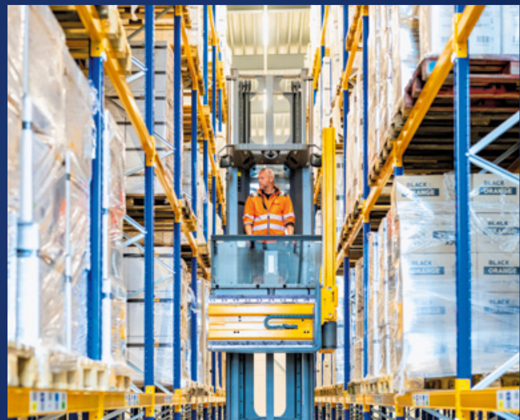
RESOURCEFUL AND RESILIENT
CONSISTENT COMPOUNDING GROWTH



BUNZL




Bunzl plc
Annual Report 2024

Millions of people around the world use a Bunzl product every day of their lives. We are the largest value-added distributor in the world in our market sectors.

A focused and successful specialist international distribution and services group with operations across the Americas, Europe, Asia Pacific and UK & Ireland.

Our purpose is to deliver essential business solutions around the world and create long term sustainable value for the benefit of all our stakeholders.

We have delivered long term consistent growth through our disciplined compounding strategy, driven by acquisitions, organic growth and operational efficiency, supported by the resilience of our business model. By maintaining our discipline, leveraging our scale, and continually enhancing our customer offering, we continue to build a resilient and adaptable business that is well-positioned for sustained long term value creation.

Going digital
As we move further and further into a digital world, help us to reach our carbon emissions target and create a more sustainable world by opting out of the printed edition of our report for next year.

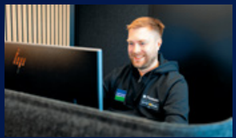
www.bunzl.com/investors/shareholder-information/registrar-information/

// INSIDE THIS REPORT

RECORD YEAR FOR ACQUISITION SPEND

PAMARK GROUP

c.£49m
2023 revenue



Acquisition completed: February 2024

Finland
- Cleaning & Hygiene
- Healthcare
- Foodservice
- Safety

Read more about our anchor acquisition strategy on page 28

NISBETS

£498m
2023 revenue

Acquisition completed: May 2024

UK
- Foodservice

Read more about how we acquire and integrate market-leading businesses on page 30

ARROW COUNTY SUPPLIES

£24m
2023 revenue

Acquisition completed: October 2024

UK
- Cleaning & Hygiene

C&C GROUP

£26m
revenue in the year to April 2024

Acquisition completed: October 2024

UK
- Foodservice

COMODIS

c.£20m
revenue in the year to March 2024

Acquisition completed: December 2024

France
- Cleaning & Hygiene

RCL IMPLANTES

c.£18m
2023 revenue

Acquisition completed: July 2024

Brazil
- Healthcare

CLEAN SPOT

Acquisition completed: June 2024

Canada
- Cleaning & Hygiene

c.£4m
2023 revenue

HOLLAND PACKAGING

Acquisition completed: June 2024

Netherlands
- Retail

c.£14m
2023 revenue

SISTEMAS DE EMBALAJE ANPER

Acquisition completed: June 2024

Spain
- Other – industrial packaging

c.£24m
2023 revenue

CERMERÓN

Acquisition completed: August 2024

Spain
- Foodservice

c.£11m
2023 revenue

POWERVAC

Acquisition completed: July 2024

Australia
- Cleaning & Hygiene

c.£5m
2023 revenue

CUBRO GROUP

Acquisition completed: September 2024

New Zealand
- Healthcare

c.£44m
revenue in the year to March 2024

DBM MEDICAL GROUP

Acquisition completed: September 2024

New Zealand
- Healthcare

Read more about how bolt on acquisitions enhance our compounding growth on page 29

c.£7m
revenue in the year to June 2024

13
acquisitions announced

£883m
committed acquisition spend

£744m
annualised annual revenue acquired

Geographic expansion by completing first acquisition in Finland

Acquisitions completed in
5
market sectors and
9
countries: wide range of consolidation opportunities

// A YEAR IN REVIEW

A YEAR OF SIGNIFICANT STRATEGIC PROGRESS FOR BUNZL, **MARKED BY RECORD ACQUISITION ACTIVITY**

Bunzl is a resilient growth compounder with a business model and strategy that delivers consistent long-term growth, a high return on invested capital alongside significant acquisition spend, and low volatility of earnings growth.

FINANCIAL PERFORMANCE HIGHLIGHTS

Revenue
£11,776m
(2023: £11,797m) **+3.1%†**
Change at actual exchange rates (0.2)%

Adjusted operating profit*
£976.1m
(2023: £944.2m) **+7.2%†**
Growth at actual exchange rates 3.4%

Adjusted earnings per share*
194.3p
(2023: 191.1p) **+5.5%†**
Growth at actual exchange rates 1.7%

Years of consecutive annual dividend increases
32

Cash conversion*
93%
(2023: 96%)

Committed acquisition spend
£883m

Adjusted net debt: EBITDA*
1.8x
(2023: 1.2x)

Operating profit
£799.3m
(2023: £789.1m)
Growth at actual exchange rates 1.3%

Basic earnings per share
149.6p
(2023: 157.1p)
Change at actual exchange rates (4.8)%

Dividend per share
73.9p
(2023: 68.3p) **+8.2%**

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES TO STATUTORY MEASURES FOR THE YEAR ENDED 31 DECEMBER 2024

	Alternative performance measures £m	Adjusting items: Amortisation excluding software £m	Adjusting items: Acquisition related items £m	Adjusting items: Non-recurring pension scheme credit £m	Adjusting items: Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	976.1	(148.3)	(31.7)	3.2		799.3	**Operating profit**
Finance income	72.6					72.6	Finance income
Adjusted finance expense	(175.8)		(2.2)			(178.0)	Finance expense
Disposal of businesses	–				(20.3)	(20.3)	Disposal of businesses
Adjusted profit before income tax	872.9	(148.3)	(33.9)	3.2	(20.3)	673.6	**Profit before income tax**
Tax on adjusted profit	(222.4)	42.8	7.8	(0.8)	–	(172.6)	Income tax
Adjusted profit for the year	650.5	(105.5)	(26.1)	2.4	(20.3)	501.0	**Profit for the year**
Adjusted earnings per share attributable to the Company's equity holders	194.3p	(31.5)p	(7.8)p	0.7p	(6.1)p	149.6p	**Basic earnings per share attributable to the Company's equity holders**

This review refers to alternative performance measures which exclude charges for amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and any associated tax, where relevant. None of these items relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and they are removed in calculating the profitability measures by which management assesses the performance of the Group. Further details of these alternative performance measures can be found in Note 3, page 151.

Growth at constant exchange rates is calculated by comparing the 2024 results to the results for 2023 retranslated at the average exchange rates used for 2024.

* Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
† At constant exchange rates.

// A YEAR IN REVIEW *continued*

//
Sustainability remains a key strategic priority, and the Group is committed to helping lead the transition to a more sustainable and equitable future by continuing to direct our efforts into the four key areas where we believe we can make the greatest positive contribution: providing alternative packaging solutions; ensuring responsible supply chains; investing in our people; and taking action on climate change."

FRANK VAN ZANTEN
Chief Executive Officer

SUSTAINABILITY PERFORMANCE HIGHLIGHTS

RESPONSIBLE SUPPLY CHAINS

89%
of our spend in high risk regions from assessed and compliant suppliers
(2023: 81%)

1,175
suppliers assessed
(2023: 1,022)

c.97%
of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs

INVESTING IN A DIVERSE WORKFORCE

25%
senior leadership* roles filled by women

* Senior leadership defined as the c.530 leaders who receive share options as part of their remuneration

+3%
compared to the same population in 2023

TAKING ACTION ON CLIMATE CHANGE

18%
reduction in absolute emissions since 2019
(2023: 18%)

26%
more carbon efficient since 2019
(2023: 30%)

33%
of suppliers* by emissions currently have science-based targets in place

* Suppliers that are covered by our scope 3 supplier engagement target.

PROVIDING SUSTAINABLE SOLUTIONS

1%
of Group revenue generated from consumables that are facing regulation

86%*
of Group revenue attributable to non-packaging products and packaging products made from alternative materials that are well suited to a circular economy

* Excludes revenue from acquisitions

// AT A GLANCE

SUPPORTING BUSINESSES GLOBALLY **WITH ESSENTIAL PRODUCTS AND SERVICES**

£976.1m
Adjusted operating profit

26,978
Employees

32
Countries we operate in

We provide a one-stop-shop, on-time and in-full specialist distribution service across 32 countries, supplying a broad range of internationally and responsibly sourced non-food products to a variety of market sectors.

OUR BUSINESS AREAS

NORTH AMERICA

56%

£6,568m
2024 revenue

CONTINENTAL EUROPE

20%

£2,377m
2024 revenue

UK & IRELAND

14%

£1,626m
2024 revenue

REST OF THE WORLD

10%

£1,205m
2024 revenue

// AT A GLANCE *continued*

OUR MARKET SECTORS

SAFETY

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

HEALTHCARE

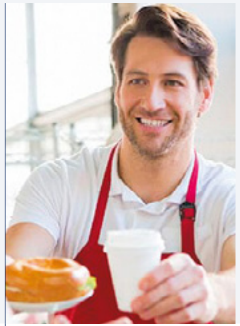
Healthcare consumables, including gloves, masks, swabs, gowns, bandages and other healthcare related equipment, as well as cleaning & hygiene products and healthcare devices to hospitals, care homes and other facilities serving the healthcare sector.

CLEANING & HYGIENE

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

GROCERY

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



FOODSERVICE

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

RETAIL

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

OTHER

A variety of product ranges to other end user markets.

MARKET SECTOR REVENUE SPLIT

£11.8bn
Overall Group revenue

Safety	Healthcare	Cleaning & Hygiene	Grocery	Foodservice	Retail	Other
15.8%	6.4%	10.4%	25.4%	29.3%	8.1%	4.6%

BUNZL'S STRATEGY AND PEOPLE ARE THE DRIVERS OF **LONG TERM GROWTH**

PETER VENTRESS
Chairman

+54%
adjusted earnings per share growth over the last five years, at constant exchange rates

£1.2bn
returned via dividend and 2024 buyback over the last five years

32 years
of consecutive annual dividend growth

2024 saw Bunzl achieve another year of excellent progress and delivery against its compounding growth strategy, with the Group committing a record amount of spend to acquisitions in the year. Furthermore, the Group extended its track record of consecutive annual dividend growth to 32 years, and aligned to its recently launched capital allocation commitment, completed a £250 million share buyback.

At constant exchange rates, Bunzl has seen adjusted earnings per share increase by 54% over the last five years, supported by the Group's growth strategy delivering revenue growth of 30% over this period and operating margin expansion from 6.9% to 8.3% at constant exchange rates. Over these five years, Bunzl has committed £2.6 billion to acquisitions, while return on invested capital has increased from 13.6% to 14.8%, and earnings growth has remained resilient, highlighting the Group's discipline in successfully executing its strategy to generate returns for its shareholders. Alongside this we have returned £1.2 billion to shareholders over this period through dividends and a share buyback in 2024.

Bunzl's consistently strong performances over recent years has resulted in the Group's leverage falling and remaining below its adjusted net debt to EBITDA target of 2.0 to 2.5 times. As a result, in 2024 the Board took the decision to commit to steadily returning adjusted net debt to EBITDA to within the target range of 2.0 to 2.5 times by the end of 2027. The Group has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. In addition, the Board announced a £250 million share buyback that was executed in the second half of 2024 and a further £200 million share buyback to be completed during 2025, which was announced on 17 December 2024 and is currently underway with £50 million of shares purchased to date.

I have great confidence that the entrepreneurialism and agility of our people, supported by the diversification of our portfolio, and the overall resilient nature of the Group, will continue to deliver long term growth and shareholder value.

// CHAIRMAN'S STATEMENT *continued*

> // I have great confidence that the entrepreneurialism and agility of our people, supported by the diversification of our portfolio, and the overall resilient nature of the Group, will continue to deliver long term growth and shareholder value."

People and culture

Bunzl's most valuable asset is its people whose entrepreneurial spirit, agility, and dedication ensure the delivery of exceptional service to our customers as well as fuelling the innovation and operational excellence that underpin the Group's ongoing success. Following Bunzl's global pilot of the external 'Great Place to Work' survey in 2023, the Group again sought accreditation in 2024 but this time across all businesses, with half of those surveyed doing so for the first time. Following this, around 76% of operating companies achieved the certification in 2024. Demonstrating that our people continue to find Bunzl a fulfilling place to work and trust the company and its leadership, the Group results saw a 2% increase in its Trust Index score to 71%. Strong employee engagement is key to our proposition, as it supports our delivery of a high level of customer service. We also continued to accelerate our diversity and inclusion agenda to ensure that we have a working environment which supports individual well-being, growth and career progression. In 2024, the percentage of women within our senior leadership team of c.530 (defined as those receiving long term incentives) was 25%. This compares to 22% in 2023 and 20% in 2022.

Sustainability

I am pleased with the progress Bunzl has made with its sustainability ambitions over 2024. In 2023 we followed the Science Based Target initiative ('SBTi') Net Zero Standard to develop our transition plan and are pleased that this was formally approved by the SBTi in 2024. Bunzl's consolidated delivery model and strategic focus on operational efficiency continues to support the reduction of Bunzl's direct carbon emissions, which include scope 1 and scope 2 emissions. However, with c.99% of our carbon emissions being scope 3, the success of our transition plan is therefore reliant on successful engagement and collaboration with our suppliers, which we made significant progress on in 2024. Furthermore, we continue to innovate on product offerings that support our customers to move to products better suited to the circular economy. This included a c.30% increase in our emerging exclusive sustainable own brand SKUs, under the EcoSystems, Verive, Sustain and Revive brands.

Dividend

The Board is recommending a final dividend of 53.8p, 7.4% higher than the prior year, resulting in a full year dividend of 73.9p. This represents an 8.2% increase in the total dividend compared to 2023 and is Bunzl's 32nd consecutive year of annual dividend growth. The Group's dividend cover reduced to just over 2.6 times, with further normalisation of dividend cover expected in 2025. The Group remains committed to ensuring sustainable dividend growth.

Governance

It was announced on 12 December that Lloyd Pitchford, who joined the Board in March 2017 and is currently the Chair of the Audit Committee, will be stepping down from his position at the conclusion of the Company's Annual General Meeting ('AGM') on 23 April 2025. Lloyd's independent advice and wise counsel have been greatly appreciated, and he leaves the Board with the Company's gratitude and best wishes.

On 16 December 2024 Daniela Barone Soares OBE and Julia Wilson were appointed as non-executive directors of the Group. Daniela's Environmental, Social and Governance ('ESG') credentials and in-depth knowledge of the role technology can play in driving change will be a valuable addition to the Board and will further enhance our ESG capabilities. Furthermore, Daniela brings considerable international experience, having also previously worked in the USA, Brazil and Europe. As the Company continues to expand and develop, Julia's extensive audit and UK regulatory expertise and significant executive-level strategic and financial leadership experience will be of great value. Julia will succeed Lloyd as Audit Committee Chair. The proportion of female directors on the Board is 50%, while female representation on our Executive Committee remains at 40%.

Peter Ventress
Chairman
3 March 2025

KEY TAKEAWAYS

£700m p.a.
capital allocation commitment for each of the years 2025-2027

£450m
2024 completed buyback plus the announced 2025 buyback

Women in senior leadership
25%

SBTi approval
for net zero transition plan

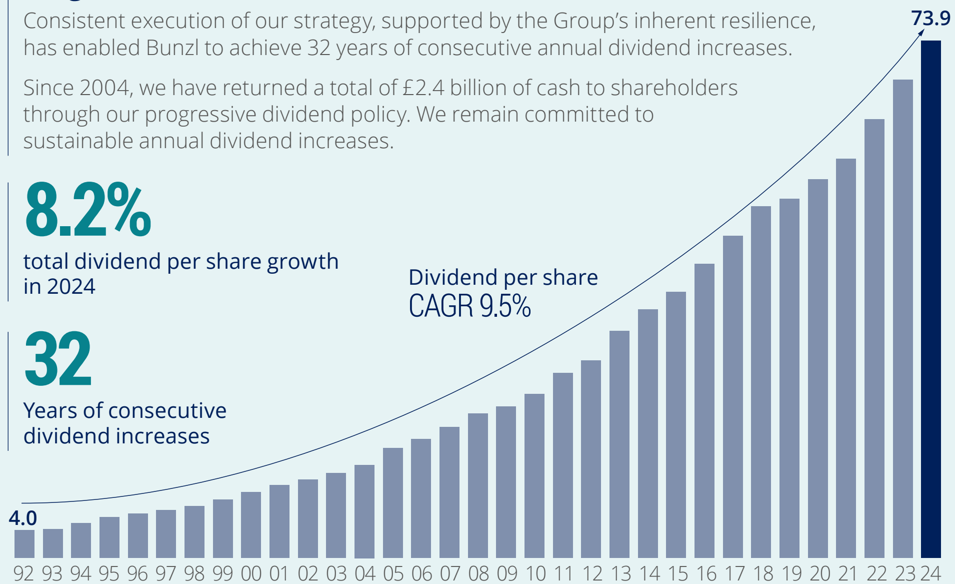
Progressive dividend

Consistent execution of our strategy, supported by the Group's inherent resilience, has enabled Bunzl to achieve 32 years of consecutive annual dividend increases.

Since 2004, we have returned a total of £2.4 billion of cash to shareholders through our progressive dividend policy. We remain committed to sustainable annual dividend increases.

8.2%
total dividend per share growth in 2024

32
Years of consecutive dividend increases



// INVESTMENT CASE

A STRONG TRACK RECORD FOR **DELIVERING GROWTH AND RETURNS TO SHAREHOLDERS**

Bunzl has a compounding growth strategy that consistently delivers, with sustainability a vital part of the equation.

// The performance of our business year on year always delivers returns for stakeholders. However, none of this would be possible without the hard work and dedication of our international teams, who work tirelessly across the world to deliver the best service possible for each and every one of our customers."

1 A DIVERSIFIED, BALANCED AND RESILIENT BUSINESS

2 CONSISTENT COMPOUNDING GROWTH STRATEGY WITH STRONG TRACK RECORD

3 SIGNIFICANT OPPORTUNITIES FOR FUTURE GROWTH

4 SUSTAINABLE AND EQUITABLE GROWTH

5 HIGHLY CASH GENERATIVE AND STRONG FINANCIAL DISCIPLINE

6 CAPITAL ALLOCATION VISIBILITY TO ENHANCE SHAREHOLDER RETURNS

1 A DIVERSIFIED, BALANCED AND RESILIENT BUSINESS

- Value-added service around essential products
- Operating across a diverse range of end markets and geographies
- Low customer and supplier concentration
- Long term customer and supplier relationships

32
countries globally in which Bunzl is present

6
customer focused market sectors

>20 years
average length of partnership with top 40 North America customers

c.28%
current own brand penetration

2 CONSISTENT COMPOUNDING GROWTH STRATEGY WITH STRONG TRACK RECORD

- Strategic focus on profitable organic growth, operating model improvements, and self-funded acquisitions
- Strong track record of growth in revenue, adjusted operating profit and adjusted earnings per share
- Long term dividend growth and total shareholder return

227
announced acquisitions since 2004

c.9%
adjusted operating profit[1] CAGR since 2004

194.3p
adjusted earnings per share[1], growing from 31.7p in 2004 at c.9% CAGR

32 years
of consecutive annual dividend growth

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

// INVESTMENT CASE *continued*

3 SIGNIFICANT OPPORTUNITIES FOR FUTURE GROWTH

- Significant opportunities for growth in existing countries and markets through consolidation of fragmented markets
- Scope for further geographic and new sector expansion
- Strong balance sheet to support acquisition opportunities

£6.1bn
self-funded committed acquisition spend from 2004 to 2024

1.8x
net debt to EBITDA[1] provides substantial capacity for further self-funded acquisitions

4 SUSTAINABLE AND EQUITABLE GROWTH

- Industry-leading ethical supplier audits
- Carbon efficiency through consolidation and customer collaboration
- Proactive leader in the transition to alternative material products
- Decentralised business model supports people and customer focus

c.97%
purchasing spend[2] in low risk regions or assessed or compliant suppliers in high risk regions

18%
reduction in scope 1 and 2 emissions since 2019

10%
of Group revenue generated by consumables with an opportunity to transition in 2024

50%
of Board members and 40% of our Executive Committee are female

5 HIGHLY CASH GENERATIVE AND STRONG FINANCIAL DISCIPLINE

- Consistently strong cash conversion
- Disciplined capital allocation
- Strong returns achieved

93%
cash conversion[1]

14.8%
return on invested capital[1]

43.2%
return on average operating capital[1]

6 CAPITAL ALLOCATION VISIBILITY TO ENHANCE SHAREHOLDER RETURNS

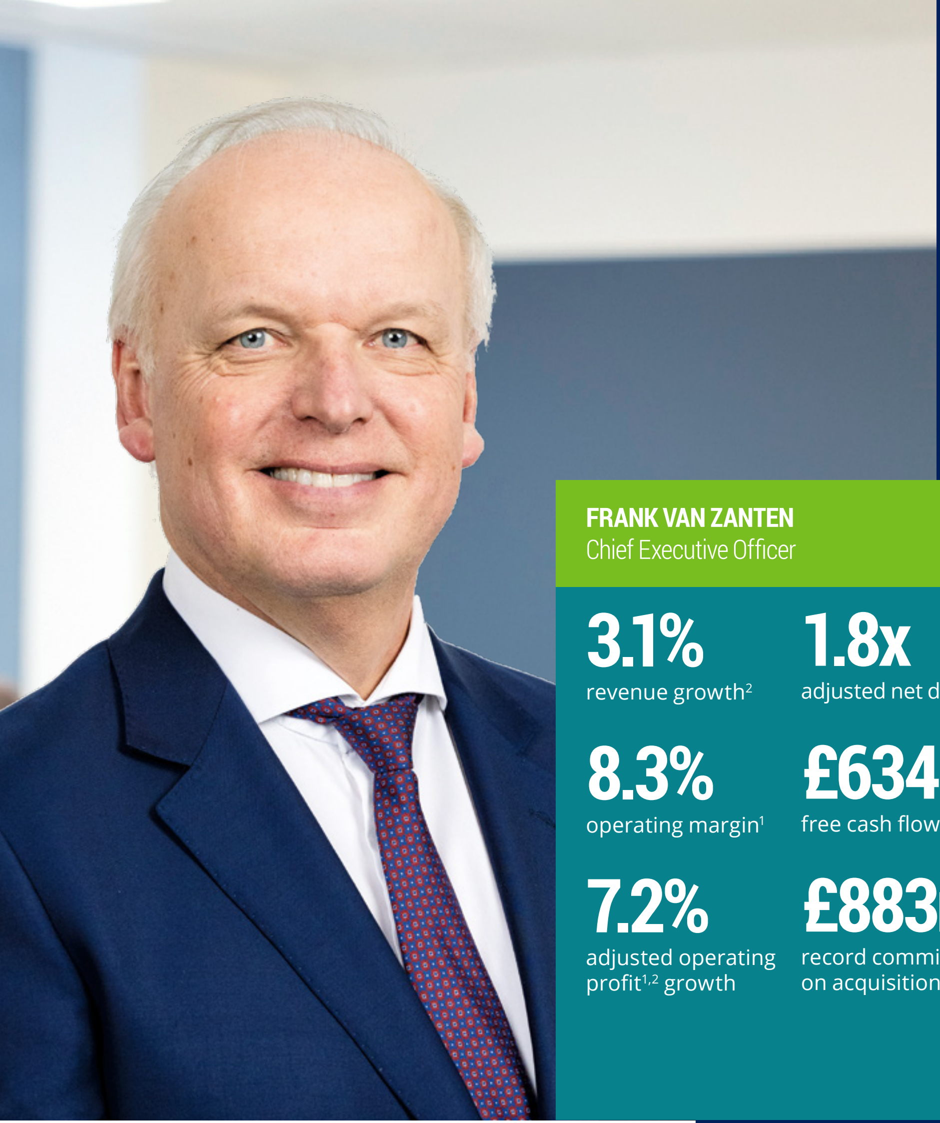
- Balance sheet supports additional investment in acquisitions with new minimum spend commitment each year up to 2027
- Consistency of cash generation supports additional shareholder returns

c.£700m p.a.
committed primarily to be invested in value-accretive acquisitions and, subject to acquisition spend, returns of capital in each of the three years ending 31 December 2027

£450m
2024 completed buyback plus the announced 2025 buyback

2.6x
dividend cover in 2024, with further normalisation planned

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. c.97% of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs which include freight, duties and FX related costs.



FRANK VAN ZANTEN
Chief Executive Officer

3.1%
revenue growth[2]

1.8x
adjusted net debt to EBITDA[1]

8.3%
operating margin[1]

£634m
free cash flow[1]

7.2%
adjusted operating profit[1,2] growth

£883m
record committed spend on acquisitions

DELIVERING HIGHLY RESILIENT COMPOUNDING GROWTH

Overview

Bunzl has delivered another year of strong adjusted operating profit growth, building on its track record of consistent annual earnings growth, and highlighting the resilience of Bunzl's business model and the success of its compounding growth strategy, underpinned by the ingenuity and dedication of its people. Over 2024, our operating margin continued to expand, and we saw a recovery from a period of organic revenue decline as revenue trends improved in the second half of the year. Operating margin remains sustainably higher than the levels achieved historically, having expanded from 6.9% in 2019 to 8.3% at constant exchange rates. This margin expansion has been supported by both higher margin acquisitions and good margin management initiatives, including the development of own brand, as well as our continual focus on operational efficiency and increasing value-added services to customers.

Bunzl has had a record year of allocating capital to acquisitions, with 13 announced in 2024. Over the year, acquisitions included our first geographic expansion into Finland and Bunzl's acquisition of Nisbets, a leading, high quality distributor of catering equipment and consumables with a strong own brand portfolio and excellent digital capabilities. Bunzl continues to focus on disciplined portfolio management, regularly reviewing its portfolio of companies, and disposed of two small businesses in 2024 and another in January 2025.

Alongside our sustainability and digital capabilities, the development of innovative own brand ranges continues to strengthen Bunzl's competitive advantage, as we create products that drive value and meet specific customer needs, at compelling prices. Approximately 28% of our revenue in 2024 was delivered through the sale of own brand products, with our largest business in North America achieving a particularly strong increase in own brand penetration over the year. Importantly, and across the Group, we continue to collaborate with our strategic third party branded supplier partners to provide unparalleled choice for our customers.

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2. At constant exchange rates.

// CHIEF EXECUTIVE'S STATEMENT *continued*

ACQUISITIONS SUPPORT BUNZL'S STRATEGIC DEVELOPMENT

Strengthening our capabilities and further consolidating fragmented markets

MARKET EXPANSION

- **Share gains** in existing markets
- Expansion into **new sectors within existing countries**
- **Platform acquisitions** – for example, recent entries into **Poland** and **Finland**, and acquisition in **Germany** which materially increased Bunzl's presence

SECTOR DEVELOPMENT

- Focus towards **higher value-added** distribution sectors
- **c.70%** of announced acquisitions have been in the Healthcare, C&H and Safety sectors over last five years
- These three sectors have good **structural drivers** and support GDP plus organic growth opportunity

BUILDING CAPABILITIES AND SCALE

- Enhanced **digital capabilities** across the Group
- **Talent** growth; **c.8,000** more employees over last five years
- Supportive to **own brand penetration**; significant increase to **c.28%** of revenue in 2024
- Scale provides purchasing benefits; revenue **30%**[1] higher than in 2019

ENHANCING GROUP MARGIN

- Group margin **supported by strategy to increase level of value added distribution services**, which has driven the acquisitions in Healthcare, C&H and Safety
- **c.50%** Bunzl's operating margin[2] expansion since 2019 is attributable to higher margin acquisitions

1. At constant exchange rates.
2. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
3. EcoSystems, Verive, Sustain and Revive own brands.
4. Excluding acquisitions made in 2024.

Operating performance

The commentary below is stated at constant exchange rates unless otherwise highlighted.

Revenue

Revenue increased by 3.1% to £11,776.4 million. Acquisition related revenue growth, net of disposals, of 5.1% and a 0.4% benefit from an additional trading day in the year were partially offset by an underlying revenue decline of 2.4%. Organic revenue decline, which is not adjusted for the impact of the number of trading days in the year, was 2.0%. The decline in underlying revenue was mainly driven by deflation across North America, Continental Europe and UK & Ireland; strategic changes in our US foodservice redistribution business to increase our own brand penetration, which alongside price competition resulting from the deflationary environment, led to volume softness; and the expected impact from transitioning ownership of customer specific inventory to our customers in our US retail business in the first half of the year. Underlying revenue in the second half was flat, driven by Group volumes returning to slight growth and a small easing of deflation driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Net deflation is expected to remain a headwind to Group revenue heading into 2025.

Safety, cleaning & hygiene and healthcare – total organic revenue in the safety, cleaning & hygiene and healthcare businesses saw a 0.4% increase over the year. Moderate growth in our safety sector was driven by strong growth in Rest of the World, supported by inflation as well as volume growth, but partially offset by more mixed trading elsewhere. The cleaning & hygiene sector saw some volume growth, however, deflation more than offset this leading to a moderate organic revenue decline. Organic revenue in our healthcare businesses saw good growth, driven by Rest of the World.

KEY TAKEAWAYS

Continued acquisition success, with

13 acquisitions

announced in 2024, including acquisition of Nisbets and first acquisition in Finland

c.28%

own brand penetration vs c.25% in 2023

c.45%

increase in our emerging exclusive sustainable own brand[3] SKUs vs 2023

Increased digital order percentage to

75%[4]

vs. 72% in 2023; further enhancing customer stickiness and increasing low touch customer ordering

19

warehouse relocations and consolidations, further driving operating efficiency

// CHIEF EXECUTIVE'S STATEMENT *continued*

Grocery and other sectors – total organic revenue in the grocery and other sectors declined by 1.8%, with volume growth, driven by net business wins in North America, more than offset by deflation.

Foodservice and retail – total organic revenue in foodservice and retail combined declined by 4.2%. Deflationary pressures contributed a large part of the decline, in addition to the volume impact of strategic actions taken in our US foodservice redistribution business and US retail business, as well as a retail customer loss in the US. Volumes in our US foodservice redistribution business stabilised during the second half of the year and actions taken in North America's retail business drove growth in adjusted operating profit for the sector over the year, alongside a strong increase in return on average capital employed.

Profit and earnings

Adjusted operating profit for the year was £976.1 million, an increase of 7.2%. Operating margin increased to 8.3% compared to 8.0% in 2023, supported by both higher margin acquisitions and an underlying margin improvement. Group gross margin expanded strongly, supported by acquisitions and own brand development, but was partly offset by a higher operating costs to sales ratio. Operating cost inflation was moderate, with wage inflation remaining higher than typical levels in UK & Ireland and Continental Europe, although wage inflation was at more typical levels in North America. Wage inflation in Continental Europe and UK & Ireland is expected to normalise in 2025, although the UK is expected to be impacted by increased National Insurance and National Living Wage costs. Property cost inflation remains high linked to lease renewals, but fuel and freight inflation was well managed over the year, supported by contract retendering in North America. Continental Europe was particularly impacted by its relatively high cost to serve operating model, and the business area has an active focus on cost initiatives heading into 2025. Operating cost efficiency programmes, including warehouse consolidations and relocations, were a partial offset to inflation. Reported operating profit was £799.3 million, an increase of 5.0% (up 1.3% at actual exchange rates).

The effective tax rate of 25.5% was higher than the 25.0% in the prior year, reflecting the increase in the UK statutory tax rate from 23.5% for calendar year 2023 to 25.0% for 2024. The effective tax rate in 2025 is expected to be around 26.0%.

Adjusted profit for the year was £650.5 million, an increase of 5.5%. Adjusted earnings per share were 194.3p, an increase of 5.5%, and basic earnings per share were 149.6p, a decrease of 0.9% (down 4.8% at actual exchange rates), largely due to the currency translation loss related to the disposal of our business in Argentina. The impact of the 2024 share buyback on weighted average shares was limited given the timing of execution was towards the end of the year. The number of ordinary shares in issue, less the shares held in trust, on 31 December 2024 was 329.3 million, with the £200 million share buyback announced for 2025 commencing at the start of January 2025.

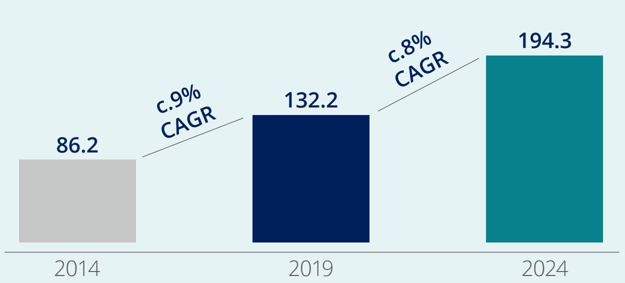
STRONG AND RESILIENT GROWTH COMPOUNDER

A business model and strategy that delivers strong growth, high returns and resilience

Consistent long-term growth

- Group revenue CAGR ('14–'24): c.7%, alongside broadly stable leverage[1]
- Significant shareholder value creation since '04

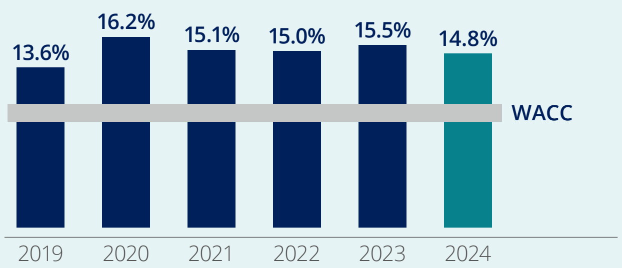
Adjusted EPS[2,3]



High return on invested capital[2]

- High return on invested capital[2] including significant acquisition spend (£2.6bn committed spend over the last five years)
- Consistently well ahead of Group WACC

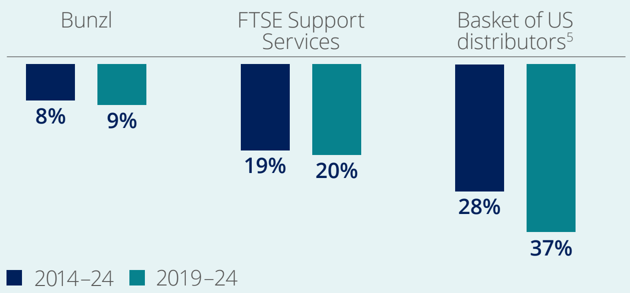
Return on invested capital[2]



Highly resilient EPS growth

- Low volatility of growth
- Resilient model (position in supply chain, diversification) and consistent growth strategy (ongoing consolidation)

EPS growth volatility[4]



1. Leverage is adjusted net debt to EBITDA[2] which was 1.8x at the end of 2024 compared to 1.9x at the end of 2014.
2. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
3. At actual exchange rates.
4. Standard deviation of annual EPS growth.
5. Median standard deviation over time periods across: Amphenol, Builders FirstSource, Danaher, Fastenal, Genuine Parts Company, Henry Shein, IDEX, Pool, Sherwin-Williams, Sysco, W.W. Grainger, Xylem.

// CHIEF EXECUTIVE'S STATEMENT *continued*

KEY TAKEAWAYS

Return on invested capital[1]

14.8%

Return on average operating capital[1]

43.2%

Cash and returns

The Group's cash generation continues to be strong, with 93% cash conversion (operating cash flow as a percentage of lease adjusted operating profit) ahead of our 90% target.

Compared to 2023, free cash flow decreased by 1.5% at actual exchange rates, to £633.8 million, due to a decrease in operating cash flow and an increase in net interest paid excluding interest on lease liabilities, partly offset by a lower cash outflow relating to tax. The strength of our underlying free cash flow generation continues to enable our investment in the business, progressive dividends, self-funded value-accretive acquisitions and other capital allocation options. Adjusted net debt to EBITDA, which excludes lease liabilities and includes total deferred and contingent consideration, at 31 December 2024 was 1.8 times and compares to 1.2 times at 31 December 2023.

Returns remained strong with return on average operating capital of 43.2% (46.1% at 31 December 2023, 36.9% at 31 December 2019), while return on invested capital was 14.8% (15.5% at 31 December 2023, 13.6% at 31 December 2019).

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

Strategy: organic growth and operational efficiency

We remain committed to delivering growth through our consistent compounding strategy which focuses on organic growth, operational efficiency and acquisitions. Key to this is our continual focus on innovative solutions to support our customers' businesses. Over the year we have continued increasing the percentage of own brand products sold to our customers, as these products enhance our value-added proposition with specifications designed to meet our customers' needs, and they are offered at compelling prices. Our own brand penetration is currently c.28%, compared to c.25% in 2023, with this increase driven by our initiatives in our largest business in North America. Furthermore, we continue to utilise own brands to support our customers' sustainability ambitions, with a c.30% increase since 2023 in our emerging exclusive sustainable own brand SKUs, under the EcoSystems, Verive, Sustain and Revive brands. The product ranges of these brands are better suited to the circular economy. Overall, these brands saw a c.45% increase in revenue over the year, albeit from a small base. The growth of these own brands has highlighted the strategic importance of being able to provide cost-effective sustainable solutions that meet legislative and market needs. Overall, the proportion of Group revenue, excluding revenue from acquisitions made in 2024, attributable to non-packaging products or packaging made from alternative materials, both own brand and third party, remained high at 86%.

We have increased the proportion of digital sales, which accounted for 75% of orders over the year, excluding acquisitions made in 2024, compared to 72% in 2023.

Pursuing operating efficiencies remains an important part of our strategy to reduce the impact of operating cost inflation. In 2024, we have been able to partially offset operating cost inflation through further optimisation of our warehouse footprint with the consolidation of 14 warehouses and the relocation of an additional 5. Furthermore, the business continues to look for opportunities to utilise technology to drive efficiency, such as through investments in warehouse automation. The Group has an ongoing focus on operating cost efficiencies going into 2025.

Strategy: acquisitions and disposals

2024 was a record year for annual committed acquisition spend, with £883 million committed, surpassing the previous record level of £616 million in 2017. Bunzl's average annual committed spend over the last four years of c.£550 million compares to an average of c.£340 million for the four year period ended 31 December 2020 and c.£250 million for the four year period ended 31 December 2016, highlighting the step change in the level of acquisition spend Bunzl has committed in recent years.

During 2024, Bunzl announced 13 acquisitions across nine countries and five market sectors, including our first entry into Finland, which further extends our business in the Nordics where we already have a strong presence. We also acquired Nisbets, a leading, high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia, with a strong own brand portfolio and excellent digital capabilities. The integration of Nisbets is progressing well, although market softness and meaningful one-off supply chain challenges earlier in 2024 have impacted financial results, despite improved trading towards the end of the year. With Nisbets strongly complementing our existing businesses, various synergy projects will bring financial benefit to a number of our operating companies in 2025.

Bunzl regularly reviews its portfolio of companies, and in 2024 completed the disposal of two businesses with annualised revenue of c.£17 million. In March, our business in Argentina was sold to its management team, and in July, the Group sold a German business which supplies incontinence products. Furthermore, in January 2025 we sold our US R3 Safety business, Bunzl's only pure wholesale safety business in the US, which generated revenue of c.£50 million in 2024. This decision reflects Bunzl's commitment to ensuring optimal capital allocation across the Group. Since 2022, Bunzl has disposed of four businesses with a combined annual revenue in their final year before disposal of c.£250 million and combined operating margin of low to mid single digit, well below the Group average.

The strength of the Group's cash conversion and balance sheet continues to enable the Group to self-fund further acquisitions, largely through cash generated in the year. Our pipeline remains active, and we see significant opportunities for continued acquisition growth in our existing markets, as well as potential to expand into new markets.

Frank van Zanten
Chief Executive Officer
3 March 2025

OUTLOOK FOR 2025

WE REITERATE OUR GUIDANCE FOR 2025:

- Despite significant uncertainties relating to the wider economic and geopolitical landscape, the Group expects robust revenue growth in 2025, at constant exchange rates, driven by announced acquisitions and slight underlying revenue growth
- Group operating margin[1] is expected to be maintained in-line with 2024 and to remain substantially higher compared to pre-pandemic levels, driven by higher margin acquisitions, as well as a good underlying margin increase
- Other aspects of our full year 2025 guidance, are: (1) the full year effective tax rate is expected to be around 26.0%; (2) the Group expects net finance expenses to be around £115 million

// CHIEF EXECUTIVE'S STATEMENT *continued*

2024 ACQUISITIONS

Acquisition	Completion	Description
Pamark Group	February 2024	• A leading distributor of cleaning & hygiene, healthcare, foodservice and safety products to a broad range of customers in Finland • Bunzl's anchor acquisition into Finland • Revenue of EUR 56 million in 2023 (c.£49 million)
Nisbets	May 2024	• A leading high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia, with a strong own brand portfolio and excellent digital capabilities • Revenue of £498 million in 2023
Clean Spot	June 2024	• A distributor of cleaning & hygiene products and equipment in Canada • Revenue of CAD 7 million in 2023 (c.£4 million)
Sistemas De Embalaje Anper	June 2024	• A distributor of industrial packaging to end-users in Spain • Revenue of EUR 28 million in 2023 (c.£24 million)
Holland Packaging	June 2024	• A distributor of bespoke and customised packaging products and supplies to e-commerce focused companies based in the Netherlands • Revenue of EUR 16 million in 2023 (c.£14 million)
RCL Implantes	July 2024	• A distributor specialising in surgical and medical devices in Brazil • Revenue of BRL 112 million in 2023 (c.£18 million)
PowerVac	July 2024	• A distributor of commercial and industrial cleaning equipment in Western Australia • Revenue of AUD 10 million in 2023 (c.£5 million)
Cermerón	August 2024	• Regional distributor of cleaning & hygiene products to foodservice and hospitality customers in Southern Spain • Revenue of EUR 13 million in 2023 (c.£11 million)
Cubro Group	September 2024	• The leading distributor of mobility aids and clinical furniture to the aged care, community care, and hospital markets in New Zealand • Revenue of NZD 92 million (c.£44 million) in the year to March 2024
DBM Medical Group	September 2024	• A specialist distributor of orthopaedic surgery products in New Zealand • Revenue of NZD 16 million (c.£7 million) in the year to June 2024
Arrow County Supplies	October 2024	• Distributor of cleaning and hygiene products in the UK, with a strong own brand portfolio • Revenue of £24 million in 2023
C&C Group	October 2024	• A specialist foodservice business that complements our existing commercial catering businesses in the UK • Revenue of £26 million in the year to April 2024
Comodis	December 2024	• A leading distributor of cleaning and hygiene products in the Rhône-Alpes region of France, strengthening our presence in this region • Revenue of EUR 23 million (c.£20 million) in the year to March 2024

// CHIEF EXECUTIVE'S STATEMENT *continued*

OUR LEADERSHIP TEAM

Leaders from across the Group meet regularly to review performance, discuss trends affecting our businesses and seek further opportunities for growth and competitive advantage.

Members of the Executive Committee

Frank van Zanten
Chief Executive Officer

Richard Howes
Chief Financial Officer

Diana Breeze
Director of Group Human Resources

Andrew Mooney
Director of Corporate Development

Suzanne Jefferies
General Counsel and Company Secretary

Board of Directors pages 86 and 87

Jim McCool
Chief Executive Officer, North America

Alberto Grau
Managing Director, Continental Europe

Dale Stokes
Managing Director, UK & Ireland

Jonathan Taylor
Managing Director, Latin America

Scott Mayne
Managing Director, Asia Pacific

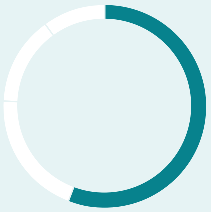
Mark Jordan
Group Chief Information Officer

// BUSINESS AREA REVIEW

STRONG MARGINS IN **NORTH AMERICA**

KEY TAKEAWAYS

56% of revenue and 51% of adjusted operating profit[1, 2]



Revenue
£6,568.1m
(2023: £6,973.5m)

Growth at constant exchange[1]
(2.6)%

Underlying growth[1]
(3.4)%

Adjusted operating profit[1]
£515.6m
(2023: £528.0m)

Growth at constant exchange[1]
1.0%

Operating margin[1]
7.9%
(2023: 7.6%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In North America, revenue declined by 2.6% to £6,568.1 million, with underlying revenue declining by 3.4%, driven by deflation which impacted our foodservice and grocery businesses in particular. Volumes were impacted by reductions in our foodservice redistribution and US retail businesses but grew overall in the second half of the year supported by a business win. Despite the revenue decline, adjusted operating profit improved slightly, to £515.6 million with operating margin increasing to 7.9%, up from 7.6% in the prior year. Margin was supported by ongoing margin management initiatives and continued strong growth in own brands, particularly in our grocery and foodservice segments.

Our business which supports the US grocery sector saw volume growth, driven by net business wins. Favourable margin management and strong growth in own brands drove modest improvement in operating margin. Our convenience store sector was impacted meaningfully by volume loss in certain product categories.

Moderately lower volumes in our foodservice redistribution business were driven by the impact of strategic changes in the business to drive more own brand penetration, alongside increased price competition resulting from the deflationary environment. Volumes stabilised during the second half of the year. Increased own brand penetration supported margin growth, offsetting some of the impact of the revenue decline.

Our other sub-sectors within foodservice, food processor and agriculture, delivered slight volume growth combined, with our agriculture sector recovering from weather driven weakness in the first half of 2023. Margins in our food processor business benefitted from good margin management.

Revenue from the distribution of cleaning & hygiene products declined modestly, as price deflation was offset in part by growth in own brand product categories.

Revenue in our retail supplies business declined due to the annualised impact of transitioning ownership of customer specific inventory to certain customers in the first half, as well as a customer loss. However, adjusted operating profit grew strongly, driven by a favourable mix shift towards higher margin packaging, sourcing initiatives and well-controlled operating costs.

Overall, volumes across our safety businesses were stable, with good growth in our PPE business offset by category losses with certain customers in our asset management business. Inclusive of a small deflation impact, revenue was slightly lower, although operating margin expanded due to strong margin management.

Finally, our business in Canada experienced moderate revenue growth, driven by acquisitions. Underlying revenue declined modestly, driven by price deflation and legislative-driven impacts in certain categories, and underlying operating profit grew modestly, primarily as a result of good margin management.

JIM McCOOL
Chief Executive Officer, North America

// BUSINESS AREA REVIEW *continued*

EFFICIENCY FOCUS IN CONTINENTAL EUROPE

KEY TAKEAWAYS

20% of revenue and 21% of adjusted operating profit[1, 2]

Revenue
£2,377.1m
(2023: £2,354.9m)

Growth at constant exchange[1]
4.1%

Underlying growth[1]
(1.7)%

Adjusted operating profit[1]
£210.8m
(2023: £224.7m)

Growth at constant exchange[1]
(3.1)%

Operating margin[1]
8.9%
(2023: 9.5%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

Revenue in Continental Europe grew by 4.1% to £2,377.1 million, driven by acquisitions. Underlying revenue declined by 1.7%, driven by price deflation which particularly impacted our cleaning & hygiene, grocery and retail businesses in our largest markets. Adjusted operating profit decreased by 3.1% to £210.8 million, with a decline in operating margin from 9.5% to 8.9% reflective of the impact of selling price deflation, as well as operating cost inflation against a relatively high cost to serve operating model. Operating cost inflation was driven by higher than typical wage inflation throughout the year, renewal-linked property inflation and fuel and freight inflation. The second half of the year was particularly impacted. These dynamics were a particular headwind for operating profit performance in France, certain businesses in the Netherlands and in Denmark, although these were partially offset by increased profit from Spain driven by very strong revenue growth. We have an active focus on cost initiatives heading into 2025.

In France, volumes in our cleaning & hygiene businesses delivered some growth with public sector and foodservice customers. Our safety business revenue declined as some growth with larger customers was not sufficient to offset weaker demand from smaller accounts.

Revenue declined in our foodservice business as lower revenues from specific domestic and export customers combined with flat revenue from public sector customers. Overall, moderate revenue decline alongside operating cost growth significantly impacted the operating margin across France in 2024. Optimising operating costs is a key focus for the country, with a new Warehouse Management System introduced in our cleaning & hygiene businesses and with one of our safety warehouses consolidated into another. During 2025 we will be carrying out a large consolidation of our cleaning & hygiene logistics footprint, including the implementation of a new National Distribution Centre.

Revenue in Spain grew very strongly, driven by acquisitions as well as strong underlying growth, with strong volume growth in our cleaning & hygiene and packaging businesses. Growth was driven by new customers and new product ranges in the packaging business. Our safety businesses saw some growth, but revenue in our online healthcare businesses was impacted by weaker demand.

In the Netherlands, our healthcare business was stable, whilst volumes in our grocery and retail businesses were impacted by changing consumer needs. Revenue in our foodservice business declined moderately, and our safety businesses declined slightly as a result of a slowdown in construction and industry sectors. Overall, revenue across the Netherlands benefited from recent acquisitions.

In Belgium, our cleaning & hygiene businesses achieved some volume growth in healthcare and public sector channels. In Germany, our foodservice business delivered good volume growth from new customers, and the back office functions were merged with our smaller cleaning & hygiene business. Our online cleaning & hygiene business grew strongly.

In Denmark, revenue in our foodservice business declined meaningfully, driven by deflation. Revenue in our safety business grew strongly due to increased activity from customers in the shipping and pharmaceutical sectors. Overall revenue in the country decreased and profit performance was impacted by strong operating cost inflation.

In Turkey, volumes declined as we continue to focus on business that can be profitable in a hyperinflationary environment, while our businesses in Switzerland delivered good volume growth, supported by good performance with healthcare customers, although deflation more than offset this.

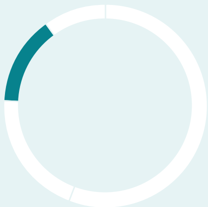
ALBERTO GRAU
Managing Director, Continental Europe

// BUSINESS AREA REVIEW *continued*

INVESTING AND IMPROVING IN UK & IRELAND

KEY TAKEAWAYS

14% of revenue and 13% of adjusted operating profit[1, 2]



Revenue
£1,625.8m
(2023: £1,365.5m)

Growth at constant exchange[1]
19.3%

Underlying growth[1]
(4.2)%

Adjusted operating profit[1]
£135.1m
(2023: £103.4m)

Growth at constant exchange[1]
31.0%

Operating margin[1]
8.3%
(2023: 7.6%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In UK & Ireland, revenue increased by 19.3% to £1,625.8 million due to the impact of acquisitions. This was mainly due to the additional sales from Nisbets, acquired in late May 2024, which more than offset a decline of 4.2% in underlying revenue. The underlying business revenue decline reflects both price deflation, which impacted our cleaning & hygiene, foodservice and grocery businesses in particular, and softer volumes, particularly in the safety, retail and foodservice sectors. Despite the challenging sales environment, the businesses within UK & Ireland generated a significant increase in operating margin which improved from 7.6% to 8.3%, with adjusted operating profit increasing by 31.0% to £135.1 million. Operating profit growth was driven by acquisitions, alongside an improvement in underlying operating profit, supported by a continued focus on good margin management.

Our cleaning & hygiene and care businesses saw moderate volume growth overall, supported by additional customer wins and the acquisition of Arrow County Supplies in October. Our strong sustainability led value proposition to customers continues to be attractive to both existing and prospective customers and contributed to significant growth in operating margins in the year.

