BUNZL
2022 FULL YEAR RESULTS

INTRODUCTION

Frank van Zanten, Chief Executive Officer

FULL YEAR 2022 FINANCIAL HIGHLIGHTS

Very strong performance highlights operational and financial resilience

Revenue growth year-on-year	9.8%[1]	Due to successful inflation driven price increases, acquisitions, and H1 volume recovery
Cash conversion[2]	107%	Strong cash generation supported by working capital focus
Return on invested capital[2]	15.0%	Strong returns supported by value accretive acquisitions
Adjusted operating profit[2] growth year-on-year	11.1%[1]	Very strong profit growth, supported by y-o-y margin growth
Net debt/ EBITDA[2,3]	1.2x	Substantial headroom for further self-funded acquisitions
Dividend per share growth year-on-year	10.0%	Milestone of 30 years of consecutive annual dividend growth

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 the Group's external debt covenants

FULL YEAR 2022 PERFORMANCE ACHIEVEMENTS

Continued success in pursuing our purpose-driven strategic goals

- **12** acquisitions signed in 2022; total committed spend of **£322m**
- Increased the percentage of orders processed digitally to 69%, further **improving efficiency and our ability to retain customers**
- **Optimisation of our portfolio** through disposal of UK healthcare business
- **Successful management** of inflation and supply chain disruption reflected in results
- **SBTi approval** of our emissions reduction targets and **increased alternative packaging penetration**
- Continued focus on being **the partner customers can trust** for essential products and solutions

FINANCIAL RESULTS

Richard Howes, Chief Financial Officer

REVENUE GROWTH

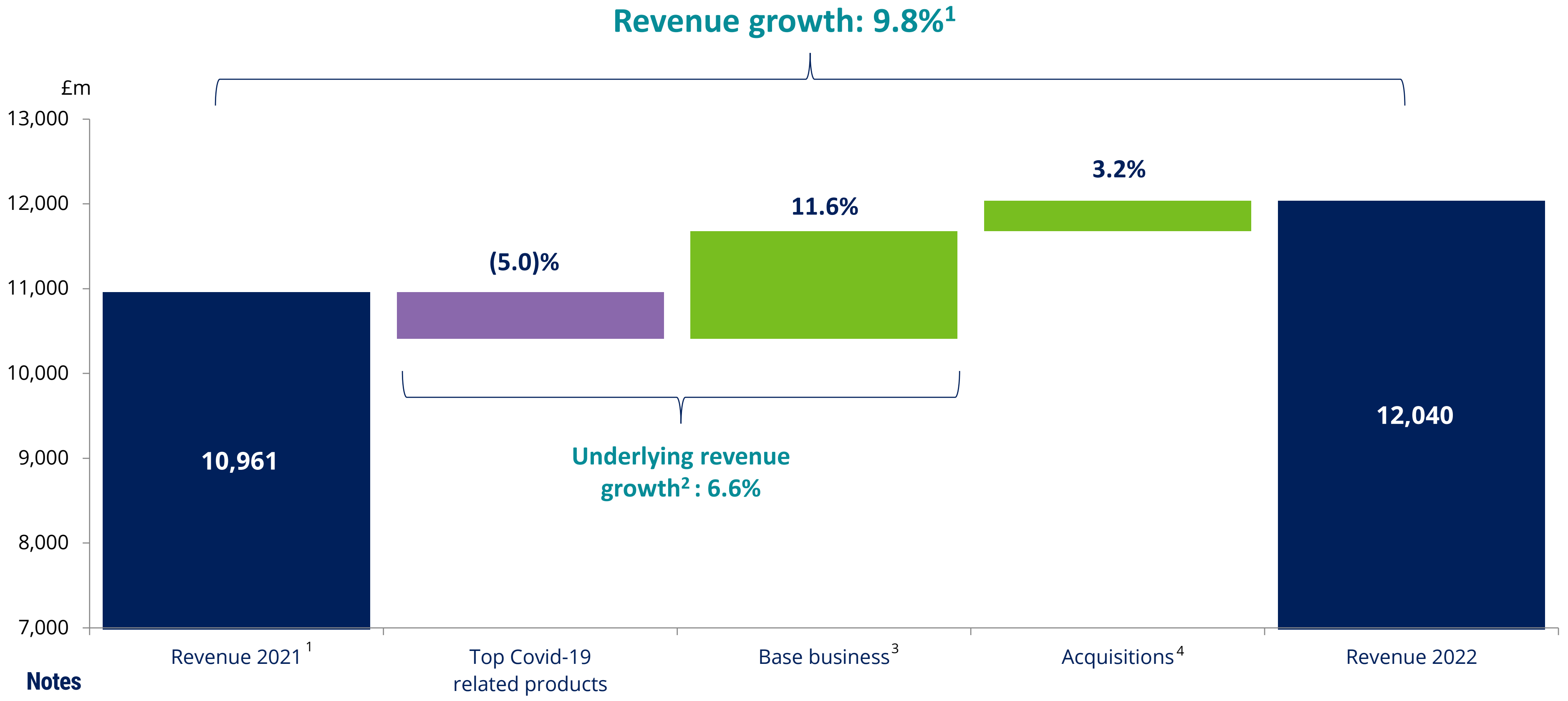
Strong underlying growth, driven by base business inflation and volume recovery

Revenue growth vs 2021

9.8%[1]

Underlying revenue growth[2] vs 2021

6.6%[1]



Notes

1. At constant exchange rates
2. Alternative performance measure – see Appendix 1
3. Base business defined as underlying revenue excluding the top Covid-19 related products
4. Acquisitions accounted for 3.1% of growth, with an additional 0.2% related to the impact of growth in excess of 26% per annum in hyperinflationary economies, largely attributable to Turkey. The disposal of our UK healthcare business in December 2022 was a 0.1% headwind.

INCOME STATEMENT

Very strong adjusted operating profit growth and improved margin

Adjusted operating profit[1] growth

11.1%[2]

with operating margin[1] increasing from 7.3% to 7.4%, supported by inflation and acquisitions

Net finance cost[3]

£67.9m

2023 guidance: **£90m-£95m**

Effective tax rate

24.6%

2023 guidance: **25.0%-25.5%**

£m	2022	2021	REPORTED GROWTH	CONSTANT EXCHANGE
Revenue	**12,039.5**	10,285.1	17.1%	9.8%
Adjusted operating profit[1]	**885.9**	752.8	17.7%	11.1%
Operating margin[1]	**7.4%**	7.3%		
Adjusted profit before income tax[1,3]	**818.0**	698.2	17.2%	10.5%
Effective tax rate[1]	**24.6%**	22.3%		
Adjusted profit for the year[1]	**616.8**	542.5	13.7%	7.3%
Adjusted earnings per share[1,4]	**184.3p**	162.5p	13.4%	7.0%
Total dividend per share	**62.7p**	57.0p	10.0%	
Statutory				
Operating profit	**701.6**	623.3		
Profit before income tax[3]	**634.6**	568.7		
Basic earnings per share[4]	**141.7p**	132.7p		

Notes

1. Alternative performance measure – see Appendix 1
2. At constant exchange rates
3. Net finance cost in 2022 was £67.9 million and £54.6 million in 2021. In 2022 net finance costs included a non-cash hyperinflation-related charge of £10.7 million
4. Weighted average number of shares of 334.7 million in 2022 and 333.8 million in 2021

CASH FLOW

Strong cash generation, supported by working capital improvement and disposal

Cash conversion[1]

