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Bunzl plc
Registered Office:
York House
45 Seymour Street
London
W1H 7JT

Registered in England
No. 358948

12 March 2021

To the holders of ordinary shares

Dear Sir or Madam

ANNUAL GENERAL MEETING ('AGM')

The 2021 AGM of Bunzl plc (the 'Company') is to be held at 2.00 pm on Wednesday 21 April 2021 at York House, 45 Seymour Street, London, W1H 7JT. Our preference had been to welcome shareholders in person to our 2021 AGM, particularly given the constraints we faced in 2020 due to the COVID-19 pandemic. However, given the ongoing situation and, in particular, the Government's compulsory measures prohibiting indoor household mixing (the 'COVID-19 Restrictions'), we intend to hold this year's AGM with the minimum attendance required to form a quorum. Shareholders, proxies and corporate representatives should therefore not attend the AGM in person but can be represented by the Chair of the AGM acting as their proxy.

The AGM is an important opportunity for all shareholders to express their views by asking questions and voting. Your participation in this annual event continues to be very important to us. In light of the COVID-19 Restrictions and the inability of shareholders to attend the AGM in person this year, we are putting in place additional opportunities for shareholder engagement. Such arrangements will include a live question and answer ('Q&A') session to be held by conference call on Friday 16 April 2021, at which shareholders will be able to ask questions and receive answers to those questions in real time prior to the AGM. Further details regarding the Q&A session are set out in the section of this letter below headed 'Shareholder engagement'.

Given the constantly evolving nature of the situation, should circumstances change before the time of the AGM, we want to ensure that we are able to adapt arrangements and to welcome shareholders to the AGM, within safety constraints and in accordance with Government guidelines. Should we consider that it has become possible to do so, we will notify shareholders of the change through a public announcement made via the Regulatory Information Service as early as is possible before the date of the AGM. Any updates to the position will also be included on the Company's website at www.bunzl.com.

You will see from the notice of meeting in Appendix 1 to this letter (the 'Notice of Meeting') that, in addition to the routine business to be dealt with at the meeting, there are five items of other business contained in Resolutions 15, 16, 17, 22 and 23. An explanation of Resolutions 3 to 23 inclusive is set out below and certain further information is given in the Appendices to this letter.

Ordinary Resolutions 3 to 10 (Re-appointment of directors)

Having been appointed since the 2020 AGM, Vinodka ('Vin') Murria and Maria Fernanda Mejia will be standing for appointment for the first time. Under the Company's articles of association, at any AGM, any director who has been appointed by the board of directors of the Company (the 'Board') since the last AGM, any director who has held office at the time of the preceding two AGMs and who did not retire at either of them or any director who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the AGM, in each case, shall retire from office and may offer himself or herself for re-appointment. In accordance with the Financial Reporting Council's UK Corporate Governance Code (the 'Code') and in order to increase accountability, each of the directors will once again retire at this year's AGM and will stand for appointment or re-appointment, as relevant, by the shareholders. Biographical details of each director seeking appointment or re-appointment can be found in Appendix 2 to this letter.

Ordinary Resolutions 11 and 12 (Re-appointment and remuneration of auditors)

PricewaterhouseCoopers LLP ('PwC') were first appointed as the Company's auditors in May 2014 following a competitive tender process and have been re-appointed at each subsequent AGM. Following a review by the Audit Committee of PwC's independence and objectivity and of the effectiveness of the audit process, the Audit Committee recommended to the Board that PwC be re-appointed as the Company's auditors and, subject thereto, that such recommendation be put to shareholders for approval at this year's AGM. Resolution 11 therefore seeks approval for the re-appointment of PwC as the Company's auditors until the conclusion of the next general meeting at which accounts are laid before the Company. Resolution 12 seeks authorisation for the directors, acting through the Audit Committee, to set the auditors' remuneration.

Ordinary Resolutions 13 and 14 (Approval of directors' remuneration policy and directors' remuneration report)

The Companies Act 2006 provides that companies must offer (i) their forward-looking directors' remuneration policy (the directors' remuneration policy) to a binding shareholder vote at least once every three years; and (ii) a separate advisory vote on the implementation of the Company's existing remuneration policy (the directors' remuneration report) each year.

The directors' remuneration policy that is currently in force was approved by shareholders at the Company's 2020 AGM (the '2020 Policy'). The significant impact of COVID-19 resulted in the need for the Board and the Remuneration Committee to consider whether the 2020 Policy was aligned appropriately with the Group's strategy as it emerges into a period of transition and eventual normalisation against a backdrop of volatility in many of our markets.

The Remuneration Committee concluded that a new directors' remuneration policy (the 'Policy') should be put forward to shareholders in 2021 which seeks to replace the dual approach of share options and performance share awards with restricted share awards. The Policy has been developed considering the principles of the Code and the views of our major shareholders. The Board and the Remuneration Committee believe that the changes proposed will ensure that the leaders of the business can continue to focus on actions that deliver long term growth for the Group. The proposed changes also create greater simplicity, clarity and predictability of outcome, principles which are also important to shareholders. The Policy, together with further details concerning the key reasons for the proposed changes, can be found in the directors' remuneration report on pages 119 to 127 (inclusive) of the Annual Report for the year ended 31 December 2020. Resolution 13 seeks shareholder approval for the Policy.

The vote is binding and once the Policy is approved, the Company will only be able to make remuneration payments to directors and former directors in accordance with the Policy. Subject to such approval, the proposed effective date for the Policy is 21 April 2021, being the date of this year's AGM. If the Policy is approved and remains unchanged, it will once again be valid for up to three financial years without new shareholder approval being required. If the Company wishes to change the approved Policy, it would need to put the revised directors' remuneration policy to a vote again, before it could be implemented.

In addition, Resolution 14 seeks shareholder approval for the directors' remuneration report as set out on pages 114 to 139 (inclusive) (excluding the Policy as set out on pages 119 to 127 (inclusive)) of the Annual Report for the year ended 31 December 2020. The directors' remuneration report discloses how the Company's existing directors' remuneration policy was implemented during 2020 and sets out details of each director's remuneration throughout the year. The vote is advisory and the directors' entitlement to remuneration is not conditional upon the resolution being passed.

The Company's external auditors, PwC, have audited those parts of the directors' remuneration report that are required to be audited and their report is set out on pages 202 to 211 (inclusive) of the Annual Report for the year ended 31 December 2020.

Ordinary Resolution 15 (Approval of Policy related amendments to the Company's Long Term Incentive Plan)

Approved by shareholders in April 2014, the Bunzl Long Term Incentive Plan (2014) (the 'LTIP') is the Company's discretionary share-based incentive arrangement for the Company's executive directors and other selected employees. The LTIP comprises two parts (i) Part A of the LTIP, under which the Board may grant market priced share option awards and (ii) Part B of the LTIP, under which the Board may grant performance share awards.

To cater for the restricted share award policy envisaged under the proposed Policy (for which shareholder approval is being sought under Resolution 13), certain related amendments are proposed to the rules of Part B of the LTIP. Details of the proposed amendments to the rules of Part B of the LTIP in respect of which prior shareholder approval is sought are summarised in Appendix 3.