The safety businesses experienced a slight increase in revenues in 2024, due to the full year impact of the 2023 acquisition of EHM and was further supported by some new contract wins through the course of the year, in the context of a very challenging year for construction. The business has continued to invest in new operationally efficient locations to deliver outstanding levels of service to customers and is well placed to take advantage of opportunities within housebuilding and other infrastructure projects in 2025.

Volumes in our grocery business were stable, but volumes in our non-food retail businesses saw a moderate decline due to our customers experiencing softer demand from consumers. Our non-food packaging business aimed primarily at the luxury end of fashion and jewellery has been negatively impacted by reduced demand from consumers in both Asia and in Europe. We continue to work with Group companies around the world to provide local fulfilment services in-house which enhances our added value offer to international customers and provides growth opportunities. Despite challenging market conditions our businesses were able to benefit from several product sourcing initiatives.

Our foodservice businesses saw a slight decline in underlying volumes given a tough trading environment for customers, but the businesses delivered year-on-year operating profit growth as a result of strong margin management.

Total foodservice revenues benefited from acquisitions, particularly the acquisition of Nisbets. Over the year, some key customer contract renewals have continued to demonstrate our strong sustainability offering, including our ability to provide sustainable and innovative product alternatives. Nisbets was impacted by market softness and meaningful one-off supply chain challenges earlier in 2024, but ended the year with positive momentum and with synergy projects to benefit in 2025.

Revenue in our businesses in Ireland was slightly down, with volume growth, despite some weakness in the foodservice sector, more than offset by deflation. The continued investments in our operations, including the enhancements made to our warehouse management systems, led to significant warehouse productivity benefits and transport savings. Some notable recent retail sector wins provide opportunities for growth in 2025.

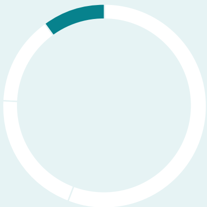
DALE STOKES
Managing Director, UK & Ireland

// BUSINESS AREA REVIEW *continued*

MANAGING STRONG GROWTH IN **REST OF THE WORLD**

KEY TAKEAWAYS

10% of revenue and 15% of adjusted operating profit[1,2]



Revenue
£1,205.4m
(2023: £1,103.2m)

Growth at constant exchange[1]
17.1%

Underlying growth[1]
5.5%

Adjusted operating profit[1]
£146.2m
(2023: £119.6m)

Growth at constant exchange[1]
32.3%

Operating margin[1]
12.1%
(2023: 10.8%)

1 Alternative performance measure (see Note 3 to the consolidated financial statements on page 151 in our Annual Report).
2 Based on adjusted operating profit and before corporate costs (see Note 4 to the consolidated financial statements on page 154 in our Annual Report).

In Rest of the World, revenue increased 17.1% to £1,205.4 million, mainly driven by acquisitions, with underlying revenue increasing by 5.5% driven by strong volume growth in Latin America, and both volume and inflation support in Asia Pacific. Adjusted operating profit grew by 32.3% to £146.2 million with operating margin increasing from 10.8% to 12.1%, driven by positive contributions from acquisitions and supported by good margin management.

In Brazil, our safety businesses delivered very strong sales growth, with strong underlying revenue growth complemented by the benefit from acquisitions, although operating margins were lower driven by sharp currency devaluation. Our healthcare businesses delivered strong underlying growth, with revenue overall substantially higher driven by the acquisition of CT Group in December 2023 and RCL in July 2024, and with a significantly higher margin reflective of the inclusion of these businesses, as well as improvements in both third party brand and own brand segments.

Our cleaning & hygiene businesses had a very strong year as integration of Groupo Lanlimp, acquired in November 2023, yielded both sales growth and much higher operating margins. Finally, our foodservice business showed very strong underlying growth in both sales and operating profit as it benefitted from new customer wins and gaining share with existing customers.

In Chile, our safety businesses also showed good sales growth, but competition impacted operating margin. Our foodservice business delivered strong sales and operating profit growth, as operational improvements implemented at the start of the year supported good performance. Our Safety business in Mexico delivered good volume growth, supported by high growth in e-commerce sales, and benefitted from strong margin management.

Bunzl Australia and New Zealand, our largest business in Asia Pacific, saw strong revenue and adjusted profit growth, with the benefit of acquisitions supported by moderate underlying growth, and strong operating margin expansion driven by margin management. Growth continued to be driven by the healthcare sector across both aged care and hospitals, with food processor also performing well, offset somewhat by lower sales in facilities management and hospitality.

Our MedTech business and specialist healthcare operations in Australia and New Zealand continued to deliver good sales growth, and further benefitted from the acquisitions of Cubro Group and DBM Medical Group in September 2024, with operating margin expansion.

Our Australian safety business had good growth with strong sales growth in its direct to end user division outpacing slightly weaker demand in the redistribution business, which sells to distributors.

The emergency services business saw very strong growth, fulfilling several large government orders across the year. The business also focused on developing its service offering in both government and the resource sector to ensure ongoing sales revenue.

SCOTT MAYNE
Managing Director, Asia Pacific

JONATHAN TAYLOR
Managing Director, Latin America

// MARKET DYNAMICS

FOCUSING ON ATTRACTIVE END MARKETS WITH STRUCTURAL GROWTH

Our GDP plus underlying growth model is supported by activity within our attractive mix of end markets and further supported by structural growth opportunities across these end markets.

OUR MARKET SECTORS

SAFETY

Trends
- Increasing levels of safety standards and compliance
- Greater focus on employee well-being
- Increasingly fashion conscious products broaden appeal

HEALTHCARE

Trends
- Growth of care at home and ageing population
- Increased focus on preventative healthcare
- Increasing spend on healthcare

CLEANING & HYGIENE

Trends
- Enhanced cleaning protocols
- Technology to improve cleaning efficiency
- Increasing return to office working
- Opportunity to support customers with innovative, sustainable solutions

GROCERY

Trends
- Willingness to outsource non-food essentials
- Sustainable packaging growth with transition to alternative products
- Omnichannel strategy supports broadening of product range
- Resilient demand for products through market cycles

FOODSERVICE

Trends
- Eating away from home
- Home delivery
- Sustainable packaging growth with transition to alternative products
- Sector recovery post the Covid-19 pandemic

RETAIL

Trends
- Bricks and mortar retail under pressure
- Omnichannel strategy offsets this; online retail is a growth area
- Sustainable packaging growth with transition to alternative products

REVENUE OPPORTUNITY IN THE MEDIUM TERM

Safety	Healthcare	Cleaning & Hygiene	Grocery	Foodservice	Retail
↑↑	↑↑	↑↑	↑	↑	→

// MARKET DYNAMICS *continued*

2024 SECTOR DEVELOPMENTS

Bunzl's diversification across sectors and geographies is key to its resilience, with Bunzl also benefitting from structural end market growth drivers.

Sector	2024 sector commentary	2024 revenue as % of Group total	Organic revenue[1] 2024 vs 2019	Organic revenue[1] 2024 vs 2023
Safety	• Moderate revenue growth driven by strong growth in Rest of the World, supported by inflation as well as volume growth, but partially offset by more mixed trading elsewhere	33% vs 32% in 2023	7%	0%
Cleaning & Hygiene	• Moderate organic revenue decline with some volume growth more than offset by deflation			
Healthcare	• Good revenue growth, driven by Rest of the World			
Grocery[2]	• Volume growth, driven by net business wins in North America, more than offset by deflation	30% vs 30% in 2023	22%	(2)%
Foodservice	• Deflation impact alongside volume softness in our US foodservice redistribution business as we increased our own brand penetration; volumes stabilised in the second half	37% vs 38% in 2023	7%	(4)%
Retail	• Actions in North America drove increased profitability and returns			

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Also includes the 'Other' sector.

MODERATE OPERATING COST INFLATION IN 2024

Wage inflation
- **North America:** at typical levels in 2024
- **Continental Europe:** remained elevated in 2024; expected to normalise in 2025
- **UK & Ireland:** remained elevated in 2024; expected to normalise in 2025
- National Insurance and National Living Wage impact expected in 2025

Fuel and freight inflation
- Well managed, supported by contract retendering in North America

Property inflation
- Remains high, linked to renewals

Ongoing focus on operating cost efficiencies across the Group going into 2025

OPERATING MARGIN INCREASE DRIVERS

Operating margin increase (8.3% in 2024 vs 8.0% in 2023):
- Strong gross margin expansion supported by acquisitions and own brand development
- Partially offset by a higher operating cost to sales ratio

ENHANCING OPERATIONAL EFFICIENCY

Group-wide warehouse consolidations and relocations, partially offsetting property cost inflation

19

Commenced significant restructuring project to optimise warehouse footprint in France; to be completed 2026

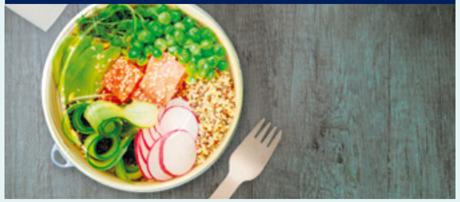
// OUR BUSINESS MODEL

WE PROVIDE ESSENTIAL, TAILORED BUSINESS SOLUTIONS GLOBALLY

A ONE-STOP-SHOP

We provide our customers with essential items that are necessary for their businesses to operate. We reliably source, consolidate and deliver these items through customised solutions, providing both efficiency and value-added benefits.

WE SOURCE



- Sourcing experts and category specialists
- Global supplier relationships
- Own brand portfolio
- Innovative product sourcing, including those well suited to the circular economy
- Customer-specific products
- Competitive prices

WE CONSOLIDATE

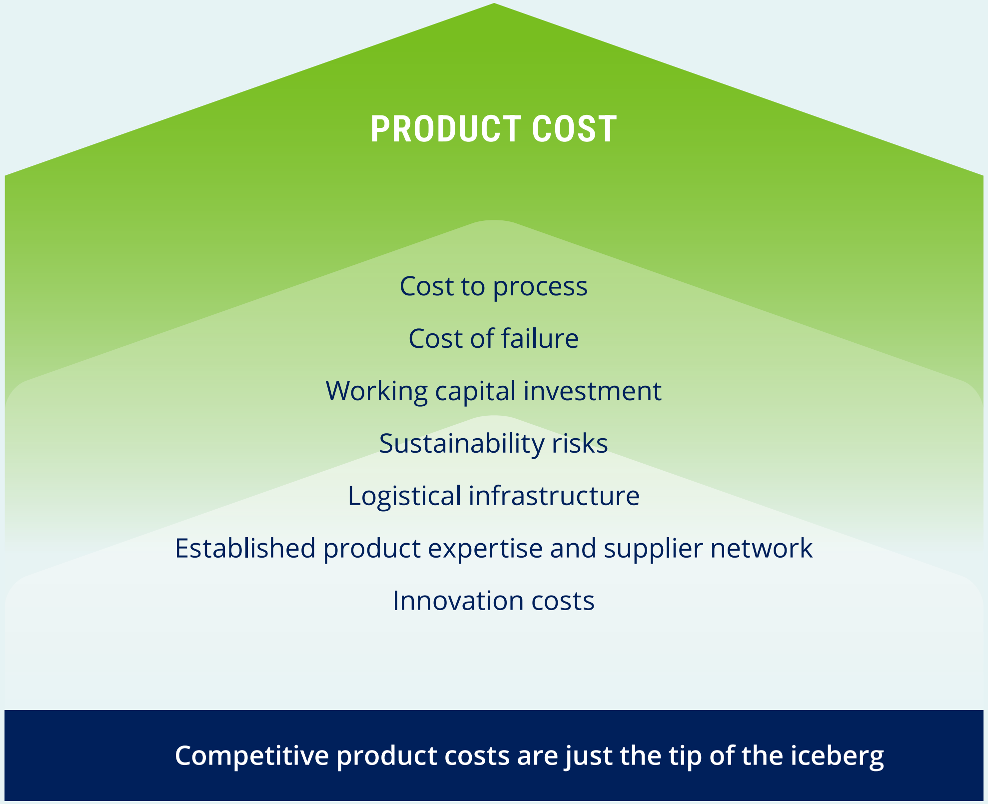
- One-stop-shop for all products in a single delivery
- Customised digital solutions
- Integrated ordering systems
- Analytical support to improve efficiencies
- Carbon savings through consolidated deliveries

WE DELIVER

- On-time, in-full delivery; received just-in-time
- Multiple delivery options that include direct to site, cross dock or warehouse replenishment
- Extensive distribution network with regional and national coverage

OUR SERVICE AND VALUE PROPOSITION FOR OUR CUSTOMERS

By providing our customers with a broad range of essential items, readily available from stock, alongside specialist knowledge and expertise, we provide the reassurance our customers need for important items, which allows them to focus on their core businesses. The value of our service to our customers goes far beyond the cost of the products sourced.



// OUR BUSINESS MODEL *continued*

OUR SOURCES OF COMPETITIVE ADVANTAGE

Tailored solutions and value-added services

Adding value to our customers' operations, ensuring products sourced meet our customers' needs and they receive their orders on-time and in-full.

Our people

c.30% of our colleagues are sales experts or local customer service specialists who provide detailed advice to customers on all product and service-related matters.

Decentralised model

Comprising c.160 operating companies, with a decentralised operational structure, Bunzl's management teams focus on their customers' needs in their local markets and create an energised entrepreneurial environment.

Global and ethical sourcing

Working with suppliers to give our customers access to the best products and solutions, with the reassurance that they have been ethically sourced.

International scale

With operations in 32 countries, our extensive distribution networks mean we can deliver to customers on a local, regional, national and international basis. We can show agility locally while being able to share expertise and knowledge across the Group.

Sustainable and responsible solutions

Our depth of expert advice, own brand ranges and priority data help our customers navigate the complex transition to new products and solutions.

Acquisition track record

We have a strong track record of successfully integrating acquisitions, helping us to grow our geographic footprint while retaining the 'local' feel of our acquired businesses.

Digital capabilities

Our tailored digital solutions enhance the experience for our customers, supporting customer retention, while increasing the efficiency of our own operations.

Own brand portfolio

We have a growing portfolio of own brand solutions that meet specific customer needs.

Carbon efficient model

Our consolidation model achieves a reduced carbon footprint in comparison to competitors who process smaller, unconsolidated orders.

GENERATING VALUE FOR ALL OUR STAKEHOLDERS

Customers

75%
of customer orders processed digitally[1]

Colleagues

76%
of our operating companies participating in 'Great Place to Work' survey achieved accreditation

25%
senior leadership roles[2] filled by women

Shareholders

£450m
2024 completed buyback plus the announced 2025 buyback

32yrs
of consecutive annual dividend growth at 9.5% CAGR

Suppliers

33%
of suppliers[3] by emissions currently have science-based targets in place

1,175
suppliers assessed in 2024

Environment

18%
reduction in absolute scope 1 and 2 carbon emissions since 2019

26%
more carbon efficient since 2019

Read more about the value we create for stakeholders on page 26

1. Excluding acquisitions in 2024.
2. Comprising c.530 leaders who receive long term incentives as part of their remuneration.
3. Suppliers that are covered by our scope 3 supplier engagement target.

// CAPITAL ALLOCATION

CAPITAL ALLOCATION AND SHAREHOLDER RETURNS

Our capital allocation priorities remain unchanged and focused on the following: (1) to invest in the business to support organic growth and operational efficiencies; (2) to pay a progressive dividend; (3) to self-fund value-accretive acquisitions; and (4) to distribute excess cash. In the 21 years from 2004 to 2024, inclusive, Bunzl has committed £6.1 billion in acquisitions to support a growth strategy that has delivered an annual adjusted earnings per share CAGR between 2004 and 2024 of c.9%, and has returned £2.7 billion to shareholders through dividends and the 2024 share buyback.

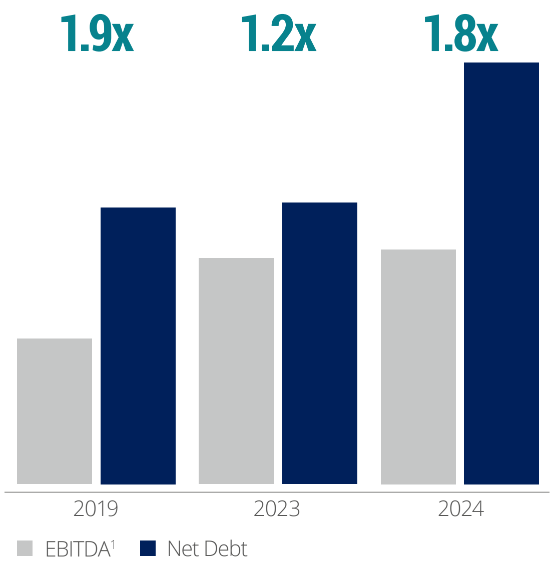
The strength of Bunzl's performance and high cash generation in recent years has resulted in low leverage compared to an adjusted net debt to EBITDA target of 2.0 to 2.5 times. This was despite a step change in the level of value-accretive acquisition spend in recent years. As a result, in August 2024 the Group committed to measures which are intended to steadily return it to its target leverage range by the end of 2027.

RICHARD HOWES
Chief Financial Officer

HEALTHY BALANCE SHEET AND STRONG CASH FLOW; OPPORTUNITIES TO ENHANCE SHAREHOLDER RETURNS

2019–2024: REDUCTION IN LEVERAGE

Leverage[2]



Cumulative free cash flow[1] generated

£3.5bn

Total spend on acquisitions and dividends

£3.9bn

2019 return on invested capital[1]

13.6%

2024 return on invested capital[1]

14.8%

CAPITAL ALLOCATION PRIORITIES

1 Invest in the business
- Low risk, high-return investments remains our priority
- Asset light business model

2 Pay a progressive dividend
- 32 consecutive years of annual dividend growth
- Dividend cover expected to normalise further in 2025

3 Value-accretive acquisitions
- Acquisitions in our target 6–8x EV/EBITA range are highly accretive
- Record level of committed spend in 2024; active pipeline

4 Distribution of excess cash
- Initial £250m share buyback completed; further £200m underway
- Underpinned by strong cash generation and low leverage[2]

Notes:
1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Adjusted net debt to EBITDA[1] (see Note 3 to the consolidated financial statements on page 151).

// CAPITAL ALLOCATION *continued*

As a highly cash-generative business, Bunzl is expected to have significant capacity to continue its proven strategy of completing value-accretive acquisitions, and its acquisition pipeline remains active within the very large and fragmented global markets that it operates in. Aligned to Bunzl's disciplined capital allocation policy, and supported by strong free cash flow generation, Bunzl has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. If at the end of each year, the total committed spend on value-accretive acquisitions is below £700 million, the Group will return the remainder to shareholders through a capital return in the following year. In addition, and recognising the Group's strong balance sheet, the Board executed a £250 million share buyback during the second half of 2024. A further share buyback of £200 million is underway, with £50 million of shares purchased to date, and the remainder to be executed during 2025. Alongside the buyback, Bunzl committed £883 million to value-accretive acquisitions and as at 31 December 2024 had an adjusted net debt to EBITDA of 1.8 times.

COMMITTED TO RETURN TO ADJUSTED NET DEBT TO EBITDA TARGET RANGE OF 2.0–2.5x BY 2027

£883m
committed acquisition spend in 2024

c.£700m p.a.
allocated towards value-accretive acquisitions and, subject to acquisition spend, returns of capital

2024	2025	2026	2027
£250m Initial share buyback completed in 2024[3]	**£200m** Share buyback initiated in 2025[3]	Capital returns to be determined based on **2025 committed acquisition spend**	Capital returns to be determined based on **2026 committed acquisition spend**

2024 adjusted net debt to EBITDA[1]
1.8x
Committed to return to adjusted net debt: EBITDA[1,2] target range of
2.0–2.5x
by 2027

Value-accretive acquisitions remain our preference and our acquisition pipeline is active

Notes:
1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).
2. Includes deferred and contingent consideration expected to be paid.
3. Share buyback amounts are in addition to net payments relating to employee share schemes.

// OUR PURPOSE-LED STRATEGY

HOW WE CREATE **LONG-TERM SUSTAINABLE VALUE**

OUR PURPOSE

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

DELIVERED THROUGH OUR VALUES

- Humility
- Responsiveness
- Reliability
- Transparency

A COMPOUNDING STRATEGY THAT CONSISTENTLY DELIVERS

Our strategy is founded on the three core pillars of organic growth, operating model improvements and growth through acquisition, with a commitment that growth is sustainable and equitable. Our strategic priorities enable Bunzl to maintain and strengthen its competitive advantages.

1. Profitable organic growth

Use our competitive advantage to support the growth of our customers and to increase our market share.

Read more on page 27

2. Operating model improvements

Daily focus on making our business more efficient.

Read more on page 27

3. Acquisition growth

Use our strong balance sheet and excellent cash flow to consolidate our markets further.

Read more on pages 28 to 30

SUPPORTED BY INVESTMENTS IN SUSTAINABILITY AND DIGITAL

Sustainability

Sustainability is a vital part of the equation. Our depth of expert advice, own brand ranges and proprietary data helps our customers navigate the complex transition to new products and solutions.

Responsible supply chains

c.97% of our purchasing spend today is either in low risk regions, or with assessed and compliant suppliers in high risk regions.

Investing in a diverse workforce

Encouraging more women into leadership roles and continuing to build a truly inclusive culture across Bunzl.

Taking action on climate change

Reduce carbon footprint and get to net zero by 2050 at the latest.

Providing tailored solutions

Significantly increasing the amount of recyclable, compostable or reusable packaging supplied to our customers to help them meet their targets.

Digital capabilities

Our tailored digital solutions enhance the experience for our customers, supporting customer retention, while increasing the efficiency of our own operations.

// STRATEGY IN ACTION

CASE STUDY

DRIVING ORGANIC GROWTH IN ACTION

Flagship sustainable own brand development
Over the past year, Bunzl has achieved significant revenue growth in our portfolio of emerging exclusive sustainable own-brands. This has been achieved through a focus on creating high quality bespoke products which are designed to help customers meet their targets and avoid the impact of legislation. These are flagship products created in house within dedicated brands which we have full control over, to drive organic growth by meeting market demands.

Additionally we offer unparalleled choice for our customers, through offering dedicated ranges of sustainable commodity branded and unbranded products in collaboration with third-party suppliers.

Increase in emerging exclusive sustainable own brand revenue (2024 vs 2023)

45%

CASE STUDY

OPERATIONAL EFFICIENCY IN ACTION

Investing in warehouse automation: Autonomous Mobile Robots (AMRs)
During 2024, we have been exploring investments in different AMR solutions tailored to the product mix and business case in various warehouses across the Group. AMRs are designed to improve efficiency in order fulfilment by optimising navigation, storage and transportation of goods around a warehouse. They also offer additional health and safety benefits from eliminating manual labour and distance travelled for employees, reducing safety incidents and fatigue.

North America example
At one of our North American Distribution Centres, we have successfully trialled the use of autonomous pick carts, known as Chucks. Implemented in the second half of 2024, the Chucks have demonstrated very strong efficiency benefits, and we plan to invest further in this technology in 2025 at additional warehouses.

Reduction in seconds per pick

60%

Increase in lines per hour

150%

Continental Europe example
One of our businesses in Denmark requires larger warehouse space following a period of sustained growth, to support future expansion.

We are taking the opportunity to invest in automating a part of the warehouse, installing a new 'goods-to-man' AMR system. Products will be densely stored in one area, with robots bringing shelves and pallets to a stationary employee who then packs the relevant items, not only improving order processing efficiency, but also optimising the storage space in the section of the warehouse that is automated.

Expected improvement in picking productivity compared to manual picking

x2

// ACQUISITION CASE STUDY

PAMARK GROUP

Entering a new country: The right first business with a strong management that can build a pipeline

Pamark is Bunzl's anchor acquisition in Finland, and a leading distributor of cleaning & hygiene, healthcare, foodservice and safety products to a broad range of private and public sector customers.

When entering a new market or geography, Bunzl's approach is to acquire one of the market-leading businesses as an anchor acquisition to serve as a strong platform upon which to then build our presence in that market. When searching for anchor acquisitions, one of the key criteria we are looking for alongside the existing market presence is a strong management team with an established track record of growing their businesses, and the ambition to accelerate this growth further with the backing of Bunzl.

Pamark met all of these criteria, with the company itself having been formed through the merger of two leading Finnish companies, Pamark Oy and MedKit Finland Oy in 2021. They subsequently acquired Systeema Oy in 2022, demonstrating the strength of their pipeline and the consolidation opportunity in Finland, and giving the management team, led by Minna Åman-Toivio, demonstrable experience of accelerating their growth through acquisition.

GROWING OUR POTENTIAL WITHIN A NEW REGION

c.£49m
Pamark revenue in 2023

c.21,000
Pamark customer delivery addresses

//
The support we have received in the past year is amazing. There are at least 160 different operating companies to learn from in the Bunzl family. We truly appreciate having access to this fantastic network and the knowledge we can gather. I am also very excited by the new growth opportunities Bunzl is helping us to unlock, and we are already working on a pipeline of several new acquisition targets in Finland."

Minna Åman-Toivio
Managing Director, Pamark

// ACQUISITION CASE STUDY

OBEX

Acquisitions enable further compounding growth through bolt-ons

Critical to the success of our compounding growth strategy are the opportunities for subsequent consolidation of our large and fragmented markets. Acquisitions also broaden our network of contacts and expand our pipeline further.

A recent example that demonstrates this has been our entry into the Asia Pacific MedTech distribution sector with the acquisition of Obex in 2021, which was the market leader in this sector in New Zealand. Obex provided a strong foundation for Bunzl, unlocking an additional pipeline of opportunities sourced through its management team. Since 2021, we have completed three of these bolt-on acquisitions: Toomac Ophthalmic & Solutions, GRC and most recently DBM in September 2024. These businesses broaden Bunzl's capabilities into other sub-specialties within MedTech, and also serve as Bunzl's entry into Australia MedTech.

Overall MedTech expansion has supported significant growth in the Asia Pacific Healthcare sector for Bunzl, with the acquisition of Cubro most recently in 2024 further supporting Bunzl's expansion in this sector.

LEVERAGING OUR SCALE TO ACCELERATE GROWTH

>7x
New Zealand revenue growth since 2020

//
I am delighted, that after careful evaluation of other potential acquirers in the mix, that we chose to join the Bunzl family. Its proven to be the best decision for us. We came to them with a list of acquisition targets that I knew very well from my experience operating in the market, but which they were less familiar with. We have now executed on purchasing three businesses on the list, with more remaining. It's been great to enter into this partnership and to receive Bunzl's full backing and support to accelerate our growth and expansion in this MedTech market segment together."

Pieter Wijnhoud
Managing Director, Obex

// ACQUISITION CASE STUDY

NISBETS

Acquiring and integrating a platform of scale

Nisbets is a leading high quality distributor of catering equipment and consumables in the UK & Ireland, Northern Europe and Australasia.

When integrating acquisitions, sellers retain the autonomy to continue running their businesses in the same manner as they had been doing successfully before acquisition, with Bunzl adding additional levels of financial reporting rigour and risk management.

Nisbets will provide Bunzl with its expertise in direct response marketing and eCommerce to strengthen the Group. The integration of Nisbets has been progressing well.

The teams have started to identify where Bunzl's scale can support opportunities for growth. For Nisbets, the focus is on purchasing opportunities with common suppliers across the Group, and also potentially cross-selling Nisbets' strong own brands elsewhere in the Group. The benefits from common purchasing synergies identified in the UK will start to accrue in 2025, with the teams continuing to identify further opportunities.

MARKET LEADER WITH STRONG SYNERGY POTENTIAL

60%

Nisbets' sales are own brand products

76

Common suppliers with other Bunzl businesses identified in the UK

//

We see tremendous growth opportunities ahead of ourselves, and are keen to pursue these with the support of Bunzl. Geographic expansion is something that Bunzl can support us with as they have a presence in geographies where we are not yet active. Where we are both active we have reciprocal advantages of scale opportunities."

Paul Rombouts
Managing Director, Nisbets

// OUR PEOPLE

GLOBAL STRENGTH
LOCAL AGILITY

We recognise that the decentralised nature of Bunzl is one of the Group's greatest strengths. It enables us to get closer to our customers and empowers our local teams to respond to their needs more nimbly.

The same applies to the working environment we provide for our employees – we should respect geographical variation and empower our local leaders to win the hearts and minds of their teams. That said, there is enormous power in taking a Group-wide approach to the key pillars of our People Strategy, and in 2024 we have made good progress, as shown in the table below.

//
At Bunzl, we believe that every employee has unlimited potential. By actively listening to and valuing each voice, we strive to create an environment where everyone can thrive and contribute to our continued collective success. Extending the Great Place to Work survey in 2024, which yielded such positive results, is an important tool to help us to take our performance to the next level."

DIANA BREEZE
Director of Group Human Resources

KEY PILLARS OF OUR PEOPLE STRATEGY – 2024 HIGHLIGHTS

BUILDING THE RIGHT CAPABILITIES FOR NOW AND THE FUTURE

- Significant focus on sales capability in North America, including the ongoing transformation of the Bunzl Distribution Sales organisation and a Sales Force Effectiveness programme in Canada
- Building our knowledge and skills in Artificial Intelligence ('AI') through pilot projects and education sessions (e.g. 'white space' tool in Bunzl Spain and education session on the use of AI in Human Resources for the HR Leadership Team)

STRENGTHENING OUR LEADERSHIP PIPELINE

- Continued our Group-wide Senior Leadership Development Programme – of the 102 participants to date 18% have been promoted and 31% identified as successors to senior roles
- Accelerated our Young Talent programmes across the Group including the 2nd cohort of Sales Development Associates in North America and the 4th cohort of the international Young Talent programme in Continental Europe
- Continued our focus on female leadership development with dedicated development programmes in LatAm and Central Europe and the successful expansion of the 'Inspiring Women' networks. See page 35 for Kristy Jones' story

ARTICULATING AND EVOLVING OUR CULTURE

- Group-wide deployment of the 'Great Place to Work' ('GPTW') survey. See pages 32 and 33
- Renewed focus on listening as the basis for a truly inclusive culture – e.g. the launch of the Reverse Mentoring programme for the leadership team (see page 34) and the extension of the Board Listening sessions to involve all non-executive directors

DEVELOPING A COMPELLING EMPLOYER BRAND

- Conducted research with an external provider to measure the effectiveness of our employer brand
- Development of some Group-wide collateral using the concept of 'Unlimited Potential' to describe Bunzl as a place to work
- Begun the process of defining a communications strategy, to include updating the Group website and a social media presence review. To be launched in 2025

// OUR PEOPLE *continued*

Great Place to Work

In 2023, following a successful experiment in Continental Europe, we carried out a global pilot of the Great Place to Work survey, covering around 45% of our global population in every region. In 2024, we extended the survey to all employees.

Across the Group, the achievements were celebrated, but we also remain focused on our commitment to continuous improvement and on making progress on our ambition to create a truly inclusive workplace where everyone can succeed. The insights that we gain from the Great Place to Work survey are an incredibly valuable tool in helping us to achieve this.

GREAT PLACE TO WORK SURVEY

The Great Place to Work Certification is a powerful tool for organisations aiming to enhance their workplace culture and reputation. This certification is more than just a badge of honour; it signifies a company's commitment to creating a high-trust, high-performance environment and helps companies build a supportive and inclusive workplace, driving long-term success and innovation.

However, equally important is the valuable insight which the survey provides into how our employees really feel about working for Bunzl and in what ways we can improve. The survey measures the level of trust that employees have in their company and its leadership through 5 key pillars of trust:

OUR 5 KEY PILLARS OF TRUST

Credibility	Integrity, communication and competencies
Respect	Support, collaboration and consideration
Pride	In your job, team and company
Camaraderie	Feeling of welcoming and belonging
Fairness	Equality, impartiality and justice

Results are measured by two key metrics:

- Trust Index – the average number of positive responses to the question; and
- Overall Perception – positive answers to the question "Taking everything into account, I would say this is a great place to work".

81%
Participation rate
(-3pts from 2023)

71%
Trust Index
(+2pts from 2023)

76%
of operating companies who took part were certified
(+1pts from 2023

73%
Overall Perception
(+3pts from 2023)

Note: The 2023 survey scope was approximately 45% of our employees – the 2024 survey scope was all employees so the scores cannot be compared directly

OUR TOP RESULTS

GLOBAL HIGHLIGHTS

People here are treated fairly regardless of their sexual orientation
91%

People here are treated fairly, regardless of their race
90%

This is a physically safe place to work
89%

HEADLINE SCORES

71%	**69%**	**71%**	**74%**	**69%**
Credibility (+2pts from 2023)	Respect (+1pts from 2023)	Pride (+1pts from 2023)	Camaraderie (+2pts from 2023)	Fairness (+1pts from 2023)

REGIONAL RESULTS

	NORTH AMERICA	CONTINENTAL EUROPE	UK & IRELAND	LATIN AMERICA	ASIA PACIFIC
Trust Index	71%	70%	69%	72%	73%
Overall Perception	76%	71%	69%	76%	75%

// OUR PEOPLE *continued*

SPOTLIGHT ON BUNZL NORTH AMERICA

Following limited participation in the Great Place to Work 2023 pilot survey, the Bunzl North America businesses fully embraced the 2024 extended survey with 80% participation from the c.8,500 employees invited to participate. Some of the key highlights of their results are summarised below.

KEY HIGHLIGHTS

Safety	Onboarding new joiners	Inclusivity
The region received 89% positive responses to the statement 'This is a physically safe place to work'	Significant improvements in the onboarding of new employees – 83% positive score for the question 'When you join the Company, you are made to feel welcome' and high scores from those with two years service or less (80% Overall Perception score and 75% Trust Index score)	A particular area of pride was the high scores around inclusivity and a sense of belonging (see below)

INCLUSIVITY

People here are treated fairly regardless of their sexual orientation	People here are treated fairly, regardless of their race	People here are treated fairly, regardless of their gender	I can be myself around here
90%	87%	86%	81%

EMERGING IMPORTANCE OF THE GREAT PLACE TO WORK CERTIFICATION

Enhances employee morale and improves retention	Helps us to attract top talent by signalling Bunzl's investment in people	Strengthens brand reputation and builds trust with clients and stakeholders	Drives business success through a motivated and engaged workforce

CASE STUDY

McCUE CORPORATION

McCue Corporation has five different locations and 154 employees. Overall, 150 employees (97%) responded to the survey and results were very positive, with staff in China posting a Trust Index of 95% and Overall Perception of 93%. In the McCue US population, Trust Index scoring was 79% and Overall Perception was 84%.

// We were very pleased to see that our employees feel that McCue is a safe and inclusive environment to work in; however, one of the primary functions of the Great Place To Work survey is to identify gaps in our practice and suggest ways to fill these gaps. So, while celebrating we will also work hard on the challenges the survey highlighted and endeavour to improve on our scores."

VINCENT JUNGELS
Chief Finance Officer and Chief Operating Officer, McCue Corporation

CASE STUDY

BUNZL CANADA

Overall, 966 employees (87%) responded to the survey with a positive set of results. A Trust Index of 74% and Overall Perception score of 76% were achieved. We were also pleased that 92% of participants agreed that Bunzl Canada is a physically safe place to work.

// We have worked hard in all of our businesses in Canada to create a work environment where everyone feels valued and shares our commitment to delivering service excellence for our customers, that includes investing significant time and effort into improving what we do, how we do it and how we communicate with our employees."

JOHN HOWLETT
President, Bunzl Canada

Read the press release here

// OUR PEOPLE *continued*

EMBRACING DIVERSITY THROUGH REVERSE MENTORING

How bridging gaps can drive inclusivity and innovation in the workplace.

As part of our commitment to ensure that Bunzl has an inclusive culture where everyone, irrespective of background, can thrive and build their careers, we launched a reverse mentoring programme for the Group leadership team in 2024.

Reverse mentoring is a practice where employees at an earlier stage of their career and from different backgrounds mentor more experienced colleagues, often in areas like technology, social media, and current trends. This approach fosters a two-way exchange of knowledge and perspectives, breaking down traditional hierarchical barriers. We hoped that the programme would help embrace diversity by promoting inclusivity and understanding across different generations, cultures, and backgrounds. By valuing the insights of these employees, we hope to create a more dynamic and innovative workplace, where diverse ideas and experiences are celebrated and leveraged for growth.

We partnered with School for CEOs to support the programme, help us to identify the most appropriate participants and provide the structure and communication materials for mentors and mentees. The programme was then built around structured interventions such as workshops and calls, informal email prompts, and pair-led reverse mentoring conversations.

Please read on for a Q&A with Dale Stokes, Managing Director UK & Ireland, who was mentored by Mala Narula, Senior Internal Audit Manager through the programme.

CASE STUDY

Q&A WITH DALE STOKES, MANAGING DIRECTOR UK & IRELAND AND MALA NARULA, SENIOR INTERNAL AUDIT MANAGER

What were your expectations going into the programme?

Dale
I wasn't sure what to expect but knew it could challenge and inform my outlook, improving my understanding of different views held by those who have a different background to myself.

Mala
Having never been part of a reverse mentoring programme before, I went in with an open mind, expecting to share thoughts, insights, and perspectives on topics important to Bunzl leaders.

What were the highlights/key learning points you took from the initiative?

Dale
I found a safe space with my mentor to discuss sensitive topics, focusing on diversity themes like age, gender, and race. Hearing from someone with a different background and with experience of living and working in many different countries brought fresh perspectives. During the programme we shared insights with one another from the various external events that we had attended and used real-life Bunzl situations to explore the obstacles facing colleagues from different backgrounds.

Mala
The programme highlighted Bunzl's decentralised culture and diverse experiences. It was so interesting to see that two individuals who work for the same company have had very different experiences – I can see why some colleagues stay at Bunzl for many years and feel they have had multiple careers.

My mentee was open to learning and acknowledged areas for improvement. I found it very motivating to have an engaging mentee who valued my thoughts. It very much made me feel like my voice matters.

Being able to build a trust-based relationship and network globally was also rewarding. I became more mindful of privilege and the importance of psychological safety.

How do you think you will take your experience in the reverse mentoring programme into your work going forward?

Dale
The programme reminded me of the value of diverse perspectives in making better business decisions. It also taught me the importance of creating a safe space for open discussions.

Mala
I realised the importance of leading with empathy and creating a safe space for honest conversations. This experience motivates me to continue building and celebrating a diverse team.

// OUR PEOPLE *continued*

CAREER DEVELOPMENT

At Bunzl, we are dedicated to creating an inclusive environment where women can thrive and reach their full potential.

As part of our commitment to investing in a diverse workforce (see pages 52 to 54), we aim to break down barriers by providing equal opportunities for the advancement of our female employees, empowering them to lead with confidence and innovation. We are proud of the achievements of women in our Company and continue to champion their growth and success, with a view to unlocking their unlimited potential.

As seen on page 53, 25% of our senior leadership roles are held by women. One of these leaders is Kristy Jones, our recently appointed Managing Director ('MD') of Bunzl Safety & Lifting, APAC. Read on to learn about her journey.

CASE STUDY

BREAKING BARRIERS: CELEBRATING FEMALE CAREER GROWTH AT BUNZL

My career at Bunzl began back in 2000 in a Customer Service role for Bunzl Outsourcing Services. I quickly advanced into the sales team, managing various territories over eight years, where I discovered a particular passion for Healthcare accounts. During this period, I had three children, and found that Bunzl was incredibly supportive throughout.

In 2011, I returned to a Sales Management role, leading the Healthcare Clinical Team for NSW, Australia. By 2013, I was promoted to NSW Sales Manager, overseeing a larger sales team across all sectors. In 2018, I became General Manager of NSW, leading Australia's largest facility. In 2022, I was promoted to General Manager of Sales for BANZ Australia, overseeing all branches within the country. I was honoured to participate in the Senior Leadership Development Programme, which I completed in 2023.

This programme was an invaluable opportunity to collaborate with colleagues worldwide to understand and solve shared challenges.

In September 2024, I took up my current role of MD of Bunzl Safety & Lifting, APAC. I am thoroughly enjoying my new role and the opportunity to learn from my wonderful colleagues at Bunzl Safety & Lifting, APAC about our customers and products.

//

Developing my career at Bunzl has been an incredible experience, especially as a female professional. The Company's unwavering support during my career and personal milestones, such as having children, has been remarkable. Bunzl fosters an inclusive and empowering environment, making it a fantastic place for women to thrive and advance in their careers."

KRISTY JONES
Managing Director, Bunzl Safety & Lifting, APAC

// KEY PERFORMANCE INDICATORS

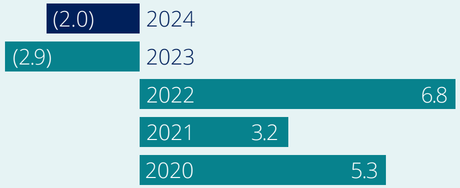
MEASURING OUR **STRATEGIC PROGRESS**

We use the following key performance indicators ('KPIs') to measure our progress in delivering the successful implementation of our strategy and to monitor and drive performance.

These KPIs reflect our strategic priorities of developing the business through organic and acquisition-led growth and improving the efficiency of our operations as well as other financial and non-financial metrics.

PROFITABLE ORGANIC GROWTH

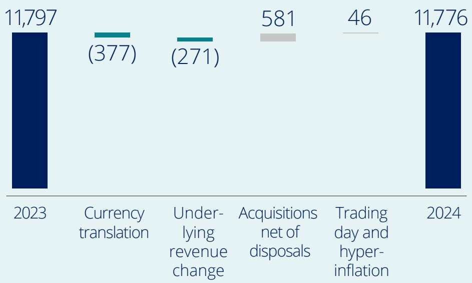
Organic revenue growth[1] (%)



(Decrease)/increase in revenue for the year excluding the impact of currency translation, acquisitions during the first 12 months of ownership and disposals.

Organic revenue decline of 2.0% was driven by wider deflation across North America, Continental Europe and UK & Ireland.

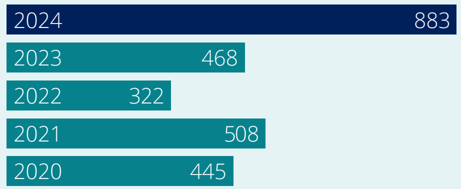
Reconciliation of revenue growth between 2023 and 2024 (£m)



Revenue down 0.2% at actual exchange rates, up 3.1% at constant exchange rates driven by a 5.1% benefit from acquisitions net of disposals and a 0.4% benefit from an additional trading days in 2024 compared to 2023. This was partially offset by a 2.4% underlying decline.

ACQUISITION GROWTH

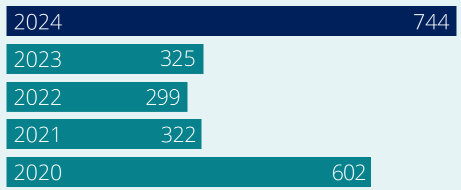
Acquisition spend (£m)



Consideration paid and payable, together with net debt/cash assumed, in respect of acquisitions agreed during the year.

Committed acquisition spend of £883 million across 15 acquisitions.

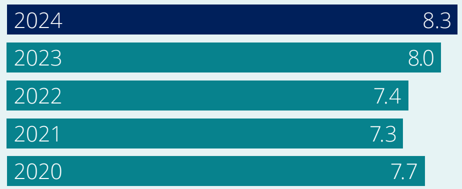
Annualised revenue from acquisitions (£m)



Estimated revenue which would have been contributed by acquisitions agreed during the year if such acquisitions had been completed at the beginning of the relevant year (see Note 9 on page 159).

OPERATING MODEL IMPROVEMENTS

Operating margin[1] (%)

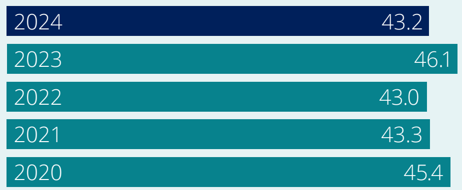


Ratio of adjusted operating profit[1] to revenue.

Operating margin of 8.3% compared to 8.0% in 2023.

Excluding the impact of acquisitions during the first 12 months of ownership, the 2024 operating margin was 8.1%, up from 8.0% in 2023 (restated at constant exchange rates).

Return on average operating capital[1] (%)



Ratio of adjusted operating profit[1] to the average of the month end operating capital employed (being property, plant and equipment, software, right-of-use assets, inventories and trade and other receivables less trade and other payables).

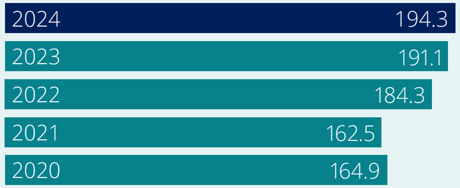
Return on average operating capital decreased to 43.2% from 46.1% in 2023 due to higher average capital employed in the underlying businesses.

1. Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

// KEY PERFORMANCE INDICATORS *continued*

FINANCIAL

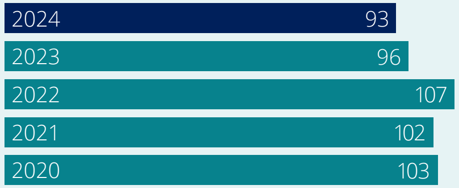
Adjusted earnings per share[1] (p)



Adjusted profit for the year[1] attributable to the Company's equity holders divided by the weighted average number of ordinary shares in issue (see Note 8 on page 158).

At constant exchange rates, adjusted earnings per share up 5.5% driven by a 7.2% increase in adjusted operating profit[1].

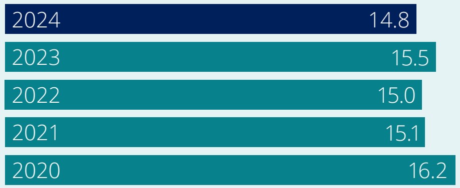
Cash conversion[1] (%)



Operating cash flow[1] as a percentage of lease adjusted operating profit[1] (see Consolidated cash flow statement on page 144).

Another strong year of cash generation with cash conversion of 93% in 2024.

Return on invested capital[1] (%)



Ratio of adjusted operating profit[1] to the average of the month end invested capital (being equity after adding back net debt, net defined benefit pension scheme liabilities, cumulative amortisation excluding software, acquisition related items and amounts written off goodwill, net of the associated tax).

ROIC at 14.8% due to the impact of higher average invested capital from acquisitions.

NON-FINANCIAL

Our commitments	Performance	What's next
Responsible supply chain		
90% of our spend on products from all high risk regions will be sourced from assessed and compliant suppliers by 2025.	89% of our spend in high risk regions was sourced from assessed and compliant suppliers. c.97% of our purchasing spend today is either in low risk regions, with assessed or compliant suppliers in high risk regions, or on other non-product related costs[2].	Using the results of our new supply chain risk assessment to design how our responsible sourcing programme will be structured once our current KPI has been achieved.
Investing in a diverse workforce		
Encouraging more women into leadership roles through focused and targeted activities and continuing to build a truly inclusive culture across Bunzl.	25% women in our senior leadership population  Senior leadership group defined as the c.530 leaders that receive share awards as part of their remuneration. Since 2016, the number of women in our senior leadership group has more than doubled.	Continue with our current development, mentoring and sponsorship activities to prepare female colleagues for leadership roles. Ensure that all high-potential females have a development plan in place.
Taking action on climate change		
Scope 1 and 2: 50% more carbon efficient (equivalent to a 27.5% absolute reduction) by 2030 (against a 2019 baseline). **Scope 3:** 80% of suppliers by emissions will have science-based targets by 2027. Net zero by 2050 at the latest.	**18% reduction in absolute emissions since 2019.** Absolute carbon emissions (tonnes CO_2e)  **26% improvement in carbon efficiency since 2019.** Emission intensity (tonnes CO_2e per £m revenue)  **33% suppliers[4] by emissions have science-based carbon reduction targets in place.**	We will continue to work with our key suppliers to deliver our new science-based scope 3 emissions target using a combination of methods for our engagement, including face-to-face meetings, webinars and supplier engagement events.
Providing tailored solutions		
Significantly increasing the amount of recyclable, compostable or reusable packaging supplied to our customers to help them meet their targets.	56% of packaging made from alternative materials in 2024. 86% of Group revenue attributable to non-packaging products or packaging products better suited to a circular economy[6]. 1% of revenue generated from consumables facing regulation.	Continuing to engage our key customers in the retail, grocery and foodservice sectors on our sustainability value proposition, supporting them to meet their targets and the requirements of new legislation.

1. Alternative performance measure (see Note 3 on page 151).
2. Includes freight, duties and FX related costs.
3. Emissions in our baseline year have been recalculated to reflect the impact of acquisitions. Emissions intensity has been recalculated using revenue at constant currency. This process has been agreed with the SBTi.
4. Suppliers that are covered by our scope 3 supplier engagement target.
5. Included in the external auditor limited assurance scope. See the assurance statement, which is available on our website, www.bunzl.com.
6. Excluding revenue from acquisitions.

// SUSTAINABILITY

SOLUTIONS FOR A BETTER WORLD

2024 was marked by persistent geopolitical instability, economic challenges and extreme weather events. In such times, companies must develop resilient business models, effectively manage supply chain risks and remain adaptable in rapidly changing environments.

To minimise our impact on the world around us, maintain resilience and support our customers to meet their objectives, we have continued to integrate sustainability into our operations and across our value chain at Bunzl. We are pleased to have made good progress over the last five years and the subject is firmly embedded in what we do and how we operate. This year our businesses have continued to reduce carbon emissions, address social inequalities, and drive the shift towards a more circular economy.

While the sustainability efforts of our operating companies are tailored to the specific challenges they and their customers face, reflecting the unique opportunities and obstacles in their regions and markets, it is the collective endeavour of all our businesses that enables us to achieve our Group wide sustainability goals.

Although the sustainability efforts and strategies of our regions and individual operating companies may differ, they all feature (and in most cases are structured around) the five key themes contained in our Group sustainability strategy.

JAMES PITCHER
Group Head of Sustainability

DELIVERING A MORE SUSTAINABLE BUSINESS

2019
- Central and regional sustainability leads first appointed
- First material footprinting tool launched

2020
- First materiality assessment completed
- New strategy and governance structure launched

2021
- New targets for key themes launched at Capital Markets Day
- Near term climate change targets approved by SBTi

2022
- Climate scenarios assessed, scope 3 emissions calculated
- Board Sustainability Committee established, TCFD and SASB reporting

2023
- Double materiality assessment completed
- Net zero transition plan implemented

2024

50	sustainability experts employed across the Group	**18%**	reduction in absolute emissions[1]
66%	increase in supplier assessments[1]	**26%**	increase in carbon efficiency[1]
89%	high risk spend assessed[3]	**c.45%**	increase in emerging sustainable own brand product sales[2]
11%	increase in women in senior leadership positions[1]	**c.30%**	increase in emerging sustainable own brand product SKUs[2]

1. Since 2019.
2. Since 2023, emerging sustainable brands shown on page 27.
3. In total at end of 2024.

// SUSTAINABILITY *continued*

MATERIAL ISSUES

We recognise that stakeholders and policymakers are increasingly demanding greater transparency in how companies manage sustainability opportunities and risks across their value chains. We have worked to understand our stakeholders' opinions and identify the material issues over the last few years.

Following our first materiality assessment in 2020, we have conducted two further exercises to expand and focus on different components (for example, financial risks and opportunities). We have sought insights on the potentially material impacts, risks and opportunities from stakeholders across our value chain, including our largest suppliers of key commodities (for example, paper and pulp, plastics, and chemicals), major customers from all our business areas, key investors and internal stakeholders, such as members of the Bunzl finance, procurement, operations and sales teams. The methodology and approach for our most recent double materiality assessment can be viewed on page 204.

Our assessments have revealed that the themes that are the most important to our stakeholders have been consistent across the years, with climate change and our efforts to lead the transition to a more circular economy being the top priorities (see following table). Our latest update performed in 2024 focused on our businesses in Europe to help prepare for new reporting requirements, while enabling us to identify any emerging issues we need to address.