107%

Strong, reflecting focus on working capital

Free cash flow[1]

£705.7m

Our consistent annual cash generation, enhanced by H2 working capital improvement

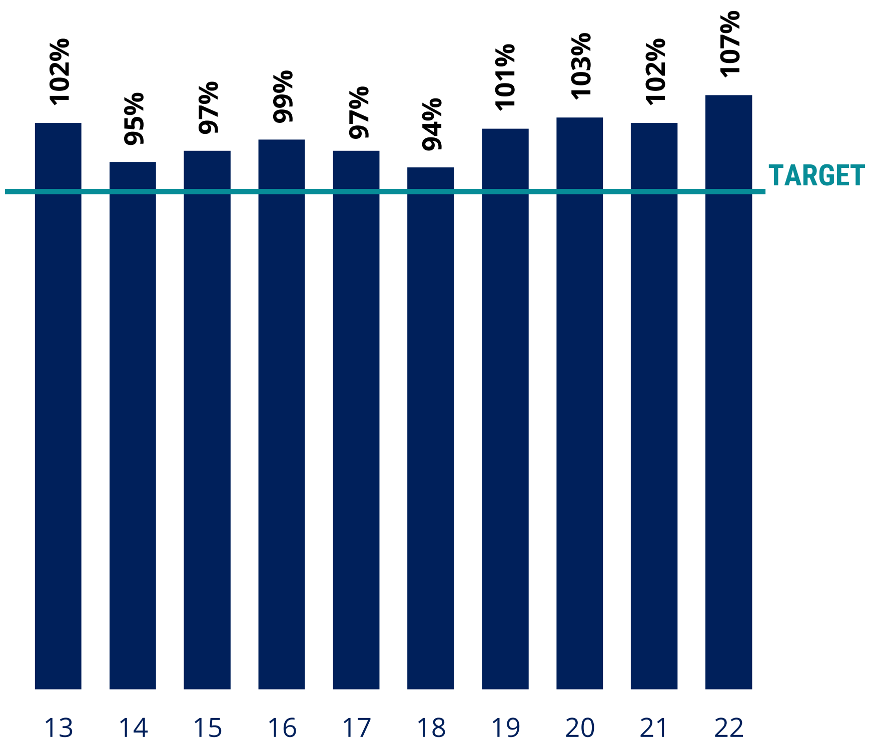
Partial normalisation towards pre-pandemic inventory levels

£m	2022	2021
Operating cash flow[1,2]	925.0	741.6
Net interest (excluding lease liabilities)	(45.7)	(34.8)
Income tax paid	(173.6)	(181.4)
Free cash flow[1]	705.7	525.4
Dividends paid	(190.5)	(180.4)
Net (payments)/receipts relating to employee share schemes	(31.9)	19.5
Net cash inflow before acquisitions and disposal	483.3	364.5
Acquisitions[3]	(264.2)	(452.7)
Disposal	49.9	-
Net cash inflow/(outflow)	269.0	(88.2)
Cash conversion[1]	107%	102%

Notes

1. Alternative performance measure – see Appendix 1
2. Before acquisition related items
3. Including acquisition related items

Cash conversion over the last 10 years



BALANCE SHEET

Substantial capacity for continued self-funded acquisitions

Net debt : EBITDA[1,2,3]

1.2x

Due to strong cash generation and benefit from disposal proceeds; substantial capacity for self-funded acquisitions

ROIC[1]

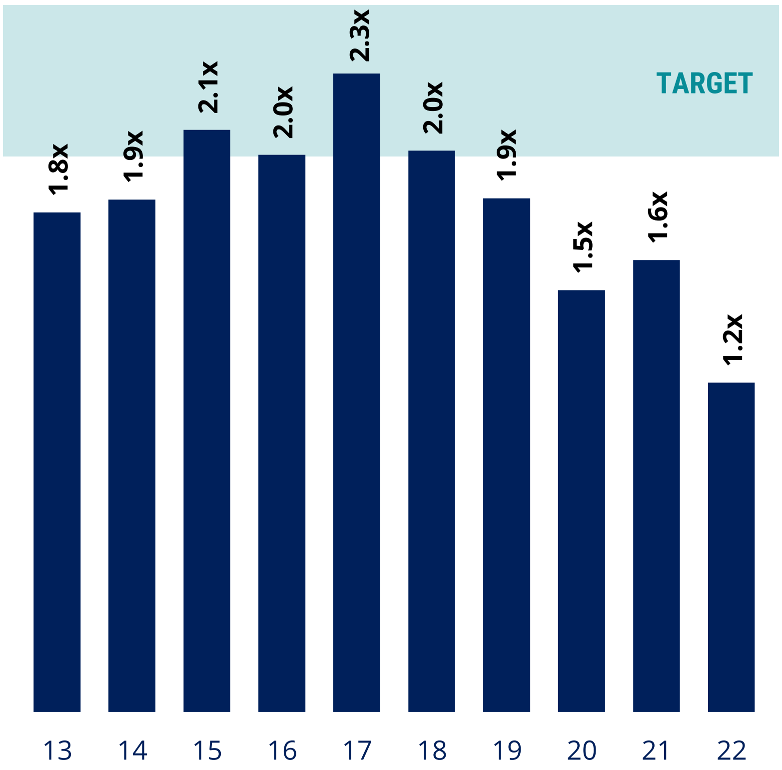
15.0%

Underlying improvement offset by currency and temporary acquisition impact

£m	DECEMBER 2022	DECEMBER 2021
Intangibles	**3,093.9**	2,766.8
Right-of-use assets	**529.6**	448.3
Property, plant and equipment	**137.2**	120.9
Working capital[1]	**1,096.6**	1,027.6
Deferred acquisition consideration[3]	**(139.9)**	(107.8)
Other net liabilities	**(306.4)**	(257.0)
	4,411.0	3,998.8
Net pension surplus	**39.9**	31.2
Net debt excluding lease liabilities[1]	**(1,160.1)**	(1,337.4)
Lease liabilities	**(569.9)**	(488.7)
Equity	**2,720.9**	2,203.9

Net debt : EBITDA[1,4]	**1.5x**	1.9x
Net debt : EBITDA[1] (covenant basis[2])	**1.2x**	1.6x
Return on invested capital[1]	**15.0%**	15.1%
Return on average operating capital[1]	**43.0%**	43.3%

Net debt : EBITDA[1,2]



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
3. Recent acquisition structures result in deferred consideration to be paid, subject to future earnings achieved by the businesses. This liability is not included within net debt
4. At average exchange rates