Ordinary Resolution 16 (Approval of new US employee stock purchase plan)

The directors have long seen the value to the Company and its shareholders of providing employees with the opportunity to acquire ordinary shares in the Company. The Bunzl Employee Stock Purchase Plan (US) 2011 (the '2011 ESPP'), which had previously been approved by shareholders for the purposes of section 423 of the United States Internal Revenue Code (the 'IR Code') and which enabled eligible employees in the United States to purchase ordinary shares in the Company, expired on 31 December 2020. The Company has adopted, with effect from 1 January 2021, the Bunzl Employee Stock Purchase Plan (US) 2021 (the '2021 ESPP') which operates on a similar basis to the 2011 ESPP. As with the 2011 ESPP, since the 2021 ESPP only operates over ordinary shares purchased in the market rather than in respect of newly issued ordinary shares, there is no dilution effect on existing shareholders in operating the 2021 ESPP and, as a result, the 2021 ESPP does not require the approval of shareholders under UK law (including the Financial Conduct Authority's Listing Rules). However, in order to meet certain criteria from a tax perspective under section 423 of the IR Code, the United States Internal Revenue Service requires such a United States based plan to be approved by shareholders no later than 12 months after the date it is adopted by the relevant company.

Accordingly, by proposing Resolution 16, the directors are seeking shareholders' approval to the adoption of the 2021 ESPP in order that it will meet the requirements of section 423 of the IR Code. A summary of the main provisions of the rules of the 2021 ESPP is set out in Appendix 4 to this letter.

Ordinary Resolution 17 (Renewal of savings-related share option scheme)

The directors believe that participation in employee share schemes enables employees at all levels of the business to benefit from the Company's success and aligns their interests directly with shareholders' interests.

For many years, the Company has operated an HM Revenue & Customs approved all employee savings-related share option scheme. The existing scheme, the Bunzl plc Sharesave Scheme (2011) (the 'Scheme') is timetabled to shortly expire and shareholders' approval is sought to amend the Scheme to extend its life by 10 years and to go forward under the shorter name of the Bunzl plc Sharesave Scheme, which will operate on the same basis. Eligible UK employees may save each month with a bank or building society normally over a three or five year period, currently up to a maximum of £500 each month. On maturity of the savings contracts, participants may use their savings, plus any applicable tax free bonus, to buy ordinary shares in the Company at a discount of up to 20% to the share price shortly before they start saving.

The Company also operates an International Sharesave Plan and an Irish Sharesave Plan based on authority to establish overseas sharesave schemes similar to the Scheme to take account of local tax, exchange controls or securities laws outside the UK provided that any ordinary shares issued under such schemes count towards the overall limits of participation contained in the Scheme. Resolution 17 also seeks a similar authority in order to operate overseas schemes based on the amended Scheme.

A summary of the main provisions of the amended rules of the amended Scheme is set out in Appendix 5 to this letter.

Ordinary Resolution 18 (Authority to allot ordinary shares)

Shareholders' authority is required before the directors may allot ordinary shares in the Company. Resolution 18 replaces the authority granted at last year's AGM. Paragraph (a) of Resolution 18 would give the directors the authority to allot ordinary shares and to grant rights to subscribe for or to convert any securities into ordinary shares in the Company up to a maximum aggregate nominal amount equal to £36,107,960 which represents one third of the Company's issued share capital as at 12 March 2021.

In addition, and in line with guidance issued by the Investment Association (the 'IA'), paragraph (b) of Resolution 18 would give the directors the authority to allot ordinary shares and to grant rights to subscribe for or convert any securities into shares in connection with a rights issue, up to a further aggregate nominal amount of £36,107,960 which represents an additional one third of the nominal value of the Company's issued share capital as at 12 March 2021. In line with the IA guidance, authority under paragraph (b) of Resolution 18 would only be used to allot shares pursuant to a fully pre-emptive rights issue.

While the directors do not have any present intention to issue new ordinary shares except under the Company's share option schemes and, if necessary, to satisfy the consideration payable for businesses to be acquired, the directors believe that having the additional allotment authority sought under Resolution 18 is in stakeholders' best interests to ensure that the Company has maximum flexibility in managing its capital resources. The authorities supersede all previous authorities and will expire at the earlier of the conclusion of next year's AGM and the close of business on 21 July 2022. The directors intend to seek to renew these authorities at next year's AGM.

Special Resolution 19 (General authority to disapply pre-emption rights)

Shareholders' authority is required before the directors may allot ordinary shares in the Company (including any ordinary shares which the Company has purchased and has elected to hold as treasury shares) for cash (unless the issue or sale takes place pro rata to existing ordinary shareholders). Such an authority has been sought annually by the Company. The existing authority will expire at this year's AGM. By proposing Resolution 19, the directors seek a renewal of such authority although, at present, there is no intention to exercise such authority.

Under the renewed authority, the directors may at any time, should appropriate circumstances arise, allot ordinary shares for cash in connection with pre-emptive offers or otherwise up to a maximum amount of 16,850,307 ordinary shares, being 5% of the Company's issued share capital as at 12 March 2021. In respect of this maximum amount, the directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles (the 'Principles') regarding cumulative usage of authorities within a rolling three year period, where the Principles provide that usage of such authorities in excess of 7.5% of issued ordinary share capital should not take place, except in connection with an acquisition or specified capital investment referred to in the Principles, without prior consultation with shareholders.

This authority will expire at the earlier of the conclusion of next year's AGM and the close of business on 21 July 2022.

Special Resolution 20 (Specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment)

The Principles state that, in addition to the general authority to allot ordinary shares for cash up to a maximum equal to 5% of total issued ordinary share capital, as proposed in Resolution 19, the Pre-Emption Group is supportive of extending the general authority for certain purposes. Accordingly, and in line with the Principles, the directors are also seeking the authority to allot ordinary shares for cash on a non-pre-emptive basis up to an additional maximum aggregate nominal amount of £5,416,194, being 5% of the Company's issued share capital as at 12 March 2021. The maximum nominal value of equity securities which could be allotted, if the authorities under both Resolutions 19 and 20 were used, would be £10,832,388, being 10% of the total issued share capital of the Company as at 12 March 2021.

The additional authority proposed in Resolution 20 will only be used to fund one or more acquisitions or specified capital investments which are announced contemporaneously with the relevant issue, or which have taken place in the preceding six month period and are disclosed in the announcement of the issue, as referred to in the Principles. While the directors have no present intention of exercising this authority, the directors consider that the additional authority sought at this year's AGM will benefit the Company and its shareholders generally since there may be occasions in the future when the directors need the flexibility to finance acquisitions or capital investments by issuing shares for cash without a pre-emptive offer to existing shareholders. This authority will expire at the earlier of the conclusion of next year's AGM and the close of business on 21 July 2022.

Special Resolution 21 (Purchase of own ordinary shares)

Resolution 21 replaces a similar authority granted to the directors at last year's AGM which is valid until the conclusion of this year's AGM.

No ordinary shares have been purchased under the current authority. The proposed authority will be exercised in the future only if the directors consider it to be in the best interests of the Company and its shareholders, given the market conditions and price prevailing at the time. For a further explanation of this proposal and a brief summary of its taxation consequences, please see Appendix 6 to this letter.

Special Resolution 22 (Notice of general meetings)

Resolution 22 also replaces a similar authority granted to the directors at last year's AGM to allow the Company to hold general meetings (other than AGMs) on 14 clear days' notice as required by section 307A of the Companies Act 2006. The shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. The Company will also need to meet certain requirements for electronic voting under section 307A of the Companies Act 2006 before it can call a general meeting on 14 clear days' notice.

The authority will be effective until next year's AGM, when it is intended that a similar resolution will be proposed.

Special Resolution 23 (Amendments to articles of association)

The Company's current articles of association (the 'Current Articles') have not been updated since 21 April 2010. The Company is taking the opportunity at this year's AGM to propose certain amendments to the Current Articles principally in order to reflect developments in technology and practice as well as to provide clarification and additional flexibility. The proposed new articles of association (the 'New Articles') include provisions enabling the Company to provide additional opportunities for shareholders to participate in general meetings electronically but do not permit the holding of 'virtual only' general meetings. An explanation of the principal differences between the Current Articles and the New Articles is set out in Appendix 7 to this letter. Other changes, which are of a minor, technical or clarifying nature, have not been noted. Please refer to the section of this letter below headed 'Documents available for inspection' for details of how shareholders can access copies of the documents relating to the adoption of the New Articles. If passed, the New Articles will take effect from the conclusion of this year's AGM.

