

GENDER PAY REPORT



The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require employers in Great Britain with more than 250 employees to report on their gender pay gaps as at 5 April in each year. In the Bunzl UK and Ireland business area, we are reporting for two business entities: Bunzl Retail & Healthcare Supplies Limited (“BRHS”) and Bunzl UK Limited (“BUK”). We are committed to the diversity and inclusion agenda. This includes monitoring and understanding the data we are required to report and we support the government’s commitment to address gender pay gaps.

In Bunzl we are committed to ensuring that there is an inclusive culture where everyone, irrespective of background, can thrive and build their careers. We have broadened our approach to promoting and developing women in our businesses through the following key areas of focus:

Embedding practical interventions to support our intentions including a competency framework to ensure a consistent, transparent and fair performance review process; and the ability to have greater flexibility through holiday purchase schemes.

Continuing to improve our global common approach to assessing leadership potential at senior levels to ensure greater balance of male and female leaders identified as high potential through this process. This is supported by a quarterly review of employee movement by gender within the organisation.

Growing our network of female leaders to provide local and relevant support for women at all levels to further develop our female talent pipeline as well as improve working lives of themselves and their colleagues.

Introducing unconscious bias training for all hiring line managers and senior leaders to ensure our recruitment, performance review, career development and succession planning processes are free from gender bias.

This report sets out the five years of data for Gender Pay Gap Reporting requirements since 2017 for our two UK & I businesses. The two entities reported on have changed their workforce mix through acquisition and disposal which can have and has had a bigger impact on the gender pay results than the normal, more gradual changes, of employees leaving and joining a business.

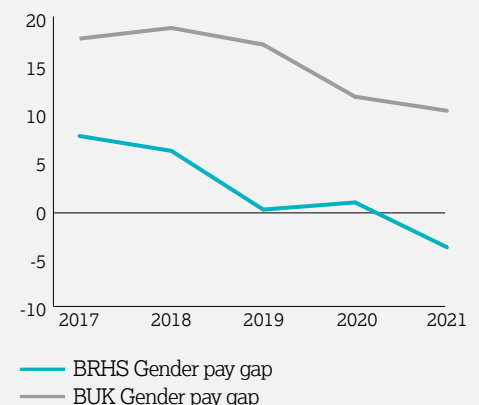
The underlying reason for our gender pay gap remains the same, we have more men in senior and therefore higher paid positions and a relatively low turnover in these senior roles. To change this, we remain committed to seeking to have a mix of candidates to fill our senior vacancies when recruiting externally as well as supporting and developing internal talent through “The Inspiring Women in Bunzl” networks. Median pay is lower for men because men hold more of the roles in the lower paid quartile – mostly in our warehouses. Where men and women carry out the same role, they are paid within the same range that takes account of their skills and experience.

Mean Gender Pay Gap

The Gender pay gap has decreased over the last five years in both legal entities with a reduction of 10.1% in BRHS and 7.5% in BUK. The decrease in the Gender Pay gap has been driven by the increase in the number of women in senior leadership roles over the period. This has been as a result of a number of key initiatives which are described in the following pages.

We are proud of the improvement and it is in line with our expectations given that Bunzl has a lower than average turnover of employees for our sectors.

Mean Gender pay gap

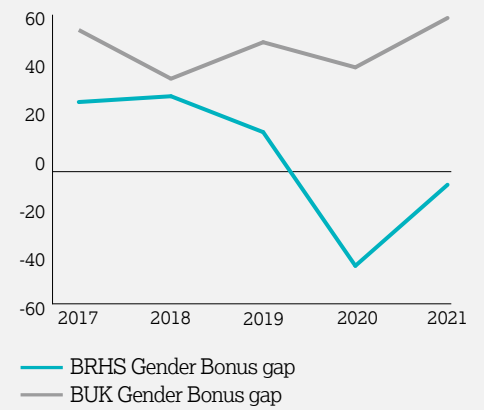


Mean Bonus Gap

The variation of the gender bonus gap is driven by the relative performance of the businesses within the legal entities because these bonuses are predominately based on business results rather than individual contributions.

Therefore the business performance by operating company drives the year on year differences for example the BRHS gender bonus gap in 2021 is impacted by the exceptional business performance of Healthcare and grocery retail companies. In the case of the Healthcare business most of the senior leadership population are men and therefore the bonus gap has decreased in favour of men.

Mean Gender Bonus gap



Comparison of men and women receiving bonuses

In BUK the percentage of men and women receiving bonuses is very similar over the five years. In BRHS the percentage changes between 2019 and 2020 are in part due to a greater proportion of male employees not receiving bonuses due to the impact of the COVID-19 pandemic on some businesses. The changes over the five year period are also impacted by business performance and acquisitions and disposal in these entities.