THREE DECADES OF CONSECUTIVE DIVIDEND GROWTH

Maintained dividend growth through periods of uncertainty

10.0%

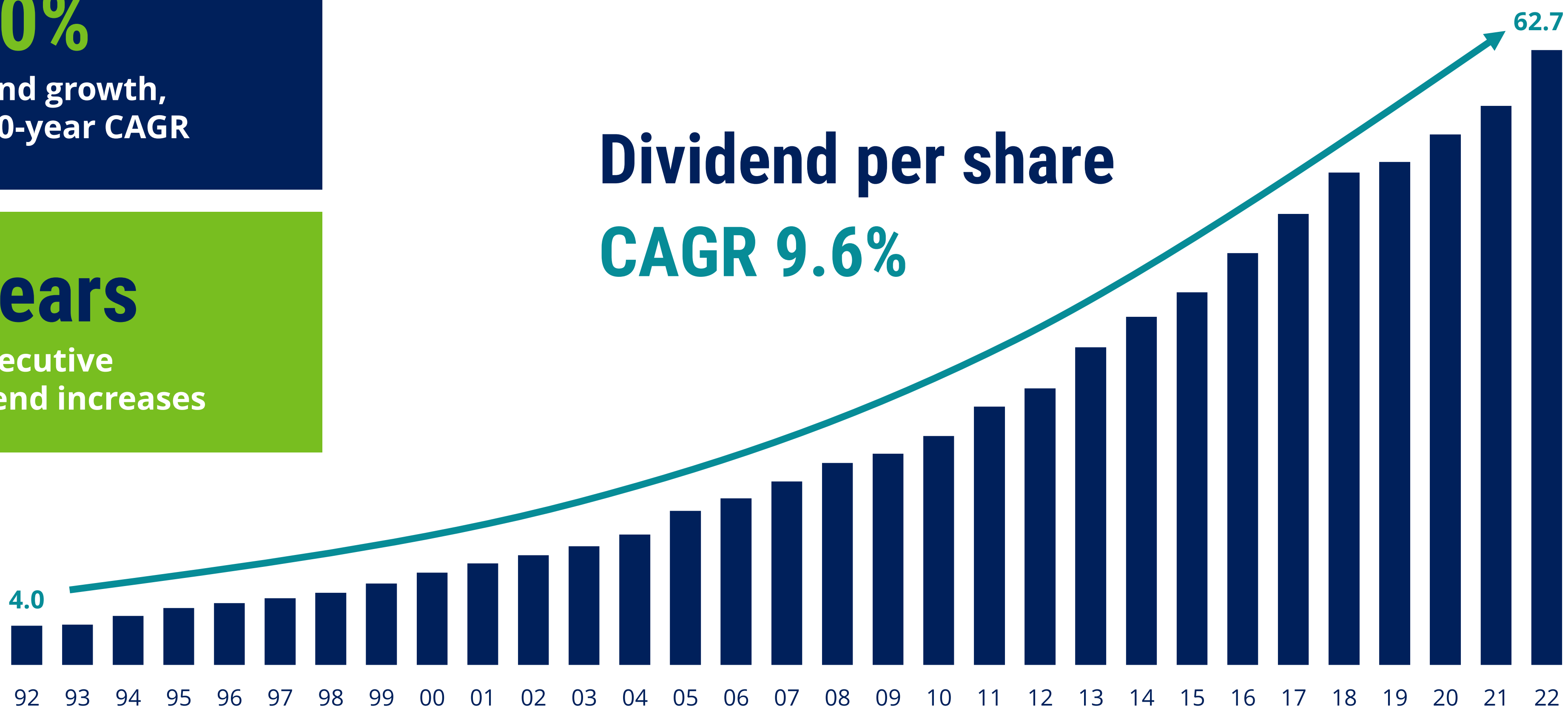
y-o-y dividend growth, in line with 30-year CAGR

30 years

of consecutive annual dividend increases

Dividend per share

CAGR 9.6%



BUSINESS REVIEW AND OUTLOOK

Frank van Zanten, Chief Executive Officer

BUSINESS MIX NORMALISING POST-PANDEMIC

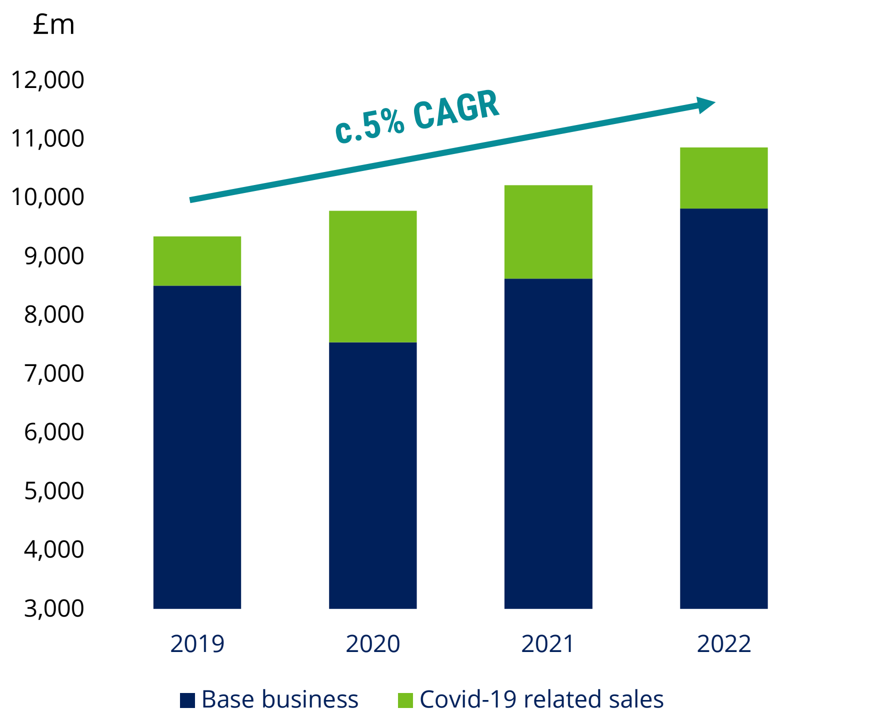
Base business ahead of 2019 levels

Inflation strongly supportive to base business growth year-on-year

Base business volumes broadly in line with 2019

Covid-19 related sales at a more typical level

Underlying revenue[1]



Base Business[2]

- Base business contribution to 2022 underlying revenue growth 11.6%
- Base business revenue well ahead of 2019 levels, driven by inflation
- Year-on-year volume recovery in H1 driven by reduced pandemic-related restrictions compared to 2021
- Overall, base business volumes broadly in-line with 2019 levels; recovery mixed by market

Covid-19 related sales[3]

- (5)% impact on 2022 underlying revenue growth driven by expected price deflation and volume reduction
- c.£200m higher than in 2019 on an underlying basis, significantly lower than 2020 peak

Notes

1. Defined as underlying revenue, which is revenue excluding the incremental impact of acquisitions and disposals made since the start of 2019, adjusted for trading days, excluding the impact of growth in excess of 26% per annum in hyperinflationary economies, and at constant exchange rates
2. Base business defined as underlying revenue excluding the top Covid-19 related products
3. The Covid-19 related products include masks, sanitisers, disposable gloves, disinfectants, coveralls, disposable wipes, face shields and eye protection

SECTOR PERFORMANCE

Supportive medium-term drivers to healthcare, safety and cleaning & hygiene

	Sector commentary	2022 revenue as % of Group total	Underlying revenue[1] 2022 vs 2019	Underlying revenue[1] 2022 vs 2021
Healthcare Safety Cleaning & Hygiene	• Healthcare base business performing well, with the growing backlog of elective surgeries expected to remain a tailwind • Started to see improvement in safety base business, with supply chain disruption and labour shortages easing. Infrastructure spend is a potential medium-term support • Cleaning & hygiene base business impacted by work from home trends compared to 2019, although this was easing towards the end of the year	**31%** vs 33% in 2021	6%	(3)% Driven by the expected decline in Covid-19 related sales
Grocery[2]	• Significant support from inflation	**29%** vs 29% in 2021	20%	9%
Foodservice Retail	• Significant support from inflation • Benefit from volume recovery earlier in the year, particularly in Continental Europe and UK & Ireland	**40%** vs 38% in 2021	22%	13%

Notes

1. Underlying revenue growth, which is an alternative performance measure - see Appendix 1
2. Also includes the 'Other' sector