Poll voting

The directors have again decided that voting on each of the Resolutions to be put to this year's AGM will be taken on a poll. The directors believe a poll vote is more representative of shareholders' voting intentions because shareholders' votes are counted according to the number of ordinary shares held and all votes tendered are taken into account. The results of the poll will be announced through a Regulatory Information Service and made available on the Company's website as soon as practicable following the closing of this year's AGM.

Issued share capital

Unless otherwise stated, all references to the Company's issued share capital in this letter are to the Company's issued ordinary share capital as at 12 March 2021, being the latest practicable date prior to the publication of this letter, which was 337,006,132 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 12 March 2021 was 337,006,132. The Company does not, as at 12 March 2021, being the latest practicable date prior to the publication of this letter, hold any shares in treasury.

Shareholder engagement

As noted above, shareholders will be given an opportunity to attend a live Q&A session in advance of this year's AGM. The Q&A session will take place between 1.30 pm and 2.30 pm on Friday 16 April 2021, prior to the proxy appointments deadline of 2.00 pm on Monday 19 April 2021. The Q&A session will answer any questions that have been received by the Company prior to the date of the Q&A session (see below for details of how to do this) as well as offer shareholders the opportunity to ask questions and receive responses in real time. I will attend, along with Frank van Zanten (Chief Executive Officer), Richard Howes (Chief Financial Officer) and other representatives of the Company, as considered appropriate. The Q&A session will take place via conference call, which will be hosted by Investis and can be accessed as follows: if you are a participant joining from the United Kingdom, you can dial into the live Q&A session using 0800 640 6441 or 020 3936 2999. For participants from all other locations, please dial +44 203 936 2999. The meeting code for all participants will be 977851. All participants will be greeted by a host who will register your details.

Prior to and during the AGM, shareholders may also submit questions about the business to be conducted either in writing to the Company's registered office (for the attention of the Company Secretary) or by email to 2021AGM@bunzl.com. The Company will answer any questions that have been submitted prior to the date of the Q&A session at the Q&A session, as well as responding directly to shareholders, and will otherwise answer any questions received on or after the date of the Q&A session but before the end of the AGM directly and as soon as reasonably practicable.

Shareholders are reminded that they may access a recording of the Company's 2020 annual results webcast, together with the associated presentation slides, in the 'Presentations' section of the Company's website at www.bunzl.com.

Action to be taken

Shareholders are asked to complete the enclosed Form of Proxy and to post it to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible, but in any event so as to arrive by no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). Completion and posting of the Form of Proxy would not ordinarily preclude shareholders from attending and voting in person at this year's AGM, should they wish to do so. However, given the COVID-19 Restrictions, shareholders, proxies and corporate representatives should not attend the AGM in person. A user of the CREST system (including a CREST Personal Member) may appoint a proxy by having an appropriate CREST message transmitted so as to be received by no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). Alternatively, proxy votes can be submitted via the internet to be received by no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). Details of how to do this are set out in the enclosed Form of Proxy. Given the COVID-19 Restrictions, shareholders are strongly encouraged to vote by appointing the Chair of the AGM as proxy to ensure their vote will be counted.

Documents available for inspection

For such time that the COVID-19 Restrictions continue to remain in force, the Company will be unable to make available for inspection the documents that would otherwise customarily be available at the Company's registered office. Such documents include copies of: (i) the directors' service agreements and letters of appointment; (ii) the draft rules of the ESPP, the Scheme and the amended LTIP; and (iii) the documents relating to the adoption of the New Articles, namely the Current Articles, the New Articles and a marked-up version of the Current Articles showing the changes proposed in the New Articles. The aforementioned documents can all be made available to any shareholder who contacts the Company Secretary in writing at the Company's registered office or by emailing 2021AGM@bunzl.com. In the event that the COVID-19 Restrictions cease to have effect prior to the AGM, all the aforementioned documents will be made available for physical inspection during normal business hours on any working day (English public holidays excepted) from the date of this letter at the Company's registered office and at the place of the AGM for at least 15 minutes prior to, and during, the AGM.

As an alternative to the above, the aforementioned documents will be available for inspection at the offices of Slaughter and May, One Bunhill Row, London, EC1Y 8YY during normal business hours on any weekday (Saturday, Sunday and UK public holidays excluded) from the date of this letter until the close of the AGM. However, please note that, in light of the COVID-19 Restrictions, physical inspection of such documents by visiting the offices of Slaughter and May will be subject to compliance with appropriate health and safety measures and may be restricted at certain times.

Recommendation

The directors are unanimously of the opinion that the proposals described in this letter are in the best interests of the Company and its shareholders as a whole. Accordingly, they recommend shareholders vote in favour of the Resolutions set out in the Notice of Meeting in Appendix 1 to this letter, including those referred to above, as they intend to do in respect of their own beneficial holdings.

Dividend reinvestment plan ('DRP')

The directors are proposing a final dividend of 38.3p per ordinary share in the Company for the year ended 31 December 2020 (the 'Final Dividend') for approval at this year's AGM. Pursuant to the DRP, shareholders will again be offered the opportunity to receive ordinary shares in the Company instead of any cash dividend to which they would otherwise have been entitled.

The DRP allows eligible shareholders to increase their shareholdings in the Company in a simple and cost-effective way. Once a shareholder has elected to participate in the DRP, any cash dividend will be reinvested in ordinary shares in the Company bought on the London Stock Exchange through a specially arranged share dealing service. As the DRP does not require the creation of any new ordinary shares in the Company and therefore does not lead to dilution of the value of the existing ordinary shares in the Company, the directors believe that the DRP is beneficial to the Company's shareholders as a whole.

If you have already joined, or choose to join the DRP, the Final Dividend will be used to buy ordinary shares in the Company. A dealing commission of 0.75% of the value of the ordinary shares purchased will be charged (subject to a minimum of £2.50) and deducted from the amount of the Final Dividend. Stamp duty reserve tax will also be charged at the prevailing rate (currently 0.5% of the total consideration payable for the ordinary shares purchased) and deducted from the amount of the Final Dividend. If you have not already joined the DRP and wish to do so, you may check whether you are eligible by referring to the terms and conditions of the DRP and subsequently apply online at www.investorcentre.co.uk. Alternatively, you may contact the Company's registrar, Computershare Investor Services PLC, on 0370 889 3257 to request the terms and conditions of the DRP and a printed mandate form, which must be returned to them at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, so as to arrive no later than 5.00 pm on 10 June 2021 if you wish to participate in the DRP in respect of the Final Dividend. If you have already joined the DRP and wish to continue receiving dividends in shares, or if you have not already joined the DRP and wish to continue receiving dividends in cash, you need take no further action.

Information about the timetable in relation to the Final Dividend, the terms and conditions of the DRP (which are incorporated by reference into this letter) and how to join the DRP can also be found in the 'Dividend information' section of the Company's website at www.bunzl.com.

The timetable relating to the payment of the Final Dividend is as follows:

Ordinary shares quoted ex-dividend	20 May 2021
Record date	21 May 2021
Payment date	1 July 2021

Further copies of this letter may be obtained from the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, during normal business hours on normal working days from the date of this letter until 19 April 2021.