Material issue	**CLIMATE CHANGE**		**CIRCULAR ECONOMY**	
Positive/ negative	Positive	Negative	Positive	Negative
Why this is material	Bunzl aims to minimise product-based emissions by offering low carbon solutions across our product range and align with science-based targets to achieve a zero emission global economy. Internally, Bunzl seeks to invest in energy efficiency technology and renewable energy supply in our own operations.	Climate change induced weather events can also disrupt our supply chain and operations, impeding our ability to meet customer requirements. Increased carbon emissions from our operations and supply chain can hinder our contribution to fight climate change.	Bunzl can play an active role in effectively transitioning products to alternative materials that align with customer targets and legislative requirements and supporting customers with end-to-end reusable packaging systems where more reusable materials replace single use products.	The increased demand for circular economy friendly products and growing stringent environmental regulations on products or service presents potential risks if Bunzl is not able to transition customers to products suited to a more circular economy.
Timeframe	Long term Medium term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term
Impact/ Financial materiality*	Impact Financial	Impact Financial	Impact Financial	Impact Financial
Value chain stage	Upstream Own operations Downstream		Upstream Own operations Downstream	
Bunzl's key theme	Taking action on climate change (see pages 45 to 51)		Providing tailored solutions (see pages 55 to 59)	

* **Impact:** Bunzl's actions affect the environment, society and stakeholders materially regarding this topic.
Financial: The topic could have a material influence on the economic decisions of investors or stakeholders, determining a company's financial health and performance.

// SUSTAINABILITY *continued*

Material topic	OWN WORKFORCE		WORKERS IN THE VALUE CHAIN		BUSINESS CONDUCT	
Positive/negative	Positive	Negative	Positive	Negative	Positive	Negative
Why this is material	Bunzl aims to attract and retain skilled talent within the Company through training programmes, promoting job opportunities and effective succession planning, while creating and maintaining a diverse and inclusive workforce.	The lack of work-life balance, adequate training and best in class employee benefits may lead to Bunzl being less able to recruit and retain skilled staff. The lack of safety management may lead to an increase of the number of workplace injuries in our operation.	Bunzl can have a positive impact by setting appropriate targets and the application of an industry-leading ethical assessment and auditing programme (with quick identification and follow-up of non-conformances) which results in improved working conditions in the supply chain.	Given Bunzl's wide supplier network, there is a risk of procuring goods and services linked to potential human rights violations, such as exploiting marginalised communities or child labour, which could foster harmful practices in the supply chain.	By implementing high standards of corporate governance practices aligned with ESG metrics, Bunzl can satisfy current investors and attract potential investors. Also, Bunzl can raise awareness of ethical and integrity business principles by disseminating high quality policies and standards, such as an anti-bribery and corruption, data protection and supplier code of conduct.	As a FTSE 100, the lack of diversity in the Board of directors and leadership teams may lead to a deterioration of investor perception of the business's inclusion practices.
Timeframe	Long term Medium term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term	Long term Medium term Short term
Impact/ Financial materiality*	Impact	Impact Financial	Impact Financial	Impact	Impact	Impact
Value chain stage	Own operations		Upstream		Upstream Own operations Downstream	
Bunzl's key theme	Investing in a diverse workforce (see pages 52 to 54)		Responsible sourcing (see pages 42 to 44)		Sustainability governance (see page 60)	

* **Impact:** Bunzl's actions affect the environment, society and stakeholders materially regarding this topic.
Financial: The topic could have a material influence on the economic decisions of investors or stakeholders, determining a company's financial health and performance.

// SUSTAINABILITY *continued*

Bunzl's global operations connect our distributed, flexible supply chain with customers across multiple sectors, including grocery, foodservice, and safety.

Our materiality assessments have considered the environmental, social and governance ('ESG') impacts present across the entire value chain.

We have given appropriate consideration to impacted stakeholders at each stage in the value chain, even though our role is limited to connecting one with another through our sourcing, consolidation and distribution activities.

The illustration below shows the material ESG themes that we have high influence or operational control over and their position in our value chain.

It is not only our value chain that is complex and dynamic, but so too are the solutions we source and supply. The goods not-for-resale we provide to our customers cover a wide range of target sectors, product types and materials and our assessments, including stakeholder interviews, have recognised that these different products and materials have different associated sustainability impacts, risks and opportunities.

Wherever we operate, our operating companies' value chains are designed to provide efficiency, reliability, and value-added benefits to their customers (including sustainability services), allowing them to focus on their core business operations.

MAPPING OUR IMPACT – THE MATERIAL ESG THEMES MAPPED TO OUR VALUE CHAIN

Our supply chain
Upstream

Our business
Own operations

Our customers
Downstream

Tier 2 suppliers and beyond
e.g. raw material producer
LOW INFLUENCE

Tier 1 suppliers
e.g. large multinational paper manufacturer
HIGH INFLUENCE

Our operations and distribution
e.g. Bunzl operating company
OPERATIONAL CONTROL

Customers
e.g. large facilities management company

End consumers
e.g. individual using washroom facility

Our material ESG themes

- RESPONSIBLE SOURCING
- INVESTING IN A DIVERSE WORKFORCE
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

// SUSTAINABILITY *continued*

OUR SUPPLY CHAIN

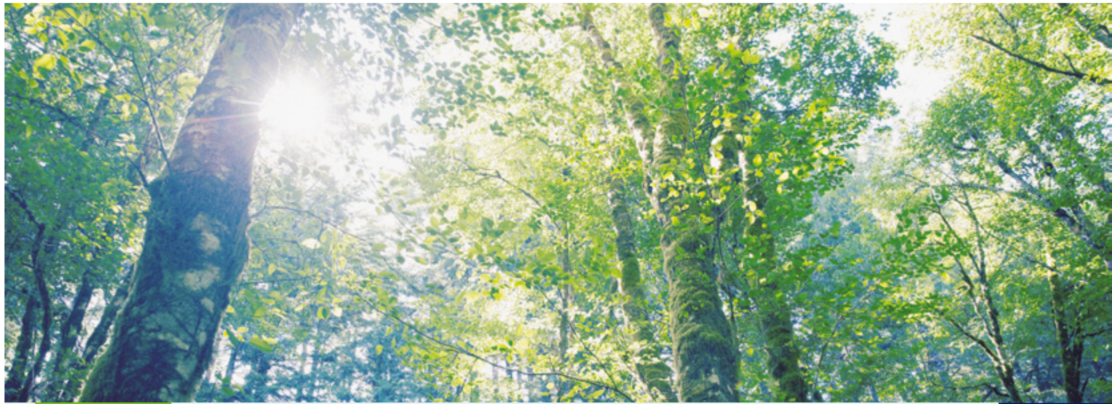
Our material ESG themes

- RESPONSIBLE SOURCING
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

Our procurement experts and category specialists work with both multinational and local direct suppliers to responsibly source a wide range of products globally. We take a proactive, direct and risk-based approach to ensure that our supply chain partners are complying with the high ethical standards demanded by our policies. We regularly review best practice to ensure that our controls are fit for purpose and have completed a new supply chain risk assessment this year (see page 44 for more details).

We recognise the requirement to develop clear and actionable strategies to address the risks and opportunities posed by climate change within our value chain and have started to collaborate with our largest suppliers to set climate change targets (see page 45 for more details). Accurate data for robust scope 3 emissions reporting will be important in the future, but the collection process remains difficult. Once readily available, this data will allow us to better identify sectors and products with high carbon emissions and coupled with our key suppliers setting targets, will support the transition to a low carbon economy and be a key lever on our path to net zero.

We work with our suppliers to bring innovative product solutions to our customers, including those well suited to the circular economy. Our customers depend on our supply chain partnerships to achieve their sustainable packaging strategies, improve product circularity and increasingly, drive lower emissions across the value chain (see pages 47, 48 and 50 for more details).



CASE STUDY

FORWARD-THINKING ACTION FROM A SUPPLY PARTNER

One of Bunzl's largest global suppliers, Kimberly-Clark, global manufacturer of personal care and hygiene products, known for brands including Kleenex and Cottonelle, has launched its new Forests, Land, and Agriculture Policy. This policy underscores the company's dedication to protecting biodiversity and reducing the impacts of natural forest degradation from its supply chain, and supports its ambition to ultimately eliminate natural forest fibre from its product portfolio. This initiative represents a significant shift towards more sustainable practices and sets a high standard in the family care sector. The policy commits to reducing forest degradation, particularly in northern forests like Canada's boreal forest. It also emphasises the importance of free, prior, and informed consent ('FPIC') for Indigenous communities and sets consequences for non-compliant suppliers, ensuring that deforestation and forest degradation are actively addressed.

// Our policy aims to foster more responsible sourcing practices and create a ripple effect across the market, ultimately contributing to climate and biodiversity preservation. With our ambition to move to 'Natural Forest Fibre Free' we aim to eliminate the use of natural forest fibre, which includes old growth and primary forests, in all our products beyond 2030. We're delighted to work in partnership with forward-thinking customers like Bunzl and are pleased that our industry leading targets help them to reduce the ESG impacts across their value chain."

CHRIS WEBER
Associate Director, Sustainable Sourcing for Kimberly-Clark

Image copyright:
Forest Stewardship Council®

// SUSTAINABILITY *continued*

Ensuring our suppliers' adherence to our policies can be a challenging task due to the complexity of our supply chain, which involves numerous Bunzl operating companies and suppliers located at various tiers and levels in diverse locations. Therefore, we take a risk-based approach to responsible sourcing and focus our sustainability and responsible sourcing efforts where we have most risk and influence; our Tier 1 suppliers.

With over 15,000 direct suppliers, focusing on Tier 1 allows us to make more impactful changes within the immediate reach of our businesses. We have limited influence over Tier 2 and other suppliers further down our supply chains, where non-compliance risks are higher. To mitigate these risks, we collaborate closely with our Tier 1 direct suppliers to monitor and manage compliance at this level. Over time, improving the sustainability-related activities in Tier 1 of our value chain will set a strong foundation and once robust practices are established at this level, we and our supply partners can gradually extend our focus to Tier 2 and beyond.

Upstream transportation activities also form an important part of our supply chain, but as this activity is managed and operated by third parties and our customers' principal interest is in the impact our products and services have from a sustainability perspective, this is not an area of focus in our strategy. We also have a proportionally small amount of spend with indirect suppliers who support our operating companies' activities, but this can be classed as immaterial.

Responsible sourcing at Bunzl

Global supply chains are complex networks that join people, products and data. Policymakers and other stakeholders are increasingly calling for greater responsibility and transparency in how companies manage risks within their supply chains and we are proud to have a strong, risk-based approach to responsible sourcing at Bunzl.

With almost 50 million people worldwide estimated to be living in slavery and nearly 28 million of those in forced labour situations, human rights violations in manufacturing supply chains pose a significant risk, necessitating robust due diligence and governance systems to mitigate issues and address concerns.

We have been taking a risk-based approach to auditing in our supply chain for more than 15 years and have more than tripled the number of suppliers we assess compared to 2015. In 2024, we increased the proportion of high risk spend covered by our assessment and auditing programme by 8% to 89%.

We assessed 1,175 suppliers, and 1,075 of these had no critical issues. If our assessments identify any zero tolerance issues (for example, wage violations or instances of forced labour) we work to resolve these quickly through in-depth engagement with the supplier. 100 suppliers required remediation efforts to bring them up to the required standard in 2024 and 81 have completed their action plans to date with 11 still in progress. If resolution is not possible within a reasonable time frame (usually six months) then we terminate the relationship. In 2024 we terminated contracts with eight suppliers who failed to address various issues or make enough progress.

Measure	2023	2024
Number of suppliers assessed	1,022	**1,175**
% of spend in high risk regions that is with assessed and compliant suppliers	81%	**89%**
% of spend related to suppliers in low risk regions, from assessed and compliant suppliers in high risk regions and other non-product related costs[1]	c.96%	**c.97%**

1. Includes freight, duties and FX related costs.

// SUSTAINABILITY *continued*

CASE STUDY

A RISK-BASED APPROACH TO RESPONSIBLE SOURCING

To ensure we take account of the most material issues in our supply chain, we have conducted a new comprehensive risk assessment in 2024. In addition to modern slavery risks, our new methodology has assessed a broader range of ESG issues (bribery, environmental, health & safety etc.) to ensure alignment with the latest legislation and public coverage.

We partnered with supply chain assurance expert, LRQA, to complete the project and have based our assessment on inherent risk data at country and product level to accurately predict risk likelihood.

Our country ESG risk ratings have assessed high risk regions using 38 ESG metrics across five areas: labour, health & safety, environment, business ethics, and management systems. Each country receives an overall supply chain risk rating, along with scores for each pillar and its subcategories, reflecting the worst-case scenario without risk mitigation.

Product risk, like country risk, evaluates sectors based on five key pillars: labour practices, health & safety, environmental impact, business ethics, and management systems. It combines country risk with an added focus on The Bureau of International Labor Affairs ('ILAB') List of Goods Produced by Child Labor or Forced Labor, highlighting products and industries linked to exploitative practices.

The data for our assessment has come from three sources:

1. Audit data: Over 20,000 social and environmental assessments performed across the global supply chain. The data from these audits is standardised and aggregated by country, sector, province or state.
2. Public domain data: Data from NGOs and multilateral organisations to complement audit data, particularly in areas where audits might not fully capture specific violations like forced labour or in regions with limited audit samples.
3. EiQ sentinel data: Web-based data points, including news reports, public records and sanction lists, are used to enrich risk information, capturing risk factors at the company, product, or country level. New data is added monthly to this proprietary system offered by LRQA.

Despite expanding the scope of our assessment to consider a wider range of ESG topics, the top 10 risks associated with our supply chain all relate to modern slavery with forced labour, child labour, hours of work and occupational safety amongst the most pertinent issues. Looking at these risks in isolation our total number of high risk suppliers will remain largely unchanged.

This work and its results reinforce the importance of our ethical auditing programme led by our Global Supply Chain Solutions team based in Shanghai. We are pleased to be nearing achievement of the responsible sourcing target we set in 2021 and will be using the results of our new risk assessment to design how our responsible sourcing programme will be structured from 2026 onwards once our current KPI has been achieved.

// SUSTAINABILITY *continued*

Building a low carbon supplier network

The emissions associated with the products we supply account for around 80% of our total emissions. In 2022, the Science Based Targets initiative ('SBTi') approved our emissions reduction targets as being consistent with levels required to meet the goals of the Paris Agreement and this included our ambition for 79% of our suppliers by emissions to set short term reduction targets by the end of 2027.

Following our communication to key suppliers in 2023 about our new requirements, we launched a new engagement programme with our key supply partners in 2024, which allows us to start assessing where they are on their carbon reduction journeys. We have been working to onboard our key supply partners onto the software platform we are using to support this engagement and have issued our first climate change survey.

The data we have received through our software platform and information available on the SBTi website shows that 33.4% of suppliers[1] by emissions currently have science-based carbon reduction targets in place. In addition to understanding what proportion of our supply chain emissions are covered by science-based targets, we are using the information we receive through our software platform to prioritise engagement with our largest suppliers who do not currently have targets in place to discuss their plans, review their progress and identify opportunities to collaborate.

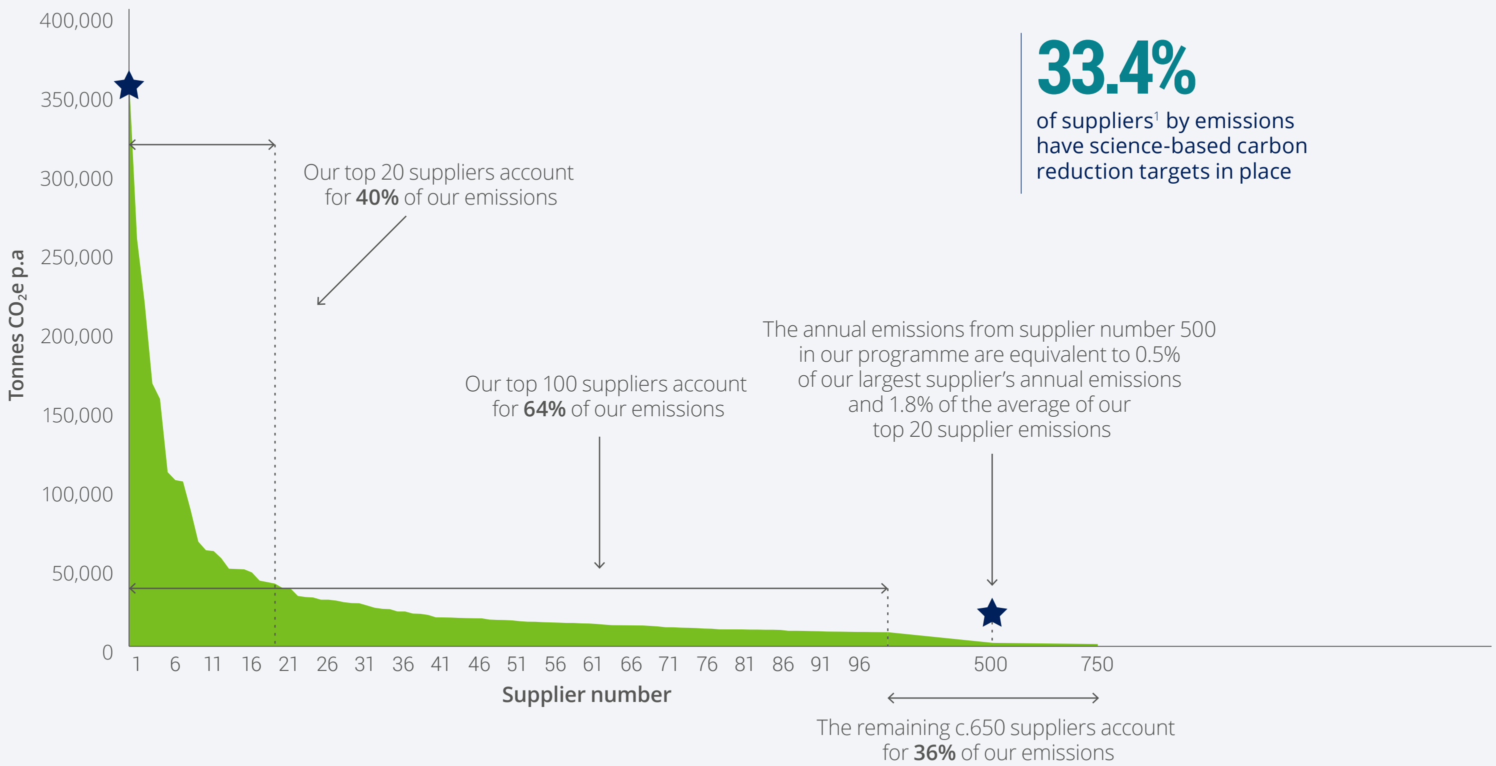
With our top 100 suppliers accounting for c.64% of our emissions we will be taking a top-down approach to engagement, as suppliers in this group who set new targets will have the most beneficial impact on global carbon emissions. In 2025, we will continue to use a combination of methods for our engagement, including face-to-face meetings, webinars and supplier engagement events. During 2024, we have worked to engage our procurement teams across our decentralised organisation and held supplier engagement events in Malaysia, China and Germany.

We recognise that many companies will face challenges in getting their suppliers to set science-based carbon targets and we expect to confront the same difficulties. The reasons given for suppliers not having compliant targets during our engagement to date includes lack of data and resources for carbon baselining and emission calculations, sparse local regulations, political opinion, complex legislation and the costs associated with decarbonisation initiatives. Suppliers citing these challenges (who do not have compliant targets) are present throughout our programme but most concentrated in our tail of c.650 suppliers accounting for c.36% of our emissions.

This said, from the population of suppliers without compliant targets who answered our climate change questionnaire in 2024, c.82% have committed that they will set compliant targets or upgrade their existing targets to meet a science-based definition before our deadline in 2027. If all these suppliers meet their commitments, 60% of suppliers by emissions would have science-based carbon reduction targets in place.

This year, our net zero transition plan has been approved by the SBTi and during this process we followed the SBTi's updated requirements for net zero validation and have upgraded our scope 3 target to ensure 80% of our suppliers by emissions have compliant targets. This will replace our current target and ensure we cover the required proportion of emissions. We will bring more suppliers into our climate engagement programme during 2025.

Supplier emissions in scope of our target



1. Suppliers that are covered by our scope 3 supplier engagement target.

// SUSTAINABILITY *continued*

OUR BUSINESS

Our material ESG themes

- INVESTING IN A DIVERSE WORKFORCE
- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

With operations in 32 countries, our extensive distribution networks mean we can deliver to customers on a local, regional, national and international basis, giving them complete flexibility. Our one-stop-shop service means we aggregate orders from thousands of suppliers into single deliveries which reduces transport miles and carbon emissions.

Our role as a distributor means we do not operate any energy intensive or highly polluting manufacturing facilities and the majority of our carbon emissions are in our supply chain. However, our direct operations can make an important and visible contribution to decarbonisation and our businesses continue to invest, including in our vehicle routing and warehouse management systems and by upgrading our existing assets, to reduce greenhouse gas emissions (see page 51 for examples).

Our dedicated warehouse teams ensure orders are picked to a high degree of accuracy and our drivers represent Bunzl on a daily basis as the main face-to-face contact with our customers. The companies within our Group are dedicated to developing our people through various methods, including formal training programmes, online learning opportunities, coaching and mentoring and are renowned for fostering inclusive work environments, where individuals can excel regardless of their background. They also understand that diverse and inclusive workplaces earn more commitment and deeper trust from their people and that is one of the reasons why Bunzl has increased its focus on this area over the last few years.

Taking action on climate change

2024 was the warmest year on record,[1] with rising global temperatures driving more extreme weather events, such as the devastating flooding in Spain, deadly heatwaves in West Africa and dangerous hurricanes in North America. With the incidences, unpredictability and severity of extreme weather events increasing, the financial impact to farming, infrastructure, productivity and health is projected to be high.

These changes and extreme weather events can be attributed to human activity and as they become more pronounced in the coming decades, without concerted and ambitious action from companies and governments, they will present significant challenges and impacts to our society and environment. With 2024 being the first calendar year when the average global temperature exceeded its pre-industrial level by 1.5ºC[2], the limit set in the Paris agreement, there remains an urgent need for low carbon solutions, a rapid migration away from fossil fuels and more climate-focused legislation.

We recognise the key role that large businesses will play in tackling this global challenge and over the last three years have worked to implement clear, tangible plans for how we plan to tackle climate change-related risks and opportunities across our operations and supply chains. In addition to regularly assessing the long term risks climate change presents to the business, our operating companies and suppliers have continued to deliver against our near term science-based carbon reduction targets and our absolute emissions have decreased by 18% since 2019.

In 2023, we followed the SBTi's Net Zero Standard to develop our transition plan and are pleased that this was formally approved by the SBTi this year. We believe that long term net zero targets need to be aligned with climate science and that achieving net zero represents an opportunity for Bunzl to build a more resilient business. Reaching net zero represents a significant challenge; we will not only need to assess and change our own operations but collaborate with hundreds of customers to achieve the deep emissions reductions. As shown on page 45, we will continue to engage our key partners and leverage our position in the supply chain to drive change and bring other businesses on the journey.

Decarbonisation levers and near term carbon roadmap activities

We have identified five decarbonisation levers that we will use to reduce both near and long term emissions in line with climate science to achieve net zero. Our immediate focus is to deliver our near term carbon reduction targets and continue to take action where we can now. In the short term, to remain aligned to our net zero transition plan, we focus our efforts on two key decarbonisation levers: building a low carbon supplier network and more efficient operations. In addition to these focus areas, activities and projects relating to the other levers are already underway and some examples are provided in the tables on pages 47 and 48.

1. www.bbc.co.uk/news/articles/cd7575x8yq5o
2. www.climate.copernicus.eu/copernicus-2024-first-year-exceed-15degc-above-pre-industrial-level

// SUSTAINABILITY *continued*

Decarbonisation lever	Emission sources addressed	How reduction will be achieved	Overall impact on emissions[1]	Action taken
Emission-free transport: Low and zero carbon logistics	• Commercial vehicles • Company cars • Upstream transportation and distribution • Downstream transportation and distribution	Transition to electric and other zero emission vehicles, prioritising logistics partners who have implemented similar levers	**High**	The transition of smaller commercial vehicles to electric alternatives is progressing, with several conversions completed across our global operations. In 2024, we launched our first electric heavy-duty truck at our cleaning & hygiene business in Bunzl Canada. With a range of 350 kilometres on a single battery charge and operating on 100% renewable electricity, this vehicle is optimised for urban deliveries within the Toronto area. This initiative marks a significant step in advancing both efficiency and sustainability within Bunzl North America's operations. The outcomes of this project, along with other electric vehicle initiatives across the Group will provide valuable insights to inform future decisions regarding our electric vehicle strategy.
		Route optimisation, fuel efficiency monitoring software	**Low**	
		Prioritising logistics partners who use a higher proportion of low emission fuels	**Low**	
Building a low carbon supplier network: Suppliers setting carbon reduction targets	• Purchased goods and services	80% of suppliers by emissions to set and deliver short term reduction targets between (2027 and 2037)	**Very High**	Ecolab Inc., a global sustainability leader offering water, hygiene and infection prevention solutions announced in 2024 that its climate targets have been approved by the SBTi. The validation encompasses Ecolab's near and long term greenhouse gas ('GHG') emissions targets and bolsters the company's track record in its journey to achieve net zero emissions across its value chain. Ecolab Inc. is in the top 10 suppliers by emissions for Bunzl and this group represents 31% of the emissions in our target boundary. To date, 62% of suppliers by emissions in the top 10 (including Ecolab Inc.) have targets formally approved by the SBTi and the remainder have all pledged to meet our requirements by 2027.
		Additional engagement after 2037 with a proportion of suppliers to set net zero targets	**Very High**	
Climate conscious decision making: Providing lower carbon solutions for customers	• Purchased goods and services • End of life treatment of sold products	Customer engagement, education, data and knowledge sharing on the carbon impacts of various products can lead to an increased demand for lower emission solutions	**Medium**	Bunzl Retail Supplies in the UK have worked with leading convenience retailer Co-op to roll out new shroud coverings for backhaul waste cages across its entire store estate. The move will see Co-op moving away from single use stretch-wrap plastic film typically used for cages which hold shopfloor waste, such as packaging and cardboard. The reusable shrouds, which have an expected lifespan of up to five years, are made from recycled plastic and are expected to reduce carbon emissions by around 630 tonnes of CO_2e each year.
		Customers setting net zero targets will cause a shift in the emissions associated with a product's end of life treatment due to increased recycling and reuse rates	**High**	
		Expected improvements in country level waste management and increased recycling rates	**Low**	

1. Very High (>10% of total reduction), High (>5%), Medium (>2.5%), Low <2.5%

// SUSTAINABILITY *continued*

Decarbonisation lever	Emission sources addressed	How reduction will be achieved	Overall impact on emissions[1]	Action taken
Lower carbon commodities: Raw material carbon reduction	• Purchased goods and services	Long term decarbonisation of the plastics industry through actions, such as reuse schemes, mechanically and chemically recycled plastics, plastics from biomass and Carbon Capture & Utilisation ('CCU') plastics	**Very High**	Faerch, one of Bunzl's packaging suppliers, has an integrated recycling facility called Cirrec that transforms post-consumer household waste rPET from across Europe into new European Food Safety Authority ('EFSA') food-grade packaging. By recycling 3.6 billion food trays annually (soon expanding to 5 billion) Faerch diverts millions of tonnes of plastic from landfill or incineration, significantly reducing emissions associated with virgin plastic production. This industrial-scale recycling operation helps Faerch's partners to lower their scope 3 carbon footprint. Faerch is also accelerating its shift to renewable energy across 29 locations in 15 countries. Power Purchase Agreements ('PPAs') are already in place in Poland, the UK and Denmark with more underway in Spain, Italy, France, Germany and Poland. By 2025, all sites are expected to be covered, supporting Faerch's goal of sourcing 100% renewable energy by 2030.
		Long-term decarbonisation of the paper industry through actions such as: heat pumps to reuse heat, increased pulp from recycled sources, low emission fuels, renewable energy	**High**	
		Long-term decarbonisation of the textiles industry through actions such as: improved materials mix (e.g. recycled and organic fibres), renewable energy, reduced fertiliser use, improved manufacturing efficiency	**Low**	
Low carbon business and workforce: More efficient operations	• Electricity • Travel and commuting	Onsite electricity generation from solar panel installation and renewable energy procurement	**Low**	We are committed to reducing the emissions linked to our electricity use by prioritising energy efficiency projects, transitioning to renewable energy and employing new innovative technologies (as highlighted in the MultiLine case study on page 51). In Australia, we continue to focus on solar energy and in 2024, we converted three more sites to solar power, raising the total number of solar-powered sites to five. Due to these initiatives, 5% of our electricity consumption in Australia now comes from self-generated renewable energy.
		LED lighting and other energy efficiency measures	**Low**	
		Review of business travel practices and reduction in non-essential trips, employees to transition towards electric and other zero emission vehicles over time, decarbonisation of public transport	**Low**	

1. Very High (>10% of total reduction), High (>5%), Medium (>2.5%), Low <2.5%

// SUSTAINABILITY *continued*

Bunzl's emissions breakdown

Purchased goods and services
80%

Downstream transport
1%

Upstream transport
5%

Product emissions
2%

Operations and workforce
3%

End-of-life
9%

Assessing climate change scenarios and their impact on our business

As climate risks become an increasingly significant factor in business operations and the global economy, regulations related to climate risk disclosure are emerging. Once voluntary under frameworks like the Taskforce on Climate-related Financial Disclosures ('TCFD'), climate risk assessments are now mandated by regulations such as Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, the European Union Corporate Sustainability Reporting Directive ('CSRD'), Australia's ASSB S1 and S2, and the California Climate Act.

The Board, Executive Committee and every business area and operating company in Bunzl identify and document risks in a consistent way within the categories of strategic, operational, and financial risks. Our process for identifying and assessing risks on an ongoing basis is detailed on page 66. These include current and emerging climate-related risks and opportunities and by doing so, we are ensuring that climate change is integrated into the Group's overall risk management framework.

In 2024, we have engagement an expert consultant to review and enhance our climate risk assessment, covering our operations and supply chain. As part of this work, the consultant validated our approach to assessing the financial impacts of climate risks and developed a step by step approach that can be updated each year.

The assessment process consisted of five main stages:

1. Defining the scope of the risk assessment

We have carried out an assessment of the countries that have the greatest climate vulnerability and where we have significant business or supply chain presence. Based on this, we identified 17 countries as priorities for the climate risk assessment.

2. Evaluating and prioritising climate risks and opportunities

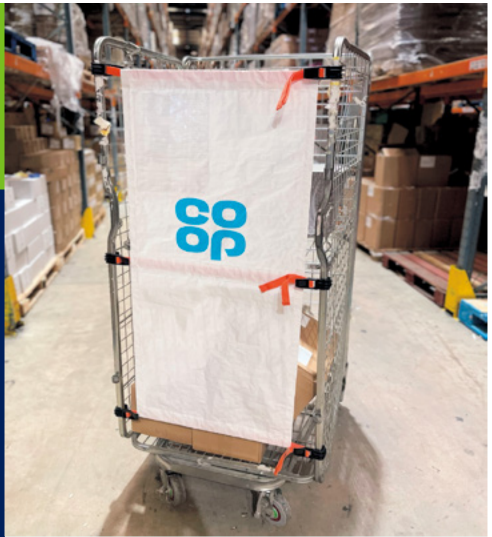
Desktop research was conducted to analyse the 17 prioritised countries based on predefined climate risks from frameworks such as the TCFD and the Carbon Disclosure Project ('CDP'). This was followed by an internal consultation process with Bunzl teams in regions where climate risk regulations are becoming more stringent. The outcome of this process was the identification of seven key transition risks and five physical risks. These risks were categorised into regulatory, market, technology and physical domains.

Key transition risks include increased costs due to higher and stricter carbon prices, the overall impact on the global economy due to economic damage from climate change, loss of revenue due to higher ESG customer requirements and higher costs due to the increased price of raw materials such as oil. Physical risks included acute risks such as extreme temperatures, floods, cyclones, and wildfires, as well as chronic risks related to the gradual rise in mean temperatures.

Each risk was qualitatively assessed based on its magnitude and likelihood. The highest priority risks identified were ESG customer requirements, carbon pricing, the global economic impact of climate change, and extreme weather-related impacts. In addition to climate risks, two climate-related opportunities were identified: increased revenue through shifting customer preferences towards sustainability and the substitution of resources with more sustainable alternatives.

The time horizons for the scenarios were updated to short term: 2030, medium term: 2040, and long term: 2050.

// SUSTAINABILITY *continued*



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Bunzl has been working with us to quantify the carbon footprint of the materials we place on the market and has had a really proactive approach to baselining the materials we purchase and suggesting alternatives that reduce our overall environmental impact. I've been really impressed with the way the team has approached this emerging challenge of decarbonising packaging materials."

ROB THOMPSON
Senior Packaging Manager, Food Sustainability, Co-operative Group

3. Selecting climate scenarios and timeframes

In a next step, we have updated the assessment of the impact of various climate change scenarios. After analysing climate models from the Network for Greening the Financial System ('NGFS'), the International Energy Agency ('IEA') and the Intergovernmental Panel on Climate Change ('IPCC'), the NGFS model was again selected for its flexibility in assessing both transition and physical risks. The three scenarios, Orderly (Net Zero by 2050), Disorderly (delayed transition), and Hot House World (current policies), were chosen to reflect various climate trajectories and their impact on Bunzl. The 'orderly' and 'disorderly' scenarios align with global warming trajectories of 1.5°C and 2°C by 2100, respectively, but differ in the speed and extent of decarbonisation over the next 30 years. Our final scenario ('hothouse world') assessed the potential impacts of a world in which global warming exceeds 3°C by 2100. Our scenarios broadly align with the environmental and economic conditions represented in the NGFS scenario framework (www.ngfs.net/ngfs-scenarios-portal/explore) and more information can be found on page 206 of our ESG appendix.

4. Evaluating the impact on our business

We have applied the three climate change scenarios to the four key risk areas (carbon pricing, ESG customer requirements, the global economic impact of climate change and extreme weather related impacts) to understand the impact each scenario could have on Bunzl's business. Each climate risk was quantified using three scenarios: best-case, mid-case, and worst-case. We have then worked to calculate the financial impacts associated with the various scenarios.

Looking at the various timeframes and the Group's assessment of risk, principal risks are those which are material to the development, performance, position or future prospects of the Group.

Given our assessment of the likelihood and magnitude of impacts under the various scenarios and for the four key risk areas, we conclude that climate change remains a principal risk for Bunzl. We also conclude that whilst climate change is a principal risk that is likely to have an impact on the Group in the future, the financial impacts are sufficiently limited and uncertain and sufficient opportunities exist to mitigate them. Our climate change response measures have been outlined on page 207 and include proactive scanning and responding to customer expectations, offering a broad range of alternative product solutions, setting science-based emission reduction targets, and effectively passing on increased product costs (for example, due to carbon pricing) to our customers.

5. Effectiveness of response measures

We will continue to evaluate (and when necessary accelerate) our existing response measures to ensure that our business continues to be resilient to the assessed risks and is able to capitalise on business opportunities that our response to climate change may offer.

A low carbon business and workforce

Our scope 1 and 2 carbon emissions in 2024 and our baseline year (2019) are shown in the table below.

We are on track to achieve our science-based reduction targets for 2030, which include a 27.5% reduction in emissions and a 50% decrease in emission intensity. Compared to 2019, our carbon efficiency has improved by 26%, and our absolute emissions have been reduced by 18%. However, our absolute carbon emissions increased by 0.2% in 2024 versus 2023, primarily due to the emissions reported for the first time from recent acquisitions. Additionally, our natural gas consumption rose by 4%, driven by higher heating demands, which contributed to a 0.7% increase in global emissions. Our global electricity consumption and associated emissions increased by 4%, partly due to the increased charging of electricity and hybrid company vehicles on-site. In 2024, approximately 2% of our electricity consumption was allocated to charging electric vehicles ('EVs'). Nonetheless, we observed a notable increase in the adoption of EVs, particularly in the UK & Ireland and Continental Europe, alongside improvements in energy efficiency and a rise in the procurement of renewable energy across the Group, from 25% to 28%.

The transition to EVs has made significant progress, particularly with passenger cars, which have benefitted from advancements in battery technology and charging infrastructure. The transition of smaller commercial vehicles to electric alternatives is progressing, with conversions successfully completed at several sites in North America and the UK & Ireland. Currently, we operate approximately 30 electric commercial vehicles across our fleet. However, scaling this transition to larger vehicles continues to present several challenges.

Scope 1 and 2 carbon emissions (market based)	2019	2024	2024 % reduction (vs 2019)
Total scope 1 and scope 2 emissions market-based (tonnes of CO_2e)	141,320[1]	**115,660◊**	18
Emission intensity market-based (tonnes of CO_2e/£m revenue)	13.8	**10.2◊**	26

1. Emissions and emissions intensity in our baseline year have been recalculated to reflect the impact of acquisitions.
◊ Included in the external auditors' limited assurance scope. See data assurance statement, which is available on our website, www.bunzl.com

// SUSTAINABILITY *continued*

The limitations of current battery capacities significantly impact the efficiency and range of larger vehicles, which are essential for long-distance transportation and heavy-duty applications. Additionally, the infrastructure required to support the widespread use of large EVs remains underdeveloped. The continued reliance on fossil fuels for larger vehicles highlights the need for further innovations and investments to overcome these barriers for a successful large scale transition to electric mobility.

We actively trial and implement new technologies across the Group to support our longer term carbon reduction targets. A notable case study from Denmark demonstrates the effectiveness of technologies in reducing carbon emissions. At MultiLine, one of our businesses in Denmark, the installation of a state-of-the-art heat pump resulted in an impressive 80% reduction in carbon emissions. The heat pump significantly improved energy efficiency, while in a next step the installation of solar panels that generate clean electricity will further offset the need for fossil fuel-based power and supports the site in its journey to become net zero. This integration of green technologies not only enhances sustainability but over time also leads to considerable cost savings. The project highlights the potential for our businesses to achieve substantial environmental benefits while contributing to the Group commitment to a low carbon future.

As suitable new technologies develop, we will revisit our roadmaps accordingly to ensure our activities remain ambitious. The table to the right shows the near term activities our business areas are working on to ensure we stay on track to achieve our scope 1 and 2 science-based reduction goals in 2030.

We also report on our climate change performance through our annual response to the CDP. In 2024, we received a B rating for our response.

Scope 1 and 2 emissions source	KPI % of emissions in 2024	% change since 2019	Key initiatives and results in 2024	Progress
Commercial vehicles	49%	-13%	In 2024, we continued fuel-efficiency improvements with targeted initiatives in North America focusing on reducing diesel consumption in commercial vehicles. We continue to trial and implement electric commercial vehicles where feasible. Conversion of our large commercial vehicles is still at an early stage. Range limitations and impacts on operational efficiency still represent challenges for the large-scale transition of vehicles. We intend to increase the usage of Hydrotreated Vegetable Oil ('HVO') in our commercial vehicles and this initiative is currently in progress. In 2024, we have implemented several transitions to HVO in UK & Ireland and Continental Europe. The HVO consumption by our commercial vehicle fleet increased to approximately 1% of the Group diesel consumption, which is below our initial projections. However, we anticipate a notable increase in HVO usage in 2025, with around 15 additional transitions planned for the year.	**Behind plan but working to meet target**
Company cars	12%	-28%	We continue to replace Internal Combustion Engine ('ICE') company cars with electric and hybrid vehicles. In 2024, we have made significant progress in North America with more than 25% of the cars converted to hybrid. In UK & Ireland, more than 50% of company cars are electric and approximately 25% are hybrid.	**On track**
Electricity	23%	-27%	We continue to install energy efficient lighting in our buildings. In North America, approximately 80% of the square footage of our sites has been equipped with LED lighting. The percentage of renewable energy purchased has increased to 28% in 2024. Our businesses continue to install electricity generating solar panels. Solar panels are now installed at 15 sites across the Group. The electricity generated by these installations represents 1% of our total energy consumption.	**On track**
Heating	16%	-12%	We actively trial and implement new technologies across the Group to support our long term carbon reduction targets. The heat pump installed by MultiLine has significantly improved energy efficiency and a planned installation of solar panels will help to further offset the need for fossil fuel-based power at the business.	**On track**
Total	100%	-18%	We remain on track to meet our near term science-based targets.	**On track**

More information
Detailed energy consumption and climate change data can be found in the ESG appendix (see page 208). Our climate change reporting procedures can be found in the EHS and Sustainability Reporting guidelines in the sustainability section of our website (www.bunzl.com/sustainability/sustainability-reporting/).

The independent assurance for our scope 1 and scope 2 carbon emissions and emission intensity (tonnes of CO_2e per £m revenue) calculations can be found in the ESG appendix of this report (see page 210 and in the EHS data assurance statement in the sustainability section of our corporate website.

// SUSTAINABILITY *continued*

Investing in a diverse workforce

Diversity, Equity, Inclusion and Belonging ('DEIB') are not just buzzwords at Bunzl; they are essential pillars of the success and sustainability of our modern businesses. As a global business we believe that if we embrace diverse perspectives into our decision making we will be able to respond far more quickly and nimbly to the demands of our customers, who themselves are diverse – straddling different market sectors, geographies and with a huge variety of end users. We accept that establishing common DEIB objectives across a decentralised and diversified group such as Bunzl is not easy, but we believe that making progress starts with the creation of a truly inclusive culture, where all of our c.27,000 people can feel a sense of belonging and bring their whole selves to work.

We know that there are very compelling reasons for our businesses to deliver tangible improvements to the diversity of their teams. Firstly, diverse teams are proven to be more innovative and adaptable, and a variety of perspectives leads to better decision making and problem solving, giving our companies a competitive edge. Secondly, an inclusive culture enhances employee engagement (see page 32) and satisfaction, reducing turnover and attracting top talent. Lastly, with our customers and investors increasingly valuing ESG, companies that prioritise diversity and inclusion are more likely to gain their trust and loyalty. We see this focus as a condition of doing business with all our major stakeholders.

Since we launched our first set of Group diversity, equity and inclusion targets in 2021, we have made great progress, as illustrated on page 37.

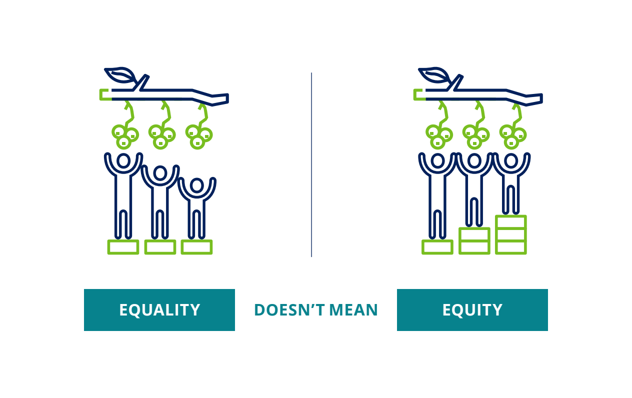
The objectives themselves have evolved from an initial focus on gender diversity, where we have made significant progress, to a strategy around inclusion in its broadest sense. As evidenced elsewhere in the report, we have:

- further formalised our regional listening forums, including the sessions run by the non-executive directors;
- tracked the differences by gender in the Great Place to Work Survey and explored possible reasons for the differences with groups of female colleagues;
- held specific listening sessions between the CEO and groups of females and ethnically diverse colleagues; and
- rolled out the Reverse Mentoring initiative for the Leadership Team.

The drivers for investing in a diverse workforce at Bunzl

1

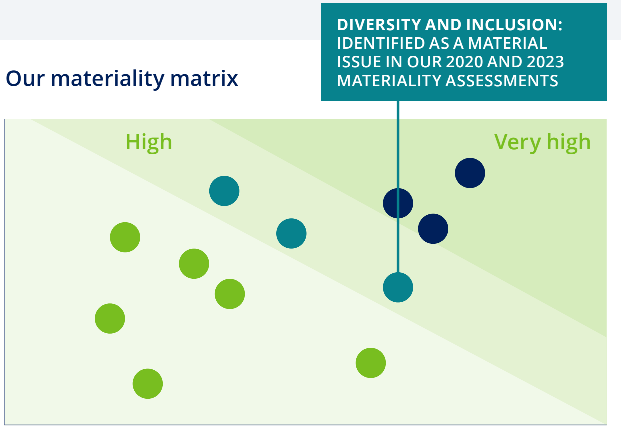
It is a critical component of our employment brand – a truly equitable and inclusive culture is increasingly becoming a necessity in the workplace.



2

It is also becoming a condition of doing business with our key customers and other stakeholders.

Our materiality matrix



3

We need to open up the talent pool in order to attract, recruit and build the capabilities we need for the future.

// SUSTAINABILITY *continued*

Progress in diversity, equity and inclusion

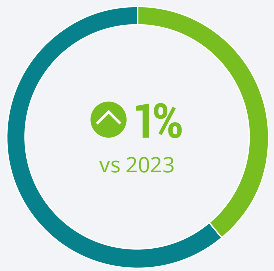
OUR COMMITMENT

Continue to closely monitor the representation of women in senior roles (Board and Executive Committee) and endeavour to improve the number of women at the levels below the leadership team.

We will ensure that Bunzl has an inclusive culture where everyone, irrespective of background, can thrive and build their careers.

GENDER DIVERSITY

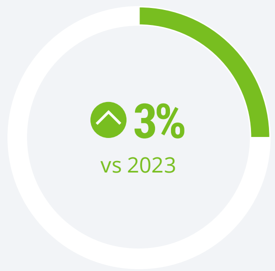
39%[1] 61%[1]



1. Gender diversity at Group-level

WOMEN IN LEADERSHIP

25%[2]



2. Senior leadership group defined as the c.530 leaders that receive share awards as part of their remuneration

TOTAL WORKFORCE AGE PROFILE

Under 30	19%	1% vs 2023
30–39	25%	1% vs 2023
40–54	36%	1% vs 2023
Over 55	20%	1% vs 2023

ACTIONS TO DRIVE SUCCESS IN 2025

GENDER DIVERSITY

Continue to maintain a representation of females in leadership roles of at least 20% and aim to make year-on-year improvement to the underlying percentage by:

- continue with our current development, mentoring and sponsorship activities to prepare female colleagues for leadership roles. Ensure that all high-potential females have a development plan in place;
- continuing to use the insights from the Great Place to Work survey to create meaningful action plans to improve female employee engagement;
- continuing our work to expand the 'Inspiring Women in Bunzl' networks and other regional and local female-focused resource groups; and
- developing of our Group employer brand to articulate how it feels to work for Bunzl.

MINORITY GROUP PARTICIPATION

Continue to identify opportunities at a regional and local level to improve our employer value proposition and reputation as an inclusive employer by:

- continuing to build on the regional listening groups to ensure that under-represented voices continue to be heard;
- supporting the expansion of the reverse mentoring programme;
- continue to use the insights from the Great Place to Work survey to create meaningful action plans to improve employee engagement for under-represented groups; and
- continue to ensure that we continue to have at least one Director from a minority ethnic background on the Board.

// SUSTAINABILITY *continued*

Great Place to Work survey (Justice section)

Our recent Great Place to Work results demonstrated that our businesses are making good progress and those surveyed felt the people in their respective businesses are treated fairly regardless of their differences.

Positive responses from the survey population

81%

People here are treated fairly regardless of their age

90%

People here are treated fairly regardless of their race

88%

People here are treated fairly regardless of their gender

91%

People here are treated fairly regardless of their sexual orientation

Employee Resource Groups

Over the past year, our businesses have continued to introduce and run a number of initiatives designed to enhance diversity, equity and inclusion within the workplace. Employee Resource Groups ('ERGs') have proven to be particularly successful initiatives across our decentralised structure and have helped to foster a sense of belonging, enhanced employee engagement and promoted cultural awareness across our business areas.

In Latin America, one of the most impactful initiatives in their strategy is the Empowering Women in Leadership Programme which was developed in 2021 in partnership with the Pontifical Catholic University of Chile. This programme represented a milestone in the business area's commitment to female empowerment, offering practical tools for personal development and preparing women to take on leadership roles in the future. Since 2021, approximately 170 women from Latin America have participated in the programme and the results are notable, with 28% of the programme participants being promoted to senior positions across the region.

The Inspiring Ethnicity in Bunzl ('IEIB') programme, initially created in the UK & Ireland, was officially launched in North America in 2024 with the mission of fostering networking, professional development, and mentoring opportunities for employees from diverse ethnic groups. IEIB is open to employees of any race or ethnicity. The first initiative was a Financial Awareness campaign. Topics included were 'Money Matters to Me', 'Keys to Managing Credit' and 'Medical Benefits 101'. These topics of discussion were rolled out successfully to four pilot locations and involved c.400 employees. The second ERG launched in 2024 was Inspiring the Next Generation in Bunzl ('INGIB'). Its primary aim is to 'foster meaningful connections and ignite development for next generation professionals.' In a short space of time the programme has attracted c.200 members and hosts quarterly virtual events on a variety of topics. Both ERG's look forward to continuing growth and development in 2025.

In Australia, we have continued to develop our First Nations programme by implementing our accredited Reconciliation Action Plan ('RAP') across the business, reaffirming our commitment to building partnerships with First Nations communities and businesses. In 2024, we appointed a First Nations adviser to build upon our initial engagement with these partners. The business area ran several engagement events to celebrate diversity and individualism, and to support our goal of being a diverse and inclusive workplace. These actions have increased our employees' understanding of First Nations culture and strengthened procurement partnerships with First Nations-owned businesses, enhancing our ability to respond to tenders with genuine examples of support.

Our Inspiring Women in Bunzl ('IWIB') programmes have continued to meet and drive progress, contributing to our achievement of 25% women in senior leadership positions. This represents an 11% Group-wide increase since the launch of our first IWIB programme in the UK & Ireland in 2019. Elsewhere in the Group, Bunzl Ireland have achieved a Silver award in the Irish Centre for Diversity's corporate accreditation scheme and a number of our businesses in France, Germany and Spain have signed the European Diversity Charter to promote diversity and inclusion in the workplace and report on the measures they have implemented.

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Fostering diversity and inclusion is not just a moral imperative but a strategic business advantage. Companies that invest in creating inclusive environments will be better positioned to navigate the complexities of the modern world, drive sustainable growth, and contribute positively to society. I've been pleased to help lead our Inspiring Women in Bunzl programme in North America and I am delighted that the initiative has delivered tangible results."

BETH DAHLKE

Division President Safety, Bunzl North America

OUR CUSTOMERS

Our material ESG themes

- PROVIDING TAILORED SOLUTIONS
- TAKING ACTION ON CLIMATE CHANGE
- BUSINESS CONDUCT

By providing our customers with a broad range of essential items, readily available from stock, alongside specialist knowledge and expertise, we provide the reassurance our customers need for essential items, which allows them to focus on their core businesses. We have more than 6,500 expert sales people and locally based customer service specialists who use their deep and detailed knowledge to work with customers to ensure that they receive the best possible advice on all product and service-related matters.

These teams are supported by local and regional sustainability specialists across the Group who possess a deep understanding of our products, customer sectors, operations and their challenges. They drive the integration of our sustainability value proposition with customers; providing customer-specific data, advice and regular updates on new legislation and trends, often through proprietary in-house tools (see pages 58 and 59 for examples). This means, in a world where new sustainability reporting and legislation requirements are increasing, our teams give significant value to customers by providing the data and expertise they need to make informed decisions and communicate their progress accurately and effectively.