INFLATION DYNAMICS

Successful pass through of inflation in 2022

Product cost inflation strongly supportive to growth over 2022

Operating cost inflation more than offset by revenue growth driven by product cost inflation, and operational efficiencies

Product cost inflation

- Significant product cost inflation **strongly supported revenue growth through 2022**
- Inflation in North America started to **annualise in H2;** inflation that lagged in other regions starting to annualise
- **Moderating inflation over the year**
- **Anticipate higher tender activity** in 2023, following a few years of reduced activity

Operating cost inflation

North America

- Fuel and freight costs drove inflation in 2022
- Year-on-year wage growth **moderated** over the year; exited 2022 closer to typical historical levels
- High property cost inflation remains linked to renewals

Continental Europe

- Wage inflation benign in 2022; starting to pick up, as expected, but level of **inflation expected to be manageable**

Inflation dynamics somewhat supportive to operating margin

Continued strategic focus on enhancing operational efficiencies

NORTH AMERICA / CONTINENTAL EUROPE

Inflation, acquisitions and volume recovery supportive to performance

	North America					Continental Europe				
£m	2022	2021	REPORTED	CONSTANT EXCHANGE[1]	UNDERLYING[1]	2022	2021	REPORTED	CONSTANT EXCHANGE[1]	UNDERLYING[1]
Revenue	**7,366.0**	6,144.7	19.9%	8.1%	6.1%	**2,173.4**	1,972.9	10.2%	13.2%	7.9%
Adjusted operating profit[1]	**511.5**	401.3	27.5%	15.0%		**195.1**	191.8	1.7%	5.6%	
Operating margin[1]	**6.9%**	6.5%				**9.0%**	9.7%			
Return on average operating capital[1]	**45.4%**	42.9%				**43.7%**	47.3%			

- Good underlying revenue growth, driven by substantial product cost inflation in the base business, particularly in grocery, foodservice and retail
- High operating cost inflation was driven by fuel and freight costs. Wage rates remained high, although their year-on-year impact on operating costs reduced through the year
- Overall, the impact of revenue and margin growth attributable to product cost inflation more than offset operating cost inflation in 2022. Operating margin increased from 6.5% to 6.9%
- Concluded negotiations with our largest customer by revenue[2] with improved structural terms of contract

- Underlying revenue grew strongly, driven by product cost inflation in foodservice and retail and a recovery in base business volumes in the absence of Covid-19 related restrictions
- Expected Covid-19 related sales decline was a headwind within underlying growth
- Operating margin decline was primarily due to the introduction of hyperinflation accounting in 2022, as well as the decline in Covid-19 related product sales

Notes

1. Alternative performance measure - see Appendix 1
2. Negotiations concluded in early 2023

UK & IRELAND / REST OF THE WORLD

UK&I margins driven by recovery; Asia Pacific strength offset by LatAm Covid reduction

BUNZL

	UK & Ireland					Rest of the World				
£m	2022	2021	REPORTED	CONSTANT EXCHANGE[1]	UNDERLYING[1]	2022	2021	REPORTED	CONSTANT EXCHANGE[1]	UNDERLYING[1]
Revenue	**1,442.5**	1,254.2	15.0%	15.0%	12.2%	**1,057.6**	913.3	15.8%	8.5%	0.6%
Adjusted operating profit[1]	**95.3**	67.0	42.2%	42.0%		**111.7**	116.5	(4.1)%	(10.6)%	
Operating margin[1]	**6.6%**	5.3%				**10.6%**	12.8%			
Return on average operating capital[1]	**52.2%**	38.4%				**35.3%**	48.9%			

– Underlying revenue grew very strongly, driven by product cost inflation as well as continued recovery in the base business, although partially offset by an expected decline in Covid-19 related sales

– The strong improvement in the base business drove a meaningful improvement in operating margin and return on average operating capital[1]

– Underlying revenue grew strongly in Asia Pacific, supported by inflation driven growth in the base business and larger Covid-19 related orders

– In Latin America underlying revenue, operating profit and margin were strongly impacted by the reduction in high margin Covid-19 related sales versus 2021, although all remain significantly higher than in the comparable 2019 period

Note

1. Alternative performance measure - see Appendix 1

2023 OUTLOOK

Unchanged from pre-close statement

- While we see continued uncertainty relating to the macroeconomic environment, our 2023 guidance remains unchanged from that published in our pre-close statement
- We expect slight revenue growth[1] in 2023, driven by both organic growth and announced acquisitions, and partially offset by a small impact from the UK healthcare disposal
- We expect Group adjusted operating profit[2] in 2023 to be resilient, with operating margin[2] slightly higher than historical levels
- We expect adjusted earnings per share[2] to be moderately lower year-on-year due to higher interest rates and an increased effective tax rate

Notes

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

STRATEGY UPDATE

Frank van Zanten, Chief Executive Officer

BUNZL'S STRATEGY PROVEN BY SUCCESSFUL TRACK RECORD

Consistent compounding growth model

		Historic building blocks of performance
Organic Growth	**Driven by activity in our markets** • Attractive end markets with structural growth • New business wins and increased service of existing customers • Innovative services and product ranges • Daily focus on making our business more efficient	**c.1/3** of revenue growth[1]
Acquisitions	**Fragmented industry and strong track record** • Fragmented markets offer consolidation opportunities • Strong potential in end markets • Disciplined capital allocation and portfolio optimisation • Strong balance sheet with significant financial headroom	**c.2/3** of revenue growth[1]
Dividend	**Commitment to sustainable annual dividend growth** • Underpinned by strong and consistent cash generation • 30 years of annual dividend growth	**9.6%** DPS CAGR since 1992

Customer-focused business model

- Deep category knowledge
- Customer service specialists
- Sustainable and innovative solutions
- Digital integration
- Scale that drives competitive prices
- A strong and ethical supply chain
- Reliability and availability of products
- Working capital benefits
- Robust logistical support

Note

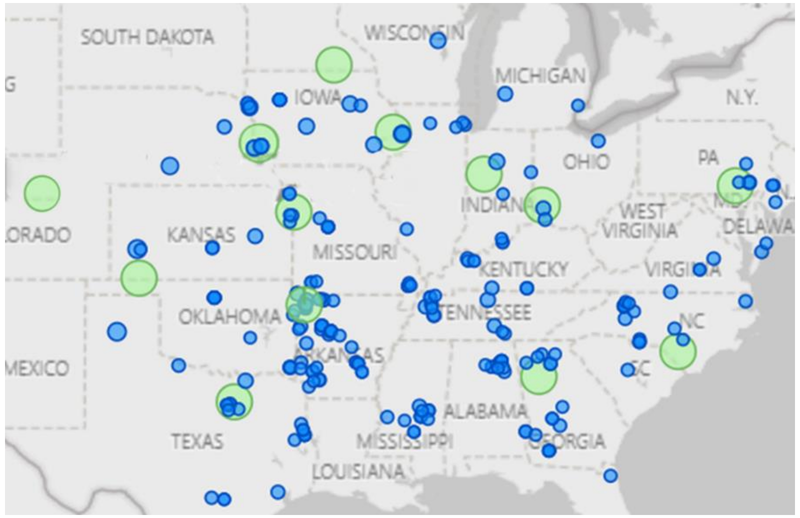
1. Contribution to revenue growth over the last 10 years, at constant exchange rates

DRIVING ORGANIC GROWTH – NORTH AMERICA CASE STUDY

Supply chain management a critical factor in key food processor contract expansion

Bunzl's value-added services and ability to serve as a true strategic partner to a complex and growing organisation has allowed us to materially expand our contract with Tyson Foods.