Yours faithfully



Peter Ventress
Chairman

Appendix 1

Notice of Meeting

NOTICE IS HEREBY GIVEN that the eighty-first Annual General Meeting ('AGM') of Bunzl plc (the 'Company') will be held at York House, 45 Seymour Street, London W1H 7JT on Wednesday 21 April 2021 at 2.00 pm to consider and, if thought fit, pass the following Resolutions:

Ordinary Resolutions

1. To receive and consider the accounts for the year ended 31 December 2020 together with the reports of the directors and auditors.
2. To declare a final dividend.
3. To re-appoint Peter Ventress as a director.
4. To re-appoint Frank van Zanten as a director.
5. To re-appoint Richard Howes as a director.
6. To re-appoint Vanda Murray as a director.
7. To re-appoint Lloyd Pitchford as a director.
8. To re-appoint Stephan Nanninga as a director.
9. To appoint Vin Murria as a director.
10. To appoint Maria Fernanda Mejía as a director.
11. To re-appoint PricewaterhouseCoopers LLP as auditors to hold office from the conclusion of this year's AGM until the conclusion of the next general meeting at which accounts are laid before the Company.
12. To authorise the directors, acting through the Audit Committee, to determine the remuneration of the auditors.
13. To approve the directors' remuneration policy as set out on pages 119 to 127 (inclusive) of the Annual Report for the year ended 31 December 2020.
14. To approve the directors' remuneration report as set out on pages 114 to 139 (inclusive) (excluding the directors' remuneration policy as set out on pages 119 to 127 (inclusive)) of the Annual Report for the year ended 31 December 2020.
15. **Approval of Policy related amendments to the Company's Long Term Incentive Plan**
THAT the proposed amendments to Part B of the rules of the Bunzl Long Term Incentive Plan (2014) (the 'LTIP'), in the form presented to the AGM marked 'A' and initialled by the Chairman for the purposes of identification and as summarised in the Chairman's letter accompanying this Notice of Meeting, be approved and the directors be authorised to adopt the amendments into the rules of the LTIP and to do all such other acts and things as they may consider appropriate to implement the amendments.
16. **Approval of new US employee stock purchase plan**
THAT the rules of the Bunzl Employee Stock Purchase Plan (US) 2021 (the 'ESPP'), the main features of which are summarised in the Chairman's letter and a copy of which is produced to the meeting marked 'B' and initialled by the Chairman for the purposes of identification, be approved and the directors be authorised to do all such acts and things as they may consider appropriate in connection with the implementation of the ESPP.
17. **Renewal of savings-related share option scheme**
THAT:
 - (a) the rules of the Bunzl plc Sharesave Scheme (2011) in a proposed updated form (the 'Scheme'), the main features of which are summarised in the Chairman's letter and a copy of which is produced to the meeting marked 'C' and initialled by the Chairman for the purpose of identification, be approved and the directors be authorised to do all such acts and things as they may consider appropriate in connection with the implementation of the Scheme; and
 - (b) the directors be authorised to operate other schemes based on the Scheme but modified to take account of local tax, exchange controls or securities laws outside the UK, provided that any ordinary shares in the Company issued under such other schemes are treated as counting against the individual and overall limits on participation contained in the Scheme.
18. **Authority to allot ordinary shares**
THAT the directors of the Company be authorised (pursuant to section 551 of the Companies Act 2006) to allot ordinary shares in the Company and to grant rights to subscribe for or to convert any security into ordinary shares in the Company:
 - (a) up to an aggregate nominal amount of £36,107,960, representing one third of the nominal value of the Company's issued share capital as at 12 March 2021 (being the latest practicable date prior to the publication of this Notice of Meeting); and
 - (b) up to a further aggregate nominal amount of £36,107,960 representing an additional one third of the nominal value of the Company's issued share capital as at 12 March 2021 (being the latest practicable date prior to the publication of this Notice of Meeting), provided that they are offered by way of a rights issue in favour of ordinary shareholders,
subject to such limits, restrictions or arrangements which the directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authority to apply until the end of next year's AGM (or, if earlier, until the close of business on 21 July 2022) but so that during this period the Company may make offers, and enter into agreements, which would, or might, require ordinary shares to be allotted or rights to subscribe for or to convert securities into ordinary shares to be granted after the authority ends and the directors may allot ordinary shares or grant rights to subscribe for or convert securities into ordinary shares under any such offer or agreement as if the authority had not ended.

Special Resolutions

19. General authority to disapply pre-emption rights

THAT, if Resolution 18 is passed, the directors of the Company be given power to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by that Resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

- (a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 18, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary, and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (b) to the allotment (otherwise than under paragraph (a) above) of equity securities or sale of treasury shares up to a nominal amount of £5,416,194, representing 5% of the nominal value of the Company's issued share capital as at 12 March 2021,

such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 21 July 2022) but, in each case, during this period the Company may make any offers, and enter into any agreements, which would, or might, require any equity securities to be allotted (and any treasury shares to be sold) after the power ends and the directors may allot any equity securities (and/or sell any treasury shares) under any such offer or agreement as if the power had not ended.

20. Specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment

THAT, if Resolution 18 is passed, the directors of the Company be given power, in addition to any power granted under Resolution 19, to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by paragraph (a) of Resolution 18 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £5,416,194, representing 5% of the nominal value of the Company's issued share capital as at 12 March 2021; and
- (b) used only for the purposes of financing a transaction which the directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Meeting or for the purposes of refinancing such a transaction within six months of its taking place, such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 21 July 2022), but, in each case, during this period the Company may make any offers, and enter into any agreements, which would, or might, require any equity securities to be allotted (and any treasury shares to be sold) after the power ends and the directors may allot any equity securities (and/or sell any treasury shares) under any such offer or agreement as if the power had not ended.

21. Purchase of own ordinary shares

THAT the Company be authorised, for the purposes of section 701 of the Companies Act 2006, to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 32^{1/2}p each ('Ordinary Shares'), such power to be limited:

- (a) to a maximum number of 33,700,613 Ordinary Shares; and
- (b) by the condition that the minimum price which may be paid for an Ordinary Share is 32^{1/2}p and the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the highest of:
 - (i) an amount equal to 5% above the average market value of an Ordinary Share for the five working days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent purchase bid at the time on the trading venue where the purchase is carried out,

such power to apply until the end of next year's AGM (or, if earlier, the close of business on 21 July 2022) but so that during this period the Company may enter into any contracts to purchase any Ordinary Shares which will or may be completed or executed wholly or partly after the power ends and the Company may purchase any Ordinary Shares pursuant to any such contract as if the power had not ended.

22. Notice of general meetings

THAT a general meeting other than an AGM may be called on not less than 14 clear days' notice.

23. Amendments to articles of association

THAT, with effect from the conclusion of the meeting, the articles of association of the Company produced to the meeting marked 'D' and initialled by the Chairman for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

By Order of the Board

Suzanne Jefferies

Secretary
12 March 2021

Notes:

