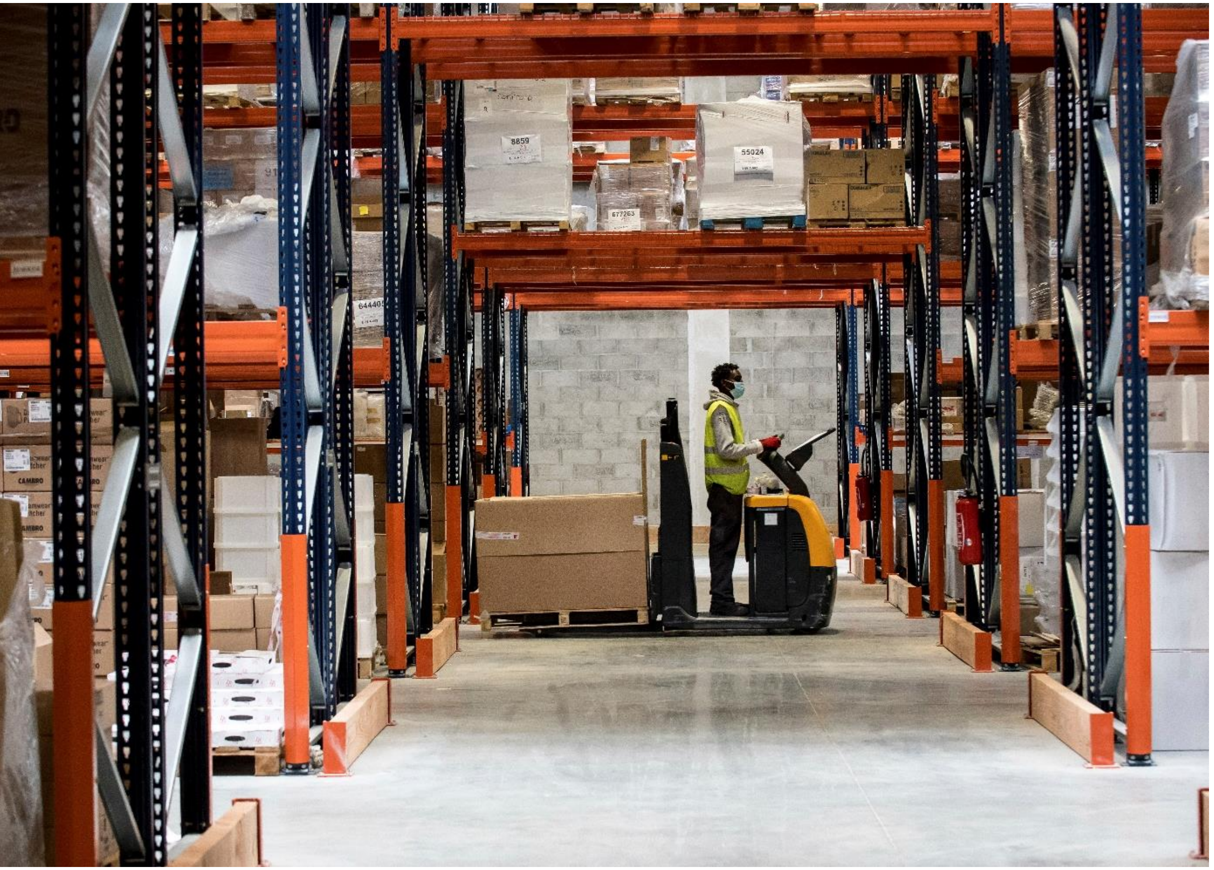
- Exited 2021 with net debt: EBITDA[3,5] of **1.6x** compared to target level of 2.0-2.5x
- Active acquisition pipeline
- Continued support of Covid-19 related products through transitionary period
- Longer-term attractive sector exposure

Notes

1. At constant exchange rates
2. Underlying revenue is a measure of revenue over comparative periods at constant exchange rates, excluding the incremental impact of acquisitions and disposals and adjusted for differences in trading days between years
3. Alternative performance measure – see Appendix 1
4. Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure
5. At average exchange rates and based on historical accounting standards, in accordance with Group's external debt covenants