Bunzl's offering	Scale, resources and national footprint	Operational and financial resilience	Product innovation and own brand ranges	Operational efficiency and cost saving
Tyson chose us for our:	**Tailored customer service** to each of their 123 major US food processing plants Flexibility to **support their growth** and new processing plants	**Demonstrable track record** of supporting other customers through supply chain disruption	**10,000+ SKUs** of specialist products Market-leading **own brand ranges** Innovation Centre, allowing us to **co-develop products with customers**	Dedication to and **expertise in cost reduction** **Rationalisation** of SKUs and **consolidation** of deliveries **Cost savings provided** through our own brand solutions



Bunzl Processor Division warehouses

Tyson Foods: major US processing plants

Average distance between Tyson Foods facilities and Bunzl warehouses

c.130 miles

IMPROVING OPERATIONAL EFFICIENCY

Delivering an ongoing program of incremental improvement

2022 Group-wide warehouse relocations & consolidations

15

Average global warehouse size increase vs 2018

c.11%

CASE STUDY: North America warehouse consolidation

- Consolidation of one warehouse into another larger warehouse in California in 2022
- Reduced unused warehouse space
- Avoided large rental increase for the closed site
- Enabled investment in automation technology at the consolidated warehouse to improve efficiency, increase capacity and reduce cost

Annual rent saving achieved through consolidation

c.50%

Expected annual savings from warehouse automation equivalent to

c.17% FTEs

CONTINUED ACQUISITION STRATEGY SUCCESS IN 2022

Acquisitions of high-quality businesses improve Group margin and capabilities

12

acquisitions in 2022; £322m committed spend

2 further acquisitions announced today

Successful UK healthcare disposal

2022 acquisitions

- Variety of acquisitions highlights breadth of opportunity

9 Countries

5 Sectors

- Expanding our **customer reach**, as well as **strategic capabilities**
  - Platform to expand in high-potential German market
  - Further consolidation in attractive Australia and New Zealand specialist healthcare market
  - Enhanced digital capabilities
  - Expanded product ranges and expertise (own brand, sustainability)
- High quality businesses which **improve Group operating margin**
- Bunzl's **well-established acquisition process** in action with many acquisitions introduced by local teams

Acquisitions announced since 2004

195[1]

Total committed acquisition spend since 2004

£4.7bn

Note

1. At December 2022, not inclusive of the 2 acquisitions announced in 2023

DISCIPLINED APPROACH TO CAPITAL ALLOCATION

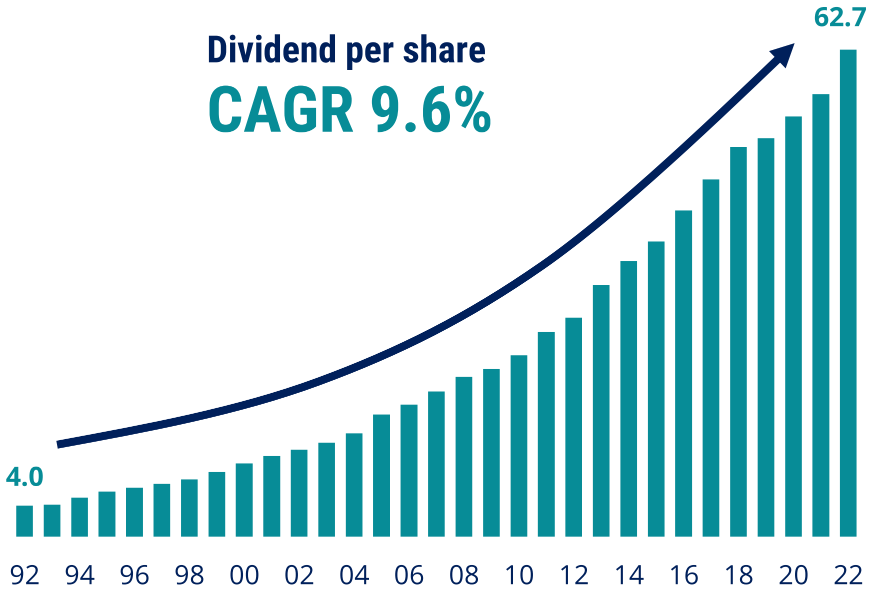
Highly cash generative model continues to drive stakeholder value

Capital allocation priorities

1. Invest in the business
2. Paying a progressive dividend
3. Value accretive acquisitions
4. Distribution of excess cash

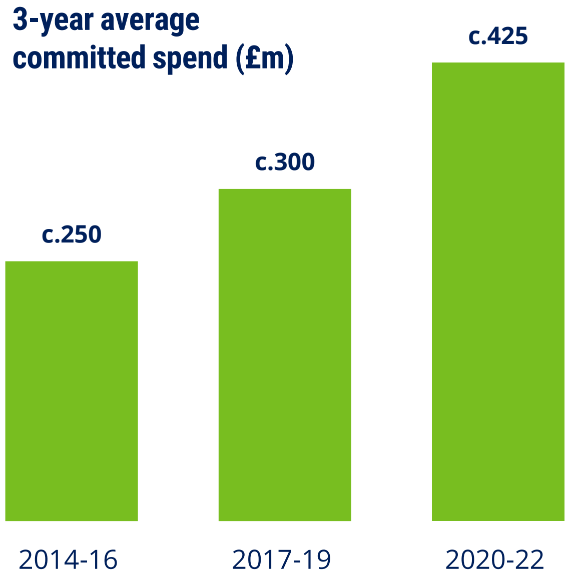
Progressive dividend

- £2.0bn of dividend payments since 2004
- Sustainable annual dividend growth



Value accretive acquisitions

- £4.7bn of committed spend since 2004
- Increased level of acquisition spend in recent years
- Active pipeline