1. Resolutions 3 to 10 (inclusive) relate to the appointment and re-appointment of directors. Vin Murria was appointed to the Board with effect from 1 June 2020 and has more than 25 years' experience working in the digital and technology sectors which are key areas for the Company. Maria Fernanda Mejía joined the Board on 23 December 2020 and has extensive knowledge and international experience of distribution and supply chain management with a strong background in marketing and communications. In accordance with the Code and, in respect of Vin Murria and Maria Fernanda Mejía, the Company's articles of association, each of the directors is standing for appointment or re-appointment (as applicable) at this year's AGM. The directors believe that the Board maintains an effective balance of skills, knowledge and experience and that each non-executive director has a breadth of strategic, management and financial experience and continues to provide independent scrutiny and challenge to the Board. Following a recent formal evaluation process, the Company believes that the performance of Peter Ventress, Vanda Murray, Lloyd Pitchford, Stephan Nanninga and Vin Murria as non-executive directors and of Frank van Zanten and Richard Howes as executive directors continues to be effective and they continue to demonstrate commitment to their roles. While Maria Fernanda Mejía was not a member of the Board at the time of the evaluation, the Company believes that her considerable knowledge and international experience will be of great benefit to the Company as it continues to develop and enhance its brand and customer propositions around the world. Biographical information relating to each of the directors appears in Appendix 2 to the Chairman's letter and it is the directors' view that the biographies illustrate why each director's contribution is, and continues to be, important to the Company's long term sustainable success.
2. Every holder of ordinary shares is ordinarily entitled to attend, speak and vote at an AGM of the Company. However, given the COVID-19 Restrictions, shareholders, proxies and corporate representatives should not attend this year's AGM in person. There will be a requisite number of people present in order to establish a quorum of two members present in person or by proxy and the attendance of additional people would therefore be contrary to the COVID-19 Restrictions. Please note that, in accordance with the Company's articles of association, any shareholder, proxy or corporate representative seeking to attend the meeting will be refused entry on the grounds of safety.
3. A shareholder ordinarily entitled to attend, speak and vote may appoint a proxy (who need not be a member of the Company) to exercise all or any of their rights to attend, speak and vote on their behalf. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that shareholder. This year, voting in advance of the AGM by proxy is encouraged due to shareholders being unable to attend and vote in person. The Company strongly encourages all shareholders to vote by appointing the Chair of the AGM as proxy (appointing the Chair of the AGM as proxy, rather than another named person, ensures your vote will be counted in the meeting). A Form of Proxy is enclosed with this Notice of Meeting for use in connection with this year's AGM. If you do not have a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy, please contact the Company's registrar, Computershare Investor Services PLC. To be valid, any Form of Proxy together with the power of attorney or other authority (if any) under which it is signed or sealed or a duly certified copy thereof, must reach the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). The return of a completed Form of Proxy, or appointment via CREST, will not prevent a member attending the AGM and voting in person if the member wishes to do so, should this be permitted under applicable Government guidelines in place at the time of the AGM. However, this is not currently the case due to the COVID-19 Restrictions and so shareholders, proxies and corporate representatives should not attend the AGM in person. A user of the CREST system (including a CREST Personal Member) may appoint a proxy or proxies by having an appropriate CREST message transmitted to be received by no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). Alternatively, proxy votes can be submitted via the internet to be received by no later than 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). Details of how to do this are shown on the enclosed Form of Proxy. In the case of joint holdings, any one holder may sign the Form of Proxy but the names of all joint holders must be stated. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
4. Shareholders have the right to request, in accordance with section 360BA of the Companies Act 2006, information to enable them to determine that their vote on a poll was validly recorded and counted. Shareholders who wish to do so should contact the Company's registrar, Computershare Investor Services PLC, on +44 (0370) 889 3257 (lines are open from 8.30 am to 5.30 pm (UK time), Monday to Friday) or by email to webcorres@computershare.co.uk no later than 30 days following the date of this year's AGM.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 2.00 pm on Monday 19 April 2021 (or not less than 48 hours before the time fixed for any adjourned AGM, provided that no account shall be taken of any part of a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s), are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Company's registrar, Computershare Investor Services PLC. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 2.00 pm on Monday 19 April 2021 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
10. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
11. Any person to whom this Notice of Meeting is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him or her and the shareholder by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for this year's AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
12. The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 3 of the Notes to this Notice of Meeting above does not apply to Nominated Persons. The rights described in such paragraph can only be exercised by shareholders.
13. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act 2006, the Company specifies that only those shareholders registered in the Register of Members of the Company at 6.00 pm on 19 April 2021 shall be entitled to vote in respect of the number of ordinary shares registered in their name at that time at this year's AGM. If this year's AGM is adjourned, the Company specifies that only shareholders entered on the Company's Register of Members not later than 48 hours before the time fixed for the adjourned AGM shall be entitled to attend, speak or vote at the adjourned AGM provided that no account shall be taken of any part of a day that is not a working day.
14. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before this year's AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at this year's AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
15. Information regarding this year's AGM, including information required by section 311A of the Companies Act 2006, can be found in the 'AGM information' section of the Company's website at www.bunzl.com.
16. The Company may process the personal data of attendees at the AGM. This may include photos, recordings and audio and video links, as well as other forms of personal data. The Company shall process any such personal data in accordance with its privacy policy, which can be found at www.bunzl.com/site-services/privacy-policy.aspx, as applicable.
17. Under section 319A of the Companies Act 2006, the Company must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting unless: (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
18. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the Chairman's letter and Form of Proxy) to communicate for any purposes other than those expressly stated.
19. If any shareholders, duly appointed proxies or duly appointed corporate representatives wish to ask any questions about the business of the AGM, they may do so by following the procedures detailed in the section of the Chairman's Letter headed 'Shareholder engagement'.

Appendix 2

Biographical details of directors

Committee membership

- 1 Member of the Audit Committee
- 2 Member of the Remuneration Committee
- 3 Member of the Nomination Committee
- 4 Independent director

PETER VENTRESS

Chairman³

Appointment

Chairman of the Board since April 2020, having been Chairman designate since June 2019. Chairman of the Nomination Committee.

Experience

He was formerly a non-executive director of Premier Farnell plc, Staples Solutions NV and Softcat plc and was Chief Executive Officer of Berendsen plc from 2010 to 2016. Prior to this he held several senior executive roles including International President of Staples Inc and Chief Executive Officer of Corporate Express NV, a Dutch quoted company which was subsequently acquired by Staples. He is currently Chairman of Galliford Try Holdings plc and Senior Independent Director of Signature Aviation plc.

FRANK VAN ZANTEN

Chief Executive Officer³

Appointment

Executive director since February 2016 and Chief Executive Officer and member of the Nomination Committee from April 2016.

Experience

He joined Bunzl in 1994 when Bunzl acquired his family owned business in the Netherlands and he subsequently assumed responsibility for a number of businesses in other countries. In 2002 he became Chief Executive Officer of PontMeyer NV, before rejoining Bunzl in 2005 as Managing Director, Continental Europe. He is a member of the Supervisory Board of Koninklijke Ahold Delhaize NV.

RICHARD HOWES

Chief Financial Officer

Appointment

Appointed Chief Financial Officer designate in September 2019 and joined the Board and became Chief Financial Officer in January 2020.

Experience

He qualified as a Chartered Accountant with Ernst & Young before moving to the investment bank Dresdner Kleinwort Benson. During his career he has held a number of senior positions at Geest plc and Bakkavor Group plc, including that of Chief Financial Officer of Bakkavor Group. He was Chief Financial Officer of Coats Group plc between 2012 and 2016 and prior to joining Bunzl was Chief Financial Officer of Inchcape plc.

VANDA MURRAY OBE

Senior Independent Director^{1 2 3 4}

Appointment

Non-executive director since February 2015, Senior Independent Director and Chair of the Remuneration Committee.

Experience

Formerly Chief Executive Officer of Blick plc from 2001 to 2004, she subsequently became UK Managing Director of Ultraframe PLC from 2004 to 2006 and was appointed OBE in 2002 for Services to Industry and Export. She is currently Chair of Marshalls plc.

LLOYD PITCHFORD

Non-executive director^{1 2 3 4}

Appointment

Non-executive director since March 2017 and Chairman of the Audit Committee.

Experience

Having previously held a number of senior finance positions with BG Group plc, including five years as Group Financial Controller, he subsequently joined Intertek Group plc where he was Chief Financial Officer from 2010 to 2014. Since 2014 he has been Chief Financial Officer of Experian plc.

STEPHAN NANNINGA
Non-executive director ^{1 2 3 4}

Appointment

Non-executive director since May 2017.