This technical expertise, coupled with our sourcing proficiency, means we are uniquely positioned to supply the products and solutions our customers need to meet their targets, reduce carbon emissions, comply with legislation and improve their overall sustainability credentials. With customers facing the dual challenge of stricter packaging restrictions and cost pressures, our extensive (and increased) ranges of own brand packaging solutions help them transition to alternative materials at competitive prices while not compromising on product quality or sustainability credentials.

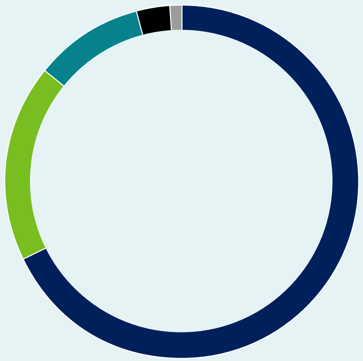
Providing tailored solutions

As the world grapples with pressing environmental challenges, the concept of a circular economy has emerged as a practical solution, offering a sustainable alternative to the traditional linear model. Current trends we see across our customers in the grocery, retail and foodservice sectors indicate a growing emphasis on reducing waste, recycling and reusing materials and extending product lifecycles. However, according to the Circularity Gap Report 2024, global circularity decreased from 9.1% in 2018 to 7.2% in 2023, highlighting the urgent and continued need for action[1].

Legislation is also pivotal in supporting the circular economy. Policies like the EU's upcoming Green Claims directive and Packaging Waste Regulations are steps in the right direction, but more comprehensive measures are needed globally, coupled with improved infrastructure. To achieve faster and more significant progress, an integrated strategy for collection and recycling across cities, regions and countries is essential and advanced technologies such as chemical recycling should also be adopted to boost the amount of recycled materials available.

We have an important role in providing the tailored solutions that respond to these trends and continue to enable customers to transition to products and solutions that support a low carbon and more circular economy. This unique ability represents both a competitive advantage and growth opportunity for Bunzl.

Only 1% of revenue generated from consumables facing regulation



Non-packaging products
£7.8bn (68%*)

Packaging with an important purpose
£0.4bn (3%*)

Packaging and products made from alternative materials
£2.0bn (18%*)

Consumables facing regulation
£0.1bn (1%*)

Consumables likely to transition
£1.1bn (10%*)

* These figures do not include revenues from 2024 acquisitions (see Note 9 to the consolidated financial statements on page 159).

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 2024 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 products. Consumer demand for packaging and products made from alternative materials continues to drive our commitment to lead the transition to products and solutions that support a low carbon and more circular economy. More information on our packaging categories, and limitations with respect to the product data and related disclosures, are set out in the ESG Appendix on page 205.

1. https://www.greenmatch.co.uk/environmental-impact-of-a-circular-economy

// SUSTAINABILITY *continued*

In 2024, our businesses continued to help transition customers to packaging products made from alternative materials, and these solutions now account for 56% of total packaging sales across the Group. The Group continues to have very limited exposure (1%) to single-use plastic consumables facing regulation where some volume reduction is expected and the proportion of total Group revenue attributable to non-packaging products or packaging made from alternative materials is high at 86%[1].

Our teams have continued to present our sustainability value proposition to our customers in 2024, providing support with data collection projects, giving updates on new legislation and recommending and supplying new solutions. A combination of one-to-one meetings, in-person seminars and online webinars have been used.

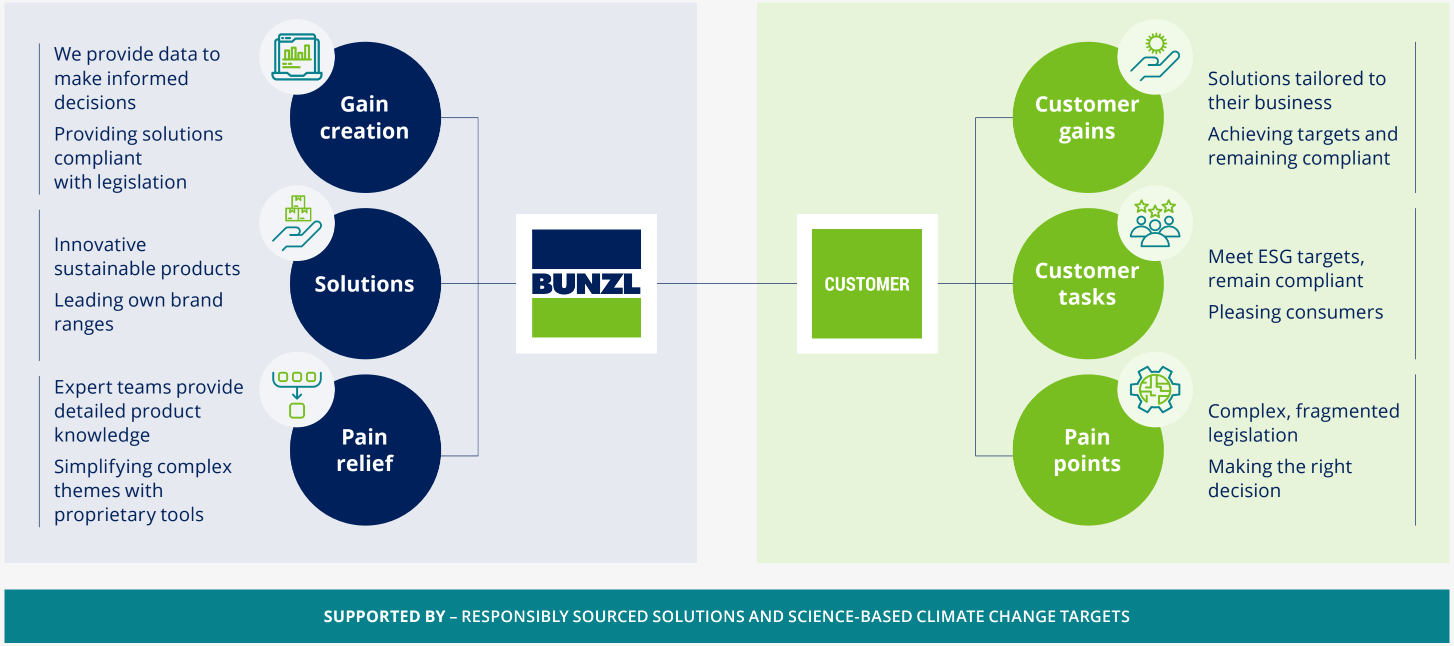
Our sustainability value proposition is rooted in data, starting with our comprehensive understanding of our products, customer sectors, operations and their regional challenges. We provide access to detailed packaging data (material type, weight, composition, certifications and carbon footprint) and information our customers need to track progress against and report effectively on their targets.

Our expert sustainability teams then provide customer-specific advice and regular updates on new legislation and trends. They use proprietary in-house tools to present packaging data and carbon emission reports to customers and provide customer-specific advice and regular updates on legislation and trends.

Finally, unlike a consultancy service we are uniquely positioned to then supply the solutions our customers need to meet their targets, comply with legislation and improve their sustainability credentials. Our emerging own brand packaging ranges promote faster, more affordable transition to alternative materials (see page 27) and we use our unique position in the supply chain to source alternative products for our customers that comply with new legislation.

In addition, Bunzl customers benefit from responsibly sourced products that safeguard against reputational risks and science-based climate change targets aimed at reducing carbon emissions in their value chain. In 2025, we will continue to take our value proposition to both new and existing customers and drive more of the benefits our engagement has brought this year.

Our sustainability value proposition



1. Excluding revenue from acquisitions.

CASE STUDY

OUR SUSTAINABILITY VALUE PROPOSITION IN ACTION

Bunzl has secured a far-reaching new agreement with Aramark, the multinational foodservice and facilities management company providing services to clients across education, defence, healthcare, business, and leisure. The contract also supports Avendra International, Aramark's wholly-owned business specialising in supply chain and group purchasing for third party clients in hospitality and other related sectors.

Bunzl will supply multiple Aramark and Avendra International locations across UK & Ireland and Continental Europe with a wide range of items including disposables, cleaning & hygiene materials, tableware and foodservice products.

This new contract was secured as part of a new initiative whereby much of the negotiation and administration was undertaken at a centralised European level, with the local knowledge and expertise of individual Bunzl businesses used for fulfilment and distribution.

Aramark and Avendra International have enjoyed a strong partnership with Bunzl in the past and are delighted to have signed this expanded agreement. The deal aligns closely with their objective of leveraging central efficiencies and scale, while delivering local value and expertise to their clients, alongside a commitment to sustainable sourcing. The process was regularly supported by our sustainability experts who held a number of meetings with the Aramark team covering our sustainability value proposition along with deep dive sessions on specific topics like responsible sourcing and net zero.

//

Bunzl's approach to all sustainability-related topics is both robust and thorough. On numerous occasions, we've had the pleasure of connecting with passionate and knowledgeable sustainability experts and leaders within Bunzl's business to better understand their current position and future strategy. In turn, this helps us identify how our business can leverage this expertise to support our own sustainability strategy, goals and targets.

We look forward to continuing our partnership with Bunzl; a supply partner who is committed to sharing ideas and implementing strategies centred around sustainability. Through our continued collaboration with Bunzl on various sustainability topics, we confidently offer our clients solutions that add value to their operations and support diverse sustainability requirements, aligned with Aramark's 'Be Well. Do Well.' platform, promoting the well-being of people and the planet."

DUNCAN BENNETT
Vice President Global Supply Chain, Aramark & Avendra International

// SUSTAINABILITY *continued*

CASE STUDY

AWARD WINNING SUSTAINABLE PACKAGING

Bunzl Safety and Lifting won an Australian PIDA (Packaging Innovation Design Award) for Sustainable Packaging. The award is designed to recognise companies that have developed innovative packaging solutions that incorporate sustainability solutions. Key improvements included reducing the size of swing tags, replacing unrecoverable plastic garment bags with cardboard pack bands, switching from solvent-based inks on cartons to less toxic water-soluble ink, and replacing plastic swing ties with cotton cords.

These efforts, which spanned over 2,000 SKUs and covers the entire workwear range, are expected to divert more than two tonnes of plastic from landfill annually.

PIDA
AUSTRALASIAN PACKAGING INNOVATION & DESIGN AWARDS 2024
SUSTAINABLE PACKAGING
PLASTIC TO FIBRE TRANSITION
GOLD WINNER

CASE STUDIES

DATA

In Finland, one of our recent acquisitions, Pamark, has developed a strategic partnership with their product suppliers to build a database and platform called 'Greenline' that is used with customers to help them understand the environmental and societal impacts of the products they buy. Funded by our product suppliers (Greenline Partners), the platform now has carbon emissions information for c.17,000 products and has proven to be a useful source of competitive advantage and a useful tool for customer acquisition and retention.

Our customer, SSP UK & Ireland, create and run food and drink outlets in travel locations. As part of their sustainability journey, they are working to remove virgin plastic from their business. Where it is particularly difficult to remove plastic, they are focusing their efforts on shifting the mix away from virgin polymers and towards recycled plastic. A critical enabler of this was to gain better visibility of their virgin plastic consumption. Bunzl Catering Supplies ('BCS'), in the UK & Ireland, conducted a detailed assessment of SSP's plastic footprint. Using these insights, SSP are now trialling swaps for the biggest virgin plastic drivers with BCS, for example refuse sacks with a higher percentage of recycled content.

CASE STUDIES

KNOWLEDGE

In North America, Bunzl helps customers meet their own sustainability goals through its internal 'Blue Key' sustainability consultancy offering. In 2024, Blue Key advisers worked with a large restaurant group with over 6,500 stores to provide detailed information and guidance on the legislation they face across the country. With a fragmented and complex legislative environment in the USA, the database Blue Key advisers created for the customer was well received and given the lack of internal sustainability resources in the customer's business, was cited as playing a key role in the retention of their contract.

Bunzl Retail Supplies ('BRS') in the UK offers a Sustainability Consultancy service, helping retailers navigate an evolving and complex legislative landscape. During 2024, 50 high volume product lines for a leading grocery retailer were mapped using external Life Cycle Assessment ('LCA') software to help calculate scope 3 carbon emissions. With support delivered to six major grocery retailers, the Sustainability Consultancy service enables BRS to invest in the technical development process for new innovative products.

CASE STUDIES

SOLUTIONS

As part of a new five-year pallet wrap supply contract worth AUD 800,000, Bunzl Australia New Zealand also supplied 70 new Advantage pallet wrap machines, valued at over AUD 1.5 million. The customer's decision to enter into a new contract and invest in new machinery was not only driven by enhanced load containment but also by significant waste reduction and cost savings. By transitioning to a higher quality, thinner pallet wrap, the customer achieved annual cost savings of 50% and reduced plastic waste by c.200 tonnes.

Bunzl Distribution Denmark formed a team of sustainability and food packaging specialists to successfully attract two international customers who supply food worldwide with total revenues reaching over €3 million in 2024. The team has worked with the fresh produce and seafood wholesalers to help them achieve their sustainability goals by transitioning their packaging products to materials well suited to the household recycling infrastructure in Scandinavia. The team has worked to consolidate multiple packaging suppliers into one and switched non-recyclable products to solutions well suited to the circular economy, for example recyclable PET trays and mono material lidding films.

GOVERNANCE

We have a well-established governance structure to oversee the execution of our sustainability strategy and activities across the Bunzl Group.

Now in its third year, our Board Sustainability Committee ('BSC') provides strategic oversight of our sustainability opportunities and risks and continues to further the Board's knowledge in this important area for Bunzl. During 2024, the BSC met three times and in addition to assessing the progress made against our annual sustainability KPIs at every meeting, also reviewed our key projects from the last 12 to 18 months. Our double materiality assessment process, net zero transition plan, supplier engagement on climate change and customer value proposition were all discussed in detail and we will continue to bring updates on key projects, trends and legislation to the BSC in 2025.

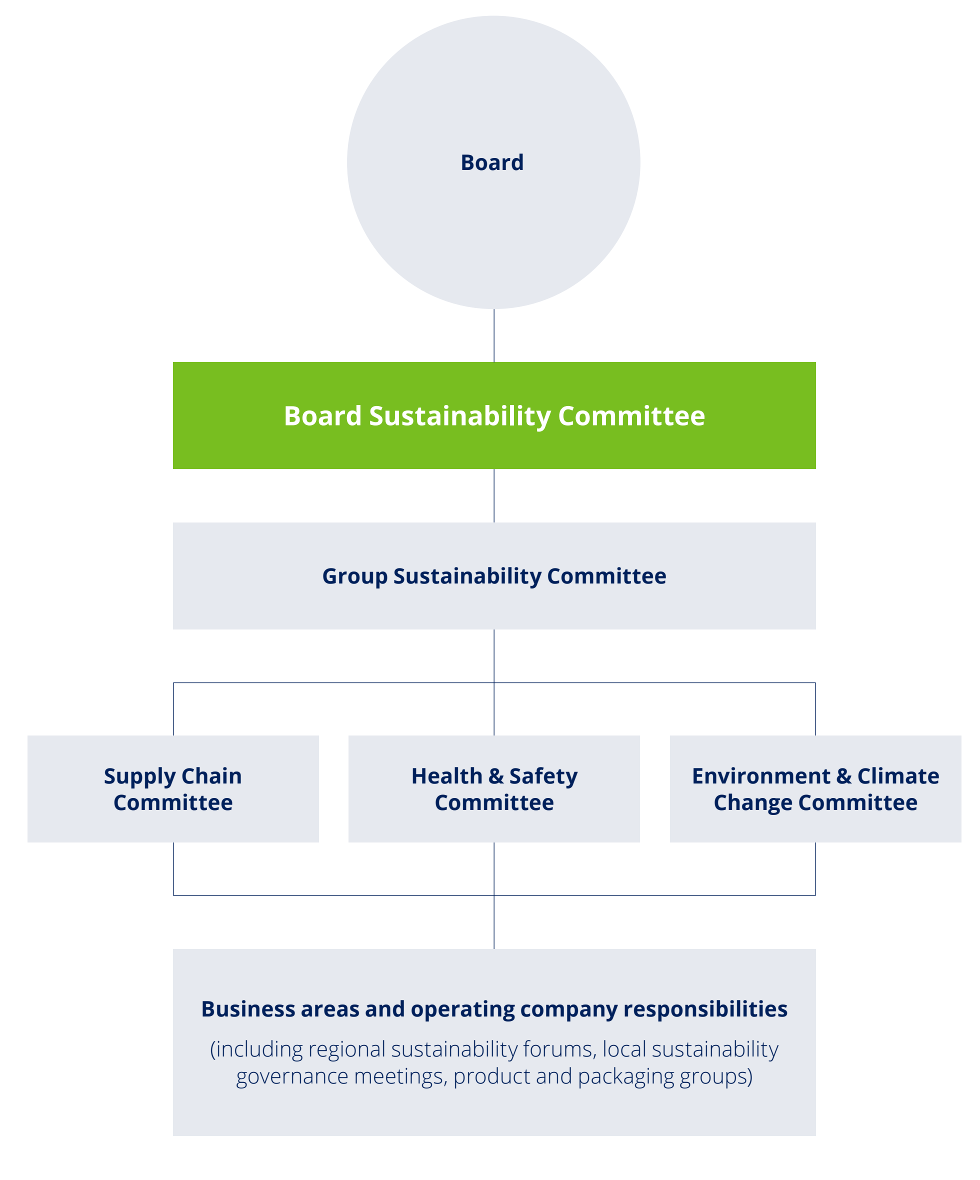
Our Group Sustainability Committee is a cross-functional leadership body that engages the senior management teams across our business areas, offering oversight and strategic direction for our sustainability programme. Chaired by our CEO and attended by members of our Executive team, the Committee meets quarterly to ensure Bunzl has an ambitious and effectively governed sustainability strategy. It sets targets, monitors progress, and supports the work of our business area sustainability teams. In 2024, the Group Sustainability Committee reviewed the progress made against our sustainability targets, key projects and the details relating to new reporting legislation, for example, the EU Corporate Sustainability Reporting Directive.

The Supply Chain Committee is responsible for developing processes and procedures to identify opportunities and mitigate risks within our global supply chains, ensuring regulatory compliance as a minimum. In 2024, the Committee reviewed our new supply chain risk assessment work and the progress of our ethical auditing and supplier engagement programmes.

The Health & Safety Committee is tasked with evaluating the key health and safety risks across Bunzl. They develop, review, and monitor appropriate policies, standards, and regulations related to health and safety management across the Group. In 2024, the Committee reviewed and updated the Group Health & Safety standards and safety audit programme and continued to focus on the roll out of a leading safety indicator programme.

Our Environment & Climate Change Committee governs the progress of our regional carbon roadmaps. The Committee meets four times a year and includes representation from all business areas. In 2024, the Environment & Climate Change Committee assessed performance against our environmental objectives and tracked the progress of initiatives aimed at reducing scope 1 and 2 emissions across the Group, such as renewable energy procurement, alternative fuels, and the transition of commercial vehicles.

OUR SUSTAINABILITY GOVERNANCE STRUCTURE



// TCFD

TCFD INDEX

The Taskforce on Climate-related Financial Disclosures ('TCFD') has developed a climate-related financial risk disclosure framework for companies to provide information to investors, lenders, insurers and other stakeholders.

Our climate-related disclosures are consistent with the TCFD recommendations and recommended disclosures as set out in the TCFD framework published in June 2017 and the updated 'Annex' published in 2021. The index table to the right provides a reference to where these disclosures can be found throughout our Annual Report.

Topic	Disclosure summary	Disclosure	Bunzl response
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	Sustainability report: page 60 Governance report: pages 85–88, 89, 91, 94, 112–113
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability report: page 60 ESG appendix: page 206–207 Governance report: pages 85–89, 91, 94, 112– 113
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Sustainability report: page 49–50 ESG appendix: page 206–207
		b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Sustainability report: page 49–50 ESG appendix: page 206–207
		c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios including a 2°C or lower temperature scenario.	Sustainability report: page 49–50 ESG appendix: page 206–207
Risk management	Disclose how the organisation identifies, assesses and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
		b) Describe the organisation's processes for managing climate-related risks.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
		c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Sustainability report: page 49–50 Principal risks: pages 66–68, 74
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209
		b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas ('GHG') emissions and the related risks.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209
		c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Sustainability report: pages 45–51 Key Performance indicators: page 37 Sustainability report: pages 208–209

// SECTION 172 STATEMENT

CONSIDERING THE INTERESTS OF ALL OUR STAKEHOLDERS TO CREATE SUSTAINABLE VALUE

Regular engagement with our stakeholders is vital for achieving sustainable long term success.

We value open, honest, and continuous communication to ensure our business decisions reflect and benefit all of our stakeholders.

Maintaining two-way relationships with our key stakeholder groups, which are identified on pages 63 to 65, enables us to understand their views and objectives. With this understanding, the Board is able to factor the potential impact of decisions on each stakeholder group into the Company's strategic decision making and consider their needs and interests in line with section 172 of the Companies Act 2006.

Engagement with stakeholders takes place through a range of mechanisms, key examples of which are set out on the following pages.

These mechanisms are kept under review and the Board is satisfied that they remained effective throughout 2024.

Engagement is carried out primarily at operational level and is reported to the Board by senior management on a regular basis. Direct engagement by the Board takes place when appropriate and on pertinent matters.

When considering stakeholders in its deliberations, there are occasions when the Board must weigh the competing interests of certain stakeholder groups against each other. In such cases, the Board always seeks to ensure that those impacted are treated fairly.

SECTION 172

The Board of directors of Bunzl plc promotes the success of the Company for the benefit of its members as a whole, having sufficient regard to:

The likely consequences of any decision in the long term

- Acquisitions: page 1
- Company purpose: page 26
- Our business model: pages 22 to 23
- Our strategy: page 26
- Shareholder returns: page 2
- Capital allocation: pages 24 to 25

The impact of the Company's operations on the community and the environment

- Carbon emissions: pages 208 to 209
- Community investment: page 212
- Non-financial and sustainability information statement: page 83
- Sustainability: pages 38 to 60
- TCFD disclosures: page 61

The interests of the Company's employees

- Diversity, equity and inclusion: pages 52 to 54
- Employment policies: page 138
- Employee engagement statement: page 95
- Our people: pages 31 to 35

The Company maintaining a reputation for high standards of business conduct

- Audit Committee report: pages 102 to 111
- Culture and values: page 94
- Independent auditors' report: pages 189 to 194
- Non-financial and sustainability information statement: page 83
- Whistleblowing: page 210
- Fraud policy: page 83

The need to foster the Company's business relationships with suppliers, customers and others

See our 'Policy hub' at www.bunzl.com to access:

- Bunzl Anti-Bribery and Corruption Policy
- Business Code of Conduct Policy
- Bunzl Ethical Sourcing Policy
- Modern Slavery Statement
- Supplier Code of Conduct

The need to act fairly as between members of the Company

- Shareholder engagement: page 96
- The Company's Annual General Meeting ('AGM'): page 137
- Investor roadshows: page 64
- Capital markets day: page 38

// SECTION 172 STATEMENT *continued*

CUSTOMERS

Relevance to strategy

Customers are central to Bunzl's purpose of providing essential business solutions around the world, and Bunzl's strategy is established to achieve this purpose while creating long term value for the benefit of stakeholders as a whole. A key tenet of our strategy is organic growth; expanding by developing our business with current customers and gaining new business with additional customers.

Concerns and interests

- Customised digital solutions
- Sustainable product expertise, support and sourcing
- Transitioning products to alternative materials
- Innovative product solutions
- Competitive prices
- On-time and in-full delivery
- Access to customer service and sales
- Enhanced operational efficiency

How we engage

Our customer relationships are akin to partnerships. We maintain frequent two-way dialogue with customers to enhance our understanding of their business needs and ambitions, which enables us to provide them with a truly tailored service. By running dedicated innovation sessions with large customers, proactively seeking feedback and having discussions about customer insights at Board level, we are able to place the needs of customers at the heart of our business and adapt our strategy accordingly.

Outcomes of engagement

Engagement in 2024 has highlighted sustainability as a continuing area of importance to our customers. In response to this, we are continually developing our sustainability offering and our engagement mechanisms with customers to ensure that our sustainability solutions are tailored to their needs. This focus has also informed the Board's sustainability agenda in relation to acquisitions and market expansion, which are outlined on page 26.

75%
of customer orders processed digitally

c.28%
own brand penetration

EMPLOYEES

Relevance to strategy

Bunzl has c.27,000 employees worldwide. Bunzl's employees represent our biggest opportunity and are the focus of the business. Recruiting, retaining and developing the best talent is key to Bunzl's strategy as it shapes our culture and ensures that every person pulls in the same direction to achieve Bunzl's purpose.

Concerns and interests

- Fair remuneration
- Sharing in the Company's success
- Fair policies and practices
- Talent development and career progression
- A safe and inclusive working environment
- Good communications
- Having a positive impact on the community and the environment

How we engage

The Board carried out direct engagement with employees during 2024 through site visits, meetings with young talent groups and CEO and non-executive director listening sessions. In addition, indirect engagement took place through regular team briefings and Board consideration of our 2024 Great Place to Work survey.

Outcomes of engagement

See the employee engagement statement on page 95 for the Company's responses to engagement with employees during the year. The outcome of Bunzl's 2024 Great Place to Work survey is detailed on pages 32 and 33.

c.27,000
employees

71%
trust index score in our Great Place to Work survey

// SECTION 172 STATEMENT *continued*

SHAREHOLDERS

Relevance to strategy

Maintaining shareholder support by building meaningful relationships is key to Bunzl's strategy, as our shareholders influence the long term direction and governance framework of the Company. Frequent dialogue keeps the Company informed as to the concerns and interests of our investors and allows the Company to respond, grow and perform better.

Concerns and interests

- Financial performance
- Shareholder returns
- Capital allocation
- Resilience
- Environmental, social and governance matters
- Executive remuneration
- Strategic priorities
- Leadership and succession planning

How we engage

Committee Chairs proactively seek engagement with major shareholders on pertinent matters within their areas of responsibility and major shareholders are routinely invited to meet with the Chairman. To read more about direct engagement between the Board and shareholders see page 96. Bunzl engages in dialogue with major shareholders throughout the year at regular meetings and investor roadshows, the outcomes of which are reported to the Board. More broadly, Bunzl updates shareholders on trading performance six times a year and encourages attendance at the AGM.

Outcomes of engagement

The outcomes of our shareholder engagement throughout 2024 were positive, with no specific matters of concern being raised. The Board ensures there are mechanisms in place to facilitate shareholder engagement and the Company held 196 meetings with investors in 2024. Additional information on the topics discussed during our shareholder engagement can be found on page 96.

196
meetings with investors

32 years
of consecutive annual dividend growth

SUPPLIERS

Relevance to strategy

Building strong and trusted partnerships with suppliers is fundamental to our business model. Our suppliers are our partners, and collaboration enables Bunzl to maintain resilient supply chains, drive ambitious business solutions and provide customers with access to products that meet their individual needs, with the reassurance that they have been ethically sourced.

Concerns and interests

- Ethical supply chains
- Reliable partnerships
- On-time payment
- Mutual trust
- Improving environmental impacts

How we engage

Engagement with suppliers takes place primarily at operational level, with management providing frequent updates on our supplier engagement programme to the Board Sustainability Committee, which subsequently reports to the Board. One area of continued focus in 2024 was engaging suppliers on the requirement to set science-based emissions targets by 2027. In addition, we operate a rigorous supplier onboarding and audit operation in line with Bunzl's Supplier Code of Conduct and compliance with this is monitored by our Global Supply Chain Solutions and Business Area teams. For more information on our responsible sourcing process, see page 43.

Outcomes of engagement

We continue to work with our suppliers to achieve our scope 3 emissions target and 33% of our suppliers* by emissions currently have science-based targets in place, aligned to the Science-Based Targets Initiative ('SBTi'). To read about our work to build a low carbon supplier network, see page 45. Further outcomes of engagement with Bunzl's suppliers and the results of supplier audits undertaken during the year can be found on page 43.

1,175
suppliers were assessed in 2024

33%
of suppliers* by emissions currently have science-based targets in place

* Suppliers that are covered by our scope 3 supplier engagement target.

// SECTION 172 STATEMENT *continued*

ENVIRONMENT AND COMMUNITY

Relevance to strategy

Sustainability is core to Bunzl's strategy and long term success. Our culture of continuous improvement drives the determination to set and meet ambitious climate-related targets. Bunzl's decentralised business relies on local suppliers, recruiting local talent and championing local businesses. Giving back to the community is core to Bunzl's values and the Company participated in a range of community initiatives throughout the year.

Concerns and interests

- Ambitious climate targets
- Science-backed commitments
- Clear roadmap to net zero
- Ethical supply chains
- Local support
- Community investment
- Cost of living crisis
- Inclusive working practices
- Employing local talent
- Sourcing local products

How we engage

Supported by the Board Sustainability Committee, the Board defines the Company's sustainability strategy and oversees its implementation by way of updates from management. The Company maintains dialogue with environmental agencies and educates customers, employees and suppliers on sustainable practices in line with best practice and local laws. To benefit the wider community, Bunzl supports the communities where our employees live and work and encourages fundraising activities which are championed by our businesses and their employees locally.

Outcomes of engagement

During 2024, we made strong progress in mapping our material ESG themes to our value chain. To read more, see our material issues overview on pages 39 to 40. To support our community, we worked with long-standing charity partners on environmental projects and Bunzl donated a total of c.£1.1 million to charitable causes during 2024. More information detailing our charitable contributions and initiatives during the year can be found on page 212.

26%
more carbon efficient since 2019

c.£1.1 million
donated to charitable causes during 2024

// PRINCIPAL RISKS AND UNCERTAINTIES

A ROBUST APPROACH TO RISK MANAGEMENT

Bunzl operates in six core market sectors in 32 countries which exposes it to risks and uncertainties. The Group sees the management of risk, both positive and negative, as critical to achieving its strategic objectives.

RISK ASSESSMENT

1 RISK IDENTIFICATION

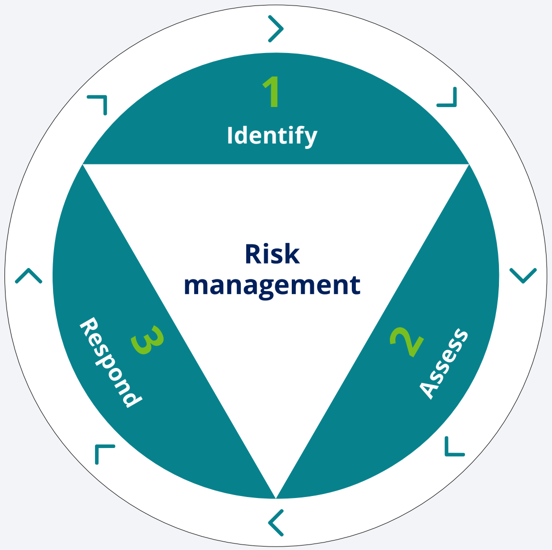
- The businesses, business area, the Executive Committee and the Board consider, identify and document risks in a consistent way within the categories of strategic, operational and financial risks.
- This includes current risks as well as emerging risks which also need to be assessed and carefully monitored.

2 INHERENT RISK ASSESSMENT

- The inherent impact and probability of risks are evaluated before considering the effect of any mitigating activities:
  - impact is assessed based on a defined range of business continuity, health & safety, environmental, regulatory, reputational and financial criteria; and
  - probability is assessed as remote, unlikely, possible or probable.

3 RISK RESPONSE AND RESIDUAL RISK ASSESSMENT

- The relevant mitigating activities and controls are evaluated for each risk.
- The residual risk is assessed assuming that the mitigating actions and internal controls operate as intended in an effective way.
- If necessary, to bring the residual risk within Bunzl's risk appetite, enhancements to risk mitigation activities and controls are considered until the residual risk is reduced to an acceptable level.



Risk management process

To deliver the Group's strategic objectives successfully, and provide value for shareholders and other stakeholders, it is critical that Bunzl maintains an effective process for the management of risk. The Company has a risk management policy which ensures that a consistent process is followed by every business and business area as well as the Executive Committee and ultimately the Board, firstly to assess and then subsequently to manage both current and emerging risks. These interrelated aspects of the Group's risk management policy are explained below*. Additional details are also provided on the key risk management activities undertaken during 2024.

RISK MANAGEMENT

The Board

Establishes the nature and extent of risk the Group is willing to accept (its 'risk appetite') in pursuit of Bunzl's strategic objectives. Bunzl's risk appetite is the degree to which the Group is prepared to accept risk in pursuit of its objectives. The appetite for risk varies depending on the category of risk being considered (business continuity, health & safety, environment, regulatory, reputation and financial) and is not constant. It varies depending on external factors (such as economic conditions or other changes in circumstances beyond Bunzl's control) as well as internal factors (such as resource constraints or any changes in priorities or strategic direction). When making decisions, including approving or establishing policies, the Board is effectively considering whether the Group is taking too much risk or insufficient risk as compared to Bunzl's inherent risk appetite.

Performs a robust assessment of the Group's risks through a biannual review of the Group's risk register, focusing on the evolving risk landscape, emerging risks and those risks considered to be significant by management and the Executive Committee.

Continuously monitors and oversees the Group's risk management and internal controls processes and procedures.

The Audit Committee

Reviews the process for the management of risk, including the risk assessment and risk response, and its effectiveness.

Directs and oversees internal audit's activities and reviews the results of assurance over controls and risk mitigation activities.

Executive Committee

Holds regular meetings with business area management to discuss strategic, operational and financial issues and ensures policies and procedures are in place to identify and manage the principal risks affecting each of the Group's businesses. Business area management present risk assessments to the Executive Committee annually, focusing on the key risks in their region, processes they have in place to identify risk and any areas of heightened concern or any emerging risks for the future.

Considers the evolving risk landscape, including reviewing the results of the risk assessment process and assessing the sufficiency of risk mitigation activities for current risks as well as the threats and opportunities from emerging risks.

Business area management

The Group's decentralised management structure allows for the establishment of clear ownership of risk identification and management at the business area level within the framework of Bunzl's risk management policy.

Business management

Businesses, with the support of business area management, implement and monitor the effectiveness of controls, policies and procedures designed to manage risk.

* The 'Risk management and internal control' section of the Corporate governance report on pages 97 to 98 includes further information on the specific procedures designed to identify, manage and mitigate risks which could have a material impact on the Group's business, financial condition or results of operations and for monitoring the Company's risk management and internal control systems.

Principal risks and uncertainties

The Group operates in six core market sectors in 32 countries which exposes it to risks and uncertainties, many of which are not fully within the Group's control. The risks summarised below represent the principal risks and uncertainties faced by the Group, being those which are material to the development, performance, position or future prospects of the Group, and the steps taken to mitigate such risks. However, these risks do not comprise all of the risks that the Group may face and accordingly this summary is not intended to be exhaustive.

In addition, the Group's financial performance is partially dependent on general global economic conditions, the deterioration of which could have an adverse effect on the Group's business and results of operations. Although this is not considered by the Board to be a specific principal risk in its own right, many of the risks referred to below could themselves be impacted by the economic environment prevailing in the Group's markets from time to time.

The risks are presented by category of risk (Strategic, Operational and Financial) and are not presented in order of probability or impact. The relevant component of the Group's strategy that each risk impacts is also noted:

- Organic growth
- Acquisition growth
- Operating model improvements
- Sustainability

Following the half-year risk assessment by the Board, currency translation is no longer considered to be a principal risk. The Group's borrowings are denominated in US dollars, sterling and euros in similar proportions to the relative contribution of each of these currencies to the Group's EBITDA. Therefore, although the majority of the Group's revenue and profits are earned in currencies other than sterling, volatility of the net debt to EBITDA ratio from foreign exchange movements is reduced. In addition, net debt for the purposes of covenant calculations in the Group's financing documents is calculated using average rather than closing exchange rates. Consequently, any significant movement in exchange rates towards the end of an accounting period should not materially affect the ratio of net debt to EBITDA. Both these factors minimise the risk that financial covenants will be breached as a result of foreign currency fluctuations and hence it was appropriate to no longer treat Currency Translation as a principal risk.

Monitoring risks

The Board reviews each risk and assesses the gross impact, applying the hypothetical assumption that there are no mitigating controls in place, the net impact after mitigating controls and the probability to set the Group's mitigation priorities. The register of principal risks and uncertainties was updated following review by the Executive Committee and approval by the Board.

Emerging risks

The Board closely monitors all emerging risks that have the potential to increase in significance and affect the performance of the Group and its ability to meet its strategic objectives. This knowledge-sharing and horizon-scanning seeks to identify potential risks and emerging trends, looking through various risk lenses and over a future time horizon. In addition to the principal risks faced by the Group, there are risks which are more uncertain in nature and difficult to assess or that have the potential to develop and increase in severity over time.

One such risk is geopolitical instability: with operations in 32 countries, the increasing complexity of international relations and economics necessitates that Bunzl regularly reviews and updates its strategy to mitigate potential impact and uncertainty from geopolitical developments. The effects of global conflicts; shifting political ideologies, possibly leading to changes in legislation and regulation; and relations between China and the West are all monitored through Bunzl's emerging risk process and are considered during principal risk assessments to drive any coordinated responses that may be required. Failure to supply and deliver the required volumes could adversely impact revenue, profit, and customer relationships. The Board will continue to monitor this risk and the impact on operations and any other uncertainties that may impact Bunzl's operations.

The directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks			
1. Competitive pressures Revenue and profits are reduced as the Group loses a customer or lowers prices due to competitive pressures **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• The Group operates in highly competitive markets and faces price competition from international, national, regional and local companies in the countries and markets in which it operates. • Unforeseen changes in the competitive landscape could also occur, such as an existing competitor or new market entrant introducing disruptive technologies or changes in routes to market. • Customers, especially large or growing customers, could exert pressure on the Group's selling prices, thereby reducing its margins, switch to a competitor or ultimately choose to deal directly with suppliers. • Any of these competitive pressures could lead to a loss of market share and a reduction in the Group's revenue and profits.	• The Group's geographic and market sector diversification allow it to withstand shifts in demand, while this global scale across many markets also enables the Group to provide the broadest possible range of customer specific solutions to suit their exacting needs. • The Group maintains high service levels and close contact with its customers to ensure that their needs are being met satisfactorily. This includes continuing to invest in e-commerce and digital platforms to further enhance its service offering to customers. • The Group maintains strong relationships with a variety of different suppliers, thereby enabling the Group to offer a broad range of products to its customers, including own brand products, in a consolidated one-stop-shop offering at competitive prices.	• The Group's large sales force connected with customers to help them understand the range of products available to meet their needs. • The Group enhanced its own brand offering, particularly in the US, driving a higher penetration of own brand sales across the Group. • The Group continued to invest in technology to streamline customers' experience. • The Group continued to develop its sustainable product assortment, supported by own brand ranges, and tools to assist customers in meeting their sustainability goals.
2. Financial collapse of either a large customer and/or a significant number of small customers Revenue and profits are reduced as the Group loses customers **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• An unexpected insolvency of either a large customer or a significant number of small customers could lead to a sudden reduction in revenue and profits, including the cost of impairing any irrecoverable receivables balances, as well as operating margin erosion due to under-used capacity. • The Group's revenue and profits may be affected as well as receivables and inventory (if customer specific inventory is held).	• The Group monitors significant developments in relationships with key customers, including credit checks and limits set for each customer. • Delegation of authority limits mean that there is oversight of all material customer contracts at business area and local level.	• In 2024, the Group did not encounter material insolvencies of either a large customer or a significant number of smaller customers. However, this remains a significant risk given the potential for global economic downturn. • In 2024, provisions relating to the Group's credit exposure from customers remained broadly unchanged.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
3. Product cost deflation Revenue and profits are reduced due to the Group's need to pass on cost price reductions **Risk owner:** CEO and Business Area Heads **Change to risk level:** ➔ **Included in viability statement:** Yes	• In the event of a reduction in the cost of products bought by the Group, due to suppliers passing on lower commodity prices (such as plastic or paper) or other price reductions, lower trade tariffs and/or foreign currency fluctuations, coupled with actions of competitors or customers, indexed or cost plus contracts may require the Group to pass on such cost reductions to customers, resulting in a reduction in the Group's revenue and profits. • Operating profits may also be lower due to the above factors if operating costs are not reduced commensurate with the reduction in revenue.	• The Group uses its considerable experience in sourcing and selling products to manage prices during periods of deflation in order to minimise the impact on profits. • Focus on the Group's own brand products, together with the reinforcement of the Group's service and product offering to customers, helps to minimise the impact of price deflation. • The Group continually looks at ways to improve productivity and implement other efficiency measures to manage and, where possible, reduce its operating costs.	• In 2024, the Group experienced product cost deflation across North America, Continental Europe and UK & Ireland. There was a small easing of deflation in the second half of the year, driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Operating margin in Continental Europe was particularly impacted by product cost deflation, alongside operating cost inflation against a relatively high cost to serve operating model.
4. Cost inflation Profits are reduced due to the Group's inability to pass on product or operating cost increases **Risk owner:** CEO and Business Area Heads **Change to risk level:** ➔ **Included in viability statement:** Yes	• Significant or unexpected cost increases by suppliers, due to the pass through of higher commodity prices (such as plastic or paper) or other price increases, higher trade tariffs and/or foreign currency fluctuations, could adversely impact profits if the Group is unable to pass on such product cost increases to customers. • Operating profits may also be lower due to the above factors if selling prices are not increased commensurate with the increases in operating costs.	• The Group sources its products from a number of different suppliers based in different countries so that it is not dependent on any one source of supply for any particular product, or overly exposed to a particular country changing trade tariffs, and can purchase products at the most competitive prices. • The majority of the Group's transactions are carried out in the functional currencies of the Group's operations, but for foreign currency transactions some forward purchasing of foreign currencies is used to reduce the impact of short term currency volatility. • The Group will, where possible, pass on price increases from its suppliers to its customers. • The Group continually looks at ways to improve productivity and implement other efficiency measures to manage and, where possible, reduce its operating costs.	• The Group experienced significant product cost inflation in recent years. Selling prices to customers were continually evaluated to ensure that profitability levels were at least maintained. Overall, the Group was very successful in passing on product cost inflation. • The Group's ongoing focus on own brand product development is an important tool for discussions with customers about price increases. • Operating cost inflation was moderate, with wage inflation remaining higher than typical levels in UK & Ireland and Continental Europe, although wage inflation was at more typical levels in North America. Wage inflation in Continental Europe and UK & Ireland is expected to normalise in 2025, although the UK is expected to be impacted by increased National Insurance and National Living Wage costs. • Property cost inflation remains high linked to lease renewals, but fuel and freight inflation was well managed over the year, supported by contract retendering in North America. • Continental Europe was particularly impacted by its relatively high cost to serve operating model, and the business area has an active focus on cost initiatives heading into 2025. • Operating cost efficiency programmes, including warehouse consolidations and relocations, were a partial offset to inflation.

Organic growth Acquisition growth Operating model improvements Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
5. Inability to make further acquisitions Profit growth is reduced from the Group's inability to acquire new companies **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Acquisitions are a key component of the Group's growth strategy and one of the key sources of the Group's competitive advantage, having announced 227 acquisitions since 2004. • Insufficient acquisition opportunities, through a lack of availability of suitable companies to acquire or an unwillingness of business owners to sell their companies to Bunzl, could adversely impact future profit growth.	• The Group maintains a large acquisition database which continues to grow with targets identified by managers of current Bunzl businesses, research undertaken by the Group's dedicated and experienced in-house corporate development team and information received from banking and corporate finance contacts. • The Group has a strong track record of successfully making acquisitions. At the same time, the Group maintains a decentralised management structure which facilitates a strong entrepreneurial culture and encourages former owners to remain within the Group after acquisition, which in turn encourages other companies to consider selling to Bunzl.	• The acquisition pipeline is closely monitored with continued research of any available opportunities for investment. • During 2024, the Group's committed acquisition spend was £883 million and the pipeline remains active. • In August 2024 the Group committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027. If at the end of each year, the total committed spend is below £700 million, the Group will return the remainder to shareholders through a capital return in the following year.
6. Unsuccessful acquisition Profits are reduced, including by an impairment charge, due to an unsuccessful acquisition or acquisition integration **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Inadequate pre-acquisition due diligence related to a target company and its market, or an economic decline shortly after an acquisition, could lead to the Group paying more for a company than its fair value. • Furthermore, the loss of key people or customers, exaggerated by inadequate post-acquisition integration of the business, could in turn result in underperformance of the acquired company compared to pre-acquisition expectations which could lead to lower profits as well as a need to record an impairment charge against any associated intangible assets.	• The Group has established processes and procedures for detailed pre-acquisition due diligence related to acquisition targets and the post-acquisition integration thereof. • The Group's acquisition strategy is to focus on those businesses which operate in sectors where it has or can develop competitive advantage and which have good growth opportunities. • The Group endeavours to maximise the performance of its acquisitions through the recruitment and retention of high quality and appropriately incentivised management combined with effective strategic planning, investment in resources and infrastructure and regular reviews of performance by both business area and Group management.	• The acquisition pipeline is reviewed by the Executive Committee, and for any new significant acquisitions that are proposed, the Board reviews the potential acquisition in detail. • The CEO and CFO review the performance of all acquisitions with business area management teams on a quarterly basis. • Internal Audit reviews acquisitions on average within 18 months of the sale. • The Board reviews performance of recent acquisitions annually. In 2024, the Board reviewed the principal acquisitions made in 2022 and noted that in aggregate they outperformed acquisition case expectations.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Strategic risks continued			
7. Sustainability driven market changes Revenue and profits are reduced due to the Group's inability to offer sustainable products in response to changes in legislation, consumer preferences or the competitive environment **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• New legislation introduced outside Europe and the UK in countries where Bunzl operates mirrors (and in some cases goes further than) the legislation previously introduced in Europe and the UK. The scope of new legislation tends to cover a wider range of products than that previously introduced. Legislation related to packaging still remains extremely fragmented across different regions. • The introduction of Extended Producer Responsibility 'EPR' is a new consideration for the Group and our customers. EPR is being introduced in the UK, EU, Australia, Canada and some US States. EPR is legislation that aims to make all organisations in a value chain responsible for the cost of the collection, management, and recycling of packaging. It applies modulation fees based on packaging recyclability where non-recyclable materials will incur extremely high compliance costs. • Some legislation seeking to restrict the use of plastics has been challenged and overturned in court. However, it can be expected that the legislation will be reintroduced in some form and as such it is not anticipated that there will be a widespread removal of the legislative measures already in place across the Group. • Consumer sentiment and customer targets are likely to lead to a reduction in demand for single-use plastic-based products that the Group sells, while simultaneously increasing demand for renewable, recyclable, or reusable alternatives. • The Group's revenue and profits could be reduced if it is unable to offer packaging and products made from alternative materials that will replace products that cannot be sold due to legislation, or products where demand is lower due to changes in consumer preferences, for example a move to more reusable packaging.	• Bunzl is well-positioned to support its customers with the legislative complexity due to its material agnostic position and network strength allowing it to deliver the right products across large multi-site customer operations. • Bunzl's scale and unique position at the centre of the supply chain, supported by expert sustainability managers, gives the Group an opportunity to provide customers with advice about alternative products which are recyclable, compostable, biodegradable or reusable. • EPR will incentivise customers to specify more recyclable products to avoid high modulation fees. This should further drive transition to alternative products that are well suited to the circular economy. • The Group has access to an extensive supply chain of product and packaging manufacturers who are innovating the range of products they produce to satisfy the increased focus on sustainability. This means the Group can offer the broadest possible range of products whether in response to legislative changes, consumer preference driven changes or a desire to offer market-leading products to the Group's customers. • The Group has access to the proprietary data on the packaging and products our customers need. That coupled with the Group's detailed product knowledge and data on customer product usage, ensures that the Group is well-positioned to be able to support its customers in shaping and achieving their sustainability strategies.	• The majority of the Group's businesses in the retail, foodservice and grocery sectors now employ material footprint tools that explain how legislation will impact the products and packaging a customer uses, while promoting the alternatives we have in our ranges. • There has been a degree of price sensitivity in our customer sectors driven by inflation, and in some cases packaging target dates (e.g. the US Plastics Pact) have been delayed due to the lack of consistent legislation and waste management infrastructure. These trends have the potential to slow transition, but the introduction of new legislation with high compliance costs (e.g. EPR) will likely cause organisations to accelerate their replacement of non-recyclable / less recyclable products. • The Group has continued to strengthen its expert sustainability teams who train customers on incoming legislation, hold customer forums where they showcase the latest products and support customers to report effectively against their goals and participation in industry-leading external schemes such as the New Plastics Economy and B-Corp certification. • The Group continued to expand and introduce new ranges of own brand products made from alternative materials.

Organic growth Acquisition growth Operating model improvements Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Operational risks			
8. Cyber security failure Revenue and profits are reduced as the Group is unable to operate and serve its customers' needs due to being impacted by a cyber-attack **Risk owner:** CIO **Change to risk level:** → **Included in viability statement:** Yes	• The frequency, sophistication and impact of cyber-attacks on businesses are rising at the same time as Bunzl is increasing its connectivity with third parties and its digital footprint through acquisition and investment in e-commerce platforms and efficiency enhancing IT systems. • Weak cyber defences, both now and in the future, through a failure to keep up with increasing cyber risks and insufficient IT disaster recovery planning and testing, could increase the likelihood and severity of a cyber-attack leading to business disruption, reputational damage and loss of customers and/or a fine under applicable data protection legislation.	• Concurrent with the Group's IT investments, the Group is continuing to improve information security policies and controls to improve its ability to monitor, prevent, detect and respond to cyber threats. • Cyber security awareness campaigns have been deployed across all regions to enhance the knowledge of Bunzl personnel and their resilience to phishing attacks. • IT disaster recovery and incident management plans, which would be implemented in the event of any such failure, are in place and periodically tested. The Group Chief Information Officer and Chief Information Security Officer coordinate activity in this area.	• The Group continued to improve cyber security and data privacy governance, architecture, and controls, along with increasing awareness of both cyber security and data privacy across the Group. • We continue to invest in modern cyber security technologies that address current and emerging threats while improving operational processes and procedures. • The Group focused on improving cyber security controls, acquisition due diligence, and enhancing the security posture of recently acquired companies.
Financial risks			
9. Availability of funding Insufficient liquidity in financial markets leading to insolvency **Risk owner:** CFO **Change to risk level:** → **Included in viability statement:** Yes	• Insufficient liquidity in financial markets could lead to banks and institutions being unwilling to lend to the Group, resulting in the Group being unable to obtain necessary funds when required to repay maturing borrowings, thereby reducing the cash available to meet its trading obligations, make acquisitions and pay dividends.	• The Group arranges a mixture of borrowings from different sources and continually monitors net debt and forecast cash flows to ensure that it will be able to meet its financial obligations as they fall due and that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term.	• The availability of funding to the Group remains strong. This supports our commitment to return to our target leverage range of 2.0-2.5x by 2027. • During 2024, c.£350 million of bank facilities were refinanced with maturities between 2026 to 2029, and the Group launched a euro-commercial paper programme which provides an additional source of short term liquidity. In addition, the Group issued a debut EUR500 million Eurobond in the capital markets, diversifying its long term funding sources. Further finance will be raised in 2025 to refinance c.£470 million of debt maturing during 2025.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

// PRINCIPAL RISKS AND UNCERTAINTIES *continued*

Principal risks facing the Group	Description of risk and how it might affect the Group's prospects	How the risk is managed or mitigated	Developments in 2024
Financial risks continued			
10. Climate change Change in temperature and climate conditions that causes business disruption and economic loss for the Group **Risk owner:** CEO and Business Area Heads **Change to risk level:** → **Included in viability statement:** Yes	• Certain markets and regions are increasingly affected by extreme weather (e.g. suppliers and customers in areas impacted by wildfires and flooding) which could impact our commercial strategy. • Failing to align with our customers' sustainability ambitions could lead to reputational damage and loss of sales. • The Group may face increased indirect costs from carbon intensive products where carbon prices increase and no suitable substitute materials exist.	• Bunzl's supply chain flexibility and lack of fixed manufacturing assets provide operational resilience to the physical impacts of climate change. Our established business continuity planning has helped to ensure continued service to customers in case of weather-related disruptions, such as hurricanes in North America and the Australian wildfires. • Setting emissions reduction targets to decarbonise our operations and those of the supply chain helps to ensure our activities meet or exceed customer expectations. • The ability to pass through any increased costs of products in our supply chain (for example, due to carbon pricing mechanisms) to our customers. • Bunzl assesses and monitors the impact of climate change on GDP at the global level, including the impact of carbon pricing on total supply chain carbon dioxide emissions, and the trajectory of the reduction of carbon emissions over time based on data from the Network for Greening the Financial System 'NGFS'.	• In 2024, we undertook a comprehensive review and enhancement of our climate risk assessment, encompassing both our operations and supply chain. After a thorough analysis of climate models from the NGFS, IEA, and IPCC, we have again selected the NGFS model for its versatility in evaluating both transition and physical risks. We have adopted three distinct scenarios (Orderly (net zero by 2050), Disorderly (delayed transition), and Hot House World (current policies)) to represent a range of potential climate trajectories and their respective impacts on Bunzl. Additionally, we have updated our financial impact assessment, which has led us to the conclusion that there has been no material change to our risk level.