2022 OUTLOOK

Guidance upgraded compared to pre-close statement



- Expect moderate revenue growth[1] in 2022, driven by the impact of acquisitions completed in the last 12 months and supported by a slight increase in organic revenue

- Continued recovery of the base business expected to be offset by the further normalisation of sales of Covid-19 related products, albeit these are expected to remain ahead of 2019 levels

- Inflation support in plastics, paper and chemical products and the year-on-year impact of deflation on certain Covid-19 related products expected to remain dynamics within our performance

- We also expect Group operating margin[2] in 2022 to be slightly higher than historical levels, as the mix of sector and product sales continues to transition to more typical levels for the Group

Notes

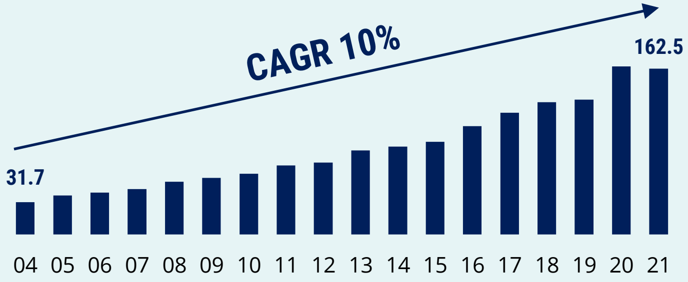
1. At constant exchange
2. Alternative performance measure - see Appendix 1

CONSISTENT AND PROVEN COMPOUNDING STRATEGY

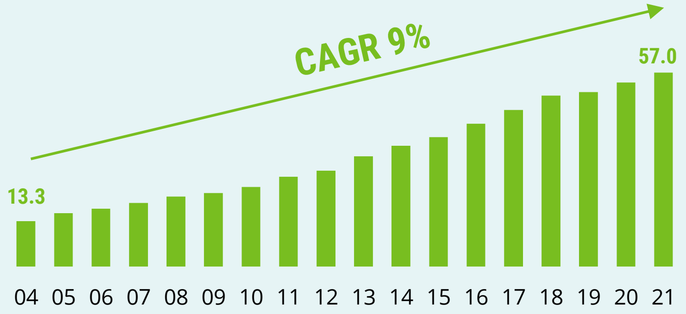
Strong total shareholder returns

			Proven track record
Organic growth		– Driven by economic activity – Bunzl's drivers include exposure to growing sectors, winning new customers, own brand mix and sustainable products	– +9% revenue CAGR since 2004 – 2.5% organic revenue growth (average 2004-2021) – 98% average cash conversion since 2004 – £4.4bn invested in new acquisitions since 2004 – 29 years of annual dividend growth – ROIC well ahead of WACC
Operational efficiencies		– Proactive operational efficiency initiatives – Includes warehouse consolidations, improved IT and digital solutions and route planning software that drives efficiencies	
Strong returns and cash generation	**Acquisitions**	– 183 acquisitions since 2004 – Attractive pipeline for acquisitions with long runway for growth	
	Dividend	– Commitment to sustainable annual dividend growth	

Adjusted EPS[1] (p)



Dividend per Share (p)



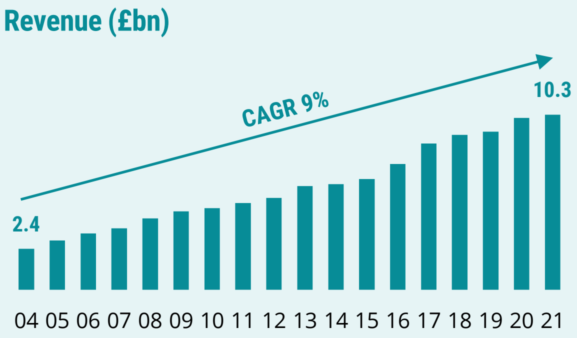
Note: 1. Alternative performance measure