Experience

After holding a number of positions with Sonepar and Royal Dutch Shell, he subsequently became Managing Director, Distribution Europe of CRH plc in 1999. He then joined the Board of SHV Holdings NV in 2007, where he was initially responsible for the Makro and Dyas businesses, before becoming Chief Executive in 2014, a position he held until 2016. He is a member of the Supervisory Board of CM.com, a non-executive director of IMCD N.V. and an executive director of Dutch Star Companies TWO B.V.

VIN MURRIA OBE
Non-executive director ^{1 2 3 4}

Appointment

Non-executive director since June 2020.

Experience

Formerly Chief Executive Officer of Computer Software Group plc from 2002 until 2007, she subsequently founded and was Chief Executive Officer of Advanced Computer Software Group plc from 2008 until 2015. She was appointed OBE in 2018 for services to the digital economy. She is Deputy Chair of M&C Saatchi plc and a non-executive director of Softcat plc.

MARIA FERNANDA MEJÍA
Non-executive director ^{1 2 3 4}

Appointment

Non-executive director since December 2020.

Experience

She previously held a number of internationally based positions at Colgate-Palmolive between 1989 and 2011. These included most recently Vice President and General Manager Global Personal Care and Fragrance Development and, prior to that, Vice President Marketing and Innovation, Europe and South Pacific. From 2011 until 2019 she was a Senior Vice President at the Kellogg Company and President of Kellogg Latin America during the same period. She is a non-executive director of Grocery Outlet Holding Corp.

Appendix 3

Details of the proposed amendments to the rules of Part B of the Company's Long Term Incentive Plan ('LTIP')

Restricted share awards:

Amendment i: in line with the proposed new directors' remuneration policy (the 'Policy'), it is proposed that authority for a new award type be added to the rules of Part B of the LTIP, specifically, scope for 'restricted share awards'. Such restricted share awards would consist of a contingent right to acquire shares at no or nominal cost as from the third anniversary of the grant of the award, subject to the grantee's continued service (save for good leaver cases) and subject to scaling back (or cancellation) on account of the award's underpin conditions.

A restricted share award's underpin conditions would be set and assessed by the Remuneration Committee and, in the case of restricted share awards to executive directors of Bunzl plc (the 'Company'), designed to have appropriate regard to the Group's overall performance, including financial and non-financial performance over the course of the award's vesting period and any material risk/regulatory failures identified.

Dividend equivalents for restricted share awards:

Amendment ii: it is proposed that the rules of Part B of the LTIP be amended to provide that the Remuneration Committee may decide that restricted share award participants may receive a payment (ordinarily in shares) of an amount equivalent to the dividends that would have been payable on an award's vested shares between the date of grant and the vesting of the award (or if later, and only whilst the award remains unexercised in respect of vested shares, the expiry of any holding period applicable to the award). This amount may assume the reinvestment of dividends and shall be paid at the same time as the delivery of the related vested shares (or their value as relevant).

Limit and pricing basis for restricted share awards:

Participants will not receive restricted share awards under Part B of the LTIP over shares worth more than 125% of their annual salary in any financial year of the Company.

Amendment iii: it is proposed that the rules of Part B of the LTIP be amended to provide that the value of the shares under restricted share awards for such purposes (and in practice therefore, the basis used to set the number of shares under such awards) will be the average of the closing prices for the Company's shares during the 60 day period preceding the grant of the awards, unless the Committee determines otherwise in exceptional circumstances or in the case of the restricted share awards planned for grant shortly following the Company's Annual General Meeting (in respect of which market value at the time of grant of such awards shall be used).

Limit for performance share awards:

Amendment iv: to align Part B of the LTIP to the existing directors' remuneration policy (the '2020 Policy'), it is proposed that the rules of Part B of the LTIP be amended to permit awards over performance shares worth (at grant) up to 175% of annual salary in any financial year of the Company. No further performance share awards are planned and none would be made under the new Policy.

Timing and impact:

Subject to shareholder approval, each of the amendments would be effective from the date of the 2021 AGM.

The impact of the proposed amendments for which prior shareholder approval is sought will be to permit the grant of restricted share awards; permit dividend equivalents to apply for such restricted share awards and that the number of shares set under restricted share awards can be set by reference to the average of closing share prices during the 60 days prior to the grant of such awards (subject to Amendment iii above). A change to the performance shares limit is also proposed to align with the existing 2020 Policy for completeness only (no further performance share awards are planned and none would be made under the new Policy).

Except for the proposed amendments noted above, the existing rules of the LTIP will remain unchanged save for any minor related amendments in respect of which prior shareholder is not required.

The rationale for the proposed move to restricted share awards for future award policy for executive directors and the nature of the underpin conditions envisaged for such restricted share awards is set out in the proposed Policy.

Appendix 4

Summary of the Bunzl Employee Stock Purchase Plan (US) 2021 (the '2021 ESPP')

General

The previous Bunzl Employee Stock Purchase Plan (US) 2011 (the '2011 ESPP') was designed to enable eligible US resident employees, including executive directors, to purchase ordinary shares in Bunzl plc (the 'Company'). The 2021 ESPP is intended to replace, and operate on the same basis as, the 2011 ESPP, which expired on 31 December 2020. The 2011 ESPP was, and the 2021 ESPP is, designed to conform to the provisions of section 423 of the United States Internal Revenue Code (the 'IR Code').

Administration

The Remuneration Committee (the 'Committee') of the Board of directors of Bunzl plc (the 'Company') has overall responsibility for administration of the 2021 ESPP. The 2021 ESPP commenced with effect from 1 January 2021 and will terminate on 31 December 2030.

Eligibility

Participation in the 2021 ESPP is limited to employees of any of the Company's subsidiaries which are corporations organised under the laws of the United States (excluding those customarily employed for five months or less in any calendar year and those employees who do not satisfy certain other criteria in order to be eligible to join the 2021 ESPP) and who have been continuously employed for a period of at least one year.

Timing of purchases

Ordinary shares will be purchased on behalf of the participants by a professional services custodian (the 'Custodian') chosen by the Committee. Purchases of ordinary shares will take place on the last trading day of each month or as soon as practicable thereafter or at such other times as may be determined by the Committee.

Limits on purchases

The Custodian will purchase ordinary shares on behalf of employees electing to participate by utilising amounts credited to that participant's savings account by way of post-tax payroll deductions made by that participant's employer. Deductions will be made during each month or such other period as may be determined by the Committee (the 'savings period'). As required by the IR Code, no employee will be able to acquire shares exceeding \$25,000 in value in any calendar year or, if lower, 10% of that employee's total remuneration for that year.

Purchase price

The amount payable by employees for ordinary shares will be 85% of their fair market value. The Company will fund the balance by making payments to the Custodian. The fair market value of an ordinary share will be the market price of the Company's ordinary shares as quoted on the London Stock Exchange on the last trading day of each savings period.

Dividends

All dividends paid in respect of ordinary shares acquired under the 2021 ESPP will be automatically reinvested by the Custodian by acquiring further ordinary shares at the prevailing market price without any discount having been applied.

Restrictions on disposal

The ordinary shares acquired under the 2021 ESPP will be held by the Custodian subject to, and in accordance with, the terms and conditions of the 2021 ESPP. Employees will not be permitted to sell any ordinary shares acquired by the Custodian under the 2021 ESPP until after the first anniversary of the date of acquisition of such shares, other than in the event of termination of their employment, death, certain circumstances of hardship or a change of control of the Company.

Limits of the 2021 ESPP

No further purchases of ordinary shares will be made under the 2021 ESPP once the aggregate number of ordinary shares in the Company which have been purchased under the 2021 ESPP reaches 10,000,000.