Organic growth   Acquisition growth   Operating model improvements   Sustainability

VIABILITY STATEMENT

Assessment of the prospects of the Company and its viability statement

In accordance with provision 31 of the Corporate Governance Code, the directors set out below how they have assessed the prospects of the Company, over what period the prospects have been assessed and the Company's formal viability statement.

The context for and period over which the prospects of the Company have been assessed

To consider the prospects of the Company and determine an appropriate time frame for the purpose of making a statement on the Company's longer term viability, the directors have taken into account various factors including the nature of the Company's business, its business model and strategy and the existing planning periods.

In particular:

- Bunzl has a geographically balanced and diversified business portfolio operating in 32 countries;
- the Company operates across six core, fragmented market sectors, many of which are growing and resilient to challenging economic conditions; and
- the business model and strategy minimise the volatility of the Company's results, enabling Bunzl to deliver consistently good results with high returns on capital and cash conversion.

With regard to the time frame specifically, the directors considered the above factors as well as the Group's strategic planning process. Comprehensive budgets are prepared annually by the business areas and approved by the Board. Strategic plans focusing on two years beyond the forecast for the current year are also prepared annually and reviewed by the Board. While the directors have no reason to believe the Company will not be viable over a longer period, given the inherent uncertainty involved, the period over which the directors consider it possible to form a reasonable expectation as to the Group's longer term viability is the three year period to 31 December 2027.

How the prospects of the Company and its longer term viability have been assessed

In making a viability statement, the directors are required to consider the Company's ability to meet its liabilities as they fall due, taking into account the Company's current position and principal risks. The Company has significant financial resources including committed and uncommitted banking facilities, US private placement notes and senior bonds, further details of which are set out in Note 18 to the consolidated financial statements. As a result, the directors believe that the Company is well placed to manage its business risks successfully.

The resilience of the Group to a range of possible scenarios, in particular the impact on key financial ratios and its ongoing compliance with financial covenants, was factored into the directors' considerations through two severe but plausible downside scenarios against the Group's current base case financial projections. The base case financial projections start with the Group's 2025 Budget and look ahead over the three year assessment period to include an expected level of organic growth and acquisition activity. These two severe but plausible downside scenarios included the following:

- the impact of the crystallisation of the principal risks to the Group's organic growth resulting in a 15% reduction in adjusted operating profit and a drop to 90% in the cash conversion;
- the impact of the crystallisation of the principal risks to the Group's organic growth as above, together with the impact of the crystallisation of the principal risks to the Group's acquisition growth (15% p.a. decline in the post-acquisition PBITA performance of acquisitions made in 2025, 2026 and 2027), without mitigating actions.

In addition, the Group has carried out reverse stress tests against the base case financial projections to determine the conditions that would result in a breach of financial covenants. In order for a breach of covenants to occur during the three year assessment period the Group would need to experience a reduction in EBITDA of over 40% compared to the base case or an increase in net debt of over 200%.

In all scenarios it has been assumed, based on past experience and all current indicators, that the Company will be able to refinance its banking facilities and US private placement notes as and when they mature. In the two severe but plausible downside scenarios it was found that the Group was resilient and in particular it remained in compliance with the relevant financial covenants. The conditions required to create the reverse stress tests were so severe that they were considered to be implausible.

The directors consider that the severe but plausible downside scenarios based assessment of the Company's prospects, building on the results of the robust assessment of the principal risks to the business and the financial implications of them materialising, confirms the resilience of the Group to severe but plausible downside scenarios and provides a reasonable basis on which to conclude on its longer term viability.

Confirmation of longer term viability

In accordance with the provisions of the Corporate Governance Code, the directors have taken account of the Group's current position and principal risks and uncertainties referred to above in assessing the prospects of the Company and they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period to 31 December 2027.

// FINANCIAL REVIEW

COMMITMENT TO RETURN TO TARGET **LEVERAGE RANGE BY 2027**

RICHARD HOWES
Chief Financial Officer

Revenue
Down 0.2% at actual exchange rates
£11.8bn
(2023: £11.8bn) **+3.1%**†

Adjusted operating profit*
Up 3.4% at actual exchange rates
£976.1m
(2023: £944.2m) **+7.2%**†

Operating profit
Up 1.3% at actual exchange rates
£799.3m
(2023: £789.1m) **+5.0%**†

Adjusted earnings per share*
Up 1.7% at actual exchange rates
194.3p
(2023: 191.1p) **+5.5%**†

Dividend per share
Long track record of dividend growth continues
73.9p
(2023: 68.3p) **+8.2%**

Cash conversion*
Continued strong cash conversion
93%
(2023: 96%)

Adjusted net debt to EBITDA*
1.8x
(2023: 1.2x)

Share buyback
£250m

Committed acquisition spend
£882.5m
(2023: £467.5m)

// Bunzl has committed to allocate c.£700 million per annum, primarily to invest in value-accretive acquisitions and, if required, returns of capital, in each of the three years ending 31 December 2027 to return leverage to a target range of 2.0–2.5x. In 2024 Bunzl has committed £883 million to acquisitions and completed the initial £250 million share buyback announced in August."

// FINANCIAL REVIEW *continued*

	2024 £m	2023 £m	Growth as reported	Growth at constant exchange†
Financial results				
Revenue	**11,776.4**	11,797.1	(0.2)%	3.1%
Adjusted operating profit*	**976.1**	944.2	3.4%	7.2%
Adjusted profit before income tax*	**872.9**	853.7	2.2%	6.2%
Adjusted earnings per share*	**194.3p**	191.1p	1.7%	5.5%
Dividend for the year	**73.9p**	68.3p	8.2%	
Statutory results				
Operating profit	**799.3**	789.1	1.3%	5.0%
Profit before income tax	**673.6**	698.6	(3.6)%	0.1%
Basic earnings per share	**149.6p**	157.1p	(4.8)%	(0.9)%
Balance sheet and Cash flow				
Return on average operating capital %*	**43.2%**	46.1%		
Return on invested capital %*	**14.8%**	15.5%		
Cash conversion %*	**93%**	96%		

† At constant exchange rates.
* Alternative performance measure (see Note 3 to the consolidated financial statements on page 151).

As in previous years this review refers to a number of alternative performance measures which management uses to assess the performance of the Group. Details of the Group's alternative performance measures are set out in Note 3 to the consolidated financial statements on page 151.

Currency translation

Currency translation has had an adverse impact on the Group's reported profits, decreasing the reported profit growth rates by between 3% and 4%. This adverse exchange impact to profit is primarily due to the strengthening of sterling against the US dollar, euro, Canadian dollar, Brazilian real and Australian dollar.

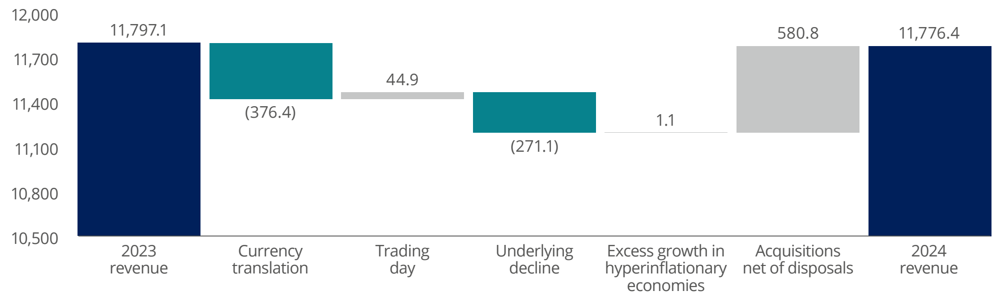
Average exchange rates	2024	2023
US$	**1.28**	1.24
Euro	**1.18**	1.15
Canadian$	**1.75**	1.68
Brazilian real	**6.89**	6.21
Australian$	**1.94**	1.87

Closing exchange rates	2024	2023
US$	**1.25**	1.27
Euro	**1.21**	1.15
Canadian$	**1.80**	1.68
Brazilian real	**7.74**	6.19
Australian$	**2.02**	1.87

Revenue

Revenue decreased to £11,776.4 million (2023: £11,797.1 million), a decrease of 0.2% at actual exchange rates. At constant exchange rates revenue increased 3.1% driven by acquisitions net of disposals adding 5.1%, and the additional trading day in 2024 compared to 2023 adding 0.4%, partly offset by an underlying decline of 2.4%. The decline in underlying revenue was mainly driven by deflation across North America, Continental Europe and UK & Ireland; strategic changes in our US foodservice redistribution business to increase our own brand penetration, which alongside price competition, resulting from the deflationary environment, led to volume softness; and the expected impact from transitioning ownership of customer specific inventory to our customers in our US retail business in the first half of the year. Underlying revenue in the second half was flat, driven by Group volumes returning to slight growth and a small easing of deflation driven by Continental Europe and UK & Ireland, although deflation persisted in North America longer than expected. Net deflation is expected to remain a headwind to Group revenue heading into 2025.

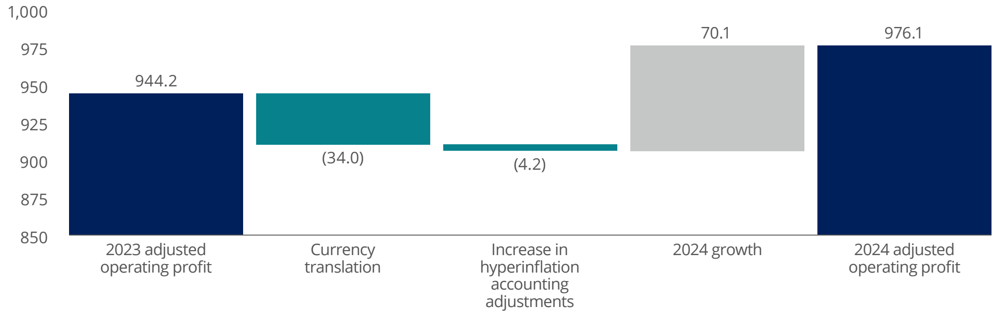
Movement in revenue (£m)



Operating profit

Adjusted operating profit was £976.1 million (2023: £944.2 million), an increase of 7.2% at constant exchange rates and 3.4% at actual exchange rates. At both constant and actual exchange rates operating margin increased to 8.3% from 8.0% in 2023. The operating margin of 8.3% was supported by both higher margin acquisitions and an underlying margin improvement.

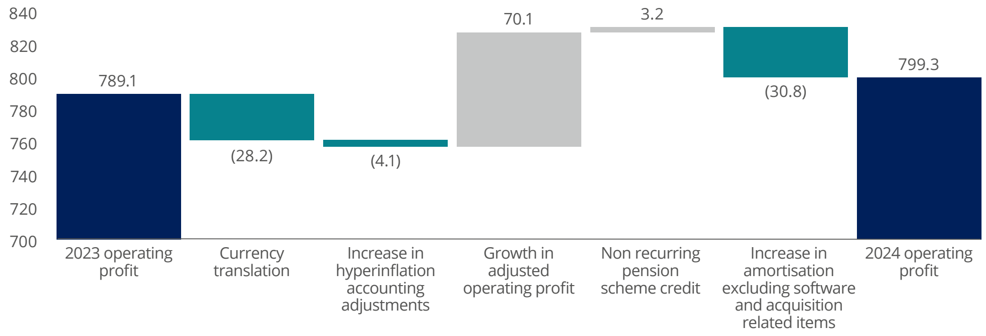
Movement in adjusted operating profit (£m)



// FINANCIAL REVIEW *continued*

Operating profit was £799.3 million (2023: £789.1 million), an increase of 5.0% at constant exchange rates and 1.3% at actual exchange rates.

Movement in operating profit (£m)



Amortisation excluding software, which includes amortisation on customer and supplier relationships, brands and technology, acquisition related items and the non-recurring pension scheme credit are excluded from the calculation of adjusted operating profit as they do not relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and are removed in calculating adjusted operating profit and other alternative performance measures by which management assess the performance of the Group.

Net finance expense

The adjusted net finance expense for the year was £103.2 million, an increase of £15.1 million at constant exchange rates (up £12.7 million at actual exchange rates), mainly due to increases in lease interest expense, higher interest rates and a higher average debt during the year. Net finance expense for the year was £105.4 million including £2.2 million of interest on unwinding of discounting deferred consideration on acquisitions.

Disposal of businesses

The loss on disposal of businesses of £20.3 million relates to the disposal of the Group's business in Argentina and a healthcare business in Germany, which completed on 14 March 2024 and 12 July 2024 respectively. The loss on disposal reflects the cash consideration received of £4.4 million offset by the net book value of assets disposed of £6.0 million and recycling of historical foreign exchange losses of £18.7 million held in the translation reserve within equity, which have been impacted by the devaluation of the Argentinian peso due to hyperinflation. There was no material impact from the disposal of these businesses on the Group's trading performance.

Profit before income tax

Adjusted profit before income tax was £872.9 million (2023: £853.7 million), up 6.2% at constant exchange rates (up 2.2% at actual exchange rates), due to the growth in adjusted operating profit partly offset by the increase in adjusted net finance expense. Profit before income tax was £673.6 million (2023: £698.6 million), an increase of 0.1% at constant exchange rates (down 3.6% at actual exchange rates) with growth in operating profit offset by the loss on disposal of businesses and increase in net finance expense.

Taxation

The Group's tax strategy is to comply with tax laws in all countries in which it operates and to balance its responsibilities for controlling the tax costs with its responsibilities to pay the appropriate level of tax where it does business. No companies are established in tax havens or other countries for tax purposes where the Group does not have an operational presence and the Group's de-centralised operational structure means that the level of intragroup trading transactions is very low. The Group does not use intragroup transfer prices to shift profit into low tax jurisdictions. The Group's tax strategy has been approved by the Board and tax risks are reviewed by the Audit Committee. In accordance with UK legislation, the strategy is published on the Bunzl plc website within the Corporate governance section.

The effective tax rate (being the tax rate on adjusted profit before income tax) for the year was 25.5% (2023: 25.0%) and the reported tax rate on statutory profit was 25.6% (2023: 24.7%). The effective tax rate for 2024 is higher than for 2023 primarily due to the increase in the UK statutory tax rate from 23.5% for calendar year 2023 to 25.0% for year 2024 and profit mix moving to higher tax rate countries. The Group's effective tax rate is expected to increase to be around 26% in 2025 as certain one-off benefits in 2024 are not repeated. Although the Group is subject to the global minimum tax regime known as Pillar 2 from 2024, this is not expected to cause any significant increase in the Group's tax liabilities.

Earnings per share

Adjusted profit after tax attributable to the Company's equity holders was £649.9 million (2023: £640.3 million), up 5.4% and an increase of £33.3 million at constant exchange rates (up 1.5% at actual exchange rates), due to a £50.8 million increase in adjusted profit before income tax, partly offset by a £16.9 million increase in the tax on adjusted profit before income tax at constant exchange rates, and excluding £0.6 million profit attributable to non-controlling interests. Adjusted profit after tax for the year bears a £9.8 million adverse impact from hyperinflation accounting adjustments (2023: £11.0 million adverse impact).

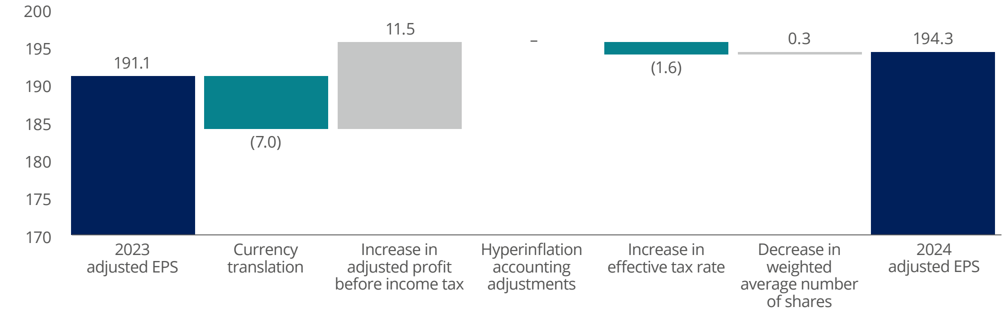
Profit after tax attributable to the Company's equity holders decreased to £500.4 million (2023: £526.2 million), down 1.1% and an decrease of £5.6 million at constant exchange rates (down 4.9% at actual exchange rates), due to a £5.8 million increase in the tax charge at constant exchange rates, partly offset by a £0.8 million increase in profit before income tax, and excluding £0.6 million profit attributable to non-controlling interests. Profit after tax for the year bears an £10.9 million adverse impact from hyperinflation accounting adjustments (2023: £11.0 million adverse impact).

The weighted average number of shares in issue decreased to 334.4 million from 335.0 million in 2023 due to shares cancelled under the share buyback programme and share purchases into the employee benefit trust partly offset by employee share option exercises.

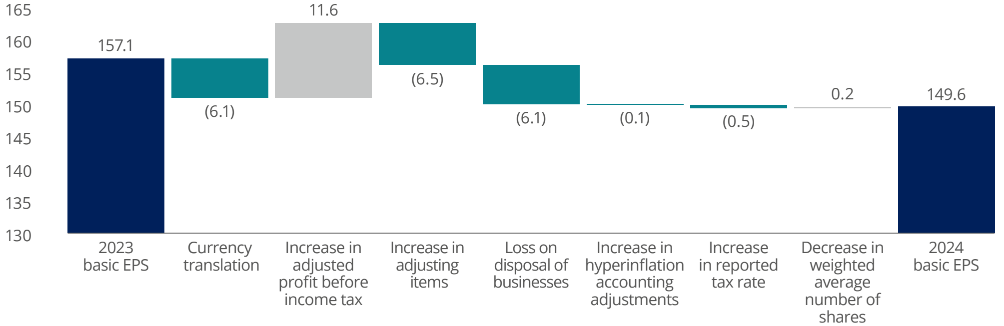
Adjusted earnings per share attributable to the Company's equity holders were 194.3p (2023: 191.1p), an increase of 5.5% at constant exchange rates (up 1.7% at actual exchange rates). Basic earnings per share attributable to the Company's equity holders were 149.6p (2023: 157.1p), down 0.9% at constant exchange rates (down 4.8% at actual exchange rates).

// FINANCIAL REVIEW *continued*

Movement in adjusted eps (p)



Movement in basic eps (p)



Dividends

An analysis of dividends per share for the years to which they relate is shown below:

	2024	2023	Growth
Interim dividend (p)	**20.1**	18.2	10.4%
Final dividend (p)	**53.8**	50.1	7.4%
Total dividend (p)	**73.9**	68.3	8.2%
Dividend cover (times)	**2.6**	2.8	

The Company's practice is to pay a progressive dividend, delivering year-on-year increases. The Board is proposing a 2024 final dividend of 53.8p, an increase of 7.4% on the amount paid in relation to the 2023 final dividend. The 2024 total dividend of 73.9p is 8.2% higher than the 2023 total dividend.

Before approving any dividends, the Board considers the level of borrowings of the Group by reference to the ratio of net debt to EBITDA, the ability of the Group to continue to generate cash and the amount required to invest in the business, in particular into future acquisitions. The Group's long term track record of strong cash generation, coupled with the Group's substantial borrowing facilities, provides the Company with the financial flexibility to fund a growing dividend. After the further growth in 2024, Bunzl has sustained 32 years of consecutive annual dividend growth to shareholders.

The risks and constraints to maintaining a growing dividend are principally those linked to the Group's trading performance and liquidity, as described in the Principal risks and uncertainties on pages 66 to 74. The Group has substantial distributable reserves within Bunzl plc and there is a robust process of distributing profits generated by subsidiary undertakings up through the Group to Bunzl plc. At 31 December 2024 Bunzl plc had sufficient distributable reserves to cover more than six years of dividends at the levels of those delivered in 2024, which is expected to be approximately £250 million.

// FINANCIAL REVIEW *continued*

Acquisitions

The Group completed 15 acquisitions during the year ended 31 December 2024, of which 13 were announced, with a total committed spend of £882.5 million. The estimated annualised revenue and adjusted operating profit of the acquisitions completed during the year were £744 million and £72 million, respectively.

A summary of the effect of acquisitions is as follows:

	£m
Fair value of net assets acquired	451.3
Less: non-controlling interests	(2.7)
Goodwill	357.8
Consideration	806.4
Satisfied by:	
cash consideration	675.2
deferred consideration	131.2
	806.4
Contingent payments relating to retention of former owners	92.8
Interest relating to discounting of deferred consideration	17.3
Net cash acquired	(59.9)
Transaction costs and expenses	25.9
Total committed spend in respect of acquisitions completed in the current year	**882.5**

The net cash outflow in the year in respect of acquisitions comprised:

	£m
Cash consideration	675.2
Net cash acquired	(59.9)
Deferred consideration payments	20.9
Net cash outflow on purchase of businesses	636.2
Cash outflow from acquisition related items*	42.0
Total cash outflow in respect of acquisitions	**678.2**

* Acquisition related items comprise £25.6 million of transaction costs and expenses paid and £16.4 million of payments relating to the retention of former owners.

Cash flow

A summary of the cash flow for the year is shown below:

	2024 £m	2023 £m
Cash generated from operations†	1,133.4	1,129.5
Payment of lease liabilities	(216.7)	(188.0)
Net capital expenditure	(37.2)	(56.2)
Operating cash flow†	879.5	885.3
Net interest paid excluding interest on lease liabilities	(65.2)	(53.2)
Income tax paid	(180.5)	(188.6)
Free cash flow	633.8	643.5
Dividends paid	(228.6)	(209.7)
Net payments relating to employee share schemes	(14.3)	(23.7)
Net cash inflow before acquisitions, disposals and purchase of own shares	390.9	410.1
Purchase of own shares	(247.9)	–
Acquisitions◊	(678.2)	(374.6)
Disposals	2.9	–
Net cash (outflow)/inflow on net debt excluding lease liabilities	(532.3)	35.5

† Before acquisition related items.
◊ Including acquisition related items.

The Group's free cash flow of £633.8 million was £9.7 million lower than in 2023, due to a decrease in operating cash flow of £5.8 million and an increase in net interest paid excluding interest on lease liabilities of £12.0 million, partly offset by a £8.1 million lower cash outflow relating to tax. The Group's free cash flow was used to finance dividend payments of £228.6 million in respect of 2023 (2023: £209.7 million in respect of 2022), purchase of own shares of £247.9m (2023: £nil) and net payments of £14.3 million (2023: net payments of £23.7 million) relating to employee share schemes, and partially finance an acquisition cash outflow of £678.2 million (2023: £374.6 million). Purchase of own shares of £247.9 million comprises the £250 million share buy back as announced in August 2024, stamp duty of £1.0 million and transaction costs of £0.2 million less outstanding payments as at 31 December 2024 of £3.3 million. Cash conversion (being the ratio of operating cash flow as a percentage of lease adjusted operating profit) was 93% (2023: 96%).

	2024 £m	2023 £m
Operating cash flow	879.5	885.3
Adjusted operating profit	976.1	944.2
Add back depreciation of right-of-use assets	186.1	166.1
Deduct payment of lease liabilities	(216.7)	(188.0)
Lease adjusted operating profit	945.5	922.3
Cash conversion	93%	96%

// FINANCIAL REVIEW *continued*

Net debt

	2024 £m	2023 £m
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Total deferred and contingent consideration – on and off balance sheet	**(375.4)**	(258.8)
Adjusted net debt	**(1,986.8)**	(1,344.3)
Lease liabilities	**(754.1)**	(664.5)
Adjusted net debt including lease liabilities	**(2,740.9)**	(2,008.8)
Adjusted net debt to EBITDA	**1.8x**	1.2x
Adjusted net debt including lease liabilities to EBITDA	**2.1x**	1.6x

Net debt excluding lease liabilities increased by £525.9 million during the year to £1,611.4 million (2023: £1,085.5 million), due to a net cash outflow of £532.3 million and external debt recognised on acquisition of £6.3 million, partly offset by a £10.4 million decrease due to currency translation and a non-cash decrease in debt of £2.3 million.

Adjusted net debt increased by £642.5 million during the year to £1,986.8 million (2023: £1,344.3 million) due to the £525.9 million increase in net debt excluding lease liabilities and a £116.6 million increase in total deferred and contingent consideration.

Balance sheet

Summary balance sheet at 31 December:

	2024 £m	2023 £m
Intangible assets	**3,683.8**	3,242.1
Right-of-use assets	**697.6**	616.3
Property, plant and equipment	**213.3**	159.4
Working capital	**1,210.2**	1,158.1
Net assets held for sale	**10.0**	–
Deferred consideration	**(258.2)**	(175.6)
Other net liabilities	**(420.3)**	(333.4)
Net pension surplus	**19.8**	49.4
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Lease liabilities	**(754.1)**	(664.5)
Equity	**2,790.7**	2,966.3
Return on average operating capital	**43.2%**	46.1%
Return on invested capital	**14.8%**	15.5%

Return on average operating capital decreased to 43.2% from 46.1% in 2023 due to higher average capital employed in the underlying businesses. Return on invested capital decreased to 14.8% compared to 15.5% in 2023 due to the impact of higher average invested capital from acquisitions.

Intangible assets increased by £441.7 million to £3,683.8 million due to intangible assets arising on acquisitions in the year of £729.9 million, a net increase from hyperinflation adjustments of £7.7 million and software additions of £14.1 million, partly offset by an amortisation charge of £160.2 million, an impairment charge of £2.3 million, net decrease from disposal of businesses of £7.5 million, assets transferred to held for sale of £1.7 million and a decrease from currency translation of £138.3 million.

Right-of-use assets increased by £81.3 million to £697.6 million due to additional right-of-use assets from new leases during the year of £161.3 million, an increase from remeasurement adjustments of £49.8 million and an increase from acquisitions of £73.0 million, partly offset by a depreciation charge of £186.1 million, assets transferred to held for sale of £1.5 million, disposal of businesses of £0.4 million and a decrease from currency translation of £14.8 million.

Working capital increased from the prior year end by £52.1 million to £1,210.2 million driven by an increase of £80.5 million from acquisitions and an underlying increase of £97.1 million as shown in the cash flow statement, partly offset by £53.3 million accrued for commitments under the share buyback programme, a decrease of £8.3 million from net assets transferred to held for sale and a decrease from currency translation of £64.3 million.

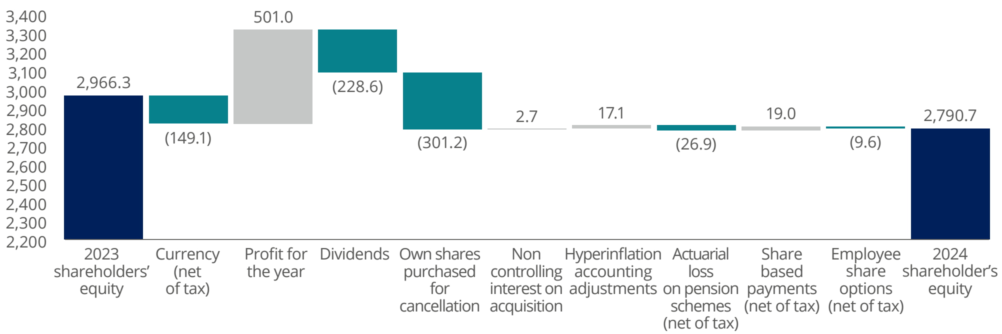
Net assets held for sale comprises assets and liabilities related to a safety business in North America which was sold in January 2025.

Deferred consideration increased by £82.6 million to £258.2 million due to £131.2 million of deferred consideration recognised on current year acquisitions and interest on unwinding of discounting of £2.2 million, partly offset by deferred consideration and retention payments of £33.3 million, a credit from adjustments to previously estimated earn outs net of charges relating to the retention of former owners of £1.3 million and a decrease from currency translation of £16.2 million. Including expected future payments which are contingent on the continued retention of former owners of businesses acquired of £117.2 million, total deferred and contingent consideration at 31 December 2024 was £375.4 million (2023: £258.8 million).

The Group's net pension surplus of £19.8 million at 31 December 2024 has decreased by £29.6 million from the net pension surplus of £49.4 million at 31 December 2023, largely due to actuarial losses of £35.1 million driven by the bulk annuity buy-in of the UK scheme completed in December 2024.

Shareholders' equity decreased by £175.6 million during the year to £2,790.7 million. Own shares purchased for cancellation includes the £250 million share buyback announced in August 2024, which was completed before 31 December 2024, the £50 million first tranche of the 2025 share buyback programme which was committed to pre-year end, £1.0 million of stamp duty and £0.2 million of transaction costs.

Movement in shareholders' equity (£m)



// FINANCIAL REVIEW *continued*

Capital management

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Group funds its operations through a mixture of shareholders' equity and bank and capital market borrowings. The Group's funding strategy is to maintain an investment grade credit rating. The Company's current credit ratings with Standard & Poor's are BBB+ (long term) and A-2 (short term). All borrowings are managed by a central treasury function and funds raised are lent onward to operating subsidiaries as required. The overall objective is to manage the funding to ensure the borrowings have a range of maturities, are competitively priced and meet the demands of the business over time. There were no changes to the Group's approach to capital management during the year and the Group is not subject to any externally imposed capital requirements.

Treasury policies and controls

The Group has a centralised treasury department to control external borrowings and manage liquidity, interest rate, foreign currency and credit risks. Treasury policies have been approved by the Board and cover the nature of the exposure to be hedged, the types of financial instruments that may be employed and the criteria for investing and borrowing cash. The Group uses derivatives to manage its foreign currency and interest rate risks arising from underlying business activities. No transactions of a speculative nature are undertaken. The treasury department is subject to periodic independent review by the internal audit department. Underlying policy assumptions and activities are periodically reviewed by the Board. Controls over exposure changes and transaction authenticity are in place.

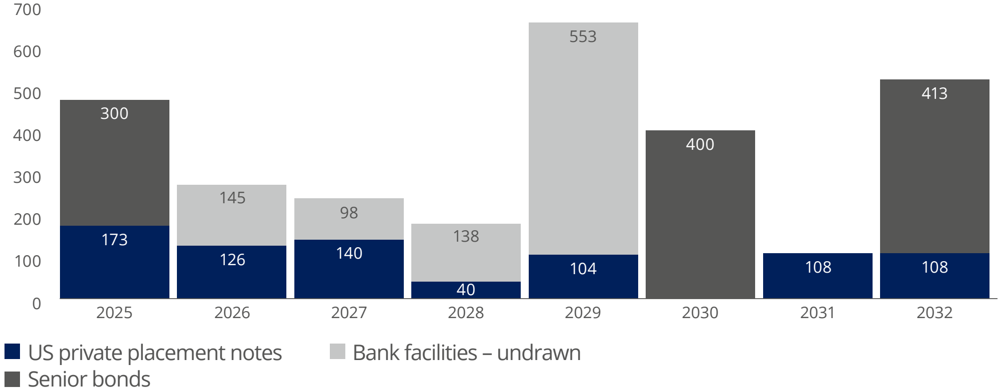
The Group continually monitors net debt and forecast cash flows to ensure that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term and, in order to do so, arranges borrowings from a variety of sources. Additionally, compliance with the Group's biannual debt covenants is monitored on a monthly basis and formally tested at 30 June and 31 December. The principal financial covenant limits are net debt, calculated at average exchange rates, to EBITDA of no more than 3.5 times and interest cover of no less than 3.0 times, based on historical accounting standards. Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the year ended 31 December 2024 all covenants were complied with, with Covenant net debt to EBITDA of 1.5 times as at 31 December 2024 (31 December 2023: 1.1 times), and based on current forecasts it is expected that such covenants will continue to be complied with for the foreseeable future. The US private placement notes ('USPPs') issued in March 2022 contain a clause whereby upon maturity of the previously issued USPPs, the latest maturity being in 2028, the principal financial covenants referred to above will no longer apply.

The Group has substantial funding available comprising multi-currency credit facilities from the Group's banks, USPPs and senior bonds. During 2024, the Group issued a €500 million bond which matures in 2032 under the terms of its Euro Medium Term Note (EMTN) programme. The bond issued extends the maturity profile of the Group's debt portfolio. At 31 December 2024 the nominal value of senior bonds outstanding was £1,113.2 million (2023: £700.0 million) with maturities ranging from 2025 to 2032. At 31 December 2024 the nominal value of USPPs outstanding was £798.6 million (2023: £917.5 million) with maturities ranging from 2025 to 2032. At 31 December 2024 the available committed bank facilities totalled £933.5 million (2023: £852.6 million) of which none (2023: none) was drawn down. During 2024, £264.8 million of existing bank facilities with maturities between 2024 and 2026 were refinanced by £350.6 million of new or amended bank facilities with maturities between 2026 to 2029.

In July 2024, the Group established a €1 billion euro-commercial paper programme, under which it can issue short term notes. At 31 December 2024, the nominal value of commercial paper in issue was £144.6 million (2023: none) with maturities of up to three months.

The Group expects to make repayments in the 18 month period from the date of these financial statements to 30 June 2026 of approximately £242.6 million relating to maturing USPPs. In addition, the current intention is that the £300 million Senior Bond maturing in 2025 will be refinanced in the capital markets before maturity.

Committed facilities maturity profile by year (£m)



The total available committed funding at 31 December 2024 was £2,845.4 million (2023: £2,470.0 million). This includes the Group's USPPs, senior bonds and all committed bank facilities.

Further details of the Group's capital management and treasury policies and controls are set out in Note 18 to the consolidated financial statements on pages 166 to 172.

Going concern

The directors, having reassessed the principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the financial statements. In reaching this conclusion, the directors noted the Group's strong cash performance in the year, the substantial funding available to the Group as described above and the resilience of the Group to a range of severe but plausible downside scenarios. Further details are set out in Note 1 to the consolidated financial statements on page 145.

Richard Howes
Chief Financial Officer
3 March 2025

// NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

NFSIS

In accordance with sections 414CA and 414CB of the Companies Act 2006, including the amendments made by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, the information below sets out how we comply with each reporting requirement and where further information can be found.

A description of our business model can be found on pages 22 to 23.

Where principal risks have been identified in relation to any of the matters listed, these can be found on pages 66 to 74.

Our non-financial key performance indicators are set out on page 37.

Find out more in our policy hub on our website, www.bunzl.com

Reporting requirement	Description	Relevant policies and standards	Further information
Social matters	Developing responsible supply chains	Our Supplier Code of Conduct, Global Supply Chain Solutions team and partnership with supply chain assurance expert, LRQA, are some of the measures we take to ensure that products are sourced responsibly and that adequate standards are maintained throughout our supply chains.	Read more on pages 42 to 45
	Promoting a healthy corporate culture	Our values underly the way we conduct our business and ensure that all of our colleagues are working towards the common goal of creating long term sustainable value for the benefit of all stakeholders.	Read more on page 94
	Business standards of behaviour	Our Business Code of Conduct and Code of Conduct Policy ensure that all business is conducted according to rigorous ethical, professional and legal standards.	Read more on page 210
Employees	Encouraging employees to raise matters of concern	Where employees have concerns relating to failures to adhere to standards, they can report such concerns on a confidential and anonymous basis using our 'Speak Up' Policy.	Read more on page 210
	Investing in our people and a diverse workforce	Our Equality and Diversity Policy was reviewed in 2024 and ensures that employees are treated fairly and equally and that diversity is embraced. We also offer extensive learning and development opportunities to equip employees with the skills and experience they need to succeed and grow in their roles.	Read more on pages 52 to 54
	Providing our employees with a safe working environment	The Bunzl Health & Safety Policy ensures that high standards of health & safety are maintained throughout the business. Incidents are monitored and reported to the Board periodically, which enables the Board to take action when necessary.	Read more on page 209
Human rights, anti-corruption and anti-bribery	Prevention of bribery, corruption and fraud	Our Anti-Bribery and Corruption Policy outlines the behaviour and principles required of employees to prevent any form of bribery or corruption. Additionally, we have a Fraud Policy in place, we conduct a rigorous Fraud Risk Assessment annually and the Board regularly receives and considers whistleblowing updates.	Read more on page 103
	Promoting ethical supply chains	Our Supplier Code of Conduct defines the principles and standards that we expect suppliers to understand and adhere to. This is supported by our industry-leading sourcing and auditing operation in Shanghai, which works in partnership with suppliers in high risk regions to ensure the highest standards of product quality and respect for human rights in our supply chain.	Read more on pages 42 to 45
	Approach to human rights and modern slavery	Approved by the Board this year, our Modern Slavery Statement sets out the steps that we take to ensure, as far as possible, that slavery and human trafficking do not exist in our supply chain or any part of our business.	Read more on page 203
Environmental matters	Taking action on climate change	We are supporting the recommendations made by the Task Force on Climate-related Financial Disclosures and have joined the UN Race to Zero campaign by formally committing to the Business Ambition for 1.5°C.	Read more on page 202
	Reducing our impact on the environment	Our Environment Policy promotes the efficient use of resources and energy in our supply chain and ensures a Group wide commitment to continual improvement and compliance with environmental legislation and regulations.	Read more on page 61
	Providing sustainable solutions	Our material footprint tools help customers understand the carbon impact of the products they source, helping us to work with them to find sustainable solutions that are better suited to a more circular economy.	Read more on pages 55 to 59
	Environmental risks and opportunities	Our sustainability governance structure enables the Company to identify, assess and manage climate-related risks and opportunities, analyse the resilience of our business model and strategy, set targets to manage climate-related risks and to disclose against the TCFD recommendations and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.	Read more on page 60

// CHAIRMAN'S INTRODUCTION

INTRODUCTION FROM PETER VENTRESS, CHAIRMAN OF THE BOARD

PETER VENTRESS
Chairman

// Effective corporate governance practices lay the foundation for sustainable growth and strengthen the trust of our stakeholders."

On behalf of the Board, I am pleased to present the Corporate governance report for the year ended 31 December 2024. In conjunction with the Nomination, Board Sustainability, Audit and Remuneration Committee reports, this report aims to demonstrate Bunzl's focus on transparent, responsible and robust governance practices.

I am pleased to welcome two new additions to the Board and its Committees. Daniela Barone Soares and Julia Wilson were appointed as non-executive directors on 16 December 2024. Daniela brings a wealth of experience from a variety of commercial, non-profit and advisory boards, having served internationally within several of Bunzl's operating geographies, including the USA, Brazil and Europe. Julia brings board and executive-level financial leadership experience, alongside detailed technical knowledge of the audit and UK regulatory landscape. Additional information on each of our directors' skills and contributions to the Board can be found in the Board biographies on pages 86 and 87.

As announced in our previous Annual Report, Vanda Murray, former Senior Independent Director and Chair of the Remuneration Committee, stepped down as a director at the conclusion of the Company's Annual General Meeting ('AGM') on 24 April 2024. Her contributions to the Board's deliberations over the years were deeply valued. Additionally, as announced on 12 December 2024, Lloyd Pitchford, non-executive director and Chair of the Audit Committee, has informed the Board of his intention to step down at the conclusion of the Company's AGM on 23 April 2025. Lloyd's wise counsel and independent advice have been greatly appreciated, and he leaves with the Company's gratitude and best wishes. Julia will succeed Lloyd as Chair of the Audit Committee and, having joined in December, will be able to benefit from a planned handover period. Following the appointments of Julia and Daniela, the Board has achieved gender parity, with the percentage of female directors on the Board rising to 56% once Lloyd steps down at the next AGM. Additional information on the Board and Committee changes in 2024, as well as the Board's approach to recruitment and succession planning, can be found in our Nomination Committee report, on pages 99 to 101.

During 2024, the Group committed a record spend to acquisitions and consequently acquisition governance remained a key priority for the Board. Regular presentations on acquisitions and the acquisition pipeline were considered at Board level, with input from senior managers, covering key areas such as key performance indicators ('KPIs'), the outcome of due diligence processes and Environmental, Social and Governance ('ESG') matters. The Board also received training during the year from the Company's legal team, outlining their role in the acquisition process and the key risks that are considered. As part of its deliberations, the Board considers whether acquisitions will both benefit Bunzl's stakeholders as a whole and be in the best long term commercial interests of the Company. Additional information on the Group's acquisition growth strategy can be found on page 13.

Deepening the Board's understanding of key stakeholder developments, including customers, was identified as one of the Board's key areas of focus in the 2023 Board performance review. In 2024, the Board attended supplier roadshows and received direct feedback from employee listening sessions and the senior leadership reverse mentoring programme. The Board also benefitted from regular sustainability updates, including a double materiality assessment ('DMA') of material stakeholder risks. The DMA helped deepen the Board's understanding of the material risks and opportunities relating to our customers. Additional information on the Board's consideration of stakeholder interests can be found in the stakeholder engagement section on pages 62 to 65.

A Board performance review was undertaken in 2024, with assistance from an independent external service provider, Lintstock. The review involved the distribution of a curated questionnaire to all directors as well as individual discussions between the Chairman and each of the non-executive directors. The outcome of the

// CHAIRMAN'S INTRODUCTION *continued*

Board performance review was positive and identified several areas of focus for 2025, including delivering further organic growth and embedding the recent Board changes. Additional information on the outcome of the review and the agreed areas of focus for 2025 can be found on page 96.

For the year ended 31 December 2024, I am pleased to report that the Company has complied in full with the provisions of the UK Corporate Governance Code 2018 (the 'Code') that was in force for the year.

Having engaged with the Financial Reporting Council during its consultation on revisions to the Code, at the start of the year we welcomed the publication of the UK Corporate Governance Code 2024 (the '2024 Code'), which will apply to financial years beginning on or after 1 January 2025, or 1 January 2026 in respect of provision 29 of the 2024 Code. A memorandum on the changes introduced by the 2024 Code has been considered at Board level, along with a roadmap to achieving compliance therewith. We will report formally on how we have applied the principles of the 2024 Code and complied with its provisions in future annual reports.

Effective corporate governance practices lay the foundation for sustainable growth and strengthen the trust of our stakeholders. We consider maintaining a mature and robust governance structure to be vital for driving independent and effective decision making, that takes into account the interests of our shareholders and other stakeholders. We hope that the following report is beneficial in outlining the Board's approach to corporate governance at Bunzl, and look forward to welcoming our shareholders in person to the Company's 2025 AGM.

Peter Ventress
Chairman
3 March 2025

GOVERNANCE OVERVIEW

BOARD

Meetings
The table below sets out directors' attendance at the scheduled Board and Committee meetings held during 2024. Additional meetings of the Board were also held as and when circumstances required it to meet at short notice.

	Board (7)	Audit (4)	Nomination (3)	Remuneration (4)	Board Sustainability (3)
Chairman					
Peter Ventress	7	–	3	–	3
Executive directors					
Frank van Zanten	7	–	–	–	–
Richard Howes	7	–	–	–	–
Independent non-executive directors					
Vanda Murray OBE*	3	1	1	1	1
Pam Kirby	7	4	3	4	3
Lloyd Pitchford	7	4	3	4	3
Stephan Nanninga	7	4	3	4	3
Vin Murria OBE	7	4	3	4	3
Jacky Simmonds	7	4	3	4	3
Daniela Barone Soares OBE**	–	–	–	–	–
Julia Wilson**	–	–	–	–	–

* Vanda Murray retired as a director on 24 April 2024 and attended all Board and Committee meetings held between that date and the start of the year.
** Daniela Barone Soares and Julia Wilson were appointed as directors on 16 December 2024 and no meetings were held between that date and the end of the year.

Skills held by each director	Frank van Zanten	Richard Howes	Peter Ventress	Pam Kirby	Lloyd Pitchford	Stephan Nanninga	Vin Murria OBE	Jacky Simmonds	Daniela Barone Soares OBE	Julia Wilson
Core industry experience (logistics and distribution)	•	•	•	•		•		•		
Digital/cyber security		•			•	•	•		•	•
International	•	•	•	•	•	•	•	•	•	•
Sustainability	•		•	•	•		•		•	•
M&A	•	•	•	•	•	•	•	•	•	•
Strategy	•	•	•	•	•	•	•	•	•	•
Remuneration/people	•	•	•	•	•	•	•	•	•	•
Finance		•	•	•	•	•	•		•	•

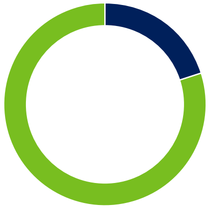
Legal: The Board has access to the services of the General Counsel and Company Secretary, who is a qualified solicitor.

OUR BOARD BY NUMBERS

Tenure (non-executive directors, incl. Chairman)
(as at 31 December 2024)

- 0 – 3 years 4
- 3 – 6 years 2
- 6+ years 2

Executive and non-executive directors
(as at 31 December 2024)

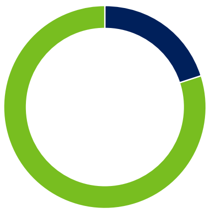


- Executive 2
- Non-executive (incl. Chairman) 8

Independence of directors (excl. Chairman)
(as at 31 December 2024)

- Independent 7
- Other 2

Ethnic diversity
(as at 31 December 2024)



- Director from minority ethnic group 2
- Other 8

Board gender
(as at 31 December 2024)

- Male 5
- Female 5

// BOARD OF DIRECTORS

THE RIGHT BALANCE OF SKILLS AND EXPERIENCE

Our experienced Board is committed to leading by example to demonstrate Bunzl's strong corporate values and culture, and to promoting the long term sustainable success of the Company for the benefit of all of its stakeholders.

Key on following page.

PETER VENTRESS
Chairman

Appointment: Chairman of the Board since April 2020, having been appointed Chairman designate in June 2019. Chair of the Nomination Committee and Board Sustainability Committee.

Experience: He was formerly Chairman of Galliford Try Holdings plc and a non-executive director of Premier Farnell plc, Staples Solutions NV and Softcat plc. He was Chief Executive Officer of Berendsen plc from 2010 to 2016, prior to which 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. Peter is currently Chairman of Howden Joinery Group plc.

Skills and contribution to the Board: Peter has a strong track record as both an executive and non-executive director of numerous international distribution businesses, bringing valuable knowledge and experience to the Board. His leadership ability, gained through previous experience as the Chairman of other similarly complex businesses, cultivates a culture of constructive debate and challenge on the Board.

Committees:

FRANK VAN ZANTEN
Chief Executive Officer

Appointment: Chief Executive Officer since April 2016, having been appointed as an executive director in February 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, a listed company in the Netherlands, before rejoining Bunzl in 2005 as the Managing Director of the Continental Europe business area. He is a member of the Supervisory Board of Koninklijke Ahold Delhaize N.V.

Skills and contribution to the Board: Frank has extensive knowledge and experience of our business, acquired over years of dedicated commitment to the Company. He has an outstanding track record of implementing the Company's purpose-led strategy, fostering growth by developing and expanding the Group, both organically and through acquisitions.

Committees: None

RICHARD HOWES
Chief Financial Officer

Appointment: Chief Financial Officer and a member of the Board since January 2020, having been appointed Chief Financial Officer designate in September 2019.

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. He is currently a non-executive director of Smiths Group plc and chairs their Audit & Risk Committee.

Skills and contribution to the Board: Richard brings a wealth of experience to the Board, gained across several sectors, having led finance functions at a number of international public companies and having worked for multi-site businesses with substantial global footprints. He brings broad financial expertise and commercial skills which are invaluable to his role on the Board and in leading Bunzl's Finance, Tax, and Treasury functions.

Committees: None

PAM KIRBY
Senior Independent Director

Appointment: Senior Independent Director since April 2024, having been appointed as a non-executive director in August 2022.

Experience: Formerly Chief Executive Officer of Quintiles Transnational Corporation, having previously held senior executive positions at AstraZeneca PLC and F. Hoffmann-La Roche Ltd. She was also previously a non-executive director of DCC plc, Hikma Pharmaceuticals PLC and Reckitt Benckiser Group PLC, and has held positions as Senior Independent Director of Victrex and as a member of the Supervisory Board of AkzoNobel N.V.

Skills and contribution to the Board: Pam has significant knowledge and expertise in global businesses, having worked in several international roles for over 30 years. Through her executive and non-executive roles, she brings a wealth of international distribution, strategic and UK listed company experience to the Board.

Committees:

LLOYD PITCHFORD
Non-executive director

Appointment: Non-executive director since March 2017 and Chair of the Audit Committee.

Experience: Having previously held a number of senior finance positions with BG Group plc, latterly as Group Financial Controller, he subsequently joined Intertek Group plc, where he was Chief Financial Officer from 2010 to 2014. He has been Chief Financial Officer of Experian plc since 2014.

Skills and contribution to the Board: Lloyd has extensive financial experience gained from his roles in listed companies, including his current role as Chief Financial Officer of Experian plc. His significant financial expertise has contributed greatly to the Board's and the Committees' discussions and makes him well suited for the Audit Committee Chair role.

Committees:

// BOARD OF DIRECTORS *continued*

Committee membership

- Member of the Audit Committee
- Member of the Remuneration Committee
- Member of the Nomination Committee
- Member of the Board Sustainability Committee
- Independent director
- Denotes Chair

STEPHAN NANNINGA
Non-executive director

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 Boards of CM.com and Cabka N.V. and a non-executive director of IMCD N.V.

Skills and contribution to the Board: The Board benefits from Stephan's extensive international experience, which he has gained across a range of businesses operating in the distribution and service sectors. He has solid executive experience which informs his contributions to the Board and its Committees.

Committees:

VIN MURRIA OBE
Non-executive director

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 and is Chair of AdvancedAdvT Limited.

Skills and contribution to the Board: Vin has over 25 years of experience working in the digital and technology sectors, which is valuable given the Company is continually expanding and developing its digital and technological capabilities. Vin's background of developing highly successful growth strategies is especially pertinent to the Board.

Committees:

JACKY SIMMONDS
Non-executive director

Appointment: Non-executive director since March 2023 and Chair of the Remuneration Committee.

Experience: She was formerly Chief People Officer at VEON Ltd (a Nasdaq listed digital services company), prior to which she held a number of senior positions, including Group Director of People at easyJet plc and Chief Human Resources Officer of TUI Group, where she sat on the Supervisory Board of TUI Deutschland, GmbH. She was also a non-executive director of Ferguson plc from 2014 until 2022 and is presently Chief People Officer of Experian plc.

Skills and contribution to the Board: The Board benefits from Jacky's extensive knowledge and experience in human capital management, including employee engagement, transformational change, board and leadership succession planning, employee relations and talent management. Her international and listed company experience, coupled with her extensive HR acumen, enhance the capabilities of the Board and its Committees.