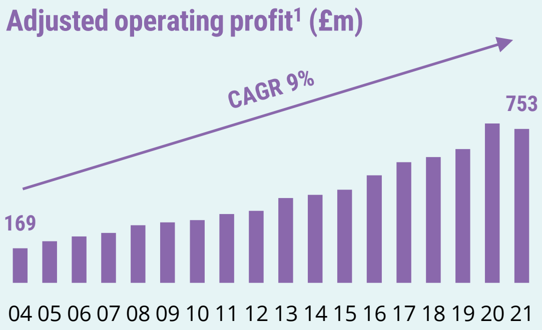
Q&A

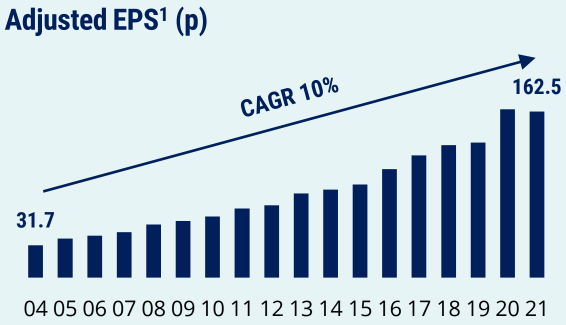
Proven compounding growth strategy

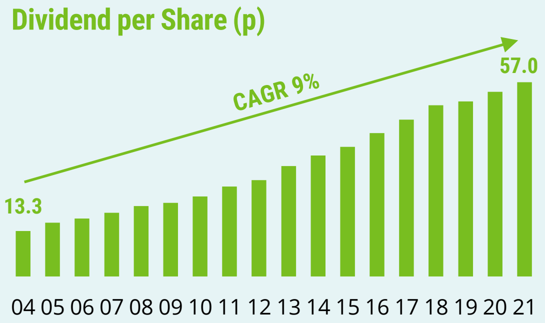
CAGR

c.9-10%









Note: 1. Alternative performance measure

Appendices

APPENDIX 1

Alternative performance measures

This presentation includes various performance measures defined under International Financial Reporting Standards ('IFRS') as well as a number of alternative performance measures. The principal alternative performance measures used in this presentation are:

Underlying revenue growth - Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior years at constant exchange and adjusted for differences in trading days between years

Adjusted operating profit - Operating profit before customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges and profit or loss on disposal of businesses

Operating margin - Adjusted operating profit as a percentage of revenue

Adjusted profit before income tax - Profit before income tax, customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges and profit or loss on disposal of businesses

Adjusted profit for the period - Profit for the year before customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges, profit or loss on disposal of businesses and the associated tax

Effective tax rate - Tax on adjusted profit before income tax as a percentage of adjusted profit before income tax

Adjusted earnings per share - Adjusted profit for the year divided by the weighted average number of ordinary shares in issue

Adjusted diluted earnings per share - Adjusted profit for the year divided by the diluted weighted average number of ordinary shares

Operating cash flow - Cash generated from operations before acquisition related items after deducting purchases of property, plant and equipment and software and adding back the proceeds from the sale of property, plant and equipment and software and deducting the payment of lease liabilities

Free cash flow - Operating cash flow after deducting payments for income tax and net interest excluding interest on lease liabilities

Lease adjusted operating profit - Adjusted operating profit after adding back the depreciation of right-of-use assets and deducting the payment of lease liabilities

Cash conversion - Operating cash flow as a percentage of lease adjusted operating profit

Working capital - Inventories and trade and other receivables less trade and other payables, excluding non-operating related receivables, non-operating related payables (including those relating to acquisition payments) and dividends payable

Return on average operating capital - The ratio of adjusted operating profit to the average of the month end operating capital employed (being property, plant and equipment, right-of-use assets, software, inventories and trade and other receivables less trade and other payables)