Amendments

The Committee may make any amendments to the 2021 ESPP without the prior approval of the Company in general meeting unless such amendment will: (i) increase the number of ordinary shares reserved for purchase under the 2021 ESPP; (ii) materially modify the eligibility conditions; or (iii) increase the benefits available to employees under the 2021 ESPP. No amendment may be made to the 2021 ESPP which will either adversely affect employees' accrued rights to have ordinary shares purchased on their behalf or reduce the balance of employees' savings accounts.

Costs and expenses

All costs and expenses incurred in the administration of the 2021 ESPP, other than brokerage and administrative fees for the sale of ordinary shares by employees and taxes arising from employees' participation in the 2021 ESPP, will be paid by the Company.

Appendix 5

Summary of the proposed updated form of the Bunzl plc Sharesave Scheme (2011) (the 'Scheme')

General

The existing authority to make further grants under the Bunzl plc Sharesave Scheme (2011) in its current form is shortly to expire.

Bunzl plc (the 'Company') is therefore seeking authority to amend the Bunzl Sharesave Scheme (2011) to extend its life by 10 years and to go forward under the shorter name of the Bunzl plc Sharesave Scheme.

The Scheme will continue to be an all-employee share scheme under which eligible UK taxed employees of the Company may be granted options to acquire shares in the Company.

A summary of the main features of the Scheme is set out below.

Administration

The operation of the Scheme will be supervised by the Board of directors of the Company or a committee appointed by such Board (the 'Board').

The Scheme is designed to qualify for tax-advantaged status under Schedule 3 of the Income Tax (Earnings and Pensions) Act 2003 as amended and re-enacted from time to time ('Schedule 3').

Eligibility

Employees and full-time directors of the Company and of any designated participating subsidiary who are UK resident tax payers are eligible to participate.

The Board may require employees to have completed a qualifying period of employment of up to five years before the grant of options (although the current qualifying period operated by the Company is three months). The Board has a discretion to allow other employees to participate.

Options must be granted on the same terms to all eligible employees.

Grant of options

No options may be granted later than 10 years after the date of the 2021 Annual General Meeting.

Options may only be granted to employees who enter into HM Revenue & Customs ('HMRC') approved savings contracts, under which monthly savings are normally made over a period of three or five years. Options must be granted within 30 days (or 42 days if applications are scaled back) of the first day by reference to which the option price is set.

The number of ordinary shares over which an option is granted will be such that the total amount payable on its exercise will correspond to the proceeds on maturity of the related savings contract.

An option will be personal to the optionholder and is not transferrable, except on death.

Individual participation

Monthly savings by an employee under all savings contracts linked to options granted under any savings-related share option scheme may not exceed the statutory maximum (currently £500).

The Board may set a lower limit in relation to any particular grant.

Option price

The price per ordinary share payable upon the exercise of options will not be less than the higher of:

- (a) 80% of the middle-market quotation of an ordinary share on the London Stock Exchange on the dealing day preceding the date specified in an invitation to participate in the Scheme, or the average of the middle-market quotation over the five dealing days ending on such date, or on such other day or days as may be agreed with HMRC for the purposes of the Scheme; and
- (b) if the option relates only to new issue ordinary shares, the nominal value of such ordinary shares.

The option price will be determined by reference to dealing days which fall within the six weeks following the announcement by the Company of its results for any period or at any other time which the Board considers to be exceptional which justifies offering options under the Scheme.

Exercise of options

Each employee uses the proceeds of their savings contract (including any bonus payable) to pay the exercise price upon exercise of their option. Options are normally exercisable during the six months after the end of the savings contract. Shares will be allotted or transferred to participants within 30 days of exercise. Whilst the Company remains listed, it shall apply to have any issued shares listed on the London Stock Exchange as soon as practical after their allotment.

Leaving employment

Options will normally lapse when the participant ceases to be employed. However, if employment ends because of injury, disability, redundancy, retirement, because of a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006, the transfer of the employing company or business out of the Group, or death, options immediately become exercisable to the extent that the related savings are sufficient to fund the exercise. Options will remain exercisable for six months (or 12 months in the case of death) and then lapse.

Corporate events

Options may generally be exercised early on a takeover, scheme of arrangement or winding up, to the extent that the related savings are sufficient to fund the exercise, in which case the option will normally be exercisable for a period starting up to 20 days before and ending up to six months after the relevant corporate event. Alternatively, option holders may be allowed to exchange their existing options for equivalent new options over shares in the acquiring company.

Overall plan limits

The Scheme may operate over new issue ordinary shares, treasury shares or ordinary shares purchased in the market. In any 10 calendar year period, the Company may not issue (or grant rights to issue) more than 10% of the issued ordinary share capital of the Company under the Scheme and any other employee share scheme adopted by the Company.

Treasury shares will count as new issue ordinary shares for the purposes of these limits unless the institutional investors decide that they need not so count.

Pensionability

Benefits received under the Scheme will not be pensionable.

Rights attaching to ordinary shares

All ordinary shares allocated under the Scheme when the option is exercised will rank equally with all other ordinary shares in the Company for the time being in issue (except as regards any dividends or other rights attaching to such shares by reference to a record date prior to the date of allotment) and application will be made to the UK Listing Authority for such shares to be admitted to the Official List.

Variation of capital

In the event of any variation of the Company's share capital, the Board may make such adjustments as it considers appropriate to the number of ordinary shares subject to options and the price payable on the exercise of options.

Amendments

The Board may amend the provisions of the Scheme in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, the overall limit on the issue of ordinary shares or the transfer of treasury shares, the maximum entitlement of any one participant or the basis for determining a participant's entitlement to, and the terms of, the ordinary shares to be acquired and the adjustment of options in the event of any variation of the Company's share capital.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or a participating company.

Overseas schemes

The shareholder resolution to approve the Scheme will allow the Board, without further shareholder approval, to operate other schemes for overseas territories, any such scheme to be similar to the Scheme but modified to take account of local tax, exchange controls or securities laws, provided that any ordinary shares made available under such further schemes are treated as counting against the limits on individual and overall participation in the Scheme.

The Company proposes to use this authority to continue with the operation of its International Sharesave Plan and Irish Sharesave Plan.

Appendix 6

Authority for Bunzl plc (the 'Company') to purchase its own ordinary shares

Details of proposals

Authority is sought for the Company to purchase up to 10% of its issued ordinary shares, renewing the authority granted by shareholders at last year's Annual General Meeting ('AGM'). Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The directors will consider holding any ordinary shares the Company may purchase as treasury shares. This would give the Company the ability to re-issue treasury shares quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base. The Company does not currently hold any shares in treasury.

The directors have no present intention of exercising the authority to make market purchases. However the authority provides the flexibility to allow them to do so in the future. The directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and could be expected to result in an increase in the earnings per share of the Company.

The minimum price, exclusive of expenses, which may be paid for an ordinary share is 32^{1/2}p. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of: (i) an amount equal to 5% above the average market value of an ordinary share for the five working days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent purchase bid at the time on the trading venue where the purchase is carried out.

The number of options to subscribe for ordinary shares outstanding at 12 March 2021, being the latest practicable date prior to the date of the Chairman's letter, was 1,293,773, representing 0.4% of the Company's issued share capital as at that date. If the existing authority given at last year's AGM and the authority now being sought by Resolution 21 were to be fully used, these outstanding options would represent 0.5% of the Company's issued share capital.

The authority will expire at the earlier of the conclusion of next year's AGM and the close of business on 21 July 2022.