Committees:

DANIELA BARONE SOARES OBE
Non-executive director

Appointment: Non-executive director since December 2024.

Experience: She is the Chief Executive Officer of Snowball Impact Management Limited, a diversified investment fund that creates positive outcomes for people and planet, whilst generating competitive financial returns. She was formerly Chief Executive Officer of Granito Group from 2017 to 2019 and prior to this was Chief Executive Officer at Impetus from 2006 to 2015, and Executive Chair of Gove Digital between 2016 and 2020. She has served on various commercial, non-profit and advisory boards during her career, including InterContinental Hotels Group PLC, Halma plc, Evora S.A. and the UK National Advisory Board to the G8 Social Impact Investment Taskforce.

Skills and contribution to the Board: Daniela brings deep and wide-ranging ESG related experience, which is an area of great strategic importance for Bunzl, and the Board benefits greatly from her extensive knowledge of how technology drives change. She is a leading global executive, with broad experience across key international geographies in which Bunzl operates, which further strengthens the Board's geographical expertise.

Committees:

JULIA WILSON
Non-executive director

Appointment: Non-executive director since December 2024.

Experience: Formerly Group Finance Director of 3i Group plc from 2008 to 2022, prior to which she held a number of senior finance related roles at Cable & Wireless, latterly as Group Director of Corporate Finance. She was appointed as a non-executive director at Legal & General Group PLC in 2011, was Chair of the Audit Committee from 2013 to 2016 and was Senior Independent Director from 2016 to 2021. She also previously served as the Chair of The 100 Group of FTSE Finance Directors. She is currently a non-executive director and Chair of the Audit Committee of Barclays PLC.

Skills and contribution to the Board: Julia's significant board and executive-level strategic and financial leadership experience are key capabilities for the Board as the Company continues to grow and develop. Her wealth of finance and UK regulatory expertise make her a natural candidate to succeed Lloyd Pitchford as Audit Committee Chair and the Board and Committees benefit greatly from her deep technical knowledge.

Committees:

// CORPORATE GOVERNANCE REPORT

Matters reserved for the Board

The topics outlined below include some of the matters which are required to be brought to the Board for consideration:

Shareholders
- Matters requiring shareholder approval
- Circulars and significant shareholder communications

Capital allocation and structure
- Significant capital expenditure/disposals
- Significant business acquisitions/disposals
- Material changes to the Group's capital structure
- Major property leases
- Material increases in borrowing and loan facilities

Policies and statements
- Material Group policies, statements and major changes thereto, for example:
  - Tax Strategy;
  - Treasury Policy;
  - Modern Slavery Statement;
  - Diversity, Equity and Inclusion Policy; and
  - Risk Appetite.

People and leadership
- Appointment/removal of directors and Company Secretary
- Non-executive directors' remuneration
- Executive directors' remuneration
- Board Committee constitution and terms of reference

Strategy and management
- The Group's strategic aims and objectives
- Annual budget and strategic plan

Financial reporting, risk and controls
- Financial results and announcements relating thereto
- Final and interim dividends
- Auditor appointment/removal
- Risk management and internal controls

KNOWLEDGE SHARING, UPSKILLING AND CONTINUAL DEVELOPMENT

The Board understands the importance of knowledge sharing, upskilling and continual development; therefore, senior management, members of different corporate functions and external parties are frequently invited to attend meetings to present to the Board on their respective areas of expertise, aiding better decision making.

// CORPORATE GOVERNANCE REPORT *continued*

KEY ACTIVITIES AND DECISIONS OF THE BOARD IN 2024

Q1

January

- Strategic plan proposal
- Update on results of the 2023 Board performance review
- Update on acquisitions and the acquisition pipeline
- Results of the 2023 Great Place to Work survey
- Presentation on feedback from employee listening groups
- Group risk assessment

February

- Results for the year ended 31 December 2023
- Risk management, internal controls and disclosure of information to auditors
- Re-appointment of auditors
- Update on acquisitions and the acquisition pipeline
- Final dividend for the year ended 31 December 2023
- Update on accident statistics
- Renewal of executive share plans

Q2

April

- Q1 trading update
- Consideration of a new bank credit facility
- Update on acquisitions and the acquisition pipeline
- Updates on diversity policies, corporate responsibility and the Modern Slavery Statement
- Update from the Board Sustainability Committee

June

- Pre-close trading statement
- Presentation on treasury policies and funding proposals
- Update on acquisitions and the acquisition pipeline
- Review of acquisitions made in 2022
- Update on corporate responsibility and supplier performance
- Update on whistleblowing reports
- Update on accident statistics
- Update on UK defined benefit pension scheme
- Site visits in Brazil

Q3

August

- Results for the half year ended 30 June 2024
- Interim dividend for the year ended 31 December 2024
- Group risk assessment, including approval of the removal of currency translation as a principal risk
- Consideration of capital allocation commitments, including the share buyback programme
- Update on acquisitions and the acquisition pipeline
- Presentation of the role of the Legal team in acquisition governance
- Update on the American Depositary Receipt programme
- Update from the Board Sustainability Committee

Q4

October

- Q3 trading update
- Consideration of the thresholds for the approval of acquisitions and disposals
- Update on acquisitions and the acquisition pipeline
- Update from Treasury
- Update on accident statistics
- Update from the Board Sustainability Committee
- Consideration of director conflicts of interest
- Site visits in China

December

- Pre-close trading statement
- Board performance evaluation
- 2025 budget
- Update on accident statistics
- Update on acquisitions and the acquisition pipeline
- Group tax strategy statement and update
- Supplier audit statistics
- Update on 2024 UK Corporate Governance Code compliance
- Update on whistleblowing reports
- Review of Committee terms of reference and governance documents

Board activity

The Board meets formally at least seven times a year, with two Board meetings held at or near Group locations around the world. During 2024, the Board held meetings in Brazil and in China, which gave the directors the opportunity to meet with local employees and assess the culture of the Company.

At each Board meeting, Bunzl's operational and financial performance is discussed and presentations are made by the Chief Executive Officer ('CEO') and the Chief Financial Officer ('CFO'). The Business Area Heads attend certain meetings by invitation to present on key topics within their remit. The importance of bringing management into meetings to present on their respective area of expertise, share knowledge and provide updates on the performance of the business is well recognised by the Board. The Director of Corporate Development frequently presents to the Board on potential acquisitions and the Board receives regular updates from management on risk, health & safety, digital strategy, information security, environment, sustainability, governance and people matters.

Board agendas are set by the Chairman in consultation with the CEO and with the assistance of the Company Secretary, who maintains a rolling programme of items for discussion by the Board. This ensures that all matters reserved for the Board and other key issues are considered at the appropriate time.

Each Board meeting is structured to accommodate sufficient challenge and contribution by all participants. The Board is supplied with full and timely information to enable informed decision making. All directors have access to the advice and services of the Company Secretary who ensures that Board procedures are complied with, and the Board is fully briefed on relevant legislative, regulatory and corporate governance developments. Directors may also take independent professional advice at the Company's expense where they judge this to be necessary in the furtherance of their duties to discharge their responsibilities as directors.

Code compliance statement

For the year ended 31 December 2024, the Company has complied in full with the requirements of the Code that were in force as at 31 December 2024.

Pursuant to Disclosure Guidance and Transparency Rule ('DTR') 7.2.6, information required to be disclosed on the Company's securities structure can be found on page 173. Information on our Board and Committee Diversity Policy, required to be disclosed pursuant to DTR 7.2.8A, can be found on pages 112 to 110. The full Board and Committee Diversity Policy can be found on the Company's website, www.bunzl.com.

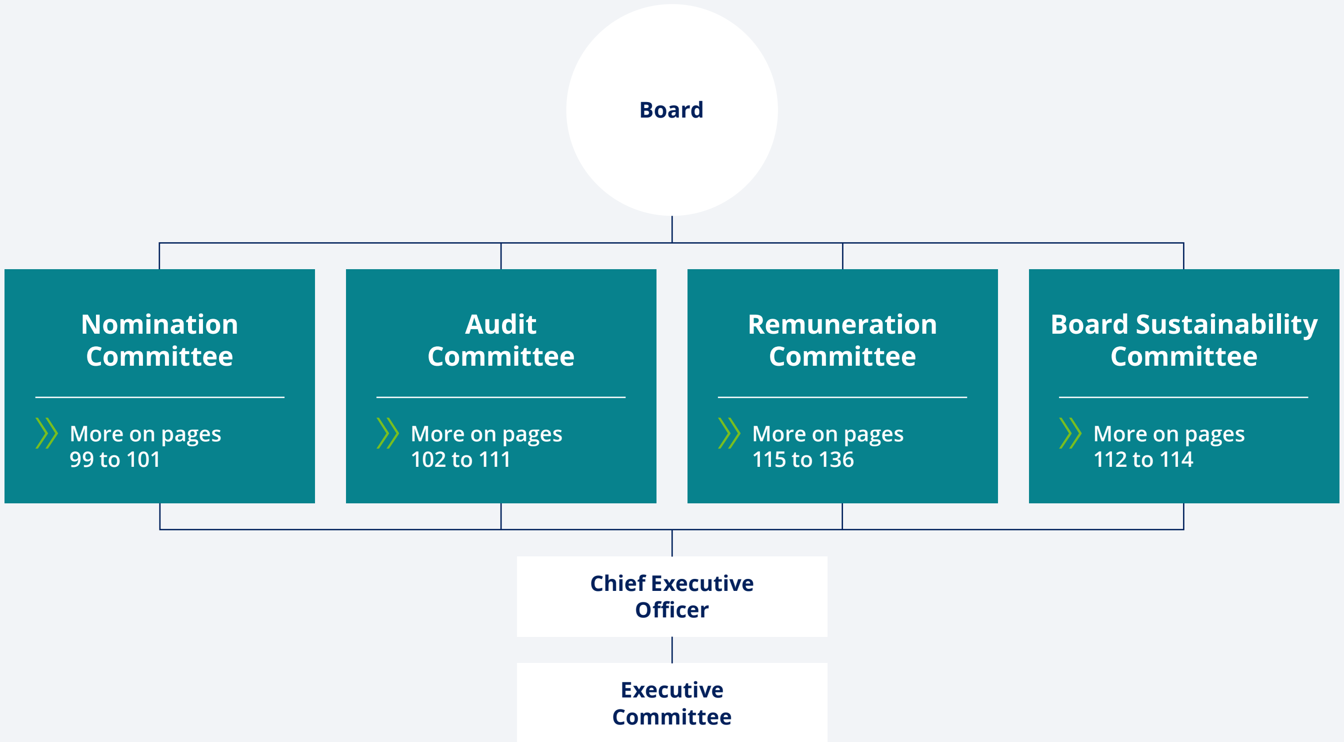
Board leadership and company purpose	**Relevant section of the Annual Report**	**Page(s)**
Effective Board	Biographies of the Board of directors	86 and 87
Purpose, values and strategy	Our purpose, values and strategy	26 to 30
Culture	How the Board monitors culture	94
Prudent and effective controls	Risk management and internal controls	107 and 108
Engagement with shareholders	Section 172 statement	62 to 65
S.172 statement and engagement with other stakeholders	Section 172 statement	62 to 65
Engagement with employees	Employee engagement statement	95
Workforce policies and practices	Other statutory information	138
Division of responsibilities	**Relevant section of the Annual Report**	**Page(s)**
Division of responsibilities	Board roles and responsibilities	92
Board independence	Nomination Committee report	99 to 101
Board attendance and time commitments	Board attendance table	85
Composition, succession and evaluation	**Relevant section of the Annual Report**	**Page(s)**
Appointment procedure	Nomination Committee report	101
Succession plans	Nomination Committee report	100
Composition of the Board and its Committees	Biographies of the Board of directors	86 and 87
Tenure of directors	Board tenure chart	85
Evaluation	Board evaluation and priorities identified	96
Audit, risk and internal controls	**Relevant section of the Annual Report**	**Page(s)**
Audit Committee role	Audit Committee report	104
External audit	Audit Committee report	109 to 111
Fair, balanced, understandable report	Fair, balanced and understandable statement	98
Internal controls framework	Audit Committee report	107
Principal and emerging risks	Principal risks and uncertainties	66 to 74
Remuneration	**Relevant section of the Annual Report**	**Page(s)**
Remuneration policy and practices	Remuneration Committee report	115 to 136
Development of executive remuneration policy	Remuneration Committee report	115 to 136
Independent judgement and discretion	Remuneration Committee report	115 to 136

GOVERNANCE STRUCTURE

The Board has ultimate responsibility for the overall leadership of the Group. To ensure the directors maintain overall control over strategic, financial, operational and compliance issues, the Board meets regularly throughout the year and has formally adopted a schedule of matters which are required to be brought to it for consideration. Further details of the matters reserved for the Board can be found on page 88.

The Board has established four Committees to which it delegates certain matters, all of which comply with the provisions of the Code and play an important governance role through the detailed work they carry out to fulfil the responsibilities delegated to them. The Board recognises the importance of evolving the governance structures of the Company in line with the development of the Company's strategy, and the Board Sustainability Committee was formed with a mandate to provide strategic advice to the Board on the principal objectives, targets and priorities of Bunzl's sustainability strategy. The Nomination Committee meets as and when required. All other Committees meet at least twice a year, with the exception of the Audit Committee, which meets at least three times a year. Briefing papers are prepared and circulated to Committee members in advance of each meeting.

The terms of reference for each Committee can be found on the Company's website, www.bunzl.com.



Board composition

As at 31 December 2024, the Board was made up of 10 directors comprising a Chairman, a CEO, a CFO and seven non-executive directors, including a Senior Independent Director. Brief biographical details of the directors in office at the date of this report are given on pages 86 to 87.

All of Bunzl's non-executive directors are considered by both the Board and the criteria set out in the Code to be independent. Further details concerning the determination of director independence can be found in the Nomination Committee report on pages 99 to 101.

Each of the non-executive directors is considered to have a breadth of strategic, management and financial experience gained in each of their own fields in a range of multinational businesses, further details of which can be found in the director skills matrix on page 85.

The Board is satisfied that each non-executive director dedicates appropriate time to their role, continues to contribute effectively to Board decision making and executes their responsibilities to challenge, monitor, advise and guide the Company to a high standard for the benefit of Bunzl's stakeholders as a whole. Further details relating to the time commitments of the directors can be found on page 93.

In accordance with the terms of the Code and Bunzl's Articles of Association, with the exception of Lloyd Pitchford, who has informed the Board of his intention to step down as a director, each of the directors in office at the date of this Annual Report will be subject to election or re-election at the 2025 AGM and the reasons for each director's election or re-election will be set out in the forthcoming Notice of Meeting.

Board roles and responsibilities

The following table summarises the role and responsibilities of the different members of the Board:

Role	Responsibilities
Chairman	The primary job of the Chairman is to be responsible for the leadership of the Board and to ensure its effectiveness in all aspects of its role. The Chairman: • takes overall responsibility for the composition and capability of the Board and its Committees; • organises the annual evaluation of the Board, its Committees and each individual director; • consults regularly with the Chief Executive Officer and is available on a flexible basis to provide advice, counsel and support to the Chief Executive Officer; and • ensures corporate governance is conducted in accordance with current best practice, as appropriate to the Group. The Chairman is also viewed by investors as the ultimate steward of the Group and the guardian of the interests of all the shareholders.
Chief Executive Officer	The Chief Executive Officer is responsible for the leadership and the operational and performance management of the Company within the strategy agreed by the Board. The Chief Executive Officer: • manages the Chief Financial Officer and the Group's management and day-to-day activities; • prepares and presents the strategy for growth in shareholder value to the Board; • sets the operating plans and budgets required to deliver the agreed strategy; • ensures that the Group has appropriate risk management and control mechanisms in place; and • communicates with the Company's shareholders on a day-to-day basis as necessary.
Chief Financial Officer	The Chief Financial Officer supports the Chief Executive Officer and is responsible for managing the Group's funding strategy, financial reporting, non-financial reporting, risk management and internal controls, investor relations programme and the leadership of the Finance, Tax and Treasury functions. The Chief Financial Officer communicates with the Company's analysts on a day-to-day basis as necessary.
Senior Independent Director	The Senior Independent Director is available to shareholders if they have concerns, which contact through the normal channels of Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve or for which such contact is inappropriate. The Senior Independent Director is also available to the other directors should they have any concerns, which are not appropriate to raise with the Chairman or that have not been satisfactorily resolved by the Chairman.
Independent non-executive directors	The non-executive directors play an important role in corporate governance and accountability, through both their attendance at Board meetings and their membership of the various Board Committees. The non-executive directors bring a broad range of business and financial expertise and experience to the Board, which complements and supplements the experience of the executive directors. This enables them to offer strategic guidance, evaluate information provided and constructively challenge management's viewpoints, assumptions and performance.

There is a clear division of responsibilities between the Chairman and the Chief Executive Officer, which is set out in writing and has been agreed by the Board.

// CORPORATE GOVERNANCE REPORT *continued*

Conflicts of interest

The directors are required to avoid situations in which they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. In accordance with the Companies Act 2006, the Company's Articles of Association allow the Board to authorise potential conflicts of interest that may arise and to impose such limits or conditions as it thinks fit.

Directors are required to give notice of any potential situational and/or transactional conflicts, which are then considered by the Board and, if deemed appropriate, authorised accordingly. A director is not however permitted to participate in such considerations or to vote in relation to their own conflicts.

The Board has considered and authorised a number of potential situational conflicts, all of which relate to the holding of external directorships and have been entered on the Company's conflicts register. No actual conflicts have been identified during the year and the Board considers that these procedures operate effectively.

External appointments and time commitment of directors

The Board takes the time commitment of directors seriously and the time expected of directors is set out in their letters of appointment. Each director must notify the Chairman prior to accepting a new appointment, and the Chairman must notify the Board, so that the Board can consider the appointment. The Board recognises the benefits in terms of director knowledge and experience that external appointments can bring to Board deliberations, and the need to balance this with the requirement for directors to dedicate sufficient time to their roles. Additional information on how the Board assesses external appointments is available on pages 101 of the Nomination Committee report.

There were no new external appointments that required Board consideration in 2024. Where an appointment is disclosed, the Board considers whether it would impact the time required for the director to prepare for and attend meetings of the Company, engage with stakeholders, undertake any training or personal development and execute their duties to the Company effectively. In addition, the Board considers their current portfolio, whether there are any conflicts or potential conflicts, the time commitment required with the new appointment and whether the appointment would cause the number of directorships they hold to exceed those set out in the Code or institutional investor and proxy adviser guidance.

The Board is satisfied that each director devotes sufficient time to their role at Bunzl and continues to discharge their duties effectively.

Induction

The Company Secretary assists the Chairman in designing and delivering a tailored induction programme for each new member of the Board. This takes into account each director's individual needs, aims to outline their roles, responsibilities and duties as a director of the Company and facilitate their understanding of the Group's business, people, processes, purpose, values and culture.

A typical induction programme normally includes:

- a detailed information pack that includes details of directors' duties and responsibilities, procedures for dealing in Bunzl plc's shares and other governance-related issues;
- one-to-one meetings with the other members of the Board and the Company Secretary;
- meetings with Committee Chairs, as appropriate;
- meetings with senior management;
- visits to some of the Group's locations;
- information on the main areas of the Group's business activity and risks; and
- information on the Company's approach to sustainability and stakeholder engagement.

BOARD SITE VISITS

June 2024 Brazil tour

- Presentation from local business leaders
- Site visits at three local businesses
- Presentations from local safety teams
- Meetings with local leadership and local management teams

October 2024 China tour

- Attending a Q&A session
- Site visit to our Global Sourcing Office
- Attending a session at the Bunzl Global Safety Conference
- Safety and supplier tradeshows
- Meeting with Senior Leader Development Programme participants

Training and development

The Board recognises the importance of continually developing existing directors and believes good decision making is enabled by a deep understanding of the Group's operations and people. During the course of the year, directors receive training and presentations to keep their knowledge current and enhance their experience. They are updated continually on the Group's businesses, their markets and changes to the competitive and regulatory environments in which they operate. In addition, the Board is kept informed of relevant legal, regulatory and financial developments or changes by the Company Secretary and the CFO. The Company's legal advisers and auditors also give presentations and training to the Board on specific topics of interest.

Training and development needs of the Board are kept under review and directors attend external courses where it is considered appropriate for them to do so.

2024 training and development activities

- Training from the Company's legal team on their role advising on acquisitions, including the acquisition process and key risks.
- Regular updates on the 2024 Code reforms and the Company's proposed roadmap to compliance.
- Regular updates on ESG and non-financial reporting, including the EU Corporate Sustainability Reporting Directive and other key ESG reporting requirements identified from the Company's regulatory horizon scanning.
- Internal sustainability updates, including on:
  - sustainability objectives for 2024 and net zero transition plan and targets;
  - review of performance against KPIs and key focus areas and projects for 2024;
  - the Company's DMA;
  - supplier engagement programme;
  - Bunzl's sustainability value proposition; and
  - UK sustainability reporting standards and preparations for the proposed EU mandatory sustainability reporting, including our proposed DMA.

// CORPORATE GOVERNANCE REPORT *continued*

Purpose, values and how we monitor culture

Bunzl's purpose is to deliver essential business solutions around the world and create long term sustainable value for the benefit of all stakeholders. It is the responsibility of the Board to set the purpose, values and strategy of the Company and ensure that these align with the desired culture. In order to achieve the Company's purpose, the Board recognises the importance of a healthy corporate culture where employees can reach their full potential and everyone is working towards a common goal. Bunzl has a unique and valued entrepreneurial culture which is critical to delivering the Company's strategy and is enabled by its decentralised structure and a focus on developing local talent. The Board ensures that the culture of Bunzl is well communicated and embedded throughout the organisation, consistently measured and sustained.

Our championed values are at the centre of our corporate culture and underly the way we conduct our business. Bunzl's strong culture is a key source of competitive advantage and helps the Group to attract and retain the best talent.

The Company's values are at the centre of our culture and are reflected in the way we work and interact with stakeholders:

Reliability in action

Bunzl's network, digital capabilities, and sustainable products, enable us to become a reliable partner to our customers, driving long term customer relationships.

Read about our successful tender outcome with Aramark on page 57.

Humility in action

Bunzl's corporate charity programme supports environmental projects related to recycling, litter prevention, clean-up and waste management infrastructure.

Read about our charitable initiatives on page 212.

Transparency in action

Bunzl's honest culture engenders confidence in the Company and Bunzl aims to be as transparent as possible in its reporting.

Read about our assurance framework on page 98.

Responsiveness in action

Bunzl's own and exclusive brand offering, expertise, and close customer relationships allow the Company to respond to specific customer needs.

Read about an example of our flagship sustainable own brand offering on page 27.

Our values guide our culture and impact Company decision making:

Nomination Committee

Actively manages the composition of the Board and the pipeline of diverse talent, embracing a representative Board and inclusive culture for all employees to thrive.

See pages 99 to 101.

Audit Committee

Ensures the integrity and transparency of the Group's financial and narrative reporting and promotes the transparent risk-focused culture within which the Company operates.

See pages 102 to 111.

Board Sustainability Committee

Provides recommendations to the Board on the Group's sustainability strategy, endorsing a culture of continuous improvement.

See pages 112 to 114.

Remuneration Committee

Monitors executive remuneration, the gender pay gap and CEO pay ratio, to ensure that remuneration aligns with Bunzl's values and culture, and encourages the Company's desired behaviours.

See pages 115 to 136.

Human Resources team

Implements programmes to promote our values and monitors employee sentiment via surveys. Introduces compulsory training to upskill employees and reviews policies to protect Bunzl's culture.

See pages 31 to 35.

Our culture is...

...evidenced by what our people most value about life at Bunzl:

- Our working relationships
- Work-life balance for employees
- Respect and ethics
- The atmosphere on the ground
- Teamwork and support
- The skills of employees
- Development opportunities
- Our customer-focused attitude
- Empowerment of employees

...embedded through:

- Annual conferences and learning sessions
- Quarterly distribution of the Group Employee Magazine, which celebrates success stories, shares case studies and highlights mentoring initiatives
- Objective setting and development plans
- Group policies to guide employee behaviour
- Employee equity participation
- An acquisition strategy that retains former business owners, fostering an entrepreneurial mindset

...measured through our culture metrics:

- Employee voluntary turnover rate: 14.8%
- Trust index score in our Great Place to Work survey: 71%
- Non-executive director engagement meetings held: 5
- Number of material breaches of Code of Conduct: 0
- Average number of incidents per month per 100,000 employees: 96

...monitored through:

- Diversity, equity and inclusion activities
- Health & safety data
- Employee forums
- Dialogue with executives and senior management
- Employee survey results
- Regular Board reporting on people matters
- Non-executive director listening groups
- Site visits

// CORPORATE GOVERNANCE REPORT *continued*

Employee engagement statement

In accordance with provision 5 of the Code, the Board has decided to use alternative arrangements to engage with employees. Bunzl is a global, decentralised business with operations in multiple locations and our employees fulfil a broad range of roles with many different perspectives. It is therefore essential that our engagement methods suit the nature of our business, the culture of the Company and our workforce. This holistic approach to engagement is the most effective method and allows the Board to understand, monitor and assess employee sentiment.

Employees are also encouraged to get involved with the Company's performance through a variety of different means, including the operation of all employee share plans, bonus and commission schemes and other incentive arrangements. Our employee engagement mechanisms, some of which are outlined below, are discussed at Board meetings and kept under review to ensure that they remain appropriate and effective.

Site visits

In 2024, visits to operational sites gave the Board a chance to hear views from employees at all levels, providing a platform for meaningful engagement while enhancing their understanding of Bunzl's operations and culture. Additional information on the Board's site visits can be found on page 93.

Bunzl's CEO, Frank van Zanten, carried out multiple site visits during the year, including trips to Bunzl businesses located in New York, Los Angeles, Atlanta, St. Louis and Chicago in the US, Prague in the Czech Republic, Shanghai in China and São Paulo in Brazil. A highlight was meeting the latest cohort within the Sales Development Programme, which helps high-potential graduates understand Bunzl's corporate strategy, the industry, and how Bunzl partners with customers to create unique and tailored solutions. These visits help deepen his insight into the employee voice and bring it into Board deliberations.

CEO listening sessions

In 2024, the CEO, alongside the Director of Group HR, held a fourth annual listening session with female employees, and employees from ethnically diverse backgrounds, across the Group. Bunzl's CEO listening sessions enable direct engagement between the CEO and employees, which is used to review progress against the Company's diversity objectives, inform future Board decisions and gain further insight into the results of the Great Place to Work survey.

Key themes were identified from the employee feedback provided in the 2024 CEO listening session, which have been compiled and used to inform decision making around Bunzl's diversity and inclusion initiatives in 2025.

Theme	Key point(s) raised
Role models	• The creation of strong role models is critical, as we will never see real change unless people see 'people like them' moving up the organisation • We need to be better at publicising success stories through a wider variety of platforms
Targets	• There is general acknowledgement and excitement about the progress made in 2024 • It is critical that we have clear measures of success and do not leave progress to chance
Communications	• We should communicate more regularly on progress made and the implementation of initiatives such as reverse mentoring • Establishing a more powerful employer brand is key, and communicating the results of the Great Place to Work survey will help with this

Bunzl's CEO listening sessions have been a valuable engagement mechanism, facilitating the provision of feedback from employees of diverse backgrounds direct to Board level. Further information on our diversity and inclusion initiatives can be found on page 52.

Non-executive director listening sessions

To gain insight into the 2024 employee experience, six of our non-executive directors participated in listening sessions, speaking directly with employees from the Asia Pacific, Continental Europe, Latin America, North America and UK business areas. These sessions are held to facilitate direct engagement between the non-executive directors and Bunzl employees across all levels of the Group, on topics such as employee share schemes, developmental opportunities and communications. The matters raised by employees are fed back to the Board and the Board uses this feedback to inform its decisions.

Theme	Key point(s) raised
Careers and development	• We should promote our structured training and development programmes to increase employee awareness
Communication	• We should increase communications on our social media channels • Our best practice communication tools should be leveraged throughout the Group
Reward	• The employee sharesave scheme is welcomed as a positive benefit that aligns company performance with employee remuneration • We should provide additional simpler explanations of the sharesave scheme, particularly examples, to help increase understanding, especially amongst junior staff

Development: see our case study on career development at Bunzl on page 35

Monitoring employee sentiment: see the results of the Great Place to Work survey on page 32

Engagement with customers, suppliers and other stakeholders

Understanding the views of the Company's stakeholders is a key priority for the Board and Bunzl as a whole. It helps to focus the Company's resources, engagement and reporting activities by addressing those issues that matter most to the Group's businesses and to the Company's wider stakeholders. Fostering strong business relationships is an intrinsic part of the Company's long established and successful compounding strategy and a key consideration in all decision making. More information about Bunzl's engagement with its suppliers, customers and wider stakeholder groups can be found on pages 62 to 65 and in the Sustainability report on pages 38 to 60.

Shareholder engagement

The Board is committed to maintaining strong communications with our shareholders. Committee Chairs seek engagement with major shareholders on pertinent matters within their responsibility. Additionally, major shareholders are routinely invited to meet with the Chairman, Chair of the Audit Committee and Company Secretary to discuss governance at Bunzl. Some of the topics that were discussed during the Company's recent shareholder engagement are outlined in the table on the right. The Board looks forward to continuing its engagement activity in the coming year.

SHAREHOLDER ENGAGEMENT

Topics discussed	Outcome of engagement
• Own brand opportunities and its support to organic profit growth • The ongoing impact of inflation and deflation on the business • The sustainability of operating margin, which has seen a strong increase compared to 2019; the components attributable to organic improvements and those attributable to higher margin acquisitions • Bunzl's acquisition pipeline and the key criteria used in the acquisition decision making process • The Board's capital allocation commitment which intends to return Bunzl's adjusted net debt to EBITDA to its target range of 2.0 to 2.5 times by 2027	The outcomes of all of the engagement was positive, and the Board will continue its engagement activity in the coming year.

Board performance review

The Board is aware of the need to continually review its performance and each year the Board, its Committees and each individual director undergo a formal evaluation process which is overseen by the Chairman.

This year, a Board performance review was carried out with assistance from an independent external service provider, Lintstock, which included a detailed questionnaire. The Chairman also held individual discussions with each director.

A number of key priorities to improve the Board's performance further were subsequently agreed and any progress in respect of such priorities will be reported on formally in next year's Annual Report.

Details of the priorities identified as part of this year's evaluation, and progress in respect of the key priorities identified in 2023, are set out below. The Board is satisfied that the priorities identified following the evaluation carried out in 2023 have been adequately addressed during 2024.

The last comprehensive external evaluation, including interviews with every Board member and the Company Secretary, was carried out for the year ended 31 December 2023 by Lintstock. Lintstock has assisted with the Board's external evaluation for a number of years to ensure that there is consistency and continuity in the presentation of the results from year to year and Lintstock does not provide any other services to, or have any other connection with, the Company. It is intended that the next comprehensive external evaluation will be carried out for the year ending 31 December 2026.

Led by the Senior Independent Director, the non-executive directors also meet without the Chairman present at least annually to appraise the Chairman's performance, including a review of his other commitments to ensure that he is able to allocate sufficient time to the Company to discharge his responsibilities effectively. The Chairman also periodically holds meetings with the non-executive directors without the executive directors present. All of these processes were carried out satisfactorily during the year.

Key priorities identified during 2023	Progress made
1. Supporting the continuing evolution of the Board's composition	Several changes were made to the Board during 2024 as part of a planned succession, with the aim of continuing to ensure that it is balanced, diverse and representative of the markets in which Bunzl operates. More on page 84.
2. Deepening the Board's understanding of key stakeholder developments, including customers	The Board discussed key stakeholder developments throughout the year, including double materiality analyses, insight gained from attendance at supplier roadshows, and feedback from the senior leadership reverse mentoring programme. More on page 62.
3. Monitoring management succession and development plans to build the long term talent pipeline	Succession planning for executives remained high on the agenda in 2024 and formal Board sessions were held to focus on the topic of talent and leadership succession. More on page 100.
4. Continuing to monitor the external context, particularly in areas such as sustainability and technology	The Board maintained a focus throughout the year on external developments to sustainability and technology and received frequent updates from the relevant business areas, which were considered at Board level. More on page 89.

Key priorities identified during 2024	Outcome of Board performance review
1. Delivering organic growth **2. Embedding Board changes** **3. Continuing to focus on talent and succession** **4. Strengthening Board exposure to the wider business**	As a result of the Board performance review process carried out in 2024, the Board and its Committees were found to be operating effectively.

RISK MANAGEMENT AND INTERNAL CONTROLS OVERVIEW

The Board has delegated to an Executive Committee, consisting of the CEO, CFO and other functional managers, the initial responsibility for identifying, evaluating, managing and mitigating the risks facing the Group and for deciding how these are best managed, as well as responsibility for establishing a system of internal controls appropriate to the business environments in which the Group operates. The principal features of this system include:

- a procedure for monitoring the effectiveness of the internal controls system through a tiered management structure with clearly defined lines of responsibility and delegation of authority;
- a second line of defence Internal Controls team to continually develop the Group's framework and approach to internal controls over financial reporting;
- formal standards of business conduct (including code of conduct, anti-bribery and corruption, fraud investigations and reporting, and whistleblowing policies) based on honesty, integrity, fair dealing and compliance with the local laws and regulations of the countries in which the Group operates;
- strategic plans and comprehensive budgets which are prepared annually by the business areas and approved by the Board;
- clearly defined authorisation procedures for capital investment and acquisitions;
- a well-established consolidation and reporting system for the statutory accounts and monthly management accounts;
- detailed manuals covering Group accounting policies, and policies and procedures for the Group's treasury operations supplemented by internal controls procedures at a business area level;
- periodic IT risk assessment aligned with the Group's IT security standard, as well as continual investment in IT systems and security to ensure the security of information systems and data, business continuity and the production of timely and accurate management information; and
- considering ESG and non-financial reporting and assurance.

Some of the procedures carried out in order to monitor the effectiveness of the internal controls system and to identify, manage and mitigate business risk are:

- central management holds regular meetings with business area management to discuss strategic, operational and financial issues, including a review of the principal risks affecting each of the business areas and the policies and procedures by which these risks are managed;
- the Executive Committee reviews the outcome of the discussions held at business area meetings on internal controls and risk management issues;
- the Board in turn reviews the outcome of the Executive Committee discussions on internal controls and risk management issues, which ensures a documented and auditable trail of accountability;
- each business area, the Executive Committee and the Board carry out an annual fraud risk assessment. Reporting protocols are in place to identify, analyse and respond to actual or potential fraud incidents;
- an annual self-assessment of the status of internal controls measured against a prescribed list of minimum standards is performed by every business and action plans are agreed where remedial action is required;
- actual results are reviewed monthly against budget, forecasts and the previous year and explanations are obtained for all significant variances;
- all treasury activities, including in relation to the management of foreign exchange exposures and Group borrowings, are reported and reviewed monthly. The Group's bank balances around the world are monitored on a weekly basis and significant movements are reviewed centrally;
- developments in tax, treasury and accounting are continually monitored by Group management in association with external advisers;
- regular meetings are held with insurance and risk advisers to assess the risks throughout the Group;
- systems are in place to monitor IT security incidents, analyse them and remediate any identified weaknesses. Findings are used to continually improve defences across all Group companies;
- the Internal Audit function periodically performs business and risk-themed audit work, makes recommendations to improve processes and controls and follows up to ensure that management implements the recommendations made. The Internal Audit function's work is determined on a risk assessment basis and its findings are reported to Group and business area management as well as to the Audit Committee and the external auditors;
- the Audit Committee, which comprises all of the independent non-executive directors of the Company, meets regularly throughout the year. Further details of the work of the Committee, which includes a review of the effectiveness of the Company's internal financial controls and the assurance procedures relating to the Company's risk management system, are set out in the Audit Committee report on pages 102 to 111;
- management committees (known as the Group Sustainability Committee, the Environment & Climate Change Committee, the Health & Safety Committee, and the Supply Chain Committee) which oversee issues relating principally to environment, health & safety and business continuity planning matters, set relevant policies and practices and monitor their implementation; and
- health & safety risk assessments, safety audits and a regular review of progress against objectives established by each business area are periodically carried out.

// CORPORATE GOVERNANCE REPORT *continued*

Risk management and internal controls

In accordance with the provisions of the Code, which was in force for the 2024 financial year, the Board acknowledges that it has overall responsibility for identifying, evaluating, managing and mitigating the principal and emerging risks, including in respect of cyber and climate risks, faced by the Group and for monitoring the Group's risk management and internal controls systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In accordance with the provisions of the Code and the related guidance, the Company has established the procedures necessary to ensure that there is an ongoing process for identifying, evaluating, managing and mitigating the principal risks faced by the Group and for determining the nature and extent of the principal risks it is willing to take to achieve its strategic objectives (its 'risk appetite').

The directors confirm that such procedures have been in place for the year ended 31 December 2024 and, up to the date of approval of these financial statements, that the Group's risk management and internal controls systems have been monitored during the year.

Further information about the Group's approach to risk management and the principal risks and uncertainties facing the Group can be found on pages 66 to 74.

Financial and business reporting

The responsibilities of the directors in respect of the preparation of the Group and parent company financial statements are set out on page 188 and the auditors' report on pages 189 to 194 includes a statement by the external auditors about their reporting responsibilities. In accordance with provision 30 of the Code and as set out on page 145, the directors are of the opinion that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

The process of preparing the Annual Report has included the following:

- comprehensive reviews undertaken at different levels of the Group in order to ensure the accuracy, consistency and overall balance of the Annual Report; and
- procedures to verify the factual accuracy of the Annual Report.

Fair, balanced and understandable

In accordance with provision 27 of the Code, the Board confirms that taken as a whole, the 2024 Annual Report is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Assessment of the prospects of the Company and its viability statement

In accordance with provision 31 of the Code, details of how the directors have assessed the prospects of the Company, over what period the prospects have been assessed and the Company's formal viability statement are included in the Strategic report on page 75.

By order of the Board

Suzanne Jefferies
Secretary
3 March 2025

NOMINATION COMMITTEE REPORT

PETER VENTRESS
Chairman and Chair of the Nomination Committee

> "The Committee takes a strategic view when considering Board composition, talent management and succession planning over the short, medium and long term."

Introduction from Peter Ventress

On behalf of the Board, I am pleased to present the Nomination Committee's report for the financial year ended 31 December 2024, which provides an overview of the Committee's key activities and areas of focus in 2024.

The Committee is responsible for ensuring that the Board and Bunzl's senior management have the necessary mix of skills, experience and knowledge to facilitate the delivery of the Group's current and future objectives. To accomplish this, the Committee takes a strategic view when considering Board composition, talent management and succession planning over the short, medium and long term.

During the year, the Committee oversaw a number of changes to the Board, including the retirement of Vanda Murray, who stepped down from the Board at the conclusion of the Company's 2024 AGM. I would like to thank Vanda for her significant contributions to Board and Committee discussions during her nine year tenure. In addition, as mentioned in the Corporate governance report, Lloyd Pitchford, non-executive director and Chair of the Audit Committee, will step down as a director at the conclusion of Bunzl's AGM on 23 April 2025. Lloyd's independent advice and wise counsel over the past eight years have been greatly appreciated, and he leaves the Board with the Company's gratitude and best wishes.

The Committee had factored Vanda's and Lloyd's long tenures into its succession planning and, in preparation for their departures, a recruitment process for two new non-executive directors was launched in early 2024. As a result of this rigorous search and selection process, centred around finding candidates that would enhance the skills, knowledge and experience on the Board, I am delighted to welcome Daniela Barone Soares and Julia Wilson as members of the Committee, following their appointment as non-executive directors on 16 December 2024. The rationale for the appointment of Daniela and Julia is included on page 100 and information concerning their skills and experience is set out on pages 85 and 87. Additional information concerning the search and selection process that resulted in the appointments can also be found in the report that follows.

The Committee embraces the importance of diversity and inclusion in all Board and senior management recruitment processes and I am pleased to share that the Board's composition is fully compliant with the requirements of the Parker Review on ethnic diversity and the gender diversity targets outlined in the Hampton-Alexander Review. While taking the important considerations of gender and diversity into account, the Committee will continue to recommend appointments to the Board based on merit and the individual skills and experience of each candidate. It is nevertheless clear that gender, ethnicity, race and other forms of diversity and inclusion must form a key part of our succession planning discussions and are critical to the long term sustainable success of the business.

As described later in this report, other areas of Committee focus during 2024 included succession planning for senior executives, consideration of the Company's profile from a talent management perspective, and executive talent development. Information on the Committee's progress in respect of these priorities can be found on pages 100 and 101.

The Committee ends the year satisfied that the Board possesses the right skills and experience to provide the highest standards of leadership and oversight, and we remain dedicated to ensuring the ongoing alignment of the composition of the Board with the Company's strategic priorities and culture.

Peter Ventress
Chairman and Chair of the Nomination Committee
3 March 2025

// NOMINATION COMMITTEE REPORT *continued*

Composition

During 2024, the Nomination Committee comprised the Chairman of the Company, who chairs the Committee (unless the Committee is dealing with the matter of succession of the Chairman of the Company) and all of the independent non-executive directors. In accordance with the provisions of the UK Corporate Governance Code (the 'Code'), a majority of the members are independent non-executive directors. The Secretary to the Committee is the Company Secretary.

Nomination Committee meetings

The Committee meets at least twice a year and otherwise as required.

The table below sets out directors' attendance at the three scheduled Committee meetings held during 2024.

	Meetings attended
Peter Ventress	3/3
Vanda Murray*	1/1
Lloyd Pitchford	3/3
Stephan Nanninga	3/3
Vin Murria	3/3
Pam Kirby	3/3
Jacky Simmonds	3/3
Daniela Barone Soares**	0/0
Julia Wilson**	0/0

* Vanda Murray resigned as a director on 24 April 2024 and attended all of the Committee meetings held between 1 January 2024 and that date.

** Daniela Barone Soares and Julia Wilson were appointed as directors on 16 December 2024. There were no Committee meetings held between that date and the end of the year.

Key areas of focus in 2025

- Onboarding new Board members
- Monitoring future developments and possible changes to Board composition
- Strengthening succession planning, particularly from an executive perspective
- Considering the gender and diversity balance across the business

Role and support during 2024

The Committee's principal role is to lead the process for appointments to the Board, whether to fill any vacancies that may arise or to change the number of Board members, ensure plans are in place for orderly succession to both the Board and senior management positions and oversee the development of a diverse pipeline for succession. In the performance of its duties, the Committee has been authorised to enlist the services of external executive search firms to assist with the recruitment process, including the identification of potential candidates, to fill Board positions and vacancies.

The Committee's terms of reference, which were updated and reviewed in 2024, are available on the Company's website, www.bunzl.com.

This report has been prepared in accordance with the 2018 Code. For financial years beginning on or after 1 January 2025, the Committee will report against the 2024 version of the Code, with reference to the Committee's new terms of reference, which have been updated to align therewith.

Performance review

The Committee's performance and effectiveness are reviewed annually by both the Committee and as part of the Board performance review. The Chair of the Committee also meets with each Committee member independently to ensure that their individual views about the operation of the Committee are taken into account. Information concerning the results of the 2024 performance review is set out on page 96.

Activities

Succession planning

A key responsibility of the Committee is to satisfy itself that a robust and rigorous succession planning process is in place, over the short, medium and long term, to ensure that the Company maintains the optimal Board composition with the right mix of skills, experience and Company and industry knowledge. The Company's succession plans, together with the Board skills matrix and tenure tracker, are considered regularly. This allows the Committee to identify potential gaps, including in relation to director rotation and in respect of the skills needed to deliver the Group's strategic priorities. Effective and proactive succession planning and assessment also enable the Committee and the Board to ensure that changes to the Board are effectively coordinated where possible, and that contingency plans are in place where necessary.

Succession planning as it relates to the Board was discussed at length by the Committee during 2024, particularly in light of the upcoming retirement of Lloyd Pitchford from the Board and its Committees at the conclusion of the Company's AGM in April 2025. Having served on the Board and as Audit Committee Chair for eight years, Lloyd's departure had been factored into the Committee's director succession plan and Julia Wilson, who was appointed to the Board in December 2024, was identified as an ideal candidate to succeed Lloyd as Audit Committee Chair. As a chartered accountant with extensive financial experience and expertise, Julia is suitably qualified to discharge the role, and the timing of the changes has allowed for a meaningful handover period as part of a planned succession.

The need to refresh the Board while maintaining a knowledgeable and experienced team of non-executive directors is something that the Committee continued to address in succession planning discussions during 2024 and, in furtherance of this, Daniela Barone Soares was also appointed as a non-executive director in December 2024. Daniela has served on various commercial, non-profit and advisory boards during her career, and has considerable international experience, having also previously worked in the USA, Brazil and Europe. The appointment of both Julia and Daniela has broadened the combination of skills, knowledge and experience on the Board and its Committees, and will bring fresh insights and perspectives to discussions.

Enhancing its oversight of executive succession planning also continued to be a key priority for the Committee in 2024 and one which will continue to receive considerable attention in 2025. The Committee's active interest in talent management helps to ensure that high performing individuals within senior management can be developed and nurtured in order to further strengthen the executive succession pipeline, while increasing diversity in senior roles across the Group.

Inclusion and diversity

The Committee embraces the importance of diversity and inclusion in all Board and senior management recruitment and challenges external search consultants where necessary to ensure that diversity of gender, social and ethnic backgrounds and cognitive and personal strengths is always considered in the selection of candidates. In addition, the Committee seeks to engage firms that are signatories to the Voluntary Code of Conduct of Executive Search Firms and encourages them to look further afield and access talent from wide and diverse pools.

The Board and the Committee's approach to inclusion and diversity in respect of the Board and senior management is set out in the Board and Committee Diversity Policy, which is reviewed by the Board Sustainability Committee and can be found on the Company's website at www.bunzl.com. Additional information concerning diversity and inclusion in Bunzl can be found in the Sustainability report on pages 38 to 60 and in the Our people section on pages 31 to 35.

// NOMINATION COMMITTEE REPORT *continued*

Talent

As part of its remit, during 2024, the Committee continued to monitor the development of Bunzl's Executive Committee, which sits below the Board, to ensure that there is a diverse supply of senior executives and potential future Board members with appropriate skills and experience.

During the year, the Company completed annual talent and succession planning reviews with the Business Area Heads and HR directors, a summary of which was discussed by the Committee. Additionally, the Chief Executive Officer presented his annual management succession plan to the Committee for its consideration. This included information on people review processes, functional talent development, specific emerging talent pipelines, diversity, equity and inclusion, and learning and development initiatives. The Committee also maintained regular interaction with senior management across the Group and within each business area. Such interaction enables the Committee to familiarise itself with the teams, thereby facilitating the identification of high performing talent and informing succession planning.

Recruitment

The Committee oversees and makes recommendations to the Board in respect of the identification, assessment and selection of candidates for appointment to the Board, and each appointment is subject to rigorous and transparent procedures, as outlined on this page.

The Committee seeks to follow best practice in all the appointments it recommends, agreeing the criteria for each role and the most appropriate interview panel, before considering a comprehensive and diverse list of candidates.

Shortlisted candidates are interviewed and assessed against the chosen criteria and due diligence is then undertaken before the Committee makes its final recommendation. Executive search firms are appointed based on their expertise relative to each role, with Russell Reynolds Associates being engaged in 2024. Russell Reynolds Associates do not provide any other services to, or have any connection with, the Company or its individual directors. Russell Reynolds Associates are a signatory to the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice.

Performance review and independence

During the year, the Committee reviewed and took account of the balance of skills, knowledge, experience and diversity of the Board, the time commitment expected of the non-executive directors and the conclusions of the formal performance review process when considering and recommending the nomination of directors for re-election at the 2025 AGM.

The Committee also conducted a review of individual director conflict authorisations as recorded in the Conflicts of Interest register. The register is maintained by the Company Secretary and sets out any actual or potential conflict of interest situations which a director has disclosed to the Board in line with their statutory duties. To form a view of a director's independence, consideration was also given to other external appointments held by each director.

Jacky Simmonds is currently Chief People Officer at Experian plc, and Lloyd Pitchford, another of Bunzl's non-executive directors, is the Chief Financial Officer of Experian plc. Lloyd will be retiring from the Bunzl Board and its Committees at the conclusion of the Company's upcoming AGM in 2025. Despite this, the Board is mindful that the Code states that where a non-executive director holds cross-directorships or has significant links with other directors through involvement in other companies or bodies, this is likely to impair, or could appear to impair, a non-executive director's independence.

The Committee and the Board has considered whether the independence of either director is, or could be, impaired by their roles at Experian, and is satisfied that there are no business conflicts between the two companies, that both directors demonstrate independence of thought and offer challenge, and that there are no other factors which would impair either director's independence. Accordingly, the Board does not consider that Jacky Simmonds' and Lloyd Pitchford's positions as independent non-executive directors of the Company are adversely impacted by their roles at Experian plc and is satisfied that, notwithstanding these roles, they are to be regarded as independent.

The Committee determines a non-executive director's independence in line with the relevant provisions of the Code and is satisfied that all of the non-executive directors meet the criteria for independence and that the Chairman of the Board met the criteria on appointment to that role.

Further details concerning the Board performance review that was carried out during 2024, which identified that the Committee continues to operate effectively, can be found in the Corporate governance report on page 96. Examples of the priorities identified as part of the Committee's 2024 performance review can be found under the Key areas of focus in 2025 section in this report.

PROCESS FOR BOARD APPOINTMENTS

1	**Role specification**	The Committee develops a role specification and list of characteristics deemed essential for the new non-executive director.
2	**Election of external search firm**	Following a final review of the role specification, an external search firm is appointed based on their expertise relative to each role.
3	**Collation of candidate list**	Following consultation with the Chairman and the CEO, the search firm prepares a longlist of potential candidates, which is subsequently reviewed by the Committee and a shortlist agreed.
4	**Candidate interviews**	Preliminary interviews with each of the shortlisted candidates are held by the Committee, following which the Committee agree on the candidates that best meet the role specification.
5	**Final stage interviews**	The preferred candidates attend additional meetings with the executive directors and members of the Executive Committee, as necessary.
6	**Candidate references**	The Committee seeks references for the preferred candidates and holds virtual meetings with the associated referees.
7	**Committee recommendation**	The Committee holds a debrief following the conclusion of all of the interviews and referee meetings and makes a recommendation to the Board for its consideration.
8	**Board decision and announcement**	The Board considers the recommendation of the Committee and (if deemed appropriate) approves the appointment, following which an announcement is made via the London Stock Exchange.

// AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT

LLOYD PITCHFORD
Chair of the Audit Committee

> "Bunzl's governance structure relies upon transparent reporting, a robust framework of risk management and internal controls, and effective assurance processes."

Introduction from Lloyd Pitchford

I am pleased to present the Audit Committee's report for the year ended 31 December 2024 and welcome both Daniela Barone Soares and Julia Wilson, who were appointed as Committee members on 16 December 2024.

This year marks my last full financial year as Chair of the Committee. Following the conclusion of the forthcoming 2025 AGM, I will be stepping down from my position as a non-executive director and will be succeeded as Chair of the Committee by Julia Wilson, the rationale for which is set out in the Nomination Committee report on page 100. I wish Julia all the best in her new position and thank my fellow Committee members and Bunzl's management team for their commitment, contribution and professionalism over the past eight years.

The purpose of this report is to outline the role of the Committee, provide an insight into our activities and demonstrate how we have discharged our responsibilities effectively during 2024. Bunzl's governance structure relies upon transparent reporting, a robust framework of risk management and internal controls, and effective assurance processes. The Committee plays a key role within this framework by monitoring the integrity of the Company's financial and non-financial reporting, reviewing its risk management and internal control procedures, and considering the independence and effectiveness of the internal audit function and the external audit process. I believe that our role, together with Bunzl's Board-led culture of integrity and openness, is critical to the protection of stakeholder interests and the long term viability of the Company.