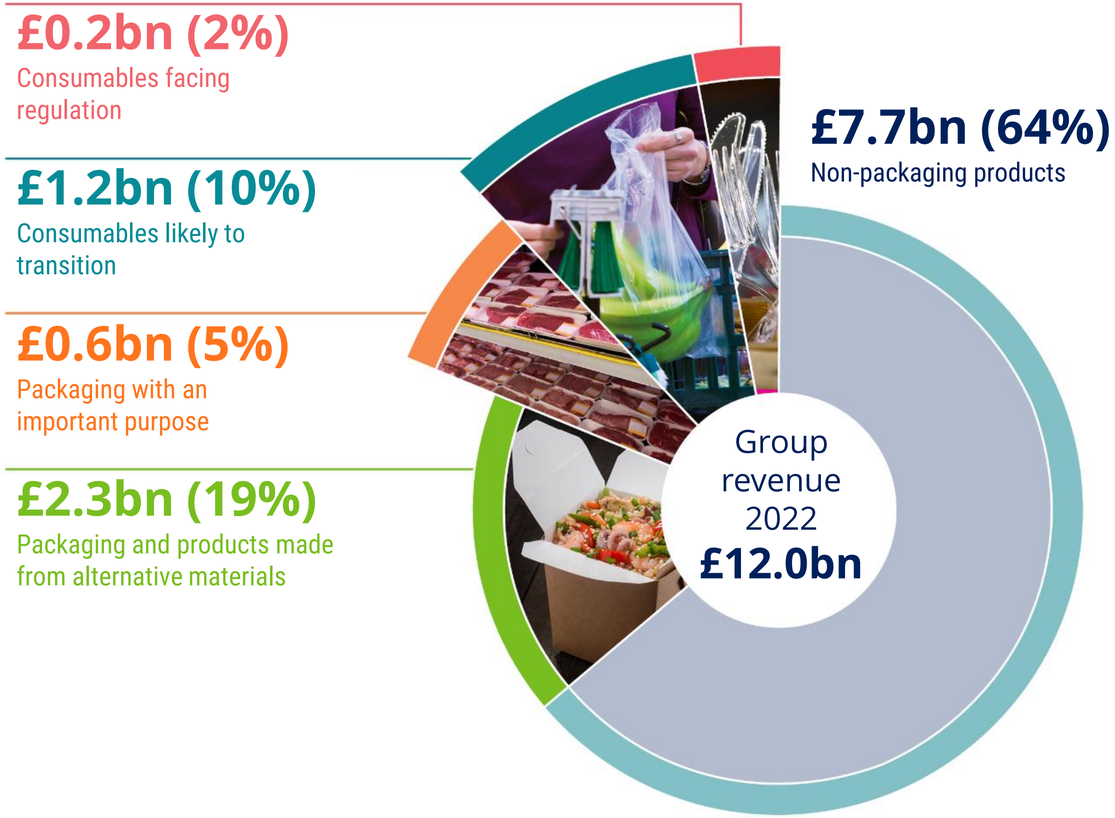


2022 return on invested capital[1]
15.0%

Note
1. Alternative performance measure – see Appendix 1

GROUP PACKAGING SNAPSHOT AND SUSTAINABILITY PROGRESS

Further success in supporting customers transition to alternative products



Only 2% of revenue generated by consumables facing regulation

- 83% of Group revenue attributable to non-packaging products or packaging[1] products better suited to a circular economy
- 53% of packaging made from alternative materials in 2022
- New legislation continues to drive sustainability growth opportunities

Note

1. See appendix 7 for a definition of packaging and for explanations of packaging categories

CASE STUDY: SUSTAINABILITY FOCUSED VALUE-ADDED SERVICES

Helping navigate a complex legislative environment in Australia and New Zealand

The challenge in the market	Bunzl's solution
• Complex patchwork of constantly shifting single-use plastic legislation • Multi-jurisdictional customers operating across different tiers of regulation (federal, state, local)	• In depth understanding of changing regulatory environment • Own brand alternatives • Customer facing analytics tools • Marketing and customer engagement

Supporting our customers and the environment

CASE STUDY: Compass Foodbuy Australia

Worked with 120 of their sites to meet bans impacting foodservice products

c.9.5m

products replaced by alternative products over 12 months

c.30

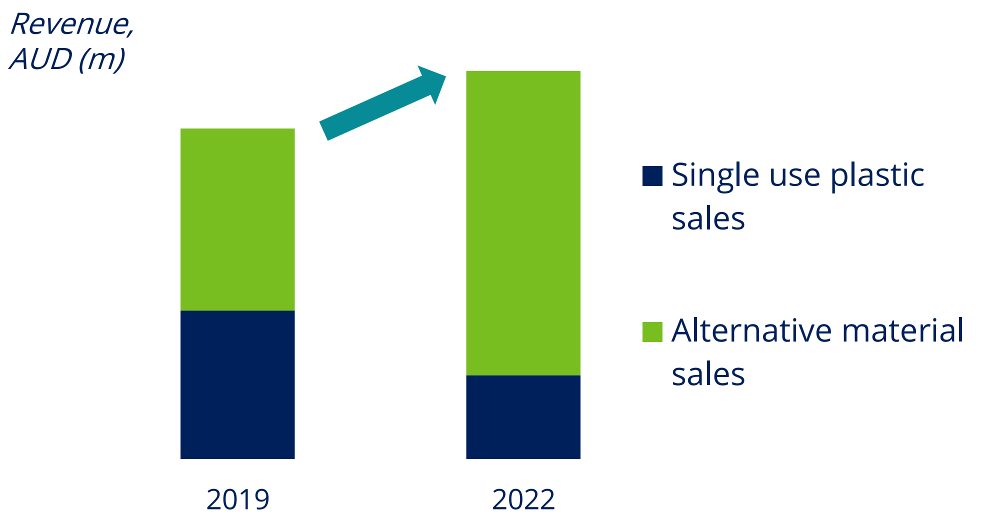
tonnes of plastic removed

Enhancing Bunzl's competitive advantage

EXAMPLE: Bunzl Australia and New Zealand[1]

Total revenue from food containers and cups

(c.50% of this operating company's packaging revenue)



Note

1. Our largest operating company in Australia and New Zealand

CLIMATE CHANGE AMBITIONS INCREASED

SBTi approval and Scope 3 targets set

Emissions targets approved by SBTi in 2022

Memberships and commitments

- Committed to the Business Ambition for 1.5^{0} campaign
- Race to Zero membership
- Net zero target is inclusive of Scope 3

Initiatives to 2025

- Transitioning applicable fleet to low and zero carbon solutions
- Trialling alternative fuels in our larger vehicles
- Energy efficiency measures in warehouses
- Renewable energy procurement and generation

Our climate change commitments:

2020	TODAY	SBTi[1] approved targets with Scope 3 emissions included
2027 – 2030	TOMORROW	Scope 1 and 2: 50% more efficient by 2030[2], equivalent to a 27.5% absolute reduction Scope 3: 79% of suppliers by spend to have science-based targets by 2027
2050	BEYOND	Net zero[3] by 2050 at the latest, inclusive of scope 3 emissions

Notes

1. SBTi = Science Based Targets initiative
2. Against a 2019 base line
3. Scope 1, 2 and 3 emissions

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

RACE TO ZERO

WE MEAN BUSINESS COALITION

BUNZL'S AGILITY IS A KEY ASSET AND DIFFERENTIATOR

Achieving growth through periods of disruption demonstrates resilience

Operational resilience

Agile decentralised model

Global scale and depth of supply chain

Strong culture of operational efficiency

Portfolio resilience

Diversified portfolio of essential products and solutions

c.75% of revenue through more resilient sectors: cleaning & hygiene, grocery, foodservice and healthcare

Compounding growth resilience

Resilience leads to new business opportunities

Advantages of joining Bunzl Group become more apparent during difficult times

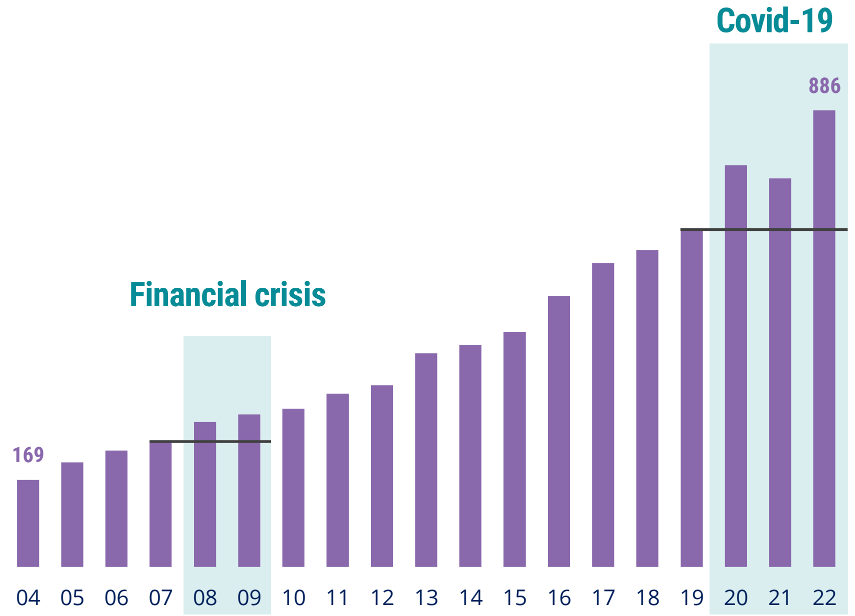
Financial resilience

Consistently strong cash generation

Strong balance sheet

ADJUSTED OPERATING PROFIT[1,2] (£m)