UK taxation consequences

The main taxation consequences under current UK legislation in force on 12 March 2021 of a purchase of ordinary shares taking place on or after 5 April 2021 pursuant to the proposed authority would be broadly as follows:

- (a) for the Company: for corporation tax purposes the Company would be treated as having made a distribution broadly to the extent that the amount paid for the ordinary shares purchased exceeds the price received by the Company when such shares were originally issued. The Company will generally be obliged to pay stamp duty at the rate of 0.5% (rounded up to the nearest £5) of the price paid by it for the ordinary shares; and
- (b) for a shareholder selling in the market: on the basis that all purchases by the Company will be made through the London Stock Exchange Electronic Trading System and that a dealer will act as principal in the purchase of ordinary shares from a shareholder, the sale to the dealer of all or part of a shareholder's holding of ordinary shares ultimately acquired by the Company should generally be treated as a normal market sale. If the ordinary shares are held by the shareholder as a capital asset, the sale to the dealer by the shareholder will generally constitute a disposal for the purposes of tax on capital or chargeable gains (and will not constitute an income distribution) and a chargeable gain or an allowable loss may arise in the hands of the shareholder.

Appendix 7

Explanation of the principal differences between the current articles of association (the 'Current Articles') and the new articles of association (the 'New Articles')

The principal changes to the Current Articles introduced by the New Articles are summarised below. Copies of the Current Articles, the New Articles and the New Articles marked up to show the proposed amendments to the Current Articles will be made available for inspection as noted on page 4 of the Chairman's letter. References below to article numbers are to those of the New Articles, unless otherwise stated.

Untraced shareholders

The New Articles amend the position in relation to untraced shareholders. Rather than requiring Bunzl plc (the 'Company') to take out two newspaper advertisements, the New Articles require the Company to use reasonable efforts to trace the shareholder. 'Reasonable efforts' to trace a shareholder may include, if considered appropriate, the Company engaging a professional asset reunification company or other tracing agent to search for a shareholder who has not kept their shareholder details up to date.

In addition, the New Articles provide that money from the sale of the shares of an untraced shareholder will be forfeited if not claimed after two years.

These changes reflect best practice and provide the Company with appropriate flexibility in connection with locating untraced shareholders.

Sub-division of shares

The New Articles clarify that any shares resulting from a sub-division of the Company's existing shares may, in addition to having any preference or advantage as compared with the Company's other shares, also have deferred or other rights. This change makes administering any sub-division of shares more straightforward.

Operation of general meetings

The New Articles contain specific provisions to clarify that the Company can hold 'hybrid' general meetings (including annual general meetings) and to set out how such meetings are to be conducted. Under the New Articles, the Company may hold hybrid general meetings in such a way that enables members to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility. Voting at hybrid meetings will, by default, be decided on a poll. Hybrid meetings may be adjourned in the event of a technological failure.

The New Articles allow the Company, where appropriate, to make changes to the arrangements for general meetings (including the introduction, change or cancellation of electronic facilities) after notice of the meeting has been issued. The Company may give notice of any such changes in any manner considered appropriate (rather than via an advertisement in two national newspapers). The New Articles also explicitly allow the Company to introduce health and safety arrangements at its meetings.

These changes are being introduced to give the board of directors of the Company (the 'Board') greater flexibility to align with technological advances, changes in investor sentiment and evolving best practice, particularly in light of the COVID-19 pandemic and the uncertain duration of social distancing measures and restrictions on gatherings. The Board believes that hybrid meetings will allow for greater shareholder and stakeholder engagement over the coming years in a way that is more convenient for all parties. Absent exceptional circumstances, members of

the Board intend to continue the practice of attending general meetings of the Company in person. In line with the views expressed by the Investment Association and Institutional Shareholder Services, the changes will not permit meetings to be held exclusively on an electronic basis, so a physical meeting will still be required. In deciding whether and how to hold a hybrid general meeting in future, the Company will have regard to the views of shareholders and institutional governance bodies at the relevant time as well as to relevant guidance or codes of best practice.

The New Articles also specifically refer to the possibility of satellite/multi-venue meetings, such as the use of overflow rooms. Satellite meetings are legally valid even without such a provision but it has been added for clarity.

These changes are primarily contained in articles 46, 47, 49 and 52. A number of other consequential amendments have been made in the New Articles.

Re-appointment of directors

In line with the requirements of the Financial Reporting Council's UK Corporate Governance Code, the New Articles require directors to retire (and should they wish to remain in office, seek re-election) at each annual general meeting. This requirement does not apply to directors in their first year of appointment who were appointed in the period between the Annual General Meeting ('AGM') notice being issued and the AGM itself. This confirms existing Company practice.

Directors' fees

The New Articles include a higher limit on the aggregate fees payable to non-executive directors of £1,500,000 per annum rather than the existing £1,000,000 per annum. This is intended to allow the Company some headroom in relation to any further appointments of non-executive directors, whether to fill any future vacancies or to appoint additional directors. The level of fees paid to non-executive directors will continue to be monitored by the Board, which intends that all such fees should be in line with market practice.

Borrowing powers

The Board's borrowing powers in the New Articles remain substantively unchanged from its existing borrowing powers in the Current Articles with a cap of, in summary, (i) any amounts written off in respect of goodwill, customer relationships and brands arising on the consolidation or acquisition of brands, businesses or companies remaining within the Group plus (ii) three times the aggregate amount of the Company's adjusted share capital and reserves. The Board believes that this continues to be an appropriate level of borrowing for the Company.

However, given the borrowing powers under the Current Articles have not been substantially amended for at least 13 years, the Company has taken the opportunity to make certain amendments in the New Articles in order to maintain the accuracy and applicability of the relevant provisions, as well as to clarify and simplify the calculation process. This includes, for example: (i) changing UK-specific references in the context of the Company's banking arrangements to ensure that the provisions appropriately reflect the Company's global footprint; and (ii) changing the wording from 'goodwill' to 'goodwill, customer relationships and brands' in respect of limb (i) of the cap above to reflect the fact that, since the existing wording was adopted, the Company's accounting terminology has changed – whereas the term 'goodwill' was previously used to encompass goodwill, customer relationships and brands, the Company now recognises each of those three constituent elements separately.

Directors below minimum through vacancies

The Current Articles provide that where the number of continuing directors falls below the minimum number or the number required for quorum of the Board, they may only act either to appoint further directors themselves or summon general meetings. The New Articles provide greater flexibility as they allow continuing directors or a sole continuing director to act notwithstanding any vacancy (including to appoint directors themselves and summon general meetings). The Board considers it prudent to provide the directors with increased flexibility to ensure that the Company has a functioning Board at all times.

Payments of dividends and other amounts

The New Articles give the Board greater flexibility to determine the appropriate method(s) it uses to pay dividends (and other sums) to shareholders. This may include the phasing out of cheques. This flexibility will help the Board to take account of developments in market practice and keep down the administrative cost of making payments. The New Articles also provide that where a payment cannot be made because a shareholder has not provided valid account details to the Company, that amount will be treated as unclaimed until the shareholder provides those details.

Strategic report and supplementary materials

The Companies Act 2006 and the Companies (Receipt of Accounts and Reports) Regulations 2013 allow the Company to send a copy of its strategic report with supplementary material instead of its full accounts to a member who has elected or tacitly agreed to receive these documents, provided that the Company is not prohibited from doing so in its articles. Article 128 is intended to make it clear there is no such prohibition. Shareholders should note that they can always view the full annual report on the Company's website or request a hard copy from the Company's registrar, Computershare Investor Services PLC.

Service of notices

Changes are proposed to clarify the provisions in articles 129, 131 and 132 relating to service of notices or documents by the Company and, in particular, that the Company may choose not to serve a notice or other document to a member where it considers it necessary or appropriate to deal with legal, regulatory or practical problems in a particular territory.

General

As the Company is proposing to make the changes described above, the opportunity has been taken to also incorporate amendments of a more minor, technical or clarifying nature to reflect changes in applicable law or current market best practice, to remove provisions in the Current Articles which duplicate English company law and to include some clearer language in other parts of the New Articles.