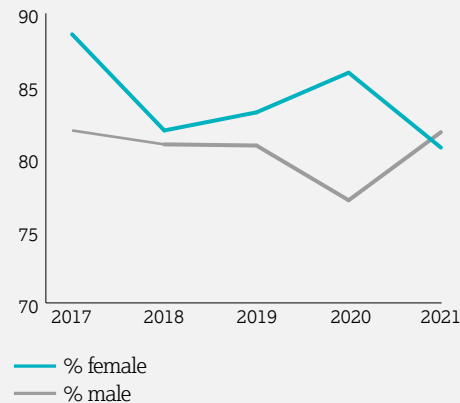
Context during recent reporting periods

During the reporting period, COVID-19 had a significant impact on both the business performance and the headcount of a number of the operating companies at Bunzl. In some businesses, for instance those that support the catering & hospitality industries, business performance was negatively impacted which meant that fewer employees received bonus payments. It was necessary to restructure in some cases, leading to reductions in headcount due to redundancy. Whilst most redundancies affected warehouse and distribution employees, a significant number of redundancies affected employees in sales, customer service and middle management roles. In this latter group, there is a higher proportion of roles held by women.

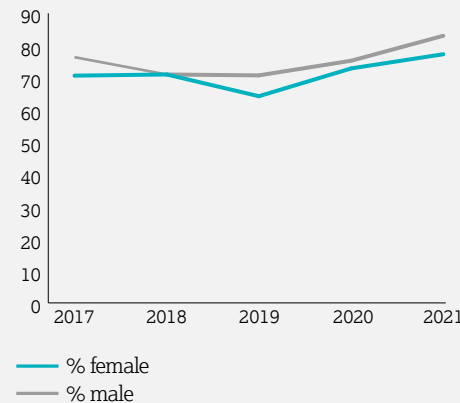
In other businesses, for instance those that support the grocery retail and healthcare industries, there was unprecedented growth and in these cases, there was some headcount growth and an increase in bonus payments.

It is a feature of Bunzl's resilient, diversified business model that individual operating companies' business performance will fluctuate in response to market conditions and macro-environmental factors such as the impact of the COVID-19 pandemic. Bunzl also frequently acquires new businesses and also divests businesses from time to time. These contribute to a regularly changing workforce composition, which means that movement in the gender pay gap is more appropriately tracked over time, rather than on a year on year basis.

% of men and women receiving a bonus in BRHS



% of men and women receiving a bonus in BUK



Key deliverables focussed on improving the representation of women in Bunzl

We are clear that our primary challenge is to increase the numbers of women in Bunzl and create a strong pipeline to develop more future female leaders. To address this we now ensure that all Line Managers undertake unconscious bias training as part of their induction when joining Bunzl. Our succession planning process focuses directly on the balance of men and women identified as “high potential”, so that we can continue to increase the proportion of women progressing into senior leadership roles.

The creation of the Inspiring Women in Bunzl Group has further strengthened the focus and importance of addressing the issue of under-representation of women in leadership roles. This group has grown to include membership from all of the businesses and regions that comprise Bunzl UK & Ireland. The vision of the group is to create an environment in Bunzl where women can flourish and reach their maximum potential.

Since the launch of these two important initiatives, the representation of women in senior leadership roles has grown from 13% to 22%.

Whilst diversity, equality and inclusion is a broader agenda, Bunzl’s participation in National Inclusion Week in 2021, has provided those women who are part of The Inspiring Women in Bunzl group an opportunity to continue to raise the profile of their vision and strategy, and to share their experiences and learnings with all of their colleagues.

I am pleased to confirm that this data is accurate and in line with mandatory requirements.

Andrew Tedbury
Managing Director, Bunzl UK & Ireland

Appendix – Previously unreported Gender Pay data 2019-2021

	2019		2020		2021	
	Mean	Median	Mean	Median	Mean	Median
BRHS Gender pay gap	-0.2	-11.7	0.5	-14.3	-4.1	-12.1
BRHS Gender Bonus gap	10.5	-51.2	-44.9	-41.5	-11.3	-1.1
BUK Gender pay gap	16.9	-3.9	11.5	-2.1	10.0	-3.1
BUK Gender Bonus gap	47.8	-30.3	37.4	9.3	51.8	4.8

Proportion of men and women receiving bonuses

		BRHS	BUK
2019	Women	83.0	63.6
	Men	80.7	70.1
2020	Women	85.8	72.2
	Men	77.0	74.6
2021	Women	80.6	76.8
	Men	81.7	82.4

Proportion of men and women in pay quartiles

		1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
		Men	Women	Men	Women	Men	Women	Men	Women
2019	BRHS	72.4	27.6	73.7	26.3	60.5	39.5	62.1	37.9
2020	BRHS	76.9	23.1	76.0	24.0	56.9	43.1	61.6	38.4
2021	BRHS	74.9	25.1	69.4	30.6	56.8	43.2	63.6	36.4
2019	BUK	72.5	27.5	68.8	31.2	58.7	41.3	72.4	27.6
2020	BUK	65.9	34.1	71.3	28.7	61.3	38.7	69.7	30.3
2021	BUK	70.2	29.8	72.3	27.7	61.1	38.9	73.6	26.4