Return on invested capital - The ratio of adjusted operating profit to the average of the month end invested capital (being equity after adding back net debt, lease liabilities, net defined benefit pension scheme liabilities, cumulative customer relationships and brands amortisation, acquisition related items and amounts written off goodwill, net of the associated tax)

EBITDA - Adjusted operating profit on a historical GAAP basis, before depreciation of property, plant and equipment and software amortisation and after adjustments as permitted by the Group's debt covenants, principally to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses

Net debt excluding lease liabilities - Net debt excluding the carrying value of lease liabilities

Constant exchange rates - Growth rates at constant exchange rates are calculated by retranslating the results for prior years at the average rates for the year ended 31 December 2021 so that they can be compared without the distorting impact of changes caused by foreign exchange translation

APPENDIX 2

Statutory P&L

£m	2021	2020
Revenue	**10,285.1**	10,111.1
Adjusted operating profit[1]	**752.8**	778.4
Operating margin[1]	**7.3%**	7.7%
Adjusting items	**(129.5)**	(159.9)
Operating profit	**623.3**	618.5
Net finance expense	**(54.6)**	(62.8)
Profit before income tax	**568.7**	555.7
Reported tax rate	**22.1%**	22.6%
Profit for the year	**442.8**	430.0
Basic earnings per share	**132.7**	128.8p

Notes

1. Alternative performance measure – see Appendix 1

APPENDIX 3

Acquisition growth

183

acquisitions

£375m

Average annual spend in last 5 years[1]

	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21
Number of acquisitions	7	7	9	8	7	2	9	10	13	11	17	22	14	15	6	3	9	**14**
Committed acquisition spend (£m)	302	129	162	197	123	6	126	185	277	295	211	327	184	616	183	124	445	**508**
Annualised acquisition revenue (£m)	430	270	386	225	151	27	154	204	518	281	223	324	201	621	148	97	602	**322**

Notes:
1. Average annual spend for the five years over 2017 - 2021

APPENDIX 4

Revenue by customer markets in 2021

Safety

Personal protection and safety equipment, including gloves, boots, hard hats, ear and eye protection and other workwear, as well as cleaning and hygiene supplies and asset protection products to industrial, construction and ecommerce sectors

Cleaning & hygiene

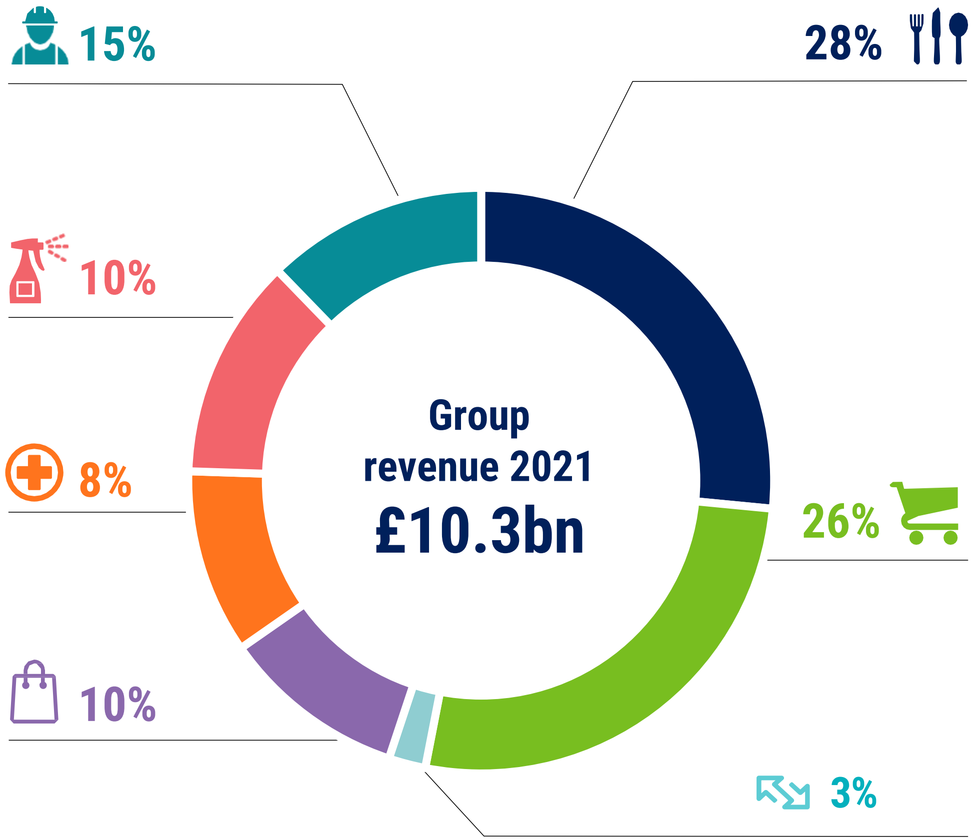
Cleaning and hygiene materials, including chemicals and hygiene paper, to cleaning and facilities management companies and industrial and public sector customers