Resilience proven during historic challenges



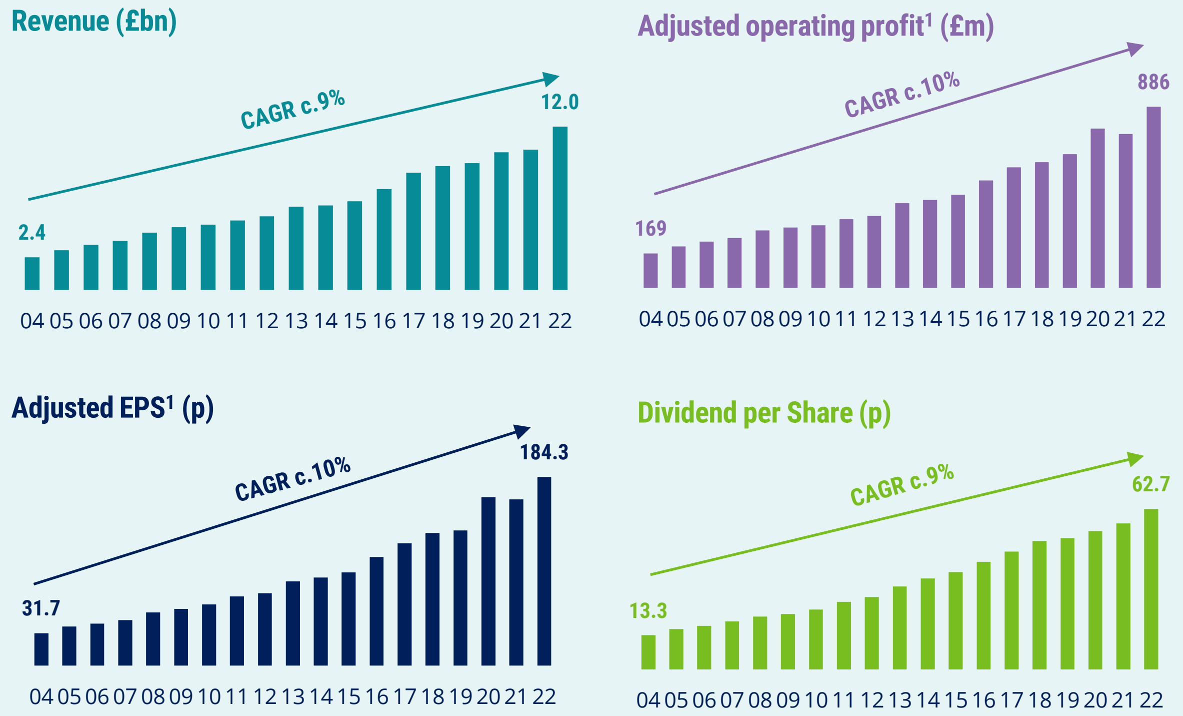
Notes
1. Alternative performance measure - see Appendix 1
2. At reported currency

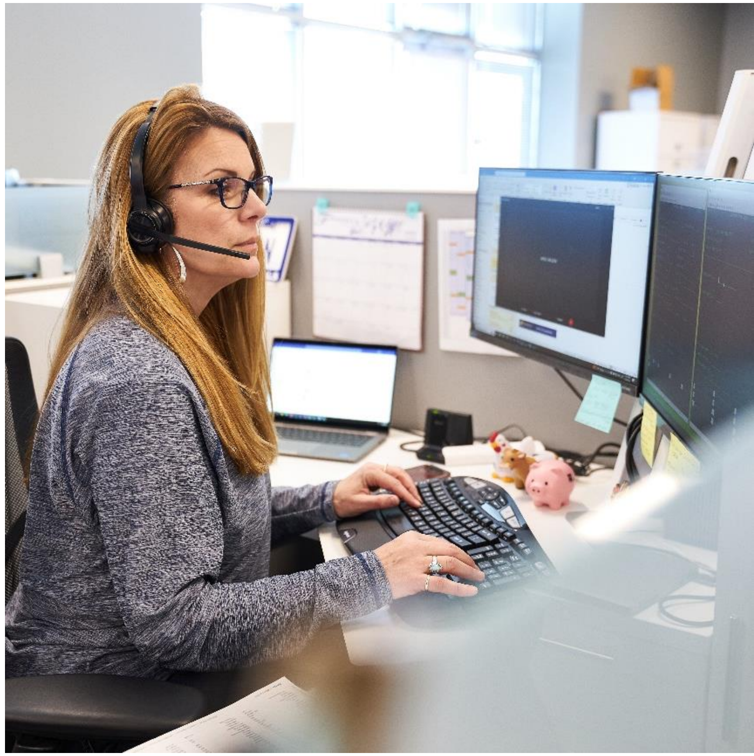
Q&A

Proven compounding growth strategy

CAGR

c.9-10%





Note

1. Alternative performance measure - see Appendix 1

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, adjusted for differences in trading days between years and adjusted to exclude growth in excess of 26% per annum in hyperinflationary economies

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

Adjusted profit for the year - Profit for the year before customer relationships, brands and technology 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, brands and technology 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 the prior year at the average exchange rates for the year ended 31 December 2022 so that they can be compared without the distorting impact of changes caused by foreign exchange translation

APPENDIX 2

Statutory P&L

£m	2022	2021
Revenue	**12,039.5**	10,285.1
Adjusted operating profit[1]	**885.9**	752.8
Operating margin[1]	**7.4%**	7.3%
Adjusting items	**(184.3)**	(129.5)
Operating profit	**701.6**	623.3
Net finance expense	**(67.9)**	(54.6)
Disposal of business	**0.9**	-
Profit before income tax	**634.6**	568.7
Reported tax rate	**25.2%**	22.1%
Profit for the year	**474.4**	442.8
Basic earnings per share	**141.7p**	132.7p

Note

1. Alternative performance measure – see Appendix 1

APPENDIX 3.1

Acquisitions agreed in 2022

- USL acquired in May 2022
- Distributor of medical consumables to the healthcare sector in New Zealand
- Revenue of c.£59 million in 2021

- hygi.de acquired in July 2022
- Fast growing, market leading online distributor of cleaning and hygiene products in Germany
- Materially increases our footprint in the high-potential German market, and provides a platform for expansion
- Revenue of c.£92million in 2021

- Containit acquired in August 2022
- Fast-growing Australian distributor of warehouse storage solutions to the resource and defence sectors
- Strengthens Bunzl's existing presence in the Australian safety market
- Revenue of c.£9 million in 2021

- AFL Groep acquired in July 2022
- Distributor of logistics and warehouse related supplies to customers in the Benelux region
- Strong online capabilities enhance Bunzl's digital presence
- Revenue of c.£16 million in 2021

- London Catering & Hygiene Solutions acquired in July 2022
- Distributor of catering supplies and cleaning and hygiene products
- Complements Bunzl's existing businesses in the region
- Revenue of £5 million in the 12 months to May 2022