During 2024, the Committee made good progress towards the priorities identified in last year's Annual Report, with particular attention being paid to the matters outlined below. A summary of the Committee's priorities for the forthcoming year can be found on page 104.

Readiness for the revised UK Corporate Governance Code (the '2024 Code')

During the year, the Committee spent time assessing the Company's readiness for compliance with the 2024 Code, which is effective for financial years beginning on or after 1 January 2025, recognising that the most material changes relate to internal controls under provision 29, which is applicable for the financial year beginning 1 January 2026. Accordingly, the Committee received updates from management and considered actions that the Company may need to take to achieve full compliance with the 2024 Code. As a result of its assessment, the Committee is pleased with the steps being taken by the Company to achieve timely compliance with the 2024 Code. More details regarding the Company's preparation for compliance with the 2024 Code can be found on page 107.

During 2024, the Committee operated in accordance with the 2018 UK Corporate Governance Code (the 'Code'). For financial years beginning on or after 1 January 2025, the Committee will operate in accordance with the 2024 Code and the Committee's new terms of reference, which have been updated to align therewith.

Non-financial and ESG Reporting

Investors, regulators and other stakeholders require increasingly informative and reliable reporting, not just of the Company's financial position, but of its resilience, risk management, and environmental, social and governance ('ESG') position and progress. In light of this, the Committee honed its focus on non-financial and ESG reporting during 2024. Additional information on the Company's approach to enhancing its non-financial and ESG disclosures and assurance can be found on page 107.

// AUDIT COMMITTEE REPORT *continued*

Risk management and internal control

Effective systems of risk management and internal control safeguard the integrity of the financial reporting process, build trust and confidence amongst Bunzl's key stakeholders and support the achievement of the Company's long term objectives. The ongoing robustness of these systems is reinforced by the risk-focused cultural framework within which Bunzl operates and the well-established procedures which identify, mitigate and manage risks. The Committee plays an important role in relation to these systems and procedures, and during the year we continued to discharge our duties to the highest standards, providing appropriate challenge and oversight of the Group's risk management and internal controls framework.

The Group's risk and control environment has been further bolstered in recent years by the introduction of the Internal Controls Essentials programme. The Committee continued to receive updates in respect of the development of the programme at each meeting during 2024 and is pleased with the progress that has been made so far. In addition, the Committee carried out a review of the programme's approach in light of the aforementioned changes to the Code and is satisfied that the Internal Controls Essentials programme continues to evolve to address the relevant requirements of the 2024 Code effectively.

Fraud updates are provided at every Committee meeting. These updates cover fraud risk, processes and controls at Bunzl and provide the Committee with the opportunity to provide scrutiny and challenge over the protocols in place to identify, analyse and respond to any actual or potential fraud incidents. Additional information on our governance of risk management and internal controls can be found later in this report and in the Corporate governance report on pages 84 to 98.

Information and cyber security

In light of the evolving risk environment in respect of cyber threats, effective information and cyber risk management is critical to the long term sustainable success of the Company's operations. As such, the Committee continued to pay close attention to the Group's cyber security risk management processes and governance systems during the year.

Bunzl's Chief Information Officer provided regular updates on the Company's cyber security programmes, any material cyber security risks and associated mitigation strategies. In addition, the Committee undertook training on information and cyber security, which focused on the Group's cyber security risk mitigation framework, which is aligned with the standardised framework for assessing, protecting and defending against cyber risk developed by the National Institute of Standards and Technology. Focusing on a different aspect of the Company's framework at each training session facilitated detailed consideration of Bunzl's layered approach to cyber security and bolstered the Committee's understanding of the work carried out by Bunzl's management team in relation thereto.

Further information on the Group's approach to information and cyber security is outlined later in this report on page 108.

Audit

High quality audit is essential to provide users of financial statements with assurance that they can confidently rely on the information published by companies in relation to their financial health, performance and prospects. The Committee therefore works with the internal audit function, the external auditors and other stakeholders on an ongoing basis to ensure that audit quality is maintained at Bunzl and, as a result, ensure better outcomes for the Company's stakeholders who rely on the accuracy and integrity of the Group's financial reporting.

During 2024, the Committee undertook reviews of both the effectiveness of the Company's external audit process for the 2023 financial statements and the Company's internal audit function, as well as the progress made in addressing the points raised during the 2023 external quality assessment of the internal audit function. Following these reviews, the Committee concluded that it was satisfied with the effectiveness of the external audit process relating to the 2023 financial statements and that the internal audit function continued to be effective, efficient and appropriately resourced.

Further information in relation to the internal and external audit processes and the Committee's reviews thereof can be found on pages 109 to 111 of this report.

Stakeholder engagement

Our relationship with the Company's stakeholders is a fundamental driver of value creation and we place considerable importance on ensuring that we are aware of and understand their views and sentiments. The Chair of the Committee seeks to engage with Bunzl's stakeholders when appropriate in order to obtain their feedback and discuss any concerns that they may have regarding the Committee's operations and oversight. The Chair of the Committee will also be attending the Company's forthcoming AGM to answer any questions that shareholders may have. Further information concerning stakeholder engagement can be found on pages 62 to 65.

Performance evaluation

I am pleased to report that, based on the results of the 2024 performance evaluation, the Board members continue to consider the Committee to be thorough and effective in fulfilling its responsibilities. Further information concerning the evaluation process can be found in the Corporate governance report on page 96 and examples of the priorities identified as part of the 2024 Audit Committee review are set out on page 104.

Additional information concerning the Committee's activities during 2024 and the key areas of focus in 2025 can be found later in this report. The Committee will keep its activities under review to ensure that they remain appropriate and continue to meet the changing needs of the business.

Lloyd Pitchford
Chair of the Audit Committee
3 March 2025

Composition and experience

The Committee comprises all of the independent non-executive directors, who were appointed to the Committee by the Board following recommendations by the Nomination Committee. The Secretary to the Committee is the Company Secretary.

All members contribute to the work of the Committee and bring an appropriate balance of financial, risk management, commercial acumen and experience in multinational organisations, combined with a good understanding of the Company's business and are therefore considered by the Board to be collectively competent in the sector in which the Company operates.

As the serving Chief Financial Officer of Experian plc, the Chair of the Committee, Lloyd Pitchford, is considered by the Board to have recent and relevant financial experience. The Committee members are of an independent mindset and bring a diversity of perspectives, knowledge and experience to the Committee's deliberations, which in turn ensures that the Committee is able to provide an appropriate amount of scrutiny, challenge and support to management. Independent thinking is an essential aspect of the Committee's role and is crucial in assessing the work of management and the assurance provided by the internal audit function and the external auditors. Further information concerning the directors' skills and experience can be found in the Corporate governance report on pages 85 to 87.

Audit Committee meetings

The table below sets out the Committee's composition and its members' attendance at the four scheduled Committee meetings held during 2024.

	Meetings attended*
Vanda Murray**	1/1
Lloyd Pitchford	4/4
Stephan Nanninga	4/4
Vin Murria	4/4
Pam Kirby	4/4
Jacky Simmonds	4/4
Daniela Barone Soares***	0/0
Julia Wilson***	0/0

* While the Company Chairman and the executive directors are not members of the Committee, they normally attend Committee meetings by invitation, together with the Head of Internal Audit and Risk, the Group Financial Controller, representatives from the external auditors and other members of the Group finance team as required.

** Vanda Murray resigned as a director on 24 April 2024 and attended all of the Committee meetings held between 1 January 2024 and that date.

*** Daniela Barone Soares and Julia Wilson were appointed as directors on 16 December 2024. There were no Committee meetings held between that date and the end of the year.

Key areas of focus in 2025

In addition to the regular cycle of matters that the Committee schedules for consideration each year, it will also focus on the following areas under the guidance of its new Chair, Julia Wilson:

- Monitoring the Company's readiness for compliance with the relevant Code requirements relating to audit, risk and internal controls, noting that provision 29 requirements will be applicable from the 2026 financial year
- Continuing to embed new control systems and the development of risk management, including in relation to emerging risks such as artificial intelligence
- Reviewing progression of the Internal Controls Essentials programme, including the outcome of the Controls Self Assessment process
- Considering and enhancing non-financial and ESG reporting and assurance

Role and support during 2024

The role of the Audit Committee is to act independently of management to safeguard the interests of stakeholders in relation to the Company's financial and narrative reporting and internal controls arrangements. A fundamental part of this role is ensuring that the Company has effective governance over the Group's financial and non-financial reporting, including the adequacy of related disclosures, the performance of the internal audit function and the external auditors, and the management of the Group's risk management and internal controls framework and related compliance activities.

In the performance of its duties, the Committee has independent access to the services of the Company's internal audit function and to the external auditors and may obtain outside professional advice as necessary.

The Committee's terms of reference, which were reviewed and updated in 2024, are available on the Company's website, www.bunzl.com.

Meetings and activities

Committee meetings are generally scheduled close to Board meetings in order to facilitate an effective and timely reporting process.

The Committee has a structured, rolling, forward-looking planner which is developed with the Company Secretary and is designed to both ensure that the Committee's responsibilities are discharged in full during the year, and to facilitate more in-depth reviews of those topics which are of particular importance or pertinence. Items on the agenda are set with consideration of regulatory requirements, the Company's reporting timetable and after considering key issues identified by the Chief Financial Officer ('CFO'), management, the Head of Internal Audit and Risk and the external auditors. The forward agenda planner is reviewed regularly and adapted, where necessary, to ensure that it meets the changing needs of the business.

The Chair of the Committee holds preparatory discussions with the Company's senior management, the Head of Internal Audit and Risk and the external auditors prior to Committee meetings to discuss the items to be considered at the meetings. The Committee Chair also meets individually throughout the year with Committee members to obtain their feedback on the areas of Committee focus. Separate discussions are held periodically during Committee meetings between the Committee and the Head of Internal Audit and Risk and the external auditors without management present.

Following each Committee meeting, any significant findings are reported to the Board and copies of the minutes of the Committee meetings are circulated to all directors and to the external auditors.

The Committee Chair attends the AGM to respond to any shareholder questions that might be raised concerning the Committee's activities.

A summary of the Committee's key activities in 2024 and its priorities for 2025 can be found on page 105 and page 104, respectively. The Committee will continue to keep its activities under review and adapt them wherever necessary in anticipation of, and in response to, developments within the business and changes in the financial reporting, regulatory and governance landscape.

AUDIT COMMITTEE MEETINGS AND ACTIVITIES IN 2024

Financial and non-financial reporting

- Receiving and, where appropriate, challenging reports from management and the external auditors in relation to the key financial and accounting transactions, judgements and estimates
- Reviewing the half year financial report and the annual financial statements and the formal announcements relating thereto
- Considering the appropriateness of disclosures made in the half year financial report and annual financial statements
- Reviewing non-financial reporting measures, including non-financial KPIs, for inclusion in the Annual Report

Governance and other

- Reviewing the Committee's effectiveness following an externally facilitated performance review
- Reviewing the Committee's terms of reference
- Reviewing and approving the Group's tax strategy for the 2024 financial year
- Considering incoming regulatory reforms, including the Company's roadmap to compliance with the 2024 Code
- Receiving training on proposed regulatory and governance changes, corporate reporting and accounting

Risk management, internal controls and fraud risk

- Reviewing the effectiveness of the Company's risk management and internal controls framework, including consideration of the Company's material controls
- Reviewing the assurance procedures relating to risk management systems, including receiving and considering a Risk and Assurance Map
- Considering ESG and non-financial reporting and assurance
- Reviewing the Company's annual controls self-assessment and fraud processes and related controls framework
- Reviewing the Company's principal tax risks and the steps taken to manage such risks
- Considering updates from the Group Financial Controller on the Internal Controls Essentials programme and fraud updates
- Receiving updates from the Head of Internal Audit and Risk on the Information Security Assurance Audit Plan and associated audit results, including progress on GDPR and data privacy, and the Group's risk-based security framework
- Receiving updates on the Group's Information Security Policy and activities in 2024, including incidents encountered, threat monitoring, control priorities, focus areas and key performance indicators ('KPIs')
- Approving the scope of the 2025 external assessment of information security

Audit matters

- Reviewing the effectiveness of both the external auditors and the internal audit function following completion of detailed questionnaires by both the Board and senior management within the Company
- Making recommendations to the Board concerning the re-appointment of the external auditors
- Approving the remuneration and terms of engagement of the auditors, including the audit strategy
- Reviewing and approving the policy for the provision of non-audit services by the external auditors
- Reviewing and approving the level and nature of non-audit work which the external auditors performed during the year, including the fees paid for such work, and planning process for the current financial year
- Reviewing and approving the internal audit work programme for the coming year
- Receiving and considering reports from the Head of Internal Audit and Risk concerning the work undertaken by the internal audit function, including in relation to the function's ongoing quality assurance and improvement programme
- Reviewing and approving the Company's internal audit charter

Financial statements and significant accounting matters

During the year and prior to the publication of the Group's results for 2024, the Committee spent considerable time reviewing and scrutinising the 2024 half year financial report and related news release, the 2024 Annual Report (including the financial statements), the 2024 annual results news release and the reports from the external auditors on the outcomes of their half year review and their audit relating to 2024. Management was challenged, where appropriate, on matters such as the appropriateness of accounting policies, critical accounting judgements and key accounting estimates. The appropriateness of the Group's external reporting framework and use of alternative performance measures ('APMs') were also assessed, with the Committee concluding that it is satisfied that the APMs reviewed are consistent with market practice, and that disclosure and reconciliation to statutory measures is appropriate. In conjunction with the Board, the Committee reviewed the financial modelling and stress testing conducted for the going concern assessment, as well as the viability assessment process undertaken in support of the long term viability statement. The Committee also challenged the assumptions and scenarios, noting the effect they would have during the viability period, further details of which can be found on page 75.

As part of its work, the Committee considered a number of significant accounting matters in relation to the Company's financial statements, together with the adequacy of the associated disclosures. These significant accounting matters are summarised in the table on the next page, and further information can be found in the relevant Notes to the consolidated financial statements. The Committee believes that the significant accounting matters have been properly recorded in the Company's books and records and accounted for appropriately, including relevant disclosure in the Annual Report.

// AUDIT COMMITTEE REPORT *continued*

SIGNIFICANT MATTERS CONSIDERED IN RELATION TO THE FINANCIAL STATEMENTS

Matter	Review and conclusion
Accounting for business combinations	For business combinations, the Group has a long-standing process for the identification of the fair values of the assets acquired and liabilities assumed, including separate identification of intangible assets using external valuation specialists where considered appropriate. The Committee reviewed this process and discussed with management and the external auditors the methodology and assumptions used to value the assets and liabilities of the acquisitions completed in 2024. The Committee concluded that it was satisfied with management's valuations of these assets and liabilities, including the degree to which such valuations were supported by professional advice from external advisers. For business combinations where less than 100% of the issued share capital of a subsidiary is acquired and the acquisition includes put and call options over the remaining share capital of the subsidiary, the Group has an established process to assess whether a non-controlling interest should be recognised. There were six such business combinations during the year. The Committee reviewed the Group's assessment of these six business combinations, noting that no non-controlling interest had been recognised. The Committee concurred with management's conclusion that the risks and rewards associated with the options to purchase the remaining shares had transferred to the Group on each acquisition. Following the completion of the Nisbets acquisition the Group has recognised a non-controlling interest for a pre-existing non-controlling interest over the Nisbets Australia and New Zealand businesses of 25%, as there are no put or call options or other agreements in place to purchase the remaining shares, and hence a non-controlling interest has been recognised for £2.7m. During the year this resulted in £0.6m of profit relating to non-controlling interests. The structure of business combinations includes deferred and contingent consideration. The amounts for deferred and contingent consideration, principally relating to earn outs and options over non-controlling interests, are estimated by calculating the present value of the future expected cash flows which is dependent on management's estimates in respect of the forecasting of future cash flows in particular the expected profitability. The Committee noted that movements in the estimated liability in respect of earn-outs and put options, being a net charge of £3.5m, are recognised in acquisition related items through operating profit, and noted that as at 31 December 2024, the Group carried a liability for deferred consideration of £258.2m. The Committee discussed the impact of discounting deferred and contingent consideration payments and noted that, following the acquisitions during the year, the Group has recognised a discount of £17.3m as a reduction in the value of deferred consideration recorded on the balance sheet. The discount will unwind via an interest charge to the income statement over the option periods. Details of the Company's approach to accounting for acquisitions are set out in Note 9 to the consolidated financial statements.
The carrying value of goodwill, customer and supplier relationships and brands intangible assets	Goodwill is allocated to cash generating units ('CGUs') and is tested annually for impairment. The Committee critically reviewed and discussed management's report on the impairment testing of the carrying value of goodwill of each of the Group's CGUs. The Committee also critically reviewed and discussed management's consideration of the impairment risk relating to customer and supplier relationships, brands and technology intangible assets. In both regards, the Committee considered the sensitivity of the outcome of impairment testing to the use of different assumptions and considered the external auditors' testing thereof. The Committee noted that an impairment charge of £2.3m had been recognised in the year in relation to the customer relationships intangible assets of a foodservice business within the Benelux and Germany CGU in Continental Europe. After due challenge and debate, the Committee concluded that it was satisfied with the assumptions and judgements applied in relation to the impairment testing and agreed that there was no other impairment of goodwill or customer and supplier relationships and brands intangible assets. Details of the key assumptions and judgements used are set out in Note 13 to the consolidated financial statements.
Defined benefit pension schemes	The Committee considered reports from management and the external auditors in relation to the valuation of the defined benefit pension schemes and reviewed the key actuarial assumptions used in calculating the defined benefit pension liabilities, especially in relation to discount rates, inflation rates and mortality/life expectancy. The Committee noted that the UK scheme was closed to further accrual in May 2024 resulting in a one-off settlement credit of £3.2m. In December 2024 the Company's pension scheme trustee entered into a bulk annuity buy-in transaction that insured the vast majority of the benefit obligations. The value of the annuity policy is equal to the value of the IAS 19 liability less GMP equalisation liabilities estimated as approximately £2m. The Committee discussed the changes in the UK scheme during the year and evaluated the accounting treatment and disclosures proposed by management in the financial statements thereon. Further, the reasons overall for the movement in the net pension surplus were considered and the Committee was satisfied that the assumptions used were appropriate and were supported by independent actuarial experts.
Inventory and receivable provisions	The Committee considered the analysis from management detailing the provision percentages and reconciliation of the provision balance from 31 December 2023 to 31 December 2024, and noted that the Group carried trade receivables provisions of £39.6m and provisions for slow moving, obsolete or defective inventories and market price movements of £143.5m.

// AUDIT COMMITTEE REPORT *continued*

ESG and non-financial reporting and assurance

During the year, the Committee deepened its focus on current and emerging ESG and non-financial reporting requirements and considered the legal, regulatory and other risk-based workstreams carried out by the business in relation thereto.

To remain abreast of upcoming changes, the Committee received updates on key ESG reporting requirements on the regulatory horizon, including the Group's proposed approach to reporting against the EU Corporate Sustainability Reporting Directive ('CSRD'), in preparation for which the Committee considered the Company's roadmap to achieve compliance with CSRD.

Looking ahead, the Committee will continue to review upcoming regulations that might affect the Company's future ESG assurance and reporting obligations, which are monitored by management and considered by the Committee on an ongoing basis.

Risk management and internal control

The Board monitors and approves the Group's risk management and internal control systems and keeps their effectiveness under review.

A detailed summary of the Company's risk management framework is set out in the Principal risks and uncertainties section on pages 66 to 74 of this report. This is built around the Company's risk appetite, as set by the Board, which guides management to proactively identify, monitor, and manage the material and emerging risks that could impact Bunzl. During 2024, the Committee continued its regular review of risk reporting to ensure the balance between risk and opportunity remained in line with the Group's risk appetite and tolerance.

Once the Company's material and emerging risks have been identified and included in its risk profile, the Group's internal control environment is designed to provide ongoing protection from those risks. Management is responsible for establishing and maintaining adequate internal controls and the Committee oversees the ongoing effectiveness of those controls. These controls and procedures are designed to manage, but not eliminate, the risk of failure of the Company to meet its business objectives and, as such, provide reasonable, but not absolute, assurance against material misstatement or loss.

Assessment of the effectiveness of the Company's risk management and internal control systems

The Committee is responsible for reviewing, on behalf of the Board, the effectiveness of the Company's internal controls and the assurance procedures relating to the Company's risk management system. The Group has a culture of effective risk management and risk aware decision making is embedded in our key processes.

During the year, the Committee reviewed the process by which significant current and emerging risks had been identified by management and the Board, and the key controls and other processes designed to manage and mitigate such risks, including the assurance provided by the internal audit function, the external auditors and other oversight from management and the Board. The Committee uses a number of tools to review the Group's risk management processes, including the Group's Risk and Assurance Map. These tools are reviewed regularly to ensure that they remain fit for purpose and continue to meet the needs of the business. External assurance reviews, which are focused on the maturity of the Group's risk management procedures, are held every five years, with the latest taking place in 2022. In 2024, the Committee reviewed the output of annual internal reviews of the maturity of the Group's risk management procedures, which have been used to develop the Group's enterprise risk management framework further and set goals for the future.

The Committee monitored the effectiveness of the internal controls framework through reports from the CFO, the Group Financial Controller, the Head of Internal Audit and Risk and the external auditors. In particular, the Committee considered the scope and results of the work of the internal audit function, the findings of the external auditors in relation to the year end audit, management's assessment of fraud risk, the controls over the Company's financial consolidation and reporting process, treasury controls, tax risks and the process for monitoring the ongoing performance of the Company. It is the responsibility of management to provide confirmation that the controls and processes are being adhered to throughout the business and this is continually tested by the work of the internal audit function as part of its annual plan of work, which the Committee approves. Compliance with the internal controls system is monitored via an annual internal controls self-assessment with sign-off and review of key financial and non-financial controls for all businesses. Self-assessed responses are challenged locally by business area internal controls teams, reviewed centrally and audited on a sample basis by the internal audit function, and reported to the Committee.

During the year, the Committee also oversaw the Group's Internal Controls Essentials programme, which aims to further develop the Group's internal controls framework for financial reporting.

Having reviewed the process by which management assessed the control environment, in accordance with the requirements of the Guidance on Risk Management, Internal Controls and related Financial and Business Reporting published by the Financial Reporting Council ('FRC'), the Committee confirms that the Company's system of risk management and internal controls operated effectively for the 2024 financial year. Where specific areas for improvement were identified, mitigating alternative controls and processes were in place. Further information on risk management and internal controls is included in the Corporate governance report on pages 97 and 98. Additional information concerning the Group's approach to risk management and the principal risks and uncertainties that it faces can also be found on pages 66 to 74.

Preparation for compliance with the 2024 Code

During the year, the Committee reviewed detailed updates on the FRC's changes to the Code and management's proposed actions to achieve compliance therewith. Particular attention was paid to updated Code provision 29, which relates to the Company's internal controls framework and will be applicable for the 2026 financial year. As part of its discussions, the Committee considered the approach and methodology for the scoping of the Company's material controls (particularly operating, compliance and reporting controls), and reviewed the Company's existing and planned assurance activities over those controls.

// AUDIT COMMITTEE REPORT *continued*

Cyber risk

Cyber security and data privacy continued to be an important area of focus for the Committee in 2024 given the evolving risks in this area and the importance of technology for the business.

Updates and training on cyber and information security were provided at Committee meetings by the Group Chief Information Officer, Mark Jordan, a Q&A with whom is detailed to the right. These training sessions were structured around the Company's cyber security risk mitigation framework, with the initiatives, controls and KPIs relating to the 'Identify', 'Protect' and 'Detect' aspects of the framework being considered at the June, August and December Committee meetings, respectively. The Committee will continue this training in 2025, with a focus on the Company's 'Respond' and 'Recover' initiatives, controls and KPIs.

Throughout the year, the Company continued to improve cyber security and data privacy governance, architecture and controls, and further embedded a culture of digital security across the Group by deploying cyber security awareness campaigns to all regions.

The Group experienced a number of cyber-attacks during 2024, none of which were considered material and all of which were effectively managed through the Company's Group information security teams. The Company regularly monitors its information security KPIs to ensure a process of continual improvement and development, and an external professional services firm has been engaged to carry out an assessment of the Company's information security assurance in 2025.

BUNZL'S CYBER SECURITY RISK MITIGATION FRAMEWORK

Identify Know what we have, what we do, and what's important	• Asset Management • Business Environment • Governance	• Risk Assessment • Risk Management
Protect Stop the things we should and do the basics well	• Identity Management • Awareness and Training	• Data Security • Information Protection
Detect Quickly, simply, and efficiently find what needs to be stopped	• Anomalies and Events • Detection Processes	• Security • Continuous Monitoring
Respond Implement processes to deal with events in real time	• Analysis • Mitigation • Improvements	• Communications • Response Planning
Recover Return to known good state and focus on continuous improvement	• Disaster Recovery • Continuous Improvement	• Communications

Q&A

Q&A WITH MARK JORDAN, GROUP CHIEF INFORMATION OFFICER

How much engagement does the Audit Committee have in respect of cyber security?

The Committee takes an active interest in cyber security across the Group and aims to continually bolster its understanding of the wider risk environment in this area.

During the year, we continued to build on our information security policies and controls to improve the Group's ability to monitor, prevent, detect and respond to cyber threats. I provided updates on these improvements at Committee meetings, including progress made against the Company's cyber security KPIs, the results of regional health checks and the outcomes of tests and simulations that have taken place throughout the business. I also delivered cyber security awareness sessions at Committee meetings throughout the year.

What opportunities are presented by enhancements to the Company's digital and cyber landscape?

Leveraging technology is a critical component of accelerating our competitive advantage. Bunzl has invested heavily in digital platforms, such as e-commerce, demand planning, and order automation capabilities to further enhance its service offering to customers and more closely integrate with suppliers. Protecting these digital investments is a critical priority.

The active deployment of our advanced cyber capabilities has enabled us to detect and shut down sophisticated cyber-attacks with minimal disruption to our business.

What is the Company's approach to the use of artificial intelligence ('AI') and what is the Committee's involvement?

Bunzl is increasingly leveraging the use of AI, which presents a number of opportunities, such as improved accuracy and operational efficiency, but also a number of risks. To combat these risks, our internal Generative AI Policy was reviewed during 2024 and Group wide training programmes were deployed to help employees better understand and effectively utilise AI.

The Committee is acutely aware of the need to be responsive to developments in the context of AI, while remaining vigilant to the threats posed by this rapidly developing technology. The Committee is updated regularly on the initiatives being undertaken to educate the Group's employees on matters concerning information security, including in respect of AI. Overseeing the Group's governance and risk management and internal controls in this area will continue to be an important area of focus for the Committee as Bunzl continues its drive towards greater digitalisation.

MARK JORDAN
GROUP CHIEF INFORMATION OFFICER

// AUDIT COMMITTEE REPORT *continued*

Internal audit

The output from the internal audit function provides the Committee with a further means of monitoring the processes and actions to manage and mitigate those risks identified as posing the greatest threat to the Company.

The work of the internal audit function is prioritised according to the Company's risk profile and its scope covers all systems and activities of the Group. The internal audit plan is approved by the Committee annually and is reviewed regularly thereafter to ensure that it continues to be fit for purpose and to enable the Committee to assess how internal audit is delivering against the plan.

The Head of Internal Audit and Risk attends and tables reports at each scheduled Audit Committee meeting, which ensures that the Committee members have the opportunity to provide real-time feedback and, where appropriate, challenge in relation to all audit-related matters. The internal audit reports include details of the audit findings, the relevant management actions required in order to address any issues arising, as well as updates on management's progress in addressing any outstanding recommendations from previously reported findings. The reports also highlight any significant issues relating to the processes for controlling the activities of the Group and the adequacy and effectiveness of such processes.

The Head of Internal Audit and Risk has direct access to the Committee Chair, with whom a number of meetings were held during the year outside formal Committee meetings. The Chair of the Committee also liaises with the CFO as necessary to ensure robust oversight and challenge in relation to financial control and risk management and to ensure that the Committee is kept informed of any changes in response to new issues or changing circumstances.

The quality and effectiveness of the internal audit function's work is monitored continually using a variety of formal and informal inputs, including discussions with management, reviews and assessments of the quality of testing results and reporting, and feedback from the external auditors. In addition, a detailed questionnaire is circulated annually to gather feedback from a broad range of internal stakeholders, including directors and senior management at Group and business area levels who have regular contact with the internal audit function. In 2024, the Committee considered the outcome of the questionnaires and concluded that the internal audit function continued to be effective, efficient and appropriately resourced. The Committee will carry out a similar effectiveness review in 2025.

External audit

An important part of the Committee's work consists of overseeing the Group's relationship with the external auditors, PricewaterhouseCoopers LLP ('PwC'). In carrying out this responsibility, the Committee applies the FRC's 'Audit Committees and the External Audit: Minimum Standard' (the 'Minimum Standard'), compliance with which is set out below.

Committee responsibilities

The Committee is responsible for ensuring that the three-way relationship between the Committee, the external auditors and the Company's management is appropriate and that the independence, quality, rigour and challenge of the external audit process is upheld. The maintenance of regular dialogue between the Committee and the external auditors lies at the core of this, as outlined in the table on the next page.

The Committee also ensures that the necessary stakeholders have an opportunity to engage in the audit process and provides shareholders with opportunities to engage with the Committee Chair throughout the year. In 2024, no issues or concerns were raised by shareholders in relation to the external audit.

Further detail in respect of the Committee's responsibilities in relation to the external audit is outlined on pages 110 and 111 of this report and is set out in the Committee's terms of reference, which are available on www.bunzl.com. The Committee Chair reports to the Board in relation to how the Committee has discharged its responsibilities with respect to the external audit following each Committee meeting.

Tendering

A formal and competitive tender process, led by the Committee, was undertaken in 2023 and culminated in the re-appointment of PwC as the Company's external auditors for the 2024 financial year. The Committee anticipates that the next competitive tender will be conducted no later than 2033 in accordance with the Minimum Standard, which requires a tender every 10 years.

Each year, the Committee considers whether to continue with the Company's current audit engagement or to carry out a formal external audit tender. As part of its decision making process, the Committee considers the outcome of its assessment of the effectiveness of the external auditors and the external audit process, the key elements of which are outlined in the table on the next page. In 2024, the Committee was satisfied with the results of its assessment and has again recommended to the Board that a resolution proposing the re-appointment of PwC as external auditors for the year ending 31 December 2025 be put to shareholders at the forthcoming AGM.

Reporting

The work of the Committee during 2024 is set out in this report, including the significant matters considered in relation to the financial statements and how these were addressed, which can be found on page 106. An explanation of the application of the Company's accounting policies is provided in Note 2 to the consolidated financial statements.

Assessment of the external auditors and audit process

The Committee carries out an annual assessment of the Company's external auditors and the audit process. In doing so, the Committee considers the external auditors' independence and objectivity, together with the effectiveness of the external audit process.

// AUDIT COMMITTEE REPORT *continued*

<table>
<tr><th>CONSIDERATION</th><th>ASSESSMENT</th><th>OUTCOME</th></tr>
<tr><td colspan="3">Assessment of the external auditors' independence and objectivity</td></tr>
<tr><td>Conflicts of interest
• The Committee takes into account the information and assurances provided by the auditors confirming that all its partners and staff involved with the audit are independent of any links to the Company</td><td>PwC confirmed during the year that all its partners and staff complied with its ethics and independence policies and procedures which are consistent with the FRC's Revised Ethical Standard (2019) and other relevant regulatory and professional requirements, including that none of its employees working on Bunzl's audit hold any shares in Bunzl plc. PwC is required to provide an independence confirmation letter at the completion stage of the audit, including any relationships that may reasonably be thought to have an impact on its independence and the objectivity of the audit engagement partner and the audit staff.</td><td rowspan="3">The Committee remains satisfied that PwC's independence and objectivity were not compromised by any conflicts of interest, the provision of non-audit services, nor its tenure during the 2024 external audit process.</td></tr>
<tr><td>Non-audit services
• Bunzl has a detailed policy relating to the provision of non-audit services by the external auditors which is overseen by the Committee
• Non-audit services to be performed by the auditors are assessed on a case-by-case basis to ensure adherence to the prevailing ethical standards and regulations</td><td>Principally, Bunzl uses other firms to provide non-audit services. However, if the provision of a service by the Company's auditors is permitted and adequate safeguards are in place, it is sometimes appropriate for this additional work to be carried out by the Company's auditors. In addition, on occasion, the external auditors may provide non-audit services to a company that is acquired by the Bunzl Group. In such circumstances, all services are ceased by the external auditors no more than three months following the completion of the acquisition.

Details of the fees paid to the external auditors in 2024 in respect of the audit and for non-audit services are set out in Note 5 to the consolidated financial statements. The fees relating to non-audit services work in 2024 equated to 10.7% of the fees relating to audit services.</td></tr>
<tr><td>Tenure
• In accordance with the Minimum Standard and The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 ('CMA Order'), the Company is required to put the external audit contract out to tender every 10 years
• In accordance with the CMA Order, the external auditors are required to rotate the audit partner responsible for the Company's audit every five years</td><td>PwC were first appointed at the Company's external auditors in 2014 and were re-appointed following a formal tender process in 2023. Given the continuing effectiveness of PwC in their role as external auditors, the Committee believes it is in the best interests of shareholders for PwC to remain in role for the next nine years, provided their independence, objectivity and audit quality remain satisfactory. The next competitive tender will be conducted no later than 2033, following which a new audit firm will be appointed in line with the Minimum Standard.

The current audit partner, Simon Morley, took over the position as audit partner with effect from 24 April 2024 and will hold this position until no later than the end of the external audit of the 2028 financial statements.</td></tr>
</table>

// AUDIT COMMITTEE REPORT *continued*

CONSIDERATION	ASSESSMENT	OUTCOME
Assessment of the effectiveness of the external audit process		
Ongoing communication • To ensure the effectiveness of the audit process and encourage appropriate challenge, regular open communication takes place between the Committee, the external auditors and key members of senior management	At the start of the process, the Committee reviewed and approved the external auditors' management letter and PwC presented the Committee with its detailed audit plan for the forthcoming financial year. This outlined its audit scope, planning materiality, its assessment of key audit risks, and the steps taken to address those risks. In assessing the adequacy of the audit plan, the Committee considered and, where necessary, challenged the auditors on how far the scope of the audit addresses the Board's assessment of risks. The Committee was provided with updates on PwC's progress against the audit plan at subsequent Committee meetings, providing Committee members with the opportunity to ensure that any commitments were met and to challenge management and PwC, raising questions where necessary. During the year, PwC had direct access to the Chair of the Committee, who held a number of meetings with PwC outside formal Committee meetings. In addition, private meetings were held between the Committee and PwC without management present to encourage open and honest feedback by both parties on any matters they wished to raise. To ensure continuous improvement, the Committee also considered and discussed with PwC their own internal quality control procedures and the results of the FRC's reviews of PwC's audits.	Based on the results of the Committee's ongoing audit monitoring throughout the year and the feedback received, the Committee concluded that PwC had demonstrated appropriate focus and challenge on the primary areas of the audit and had applied robust challenge and professional scepticism throughout the process, with additional measures for further enhancement encouraged.
Questionnaires • Following the completion of the audit, those involved in the process provide feedback on PwC's performance • This involves the completion of a questionnaire by the Committee members, key members of senior management and those who regularly provide input into the Committee or have regular contact with the auditors	The questionnaire covered a total of 24 different aspects of the external audit process, grouped under four separate headings: the robustness of the audit process; the quality of delivery; the quality of people and service; and the quality of reporting. The responses were collated and a summary was presented to the Committee for consideration.	

// BOARD SUSTAINABILITY COMMITTEE REPORT

BOARD SUSTAINABILITY COMMITTEE REPORT

PETER VENTRESS
Chairman and Chair of the Board Sustainability Committee

// The expectations of Bunzl's stakeholders lie at the heart of our decision making and the Committee worked hard to ensure that we continued to address their priorities in 2024."

Introduction from Peter Ventress

I am pleased to present the report of the Board Sustainability Committee (the 'BSC') for the year ended 31 December 2024. This report provides an overview of the Committee's responsibilities and activities throughout the year and demonstrates how our work supports the delivery of Bunzl's sustainability strategy.

Bunzl plays an important role as a leader in the transition to a more sustainable and equitable future, and performing this role effectively is pivotal to the Company's success. The Committee supports the achievement of this by acting as an oversight function for the Group Sustainability Committee ('GSC') and providing strategic advice to the Board on the objectives, targets and priorities of the Group's sustainability strategy. This year, the Committee met three times and discussed a range of matters, as further detailed later in this report. Committee meetings are attended regularly by Bunzl's Head of Sustainability and Director of Group HR, who provide updates on the Company's progress against its sustainability strategy, insights into its Environmental, Social and Governance ('ESG') initiatives, and training sessions on recent sustainability-related trends and issues.

The expectations of Bunzl's stakeholders lie at the heart of our decision making and the Committee worked hard to ensure that we continued to address their priorities in 2024, including through consideration of Bunzl's 2024 double materiality assessment ('DMA'), the methodology and approach for which is set out on page 204. This is an important exercise, which enables management to report effectively on the Company's material sustainability issues and prioritise resources based on the ESG topics that matter most to the business and its stakeholders. The results of the DMA also shape the Committee's discussions to ensure that we continue to address the sustainability priorities of the Company's stakeholders.

One topic that the DMA highlighted as being of great importance to the Company and its stakeholders is climate change, and I am pleased to share that Bunzl is committed to ambitious climate action and is working towards net zero emissions by 2050 at the latest. During the year, the Committee helped the Company to further its progress in this area by considering the next steps in relation to Bunzl's net zero transition plan, reviewing the status of Bunzl's supplier engagement programme and assessing performance against the Group's carbon reduction targets. More information on the Company's carbon reduction plans can be found on page 45.

The Committee recognises that accountability and transparency are key to building trust in the Company's sustainability efforts and endeavours to report effectively against sustainability-related targets. These disclosures and further information regarding Bunzl's approach to sustainability can be found in the Sustainability report on pages 38 to 60. The Committee is aware that this is a growing area and will continue to work with management to ensure that the Company is well prepared for any incoming reporting legislation as it relates to sustainability.

During the year, the Committee also reviewed the Company's progress in respect of diversity, equity and inclusion on the Board and within the Group's businesses and submitted the Board and Committee Diversity Policy (the 'BCD Policy') and the Group Diversity, Equity and Inclusion policy to the Board for approval.

The Committee's performance and effectiveness are reviewed annually as part of the Board performance review and I am pleased to share that the results of the 2024 review were positive. More information concerning the results of the 2024 performance review is set out on page 96.

On reflection, the Company has made great progress this year despite an increasingly complex operating and regulatory environment. The Committee will continue to support Bunzl as it delivers against its sustainability strategy over the coming years.

Peter Ventress
Chairman and Chair of the BSC
3 March 2025

// BOARD SUSTAINABILITY COMMITTEE REPORT *continued*

Composition

During 2024, the BSC comprised the Chairman of the Company, who chairs the Committee, and all of the independent non-executive directors. The Secretary to the Committee is the Company Secretary. The Director of Group HR and Head of Sustainability are also usually invited to attend Committee meetings and other senior executives are invited as required.

BSC meetings

The Committee meets at least three times a year and otherwise as required.

The table below sets out directors' attendance at the three scheduled Committee meetings held during 2024.

	Meetings attended
Peter Ventress	3/3
Vanda Murray*	1/1
Lloyd Pitchford	3/3
Stephan Nanninga	3/3
Vin Murria	3/3
Pam Kirby	3/3
Jacky Simmonds	3/3
Daniela Barone Soares**	0/0
Julia Wilson**	0/0

* Vanda Murray resigned as a director on 24 April 2024 and attended all of the Committee meetings held between 1 January 2024 and that date.

** Daniela Barone Soares and Julia Wilson were appointed as directors on 16 December 2024. There were no Committee meetings held between that date and the end of the year.

Principal responsibilities of the Committee in 2024

- Assist the Board in overseeing policies and programmes to ensure that the Company meets objectives, targets and priorities set out in the sustainability strategy
- Ensure that the Board is kept updated on key sustainability matters
- Provide recommendations to the Board on changes to Bunzl's sustainability strategy
- Make recommendations to the Board to mitigate any sustainability-related risks identified by management
- Review the work of other Board level Committees to ensure that adequate consideration is afforded to sustainability objectives
- Provide recommendations to the Board on approval of any corporate communications with material sustainability content
- Assist the Board in its oversight of Bunzl's conduct with regard to its obligations as a corporate citizen

The Committee's terms of reference, which were reviewed and updated in 2024 are available on the Company's website, www.bunzl.com.

This report has been prepared in accordance with the 2018 UK Corporate Governance Code (the 'Code'). For financial years beginning on or after 1 January 2025, the Committee will report against the 2024 version of the Code, with reference to the Committee's new terms of reference, which have been updated to align therewith.

Activities

- Considered the results of Bunzl's 2024 DMA and discussed the impact of those results on reporting and data collection
- Received updates on Bunzl's net zero transition plan and considered the next steps in relation thereto
- Reviewed Bunzl's approach to supplier engagement and the progress made under its supplier engagement programme
- Discussed the Company's performance against its ESG targets in 2024 and considered the direction of travel for those targets for 2025 and beyond
- Received an update on sustainability news and incoming EU sustainability reporting legislation
- Considered performance across the business in relation to sustainability sales activity and climate change assessments and tools
- Recommended the Board and Committee Diversity Policy and the Group Diversity, Equity and Inclusion Policy to the Board for approval
- Recommended the 2024 Modern Slavery Statement to the Board for approval

Q&A

Q&A WITH GIJS VOSKUILEN, HEAD OF CORPORATE RESPONSIBILITY

Q. What is your role in relation to sustainability governance at Bunzl?

The GSC reports into the BSC and oversees the work of three sub-committees: the Health & Safety Committee ('HSC'), the Environment & Climate Change Committee ('ECCC') and the Supply Chain Committee ('SCC').

As a member of the GSC and Chair of the HSC and ECCC, I am responsible for liaising with the business areas and operating companies to understand their performance against Bunzl's health & safety and environmental objectives, then reporting the progress made and my findings to the GSC. The GSC reviews these, and the key matters are periodically shared with the BSC.

Q. What are some of the current areas of focus of the GSC and its committees and how much oversight does the BSC have of this?

The GSC has been focusing on the tracking and reduction of carbon emissions through data collection, supplier engagement and the implementation of various decarbonisation and renewable energy initiatives. The BSC considers the results of these activities at every meeting to ensure that the progress made against the Company's net zero transition plan remains aligned with the Company's sustainability strategy.

Another area of focus for the GSC in 2024 was the completion of the Company's supply chain risk assessment and supplier audits, which was overseen by the SCC. Throughout the year, the BSC received updates on the progress of the risk assessment and supplier audits and will review the results therefrom in early 2025.

Q. How does the work of the BSC contribute to the achievement of Bunzl's sustainability strategy?

The BSC updates the Board on the Company's progress in meeting the objectives, targets and priorities set out in its sustainability strategy. With sustainability being so critical to the achievement of Bunzl's strategy, I think it's important that the Board is well-informed in this area.

The BSC also provides challenge to Bunzl's sustainability team to ensure that effective initiatives are in place to facilitate the achievement of the Company's key targets. This has been of great value to the GSC as it challenges us to continue to develop fresh, well-informed ideas to drive the Group's sustainability strategy forward.

GIJS VOSKUILEN
HEAD OF CORPORATE RESPONSIBILITY

// BOARD SUSTAINABILITY COMMITTEE REPORT *continued*

The company meets the diversity objectives and targets set out in the BCD Policy and is fully compliant with UK Listing Rule ('UKLR') 6.6.6. A link to the BCD Policy can be found on the Company's website, www.bunzl.com, and the Company's compliance with UKLR 6.6.6 is detailed below.

PERFORMANCE AGAINST TARGETS UNDER UKLR 6.6.6

The Company is pleased to announce that it meets the following diversity targets, at the reference date of 31 December 2024:

I. at least 40% of the individuals on the Board of directors are women;

II. at least one of the following senior positions on the Board of directors is held by a woman:

  A. the Chair;

  B. the Chief Executive;

  C. the Senior Independent Director; or

  D. the Chief Financial Officer; and

III. at least one individual on the Board of directors is from a minority ethnic background.

There have been no changes to Board directorships that have affected attainment of the above targets between 31 December 2024 and 3 March 2025.

As at the reference date of 31 December 2024, the composition of the Board and Executive Management was as follows:

Gender (sex)	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management[1]	Percentage of Executive Management[1]
Men	5	50%	3	3	60%
Women	5	50%	1	2	40%
Not specified/prefer not to say					
Ethnic background					
White British or other White (including minority-white groups)	8	80%	4	5	100%
Mixed/Multiple Ethnic Groups	1	10%			
Asian/Asian British	1	10%			
Black/African/Caribbean/ Black British					
Other ethnic group					
Not specified/prefer not to say					

1. Under the definition provided by the UK Listing Rules, for the purposes of this disclosure, the definition of Bunzl's Executive Management comprises members of the Company's Executive Committee, including the Company Secretary.

The information in this table was collected on a confidential and voluntary self-reporting basis.

// DIRECTORS' REMUNERATION REPORT

DIRECTORS' REMUNERATION REPORT

JACKY SIMMONDS
Chair of the Remuneration Committee

"Another strong performance from Bunzl was reflected in positive remuneration outturns for 2024. We are monitoring the changing pay landscape in the UK and globally with interest."

Introduction from Jacky Simmonds

I am delighted to present the Directors' remuneration report for the year ended 31 December 2024, my first as Chair of the Remuneration Committee. After the approval of our new Policy by shareholders in April 2024, the year has focused on the application of the new Policy in the context of continued strong business performance despite some challenging market conditions. In addition to the usual business of setting pay and assessing performance, we have also kept a very close eye on developments in the executive pay landscape, both in the UK and the broader global market in which Bunzl operates.

Context of remuneration

2024 has continued to provide a challenging performance context for Bunzl. Our businesses have had to navigate a variety of external factors, including product cost deflation and pressure on operating costs which, given our geographic and market-sector diversification, have impacted our operating companies to varying degrees.

Amidst these challenges Bunzl's business performance was very positive. The team delivered strong growth in operating profit (at constant exchange), with further expansion in operating margin. Adjusted Earnings per Share ('eps') grew by 5.5% at constant exchange, and ongoing disciplined financial management resulted in strong return on capital and cash performance.

We were also able to make significant progress with our strategic objectives. 13 acquisitions were announced during the year, including our largest ever platform investment, Nisbets, headquartered in the UK. We continued our progress against our sustainability goals, including the expansion of our audit programme in high risk countries, the engagement of our key suppliers on the measurement of scope 3 carbon emissions, and the increase in senior leadership roles occupied by females, which now stands at 25%.

In summary, the Group has delivered another strong set of all-round business results, and this has been reflected in the outturns for both the annual bonus and the Restricted Share Awards granted in March 2022.

Performance and reward for 2024

Annual bonus

Annual bonus payments were based on a combination of key financial measures (70%) comprising eps, return on average operating capital ('RAOC') and operating cash flow, with 20% based on personal objectives and 10% on Environmental, Social and Governance ('ESG') objectives. In setting our incentive targets, we had regard to the performance potential of the different parts of the business and of the whole Group. The on-target performance level for the financial elements of the bonus for 2024 was set at, or close to, the budgeted level of performance. The personal and ESG objectives selected are closely aligned to the strategic priorities for the business and are generally measurable. The Committee conducted a detailed review of the evidence to support the evaluation of these non-financial objectives.

The Committee's evaluation of the annual bonus targets resulted in a payment of 98% of maximum for both Frank van Zanten and Richard Howes. As outlined above, this was a very positive all-round performance from the business and the leadership team and the Committee is reassured that the variable pay awarded has been aligned with this performance. On the financial elements, no discretion was applied by the Committee to adjust the bonus outcomes, as overall payments reflected business performance. As described above, the Committee used its judgement in the assessment of the non-financial elements based on the evidence provided. In line with the Policy, 50% of the annual bonuses will be delivered in shares, subject to a three-year deferral period.

// DIRECTORS' REMUNERATION REPORT *continued*

Long Term Incentives

The first Restricted Share Awards ('RSAs') were granted in April 2021, following the approval of the policy by shareholders, and vested in April 2024. In 2022, the grants of shares were made on 1 March, immediately after the publication of the results for the year ended 31 December 2021. These will vest on 4 March 2025, based on satisfaction of a performance underpin as measured over a three year period to 31 December 2024. Having reviewed the wide range of financial and non-financial metrics in the underpin and having identified no material underperformance, risk issues or regulatory failures, I can confirm that the Committee has determined that these awards should vest in full. Specific factors considered in assessing "in the round" performance for this award included:

- Financial health of the business (revenue, profitability, cashflow, returns)
- Delivery of strategic priorities
- Stakeholder experience
- Progress towards ESG goals

More detail can be found on page 122.

Employee pay

The Committee always considers the broader context of employee pay across the Group when reviewing and implementing the policy for directors. It closely monitors base pay increases, bonus awards and other pay elements. In the broader context, it is worth noting that over 10,000 employees across the Group will receive a bonus based on 2024 performance. In addition, some of the increases in quantum proposed for the executive directors in the 2024 policy have also been applied to other members of the senior leadership team. As required by the Regulations we have again disclosed in this year's Directors' remuneration report the ratio between the Chief Executive Officer's remuneration and the median, lower quartile and upper quartile of UK employees.

Implementing the Policy for the 2025 financial year

Base salary

The base salaries for the executive directors, Frank van Zanten and Richard Howes, have been increased by 2%, effective from 1 January 2025. Both these increases are in line with those budgeted for the Bunzl plc head office and for the UK leadership team. The average pay awards for the Group leadership team ranged from 1.8% to 3.8% excluding currency adjustments.

Annual bonus

As stated in last year's report, the Committee elected to delay implementing the policy maximum awards of 175% of salary for Richard Howes and 200% for Frank van Zanten until 2025. The on-target bonus opportunity for the 2025 financial year is therefore 100% of salary for Frank van Zanten and 87.5% for Richard Howes.

The annual bonus performance measures continue to be a balanced scorecard of key financial metrics – adjusted eps, RAOC and operating cash flow. In 2024, following shareholder feedback, the Committee slightly increased the weighting given to RAOC and the weightings will remain unchanged for 2025. 20% of the bonus opportunity will be dependent on personal performance linked to certain specified strategic non-financial goals and again, 10% of the opportunity for both directors will be dependent on the achievement of specific ESG objectives, based on the four priority areas – the Transition to Alternative Products, Climate Change, Ethical Sourcing, and Equity, Inclusion & Diversity. The objectives agreed for 2025 are a clear build on those used for the 2024 targets and reflect the long term nature of the roadmap.

50% of any bonus awarded will be deferred into shares for a period of three years.

	Factors considered (not limited to) in assessing the RSA underpin
Financial health of the business, considering key financial indicators	• Revenue growth • Operating margin • Adjusted earnings per share • Return on capital (RAOC/ROIC) • Cash conversion • Balance sheet strength
Strategic priorities	Delivery of key strategic objectives over the vesting period including operational and individual performance
Stakeholder experience	Consideration of our key stakeholders including employees, customers, suppliers and shareholders
ESG progress	Progress towards key achievement of ESG objectives including climate change ambitions, ethical supply, investing in our people and diversity

LTIP

The Committee expects to make grants of Restricted Shares to the executive directors and other participants as per the terms of the policy approved in April 2024. For the CEO, these shares will be equivalent to 175% of salary, and for the CFO 125% of salary. These will vest in 2028, subject to continued employment and the assessment of performance against the underpin. Shareholders will recall that as part of the policy review in 2024, the Committee put into place a more formal framework setting out clearly for each award the key elements which will need to be assessed for the award to vest. This is shown in the table above. As with the previous policy, the Committee will review specific indicators to help form a view of 'in the round' performance. In addition, the Committee has the discretion to scale back awards (including to zero) if it concludes there is material underperformance over the course of the vesting period. Vested awards will be subject to a two-year holding period.