Healthcare

Healthcare consumables, including gloves, masks, swabs, gowns, bandages and other healthcare related equipment, as well as cleaning and hygiene products and healthcare devices to hospitals, care homes and other facilities serving the healthcare sector

Retail

Goods-not-for-resale, including packaging and other store supplies and a full range of cleaning and hygiene products, to retail chains, boutiques, department stores, home improvement chains, office supply companies and related e-commerce sales channels



Foodservice

Non-food consumables, including food packaging, disposable tableware, guest amenities, catering equipment, agricultural supplies, cleaning and hygiene products and safety items, to hotels, restaurants, contract caterers, food processors, commercial growers and the leisure sector

Grocery

Goods-not-for-resale, including food packaging, films, labels, cleaning and hygiene supplies and personal protection equipment to grocery stores, supermarkets and convenience stores

Other

A variety of product ranges to other end user markets

APPENDIX 5

Packaging categorisations

	Packaging categories	Description
	1. Consumable products facing regulation	Plastic products most commonly being addressed by legislation in our markets
	2. Consumable products likely to transition to alternative materials	Plastic products that have measures in place (driven by legislation or voluntarily applied by some brands) to control their usage, for example a charge for using plastic bags
	3. Packaging with an important purpose	Plastic products where alternatives do not currently exist at scale or where careless substitution of plastic could lead to significant negative, unintended consequences such as increased food waste
	4. Packaging and products made from alternative materials	Products that are widely recyclable or compostable (in line with national guidance), made from a renewable resource, for example palm leaf or sugar cane, or reusable products like 'bags for life' or refillable coffee cups

DISCLAIMER

This document has been prepared by Bunzl plc (the ‘Company’) solely for use at the presentation of the Company’s results announcement in respect of the period ended 31 December 2021. For the purposes of this disclaimer, “Presentation” shall mean this document, the oral presentation of the slides by the Company and related question-and-answer session and any materials distributed at, or in connection with, that presentation.

The Presentation does not constitute or form part of and should not be construed as, an offer to sell or issue, or the solicitation of an offer to buy or acquire, securities of the Company in any jurisdiction or an inducement to enter into investment activity. No part of this Presentation, nor the fact of its distribution, should form the basis of, or be relied on or in connection with, any contract or commitment or investment decision whatsoever.

The Presentation contains forward-looking statements. They are subject to risks and uncertainties that might cause actual results and outcomes to differ materially from the expectations expressed in them. You are cautioned not to place undue reliance on such forward-looking statements which speak only as of the date hereof. The Company undertakes no obligation to revise or update any such forward-looking statements.

Nothing in the Presentation shall be construed as a profit forecast.

The information and opinions contained in this Presentation do not purport to be comprehensive, are provided as at the date of the Presentation and are subject to change without notice. The Company is not under any obligation to update or keep current the information contained herein.

None of the Company, its shareholders, its advisors nor any other person shall have any liability whatsoever, to the fullest extent permitted by law, for any loss arising from any use of the Presentation or its contents or otherwise arising in connection with the Presentation.