- Corsul Group acquired in September 2022
- Leading distributor of personal protective equipment in the south of Brazil
- Revenue of c.£35 million in 2021

APPENDIX 3.2

Acquisitions agreed in 2022

BUNZL

Enviropack

- Enviropack acquired in October 2022
- Online distributor of reusable, recyclable and compostable packaging products to foodservice customers in the UK, aligned to Bunzl's focus on supporting customers to transition to packaging that is better suited to a circular economy
- Revenue of c.£7million in 12 months to August 2022

PM Pack

- PM Pack acquired in November 2022
- Distributor of packaging products in Denmark to food processor customers
- Revenue of c.£16 million in 12 months to September 2022

GRC

- GRC announced in December 2022
- Distributor of innovative medical technology devices in Australia
- Revenue of c.£3 million in the 12 months to June 2022

VM Footwear

- VM Footwear acquired in October 2022
- Distributor of Personal Protection Equipment based in Czech Republic, specialising in own brand footwear throughout Central and Eastern Europe
- Provides an entry point for Bunzl into this category in the region
- Revenue of c.£13 million in 12 months to June 2022

Toomac Ophthalmic / Toomac Solutions

- Toomac Ophthalmic & Solutions acquired in December 2022
- Distributor of ophthalmology products in New Zealand
- Revenue of c.£6 million in 12 months to March 2022

Grupo R. Queraltó

- Grupo R. Queralto acquired in December 2022
- Online distributor of healthcare products based in Spain, with a strong own brand portfolio
- Revenue of c.£23 million in 2022

APPENDIX 4

Acquisition growth

195

announced acquisitions[1]

£366m

Average annual spend since 2017

	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22
Number of acquisitions	7	7	9	8	7	2	9	10	13	11	17	22	14	15	6	3	9	14	**12**
Committed acquisition spend (£m)	302	129	162	197	123	6	126	185	277	295	211	327	184	616	183	124	445	508	322
Annualised acquisition revenue (£m)	430	270	386	225	151	27	154	204	518	281	223	324	201	621	148	97	602	322	299

Note

1. At December 2022, not inclusive of the 2 acquisitions announced in 2023

APPENDIX 5

Significant opportunities remain to expand our sector presence remain

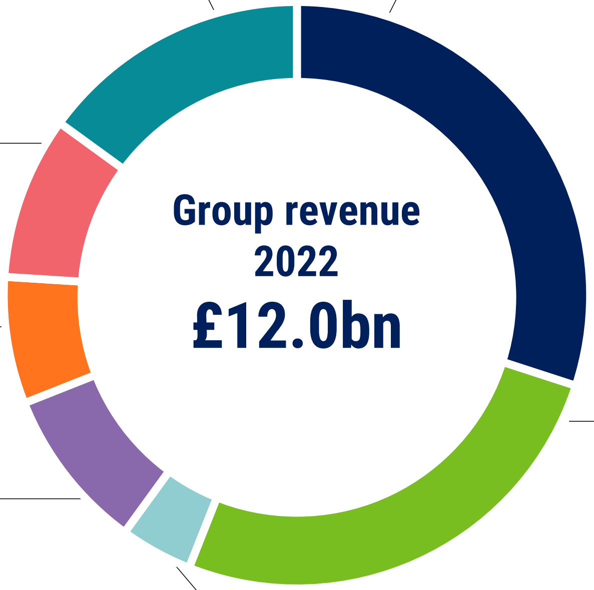
COUNTRY	FOODSERVICE	GROCERY	C&H	SAFETY	RETAIL	HEALTHCARE
USA	●	●	●	●	●	
Canada	●	●	●	●	●	
Mexico	●	●		●		
UK	●	●	●	●	●	●
Ireland	●	●	●	●	●	●
Germany	●		●	●		●
France	●		●	●		●
Italy				●	●	
Spain	●		●	●	●	●
Netherlands	●	●	●	●	●	●
Belgium	●	●	●		●	●
Denmark	●	●	●	●		
Norway	●					
Switzerland	●	●	●	●	●	●
Austria	●					
Czech Republic		●		●		

COUNTRY	FOODSERVICE	GROCERY	C&H	SAFETY	RETAIL	HEALTHCARE
Hungary	●	●	●	●		
Romania		●	●	●		
Slovakia	●	●				
Israel	●					
Turkey	●			●		
Brazil	●		●	●		●
Chile	●			●		
Colombia				●		
Argentina				●		
Peru				●		
Uruguay				●		
Australia	●	●	●	●	●	●
New Zealand	●		●	●		●
China				●	●	
Singapore				●		●

● Bunzl has an existing presence

APPENDIX 6

Revenue by customer market in 2022



Safety
15%

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 e-commerce sectors

Cleaning & hygiene
9%

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

Healthcare
7%

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
10%

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
30%

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
26%

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
3%

A variety of product ranges to other end user markets

APPENDIX 7

Packaging categorisations

	Packaging[1] 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

Note

1. Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure. We continue to exercise judgement to allocate the sales in 2022 to non-packaging products and the four packaging categories shown, which are taken at a point in time in the context of rapidly changing legislation and changes in product composition across a vast range of products. As a consequence, category adjustments are likely, and we have recognised two category adjustments this year that increase "products likely to transition by £0.2bn, with corresponding reductions of £0.1bn in "packaging with an important purpose" and "products made from alternative materials", which would also have applied last year.

APPENDIX 8

Progress against our sustainability commitments

Better packaging solutions	Responsible supply chain	Investing in our people	Focus on Climate Change
We are committed to supporting our customers to remove, replace and reduce single use plastics	**Our supply chain in Asia[2] is covered by direct auditing practices, and we have expanded this to include other high-risk regions**	**We are focused on engagement and diverse leadership succession**	**Our consolidation model and one-stop-shop service reduces transport miles and supports carbon efficiency**
In 2022: • 2% of Group revenues relate to consumables facing regulation • 83% of Group revenue attributable to non-packaging products or packaging[1] products made from alternative materials	**In 2022:** • 930 audits completed • 78% spend on products from high-risk regions sourced from assessed and compliant suppliers (AACS) in 2022 • This means that c.96% of our purchasing spend today is either in low-risk regions, with AACS in high-risk regions, or on other non-product related costs[3]	**In 2022:** • Women comprise 21% of our senior leadership group[4] compared to 19% in the prior year • Encouraging retention levels despite labour market tightness	**In 2022:** • Gained SBTi approval for our scope 1, 2 and 3 emissions targets **Since 2019:** • 24% more carbon efficient[5] with a 15% reduction in absolute emissions[5]
Tomorrow: Significantly increase the amount of recyclable, compostable or reusable packaging supplied to our customers	**Tomorrow:** with 90% of high risk spend targeted to be assessed and compliant by 2025, the target for spending through suppliers in low-risk regions or AACS in high-risk regions by 2025 is c.99%	**Tomorrow:** Expand our diversity programmes to encourage leaders from a more diverse pool of talent	**Tomorrow:** 50% more efficient by 2030[5] (compared to 2019 baseline) and 79% of suppliers by spend to have science-based targets by 2027. Net zero by 2050 at the latest[6]

Notes:
1. Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure. See appendix 7 for explanations of packaging categorisations
2. Asia is the most significant market by spend within regions that are classified as high-risk
3. Includes freight, duties and FX related costs
4. Comprising 470 people who receive share options as part of their remuneration
5. Scope 1 and 2 emissions
6. Scope 1, 2 and 3 emissions

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