Priorities for 2025

As stated earlier, the Committee has continued to monitor external market trends and developments in executive pay with interest. It is clear that the landscape has started to shift in terms of the changing constituents of the FTSE 100 and the different types of pay arrangements being adopted both in the UK and globally. At Bunzl, our overarching objective is to ensure that our plans incentivise the right behaviour and performance from our directors as the leaders of a large, complex and global organisation. Specifically, we recognise that 56% of our revenue comes from North America, and that in the United States, pay structures are different with significantly higher variable pay opportunities. With this in mind, we will continue to monitor developments closely to ensure that our current arrangements remain appropriate, given the growth ambitions of the business and the tenure and experience of the directors. Specifically, during my first full year as Chair I will conduct a review of our current arrangements and will again take the opportunity to receive the input of shareholders into our thinking.

Conclusions

This has been another strong year of performance and despite some headwinds in our markets we have continued to capitalise on growth opportunities in all our major sectors and geographies. The Committee's focus remains on incentivising the leaders appropriately around stretching performance targets and the growth of the business but also ensuring that they remain driven by long term value creation for shareholders.

Once again, I would like to thank shareholders for all their support for the work of the Committee and for the Bunzl management team. It has been very much appreciated.

In the following pages you will find details of:

- the 'at a glance' guide to executive directors' remuneration for 2024;
- the annual report on directors' remuneration for 2024, including our approach to the application of the remuneration policy in 2025 and:
- the remuneration policy in place for 2025, as approved by shareholders on 24 April 2024. The policy can also be viewed in the corporate governance section of the Company's website, www.bunzl.com.

I hope that you will find this report to be clear and helpful in understanding our remuneration policy and practices.

Jacky Simmonds
Chair of the Remuneration Committee
3 March 2025

The responsibilities and operation of the Committee

Composition, role and remit

The Committee comprises all of the independent non-executive directors of the Company. While neither the Chairman nor the Chief Executive Officer are members of the Committee, they attend meetings by invitation. The Director of Group Human Resources also attends meetings. The Committee's terms of reference, which were reviewed by both the Committee and the Board in 2024, are available on the Company's website, www.bunzl.com.

No director plays any part in determining his or her remuneration. During the year ended 31 December 2024, both the Chief Executive Officer and the Chairman were consulted and invited to attend meetings of the Committee but were not present during any part of the meeting when their own remuneration was under consideration.

The independent non-executive directors who were members of the Committee during 2024 are listed opposite.

The primary role of the Committee is to determine the framework and broad policy for the remuneration of the Chairman, the executive directors of the Board and the senior management group directly below Board level. The Committee proposes the directors' remuneration policy for shareholder approval at least every three years. It also governs the implementation of the policy, ensuring that the remuneration of the executive directors and senior management supports the sustainable performance of the business and that it is aligned with the Company's shareholders' interests. The Committee considers market practice, shareholders' views and the Group's broader remuneration arrangements when setting the Group's performance-related incentives and ensures compliance with UK corporate governance good practice.

The key responsibilities of the Committee in 2024 included:

- ensuring that executive directors and senior executives are properly incentivised to attract, retain and fairly reward them for their individual contribution to the Company, having due regard to the policies and practices applied to the rest of the employees within the Group;
- determining the framework and broad policy for the remuneration of the Chairman and the executive directors of the Board;
- monitoring the external pay landscape, recognising that the Group is a global business with a significant proportion of revenue generated in North America;
- ensuring that remuneration is aligned with and supports the Company's strategy and performance, having due regard to the interests of the shareholders and to the financial and commercial health of the Company, while at the same time not encouraging undue risk taking;
- communicating and discussing any remuneration issues with the Company's stakeholders as and when appropriate;
- setting and reviewing the executive directors' remuneration and benefits including, but not limited to, base salary, bonus, long term incentive plans and retirement benefits;
- ensuring that all remuneration paid to the executive directors is in accordance with the Company's previously approved remuneration policy;
- ensuring all contractual terms on termination, and any payments made, are fair to the individual and the Company;
- monitoring the policies and practices applied in respect of the remuneration of senior executives directly below Board level and making recommendations as appropriate;
- overseeing the Company's long term incentive plans for all employees; and
- ensuring that provisions relating to disclosure of remuneration as set out in the relevant legislation, the Financial Conduct Authority's Listing Rules and the Code are fulfilled.

Committee membership

	Date of appointment to the Committee
Jacky Simmonds	1 March 2023
Vanda Murray*	1 February 2015
Lloyd Pitchford	1 March 2017
Stephan Nanninga	1 May 2017
Vin Murria	1 June 2020
Pam Kirby	1 August 2022
Daniela Barone Soares	16 December 2024
Julia Wilson	16 December 2024

* Vanda Murray stepped down as a director at the AGM in April 2024.

Meetings

	Meetings eligible to attend	Meetings attended
Jacky Simmonds	4	4/4
Vanda Murray*	1	1/1
Lloyd Pitchford	4	4/4
Stephan Nanninga	4	4/4
Vin Murria	4	4/4
Pam Kirby	4	4/4
Daniela Barone Soares	0	
Julia Wilson	0	

* Vanda Murray stepped down as a director at the AGM in April 2024.

Compliance statement

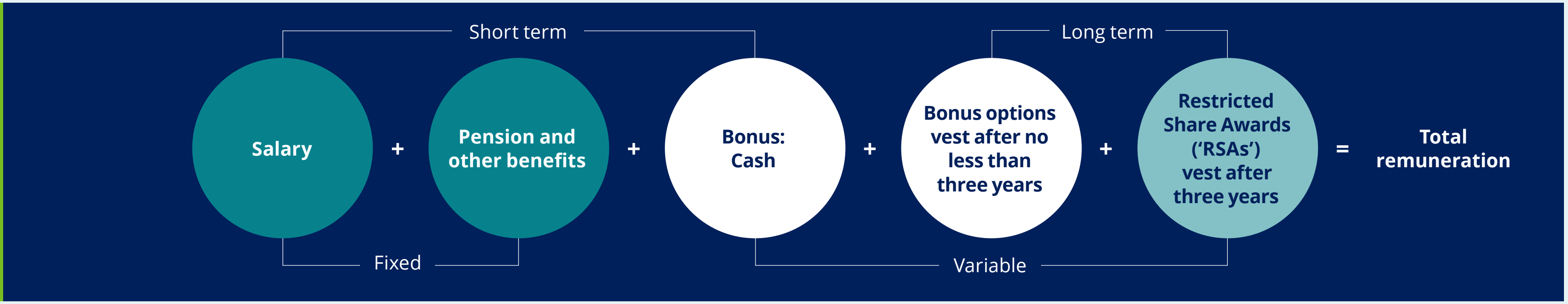
This report has been prepared on behalf of and has been approved by the Board. It complies with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the 'Regulations'), the Code and the Financial Conduct Authority's Listing Rules and takes into account the accompanying Directors' Remuneration Reporting Guidance and the relevant policies of shareholder representative bodies.

In accordance with the Regulations, at the 2025 AGM the Company will be asking shareholders to put forward an advisory vote on the Directors' remuneration report as set out on pages 115 to 128.

// DIRECTORS' REMUNERATION REPORT *continued*

2024 REMUNERATION **AT A GLANCE**

1. ELEMENTS OF REMUNERATION FOR OUR EXECUTIVE DIRECTORS



Remuneration principles

- Materially differentiate reward according to performance
- Reward competitively to attract and retain the best talent
- Breakdown of fixed and variable pay to be appropriate to each role
- Framework to be transparent with clear line of sight from performance to individual outcomes

2. ALIGNMENT OF PERFORMANCE AND REMUNERATION 2024

Annual bonus
To motivate and reward the achievement of the Company's strategic and operational objectives

Eps Linked financial KPI: eps		30%
RAOC Linked financial KPI: RAOC and operating profit		15%
Operating cash flow Linked financial KPI: cash conversion		25%
Non-financial strategic goals Payable to the executive directors in relation to agreed non-financial strategic goals	Frank van Zanten	20%
	Richard Howes	20%
ESG goals	Frank van Zanten	10%
	Richard Howes	10%
Total bonus opportunity/result	Frank van Zanten	100%
	Richard Howes	100%

Restricted Shares
To motivate and reward performance linked to long term success

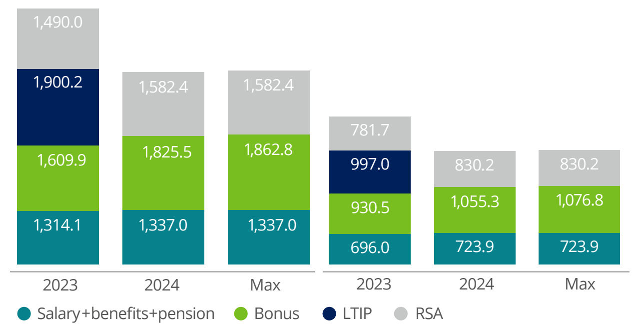
RSA	100%

Total opportunity · Result

3. SUMMARY OF EXECUTIVE DIRECTORS' REMUNERATION IN 2024

Chief Executive Officer
Frank van Zanten (£000)

Chief Financial Officer
Richard Howes (£000)



4. HIGHLIGHTS OF WIDER WORKFORCE REMUNERATION IN 2024

529
leaders across the Group receive share awards as part of their remuneration

c.13,600
people benefit from the opportunity to take part in employee sharesave plans

c.12,700
people have an element of performance related pay in their remuneration with **79%** receiving a bonus

// DIRECTORS' REMUNERATION REPORT *continued*

ANNUAL REPORT ON DIRECTORS' REMUNERATION

This report sets out the elements of remuneration paid to, or earned by, the directors in respect of the financial year 2024.

Single total figure of remuneration 2024 (audited information)

Executive directors

	Salary £000		Taxable benefits £000		Pension £000		Bonus £000		Performance shares £000		RSA £000		Total £000		Sub-total of fixed pay £000	Sub-total of variable pay £000
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	**2024**
Frank van Zanten	**1,034.9**	995.0	**250.4**	269.3	**51.7**	49.8	**1,825.5**	1,609.9	**–**	1,900.2	**1,582.4**	1,490.0	**4,744.9**	6,314.2	**1,337.0**	**3,407.9**
Richard Howes	**673.0**	647.0	**17.2**	16.6	**33.7**	32.4	**1,055.3**	930.5	**–**	997.0	**830.2**	781.7	**2,609.4**	3,405.2	**723.9**	**1,885.5**
Total	**1,707.9**	1,642.0	**267.6**	285.9	**85.4**	82.2	**2,880.8**	2,540.4	**–**	2,897.2	**2,412.6**	2,271.7	**7,354.3**	9,719.4	**2,060.9**	**5,293.4**

Notes

a) The figures above represent remuneration earned by executive directors during the relevant financial year including the full bonus, half of which is paid as cash and half of which is deferred under the Deferred Annual Share Bonus Scheme ('DASBS'). Awards of options relating to the 2023 deferred bonus were granted in 2024 as shown in the table on page 123 and the awards of options relating to the 2024 bonus will be granted in 2025.

b) The annual bonus for 2024 was determined according to a formulaic calculation in respect of adjusted eps, RAOC and operating cash flow measures, while the Committee used its judgement to assess performance of individual objectives (20% of the bonus) and ESG objectives (10% of the bonus). No discretionary adjustment was applied.

c) Benefits provided for Richard Howes include a car allowance and family medical insurance coverage. Benefits provided for Frank van Zanten include an education allowance, a hybrid working allowance (to cover ad-hoc home, secretarial support and security) a car & IT allowance and family medical costs.

d) The 2023 long term incentives figures comprise two types of award; the performance shares, which comprise the value of the LTIP B awards granted under the 2020 policy in April and October 2020 which included performance periods ending in 2023 and the first grant of RSA awards granted under the 2021 policy in April 2021, which vested in April 2024. This means that the total remuneration shown for both directors was artificially high for that year. The share price used to calculate the value of the vesting RSA awards has been updated to reflect the mid-market share price on 22 April 2024 (3,050p), the first working day after the vesting date of 21 April 2024. In last year's report, an estimated vesting price was used based on the three-month average share price to 31 December 2023. RSA awards granted in April 2021 to Richard Howes have been updated to include dividend equivalent shares accrued to the vest date of 21 April 2024.

e) The portion of total long term incentive figures that are attributable to share price growth are £1,083,077 for Frank van Zanten and £568,221 for Richard Howes in 2023 and £407,906 for Frank van Zanten and £213,985 for Richard Howes in 2024. The 2024 RSA figure is based on the 2022 Restricted Share Awards which will vest at 100% on 4 March 2025. The value is estimated based on the average share price of 3,480p between 1 October 2024 and 31 December 2024.

f) The pension contributions for executive directors were delivered as monthly cash payments in lieu of pension.

Non-executive directors

	Board fees £000		Committee Chair/ SID fees £000		Taxable payments/ expenses £000		Total £000	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Peter Ventress – Chairman	**419.0**	386.0	**–**	–	**0.3**	–	**419.3**	386.0
Vanda Murray	**26.0**	78.5	**14.3**	43.0	**0.4**	4.1	**40.7**	125.6
Lloyd Pitchford	**81.5**	78.5	**23.0**	22.0	**0.9**	0.8	**105.4**	101.3
Stephan Nanninga	**81.5**	78.5	**–**	–	**6.4**	7.8	**87.9**	86.3
Vin Murria	**81.5**	78.5	**–**	–	**3.0**	0.6	**84.5**	79.1
Pam Kirby	**81.5**	78.5	**14.9**	–	**0.2**	–	**96.6**	78.5
Jacky Simmonds	**81.5**	65.4	**15.8**	–	**2.0**	1.6	**99.3**	67.0
Daniela Barone Soares	**3.8**	–	**–**	–	–	–	**3.8**	–
Julia Wilson	**3.8**	–	**–**	–	–	–	**3.8**	–
Total	**860.1**	843.9	**68.0**	65.0	**13.2**	14.9	**941.3**	923.8

Notes

a) Taxable payments/expenses for non-executive directors are costs incurred for travel and accommodation in order to attend Board meetings. These costs have been grossed up to include the relevant income tax payable where applicable.

b) Vanda Murray stepped down from the Board on 24 April 2024.

c) Daniela Barone Soares and Julia Wilson were appointed to the Board on 16 December 2024.

// DIRECTORS' REMUNERATION REPORT *continued*

Payments for loss of office (audited information)

No payments were or are to be made to directors in respect of loss of office.

Payments to past directors (audited information)

No payments were or are to be made to former directors.

Executive directors' annual salary (audited information)

As disclosed last year, executive directors' salaries were reviewed with effect from 1 January 2024 in accordance with normal policy and were increased taking into account the average salary increases for employees across the Group.

	Salary from 1 January 2024	Salary from 1 January 2023	Increase in salary 2023 to 2024
Frank van Zanten	**£1,034,850**	£995,050	4.0%
Richard Howes	**£673,000**	£647,000	4.0%

Executive directors' salaries were also reviewed with effect from 1 January 2025 and the increases awarded are shown on page 127.

Executive directors' external appointments

During 2024, Frank van Zanten served as a non-executive director of Ahold Delhaize N.V. and Richard Howes served as a non-executive director of Smiths Group plc. During the year, Frank van Zanten retained fees of €137,500 from Ahold Delhaize N.V. and Richard Howes retained fees of £99,188 from Smiths Group plc.

Non-executive directors' fees (audited information)

The Chairman and non-executive directors' fees were reviewed with effect from 1 January 2024 in accordance with the normal fees policy.

	With effect from 1 January 2024	Fees paid in 2023	Increase in fees 2023 to 2024
Chairman's fee	**£419,000**	£386,000	8.5%
Non-executive director fee	**£81,500**	£78,500	3.8%
Supplements:			
Senior Independent Director	**£21,800**	£21,000	3.8%
Audit Committee Chair	**£23,000**	£22,000	4.5%
Remuneration Committee Chair	**£23,000**	£22,000	4.5%

The Chairman's and non-executive directors' fees were reviewed with effect from 1 January 2025 and the increases awarded are shown on page 128.

Performance against annual bonus targets (audited information)

The bonus measures for 2024 were Group adjusted eps, RAOC, operating cash flow, personal performance on strategic objectives and specific objectives related to ESG matters.

As the Committee decided to defer the implementation of the new policy maximum opportunities until 2025, the maximum bonus achievable was 180% of salary for Frank van Zanten and 160% for Richard Howes. The results for 2024 reflect a strong all round business performance (despite some market challenges), including a record year for acquisitions.

Group performance (70%)

Weighting	Scorecard performance metric	Threshold	Target	Stretch	Actual outturn calculated at constant exchange rates	% of maximum bonus
30%	eps (p)	178.4	187.8	197.2	198.3	100%
	% of target	95%	100%	105%	106%	
	% salary – Frank van Zanten	13.5%	27.0%	54.0%	54.0%	
	% salary – Richard Howes	12.0%	24.0%	48.0%	48.0%	
15%	RAOC %	38.80%	40.80%	42.80%	43.1%	100%
	% of target	95%	100%	105%	106%	
	% salary – Frank van Zanten	6.8%	13.5%	27.0%	27.0%	
	% salary – Richard Howes	6.0%	12.0%	24.0%	24.0%	
25%	Operating cash flow (£m)	787.7	829.2	870.7	892.6	100%
	% of target	95%	100%	105%	108%	
	% salary – Frank van Zanten	11.3%	22.5%	45.0%	45.0%	
	% salary – Richard Howes	10.0%	20.0%	40.0%	40.0%	
					TOTAL	100%

Notes

a) The adjusted eps outturn for 2024 (194.3p) calculated at the exchange rates used in setting the 2024 target is 198.3p.

b) The actual outturn calculated at constant exchange rates is the actual result of the relevant measures retranslated at the exchange rates used in setting the target for that measure.

// DIRECTORS' REMUNERATION REPORT *continued*

Non-financial strategic goals (30%)

Following a review of performance against specific personal objectives for 2024, the Committee determined the bonus percentages payable to the executive directors in relation to the non-financial strategic goals. The specific objectives, and the related evaluation of performance, are shown in the table below:

Frank van Zanten – Chief Executive Officer Non-financial objectives (20% of bonus)	Evaluation
• Continue to drive digital progress across the Group, measured by an increase in the % of sales orders and supplier invoices transacted digitally via websites, EDI or other electronic means. Ensure that the leadership team builds its knowledge and understanding of the potential of Generative AI for Distribution companies.	• Digital statistics have improved and now stand at 75% for sales orders (72% last year) and 61% for supplier invoices (60% last year). A Group project was undertaken to identify the greatest opportunities for the deployment of AI and projects have commenced in Continental Europe and North America to develop AI tools that can be scaled up. Opportunities have also been explored for the deployment of AI in Sustainability and HR.
• As outlined in the 2030 vision, accelerate the progress of own brand sales as a driver of margin improvement and profit performance. Measure the progress of own brand as an improved % of sales versus 2023.	• Own brand as % of sales has increased significantly over 2024 from c.25% to c.28% of total revenue and this continues to be a focus going forward. The Distribution business in BNA has specifically focused on own brand development as a source of profitable growth.
• Manage the leadership transition in the UK & Ireland (including the divisional Managing Director changes) ensuring that business performance is not negatively impacted by the period of transition. In addition, manage a robust onboarding process of the non-executive director to be appointed to the Board during 2024, when Vanda Murray steps down.	• The transition in the UK has gone smoothly with a development plan and positive feedback from his leadership team. Significant time has been spent by the leadership team onboarding the two new directors to maximise the effectiveness of the Board in 2025.
% of base salary awarded	**34.2%**
% of maximum	**95%**

Richard Howes – Chief Financial Officer Non-financial objectives (20% of bonus)	Evaluation
• Deliver the 2024 milestones for both the Internal Controls Essentials and the Information Security programmes across the Group, ensuring that progress is effectively monitored and reported to the Board.	• The Internal Controls Essential programme has made considerable progress in the year with the completion of all Risk and Control Matrices and the majority of the testing programme. Implementation of an enhanced self-assessment process with active tracking of remediation. The Information Security programme has also made good progress with all internal audits completed and resulting action plans and remediation activities identified. Clear KPIs have been monitored and tracked. A simulated cyber-attack workshop was completed and Audit Committee training sessions were also held.
• Optimise the cash management within the Group through increased levels of "cash sweeping" from operating company accounts to minimise interest costs and establish more live visibility of liquidity positions around the world.	• The cash sweeping project has been very successful with idle cash (cash not returned to our Group cash pooling arrangement or not on deposit earning interest) reduced and significant savings achieved. Substantial progress has been made in engaging with the local teams to ensure this is minimised in 2025.
• Coordinate specific business improvement projects such as the formalisation of acquisition integration processes and the process of monitoring and improving business performance of underperforming businesses. Focus on the sharing and adoption of best practice across the Finance community and ensure that the 2024 Finance Conference successfully accelerates progress on this and the other Group initiatives.	• Acquisition integration process is established and agreed with regional teams and a KPI dashboard is in place. Moved towards quarterly supplier reporting during 2024 and quarterly business reporting has provided heightened awareness and visibility of the plans to improve performance in certain businesses. The key theme of the 2024 Finance Conference (judged to be a very successful event) was the sharing of best practice in the context of the 2030 vision (e.g. driving efficiencies, supporting organic growth, use of AI).
% of base salary awarded	**30.4%**
% of maximum	**95%**

// DIRECTORS' REMUNERATION REPORT *continued*

ESG objectives – shared objectives (10% of bonus)	Evaluation	
• Continue the expansion of the auditing programme in high risk countries	• 89% of high risk spend audited as of 31 October 2024 based on 2023 full year spend. Clear audit plan in place for 2025 to ensure that the achievement is maintained based on 2025 data.	
• Engage suppliers on the reduction of our scope 3 emissions	• Launched questionnaire with the identified 750 suppliers at the end of July 2024. Based on a total of 5,291,921 tonnes of carbon in scope, it has been calculated that 33.4% of suppliers by emissions have targets accredited by the SBTi (30.7%) or another third party (2.7%).	
• Increase the penetration of sustainable alternative products with a focus on growing own brands	• 'Alternative' packaging sales as a % of total packaging was higher than 2023 (at c.57%) with a 1.2ppt increase in North America. There was a c.30% increase in sustainable alternative own brand product SKUs (e.g. "Ecosystems", "Verive") vs 2023 and a c.45% increase in revenue from these brands in 2024 vs 2023.	
• Drive improvements to the diversity of the leadership team and the creation of a more inclusive culture	• Reverse Mentoring scheme launched in June 2024 and judged to have been beneficial for the participants. In the Great Place to Work survey the average scores for the statement, "people here are treated fairly regardless of their age; gender; race and sexual orientation" was 87.5% (average of 4 statements, all statements were above 80%). There were some slight differences between male and female scores which are being explored. • As at September 2024, 25% of the senior leadership group (those who receive LTIPs or RSAs) are female.	
% of base salary awarded	**Frank van Zanten – 16.2%**	**Richard Howes – 14.4%**
% of maximum	**90%**	**90%**

When assessing performance and outcomes the Committee was mindful of the Company's broader achievements and stakeholder experience. The outcomes are considered appropriate in light of a year of continued strong business performance. Accordingly, the total payments under the annual bonus plans were:

	Total bonus payment (cash and deferred shares) as a % of salary				
	2024 %	2023 %	2022 %	2021 %	2020 %
Frank van Zanten	**176.4**	161.8	176.4	176.4	180.0
Richard Howes	**156.8**	143.8	156.8	155.2	160.0

The monetary values of the bonus payments for 2024 and 2023 are included in the table on page 119. The deferred portion of the bonus is 50% of the total and is delivered under DASBS awards which vest after three years and are subject to continued employment. The total bonus payment for both executive directors represents 98% of the maximum bonus.

Restricted Share Awards with underpin assessment period ending in 2024 (audited information)

LTIP – 2022 Restricted Share Awards

The second grant of Restricted Share Awards were made under the 2021 Policy on 1 March 2022. These awards vest after three years subject to the achievement of an underpin (assessed for the year ended 31 December 2024) and continued service. After each completed financial year during the three year underpin assessment period, the Committee considered carefully and documented progress towards achieving the underpin. Reflecting the strong financial and non-financial performance of the Group over the three year period, the Committee determined that the underpin has been achieved and therefore no scale back is required. The following points were considered by the Committee in arriving at this assessment:

- Strong financial performance across the 3-year period with adjusted operating profit increasing by 11.1%, 6.2% and 7.2% respectively. Return on average operating capital at 43.0%, 46.1% and 43.2% in 2022, 2023 and 2024.
- Strong progress in the digitisation of customer and supplier transactions with 75% of sales orders and 61% of supplier invoices now digital. AI projects have started in Continental Europe and North America following identification of the greatest opportunities for application.
- Own brand as a percentage of sales has increased from c25% to c 28% of total revenue from 2023 to 2024. The focus on sustainable solutions continues with ranges including Sustain; Revive; Ecosystems and Verive.
- 46 new businesses acquired over the three year period with 2024 a record year including the largest ever acquisition (Nisbets) and the first acquisition in Finland.
- 18% reduction in absolute emissions since 2019 and the net zero emissions programme approved by SBTi. 90% of our (2023) spend in high risk regions is from assessed and compliant suppliers.
- Great Place to Work survey introduced as the key measure of employee engagement and in 2024 81% of employees took part in the global survey with an Overall Perception score of 73% and a Trust Index score of 71%.
- An increased focus on risks and controls with the introduction of a robust Internal Controls Essentials programme.

	Date of grant	Number of shares granted	Underpin achieved	Number of awards vesting (incl. dividend equivalents)	Estimated value of award vesting
Frank van Zanten	1 March 2022	42,693	Yes	45,471	£1,582,391
Richard Howes	1 March 2022	22,398	Yes	23,855	£830,154

Notes

a) The Restricted Share Awards were granted under the LTIP Part B on 1 March 2022 at a share price based on the average of the closing mid-market share price on the 60 calendar days prior to the grant of the award (2,751p).

b) The estimated vesting value is based on the three-month average of the closing mid-market share price to 31 December 2024 (3,480p). The value will be updated in next year's report to reflect the actual closing mid-market share price on the vesting date. Vested awards are subject to a further two-year holding period.

c) The 2021 Restricted Share Awards vested on 21 April 2024. In last year's report, the vesting values were estimated based on the three-month average share price to 31 December 2023. The vesting values have been restated in the single figure table using the closing mid-market share price on 22 April 2024 (3,050p), which was the first dealing following the vesting date.

// DIRECTORS' REMUNERATION REPORT *continued*

Total pension entitlements (audited information)

	Value of cash allowance in 2024	Total pension 2024
Frank van Zanten	£51,742	**£51,742**
Richard Howes	£33,650	**£33,650**

Share Awards granted in 2024

Restricted Shares

In 2024 two grants of RSAs were made. An initial award was made on 1 March 2024 in accordance with the policy as approved at the 2021 AGM. A further award was made on 1 May 2024 in accordance with the updated Policy as approved at the 2024 AGM to reflect the additional maximum award potential.

LTIP interests awarded during the financial year (audited information)

	Award Type	Date of grant	Basis of RSA award	Face value £000	Number of shares	Performance period end date
Frank van Zanten	Nil-Cost Options	1 March 2024	125% of salary	£1,293.5	40,398	31 December 2026
	Nil-Cost Options	1 May 2024	50% of salary	£517.4	17,110	31 December 2026
Richard Howes	Nil-Cost Options	1 March 2024	100% of salary	£673.0	21,018	31 December 2026
	Nil-Cost Options	1 May 2024	25% of salary	£168.2	5,563	31 December 2026

Notes

a) The number of awards is calculated using the average of the closing mid-market share price over the dealing days that fell within the 60-day period immediately preceding the grant of the awards.

b) The RSA awards were granted under the 2014 LTIP Part B on 1 March 2024 at a value of 3,202p per share and under the 2024 LTIP Part B on 1 May 2024 at a value of 3,024p per share.

c) The RSA is subject to an underpin, as detailed below. If the underpin during the performance period for assessment is met, then 100% of the award will vest. Alternatively, if the underpin has not been satisfactorily met in full, then the award may be scaled back or lapse in exceptional circumstances.

The extent to which the Restricted Share Award, granted as nil-cost options, may vest is subject to a performance underpin which will be closely reviewed by the Committee before these awards vest in 2027 as follows:

	Factors to be considered (not limited to) in assessing the RSA underpin
Financial health of the business, considering key financial indicators	• Revenue growth • Operating margin • Adjusted earnings per share • Return on capital (RAOC/ROIC) • Cash conversion • Balance sheet strength
Strategic priorities	Delivery of key strategic objectives over the vesting period including operational and individual performance
Stakeholder experience	Consideration of our key stakeholders including employees, customers, suppliers and shareholders
ESG progress	Progress towards key achievement of ESG objectives including climate change ambitions, ethical supply, investing in our people and diversity

Vested awards are subject to a two-year holding period.

DASBS awarded during the financial year (audited information)

	Award Type	Date of grant	Basis of share award	Face value £000	Number of shares	Vesting date
Frank van Zanten	Nil-Cost Options	1 March 2024	50% of 2023 Bonus	£804.9	25,529	1 March 2027
Richard Howes	Nil-Cost Options	1 March 2024	50% of 2023 Bonus	£465.2	14,755	1 March 2027

Notes

a) The number of awards is calculated using the closing mid-market share price on the day preceding the grant date (3,153p).

b) Deferred bonus awards vest after three years subject to continued service only.

Shareholder dilution

In accordance with The Investment Association's Principles of Remuneration (as published on 9 November 2022) and the rules of the Company's share schemes, the Company is permitted to satisfy awards to employees under its share plans with new issue shares or shares issued from treasury, up to a maximum of 10% of its issued share capital (adjusted for share issuance and cancellation) in a rolling 10-year period. Within this 10% limit, the Company is only permitted to issue (as newly issued shares or from treasury), 5% of its issued share capital (adjusted for share issuance and cancellation) to satisfy awards under executive (discretionary) plans. On 9 October 2024, the Investment Association published its revised Principles of Remuneration (the 'Revised Principles') and it is the Company's intention to apply the Revised Principles to its future remuneration arrangements and reporting.

As well as the LTIP, the Company operates various all employee share schemes as described on page 132. Newly issued shares are currently used to satisfy the exercise of options under the Sharesave Scheme and the International and Irish Sharesave Plans. Awards of executive options, performance share awards and RSAs made under the LTIP are principally satisfied by shares delivered from the Employee Benefit Trust which buys shares on the market, unless security laws in relevant jurisdictions prevent this.

Limit on awards	Cumulative options and awards granted as a percentage of issued share capital as at 31 December 2024
10% in any rolling 10 year period (all plans)	1.0%
5% in any rolling 10 year period (executive (discretionary) plans)	0.2%

// DIRECTORS' REMUNERATION REPORT *continued*

Additional information on directors' interests (audited information)

Details of the executive directors' interests in outstanding share awards under the DASBS, LTIP and all employee share plans are set out below.

Deferred share awards as at 31 December 2024

The awards granted to each director of the Company and any director with an interest in the Company under the DASBS are set out in the table below. Further information relating to the deferred bonus is provided on pages 130 and 131.

	Awards (shares) held at 1 January 2024	Shares awarded during 2024	Shares vested during 2024	**Total number of awards (shares) at 31 December 2024**	Normal vesting date	Share price at grant p	Market price at vesting p	Monetary value of vested awards £000
Frank van Zanten	36,667		39,062	**–**	01.03.24	2,178	3,104	1,212
	27,124			**27,124**	01.03.25	2,969		
	27,959			**27,959**	01.03.26	2,964		
		25,529		**25,529**	01.03.27	3,153		
Total	**91,750**	**25,529**	**39,062**	**80,612**				
Richard Howes	21,375		22,771	**–**	01.03.24	2,178	3,104	707
	15,651			**15,651**	01.03.25	2,969		
	16,298			**16,298**	01.03.26	2,964		
		14,755		**14,755**	01.03.27	3,153		
Total	**53,324**	**14,755**	**22,771**	**46,704**				

Notes
a) The deferred element of the 2024 annual bonus plan as shown on page 119 is not included in the table above as the appropriate number of shares have not yet been awarded. No shares lapsed during the year.
b) The DASBS vested during 2024 include dividend equivalents accrued over the vesting period.
c) The DASBS awarded during 2024 relate to 50% of the bonus for 2023 and are structured as nil-cost options, with the number of shares being determined by reference to the mid-market closing share price on the day preceding the grant date. The face value of the DASBS awards on the grant date 1 March 2024 was £804,929 for Frank van Zanten and £465,225 for Richard Howes.
d) Frank van Zanten exercised 39,062 DASBS granted in 2021 (including related dividend equivalent shares) on 1 March 2024 with a total value of £1,217,769.
e) Richard Howes exercised 22,771 DASBS granted in 2021 (including related dividend equivalent shares) on 1 March 2024 with a total value of £707,007.

LTIP

The tables below show the number of executive share options and restricted share awards ('RSAs') held by the executive directors under the LTIP during 2024 with shaded details indicating options that have vested.

Executive share options – LTIP Part A

	Options held at 1 January 2024	Grant date	Exercise price p	Options exercisable between	Vested options held at 31 December 2024
Frank van Zanten	34,946	02.03.17	2,335	02.03.20–01.03.27	**34,946**
	42,782	01.03.18	1,955	01.03.21–29.02.28	**42,782**
	35,010	31.08.18	2,389	31.08.21–30.08.28	**35,010**
	34,978	28.02.19	2,375	28.02.22–27.02.29	**34,978**
	39,427	11.09.19	2,107	11.09.22–10.09.29	**39,427**
	48,225	10.03.20	1,840	10.03.23–09.03.30	**48,225**
	37,096	09.09.20	2,392	09.09.23–08.09.30	**37,096**
Total	**272,464**				**272,464**

Notes
a) The mid-market price of a share on 31 December 2024 was 3,296p and the range during 2024 was 2,898p to 3,714p.
b) Executive share options are structured as market value options.
c) Richard Howes holds no executive share options.

Restricted Share Awards – LTIP Part B

	Awards (shares) held at 1 January 2024	Shares awarded during 2024	Award date	Market price per share at award p	Lapsed awards (shares) during 2024	Exercised awards (shares) during 2024	Market price per share at exercise p	Value at exercise £000	Awards (shares) held at 31 December 2024
Frank van Zanten	45,859	–	21.04.21	2,489	–	48,854	3,062	1,496	**–**
	42,693	–	01.03.22	2,751	–	–	–	–	**42,693**
	41,682	–	01.03.23	2,984	–	–	–	–	**41,682**
		40,398	01.03.24	3,202	–	–	–	–	**40,398**
		17,110	01.05.24	3,024	–	–	–	–	**17,110**
Total	**130,234**	**57,508**			**–**	**48,854**			**141,883**
Richard Howes	24,060	–	21.04.21	2,489	–	–	–	–	**26,205**
	22,398	–	01.03.22	2,751	–	–	–	–	**22,398**
	21,682	–	01.03.23	2,984	–	–	–	–	**21,682**
		21,018	01.03.24	3,202	–	–	–	–	**21,018**
		5,563	01.05.24	3,024	–	–	–	–	**5,563**
Total	**68,140**	**26,581**			**–**	**–**			**96,866**

Notes
a) Restricted Share Awards for executive directors are structured as nil-cost options.
b) Frank van Zanten exercised 48,854 RSAs granted in 2021 (including related dividend equivalent shares) on 25 April 2024 with a total value of £1,495,849. The net of these awards remain subject to a 2-year post vest holding period.
c) RSAs granted in April 2021 to Richard Howes include dividend equivalent shares accrued to 31 December 2024.

// DIRECTORS' REMUNERATION REPORT *continued*

All employee share schemes

The table below shows the number of share options granted to the executive directors under the Sharesave Schemes. Details of the Sharesave Schemes are set out on page 132.

Sharesave Schemes

	Options at 1 January 2024	Grant date	Exercise price p	Options exercisable between	Options at 31 December 2024
Frank van Zanten	504	31.03.21	1,781	01.05.24–31.10.24	–
	368	03.04.23	2,343	01.05.26–31.10.26	368
	–	03.04.24	2,453	01.05.27–31.10.27	389
Total	**872**				**757**
Richard Howes	1,010	31.03.21	1,781	01.05.24–31.10.24	–
	–	03.04.24	2,453	01.05.27–31.10.27	756
Total	**1,010**				**756**

Interests in shares and share options (audited disclosure)

The interests of the directors in office, and their connected persons, in the Company's ordinary shares and share options at 31 December 2024 were:

		Shares (LTIP B RSA)			Options (LTIP Part A and Sharesave)		Total interests held
	Owned outright	Unvested (DASBS)	Vested but not exercised (LTIP Part B RSA)	Unvested and subject to an underpin (LTIP Part B RSA)	Unvested subject to continued employment	Vested but not exercised	
Frank van Zanten	**269,899**	80,612	–	141,883	757	272,464	765,615
Richard Howes	**89,384**	46,704	26,205	70,661	756	–	233,710
Peter Ventress	**2,608**	–		–	–	–	2,608
Vin Murria	**–**	–		–	–	–	–
Lloyd Pitchford	**4,000**	–		–	–	–	4,000
Stephan Nanninga	**10,000**	–		–	–	–	10,000
Pam Kirby	**1,800**	–		–	–	–	1,800
Jacky Simmonds	**1,445**	–		–	–	–	1,445
Daniela Barone Soares	**519**	–		–	–	–	519
Julia Wilson	**1,302**	–		–	–	–	1,302

Notes
a) No changes to the directors' ordinary share interests shown in this remuneration report have taken place between 31 December 2024 and 3 March 2025, that were notifiable under article 19 of the Market Abuse Regulation.
b) RSAs are structured as nil-cost options.

Performance against shareholding guidelines

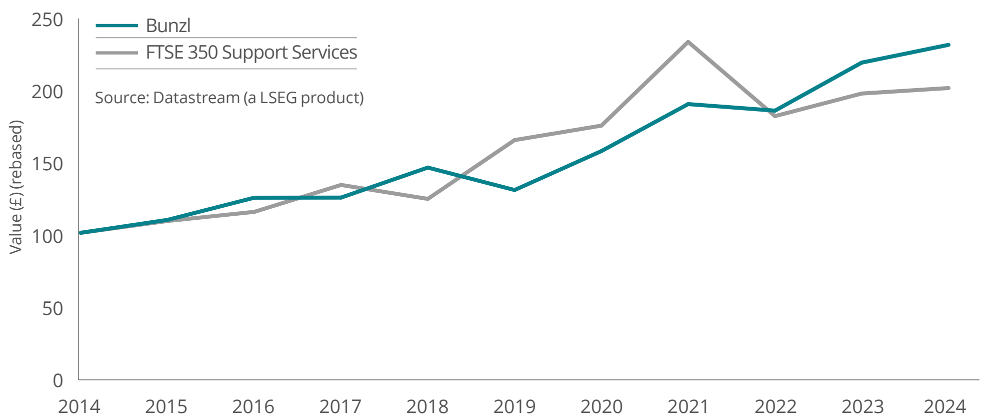
As at 31 December 2024, each of the executive directors and their connected persons have a shareholding as follows:

	Requirement for share ownership as a percentage of salary (31 December 2024)	Share ownership as a percentage of salary at 31 December 2024 at the closing mid-market price (3,296p)
Frank van Zanten	350%	1,138%
Richard Howes	250%	627%

Note
Shares contributing to the qualifying share ownership as a percentage of salary include (i) owned shares; (ii) deferred shares under DASBS awards (net of tax); (iii) award shares under vested but unexercised LTIP Part A award by reference to exercise gain potential (net of tax); (iv) award shares under vested but unexercised awards including LTIP Part B awards (net of tax); (v) award shares relating to dividend equivalent entitlements determined for vested but unexercised awards (net of tax) and (vi) shares held jointly with or by the executive's spouse, civil partner or children.

Performance graph and table

Schedule 8 to the Large- and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 requires that the Company must provide a graph comparing the TSR performance of a hypothetical holding of shares in the Company with a broad equity market index over a 10 year period. The Company's TSR performance against the FTSE 350 Support Services Sector over a 10 year period to 31 December 2024 is shown below. Due to the Company's business model, this is considered to be the most appropriate comparator group as it contains a broad range of support service companies.



// DIRECTORS' REMUNERATION REPORT *continued*

Chief Executive Officer's single total figure of remuneration history

The table below summarises the Chief Executive Officer's single total figure of remuneration, annual bonus and long term incentive payout as a percentage of maximum opportunity for 2024 and the previous nine years.

		2015	2016 MR	2016 FvZ	2017	2018	2019	2020	2021	2022	2023	**2024**
Single total figure of remuneration £000		3,937.9	2,353.3	1,492.0	2,812.0	2,828.8	2,769.4	3,490.3	4,225.4	4,505.1	6,314.2	**4,744.9**
Annual bonus payment as a percentage of maximum		64%	0%	67%	73%	70%	60%	100%	98%	98%	90%	**98%**
Long term incentive vesting as a percentage of maximum	LTIP Part A (options)	100%	100%	0%	100%	100%	100%	100%	96%	100%	–	**–**
	LTIP Part B (performance shares)	69%	82%	0%	69%	54%	63%	45%	81%	60%	88%	**–**
	LTIP Part B (Restricted Share Awards)	–	–	–	–	–	–	–	–	–	100%	**100%**

Notes
a) The data for 2016 includes the amounts relating to Michael Roney ('MR') from 1 January 2016 to 19 April 2016 and also includes the LTIP awards made to him that vested in the period from 20 April to 31 December 2016. There was no bonus award for Michael Roney in relation to 2016.
b) The data for 2016 also includes the amounts relating to Frank van Zanten ('FvZ') from 20 April to 31 December 2016, including the bonus award for that period and the international relocation package with accommodation benefit support but excludes the LTIP awards made to him in his previous role that vested during the period from 20 April to 31 December 2016.
c) All years prior to 2016 relate to the former CEO Michael Roney.
d) The total remuneration figure for 2023 includes both the 2020 LTIP B awards and the 2021 Restricted Share Award due to reporting requirements.

Percentage change in each director's remuneration

The table below sets out the annual changes from the prior year, for the years 2020 through to 2024, in the salary, benefits, and bonus values of all directors and employees of the legal entity which employs the Chief Executive Officer, Bunzl plc. Where it is not possible to compare employees from Bunzl plc between years due to employees joining or leaving the Company or moving role, these employees have been removed from the data to prevent distortion.

	Salary/Fees					Benefits					Bonus				
	2020	2021	2022	2023	**2024**	2020	2021	2022	2023	**2024**	2020	2021	2022	2023	**2024**
Chief Executive Officer – Frank van Zanten	3.0%	2.9%	2.9%	5.9%	**4.0%**	(42.0%)	(14.1%)	57.2%	15.0%	**(7.0)%**	73.0%	0.8%	2.9%	(2.9%)	**13.4%**
Chief Financial Officer – Richard Howes	3.0%	2.9%	2.9%	5.0%	**4.0%**	n/a	1.2%	2.5%	(0.6%)	**3.6%**	n/a	(0.2%)	4.0%	(3.7%)	**13.4%**
Chairman – Peter Ventress	3.1%	0.0%	4.9%	0.0%	**8.5%**	n/a	100.0%	(100.0%)	0.0%	**100.0%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Vanda Murray	0.9%	2.2%	3.4%	4.7%	**n/a**	(100.0%)	100.0%	104.0%	69.4%	**(90.6)%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Lloyd Pitchford	1.1%	1.6%	3.0%	4.7%	**4.0%**	(100.0%)	0.0%	0.0%	100.0%	**7.2%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Stephan Nanninga	n/a	2.0%	2.5%	4.7%	**3.8%**	(64.0%)	(100.0%)	100.0%	(0.9%)	**(18.3)%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Vin Murria	n/a	2.0%	2.5%	4.7%	**3.8%**	n/a	0.0%	100.0%	(2.0%)	**410.6%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Pam Kirby	n/a	n/a	n/a	4.7%	**22.9%**	n/a	n/a	n/a	0.0%	**100.0%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Jacky Simmonds	n/a	n/a	n/a	n/a	**23.9%**	n/a	n/a	n/a	n/a	**23.4%**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Daniela Barone Soares	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Non-executive director – Julia Wilson	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**
Average of employees in Bunzl plc	3.2%	3.1%	4.7%	6.7%	**8.5%**	(3.3%)	5.8%	3.8%	3.1%	**6.1%**	162.0%	(15.9%)	(23.2%)	(17.1%)	**22.9%**

Notes
a) Benefits are annualised.
b) Bunzl plc employees exclude any increases due to a change of role that occurred during either year.
c) Benefits for the non-executive directors are costs incurred for travel and accommodation in order to attend Board meetings in London.

// DIRECTORS' REMUNERATION REPORT *continued*

Chief Executive Officer pay ratio

The table below sets out the comparisons between the 25th, median, and 75th percentile employees in the UK, with reference to 31 December 2024, and the Chief Executive Officer's salary and total remuneration as detailed in the single figure table. To calculate these ratios, the Company has used Option A and determined full time equivalent total remuneration as this is the most statistically robust method. This includes scaling up salary for part time employees. Each employee's pay and benefits are calculated using each element of employee remuneration consistent with the Chief Executive Officer and no element of pay has been omitted.

	CEO single figure	Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
Salary	£1,034,850	2024	Option A	40:1	35:1	26:1
Total remuneration	£4,744,860	2024	Option A	175:1	152:1	104:1
Salary	£995,050	2023	Option A	41:1	36:1	26:1
Total remuneration	£6,314,240	2023	Option A	249:1	214:1	147:1
Salary	£939,600	2022	Option A	41:1	35:1	25:1
Total remuneration	£4,505,124	2022	Option A	193:1	163:1	108:1
Salary	£913,078	2021	Option A	43:1	37:1	26.1
Total remuneration	£4,225,361	2021	Option A	196:1	164:1	106.1

The single total figure of remuneration in relation to 2023 has been recalculated to reflect the difference between the grant price and the estimated value of vesting of the relevant RSAs on the actual date of vesting as detailed in Note (d) to the table of the single figure of remuneration 2024 on page 119. The 2023 salary ratio has not been restated because there was no difference to report.

	Salary	Total remuneration
Chief Executive Officer	£1,034,850	£4,744,850
25th percentile employee	£26,105	£27,156
Median employee	£29,553	£31,243
75th percentile employee	£40,200	£45,621

The total remuneration ratios for 2023 were higher due to the inclusion of both the LTIP B vests and RSA vest in the single figure table for the Chief Executive Officer's remuneration. The median salary ratio remains broadly consistent as the Chief Executive Officer's salary increase was in line with the wider UK workforce.

Relative importance of spend on pay

The table below shows a comparison between the overall expenditure on pay and dividends paid to shareholders as well as adjusted earnings per share for 2023 and 2024 for the Group (as stated in Note 26, Note 22 and Note 3 to the consolidated financial statements on pages 179, 175 and 151, respectively).

£m	2024	2023	Percentage change
Overall expenditure on pay	**1,103.5**	1,039.5	6.2%
Dividends paid in the year	**228.6**	209.7	9.0%
Adjusted earnings per share (p)	**194.3**	191.1	1.7%

Notes
a) Overall expenditure on pay excludes employer's social security costs.
b) Adjusted earnings per share is used as a comparator as it is a key financial indicator.

Remuneration Arrangements for 2025

Salary

The salary increases for the executive directors for 2025, which are in line with the increase that has been implemented for the wider leadership team and the plc head office, are as follows:

	Salary from 1 January 2025	Salary from 1 January 2024	Increase in salary 2024 to 2025
Frank van Zanten	£1,055,547	£1,034,850	2.0%
Richard Howes	£686,460	£673,000	2.0%

Bonus

The structure for Frank van Zanten's and Richard Howes' annual bonus for 2025 is a balanced scorecard of performance measures, based on adjusted eps, RAOC, operating cash flow and specified strategic goals. The weighting of these measures remains 70% financial measures and 30% non-financial measures (20% strategic goals and 10% ESG goals).

	Weightings
EPS	30%
ROAC	15%
Operating cash flow	25%
Individual strategic objectives	20%
ESG/Sustainability	10%
	100%

Following the approval of the 2024 policy, the maximum annual bonus quantum will increase to 200% for the Chief Executive Officer and 175% for the Chief Financial Officer. The relevant performance points are: threshold, target, and maximum (the level at which the bonus for that measure is capped). These performance points are determined at the start of the year and no elements of the bonus are guaranteed. As in previous years, the performance measures, including the financial targets, are commercially sensitive and therefore are not disclosed until the following year.

// DIRECTORS' REMUNERATION REPORT *continued*

Underpin and pricing basis for long term incentives to be awarded in 2025

The 2025 RSA will vest subject to the achievement of an underpin as set out in the table below.

Performance underpin framework	Factors to be considered (not limited to)
Financial health of the business, considering key financial indicators	• Revenue growth • Operating margin • Adjusted earnings per share • Return on average operating capital (RAOC/ROIC) • Cash conversion • Balance sheet strength
Strategic priorities	Delivery of key strategic objectives over the vesting period including operational and individual performance
Stakeholder experience	Consideration of our key stakeholders including employees, customers, suppliers and shareholders
ESG progress	Progress towards key achievement of ESG objectives including climate change ambitions, ethical supply, investing in our people and diversity

The Committee conducts an annual review of the underpin and overall performance to determine if the shares should vest in full at the end of three years. In 2025 Frank van Zanten will be granted a restricted share award to the value of 175% of his salary and Richard Howes will be granted a restricted share award to the value of 125% of his salary. In respect of determining the number of awards to be granted in 2025, the 60-day average share price preceding the grant date will be used.

Chairman's and non-executive directors' fees for 2025

The Chairman and the non-executive directors' fees are reviewed annually with the most recent reviews for both taking effect from 1 January 2025. The current fee structure for the Chairman and the non-executive directors is shown below:

	With effect from 1 January 2025	Fees paid in 2024	Increase in fees 2024 to 2025
Chairman's fee	£427,500	£419,000	2.0%
Non-executive director fee	£83,000	£81,500	1.8%
Supplements:			
Senior Independent Director	£21,800	£21,800	–
Audit Committee Chair	£24,000	£23,000	4.3%
Remuneration Committee Chair	£24,000	£23,000	4.3%

Advisers to the Remuneration Committee

In carrying out their responsibilities, the Committee seeks external remuneration advice as necessary. During the year the Committee received advice from Willis Towers Watson ('WTW') and FIT Remuneration Consultants LLP ('FIT'). WTW provided external survey data on directors' remuneration and benefit levels and FIT advised the Remuneration Committee on senior executive pay. No other services were provided by either WTW or FIT in 2024.

The fees payable to each adviser, based on hourly rates, were: £19,800 (WTW) and £93,467 (FIT), respectively for such work undertaken in 2024. Advisers are appointed by the Committee and reviewed periodically. A tender exercise was conducted in 2020 and FIT were selected to provide independent advice to the Remuneration Committee on senior executive pay matters. The Committee conducts regular reviews of the effectiveness of the advisers and is satisfied that they remain objective and independent.

Statement of voting at the 2024 AGM for the remuneration report

The remuneration report and remuneration policy received the following shareholder votes at the 2024 AGM held on 24 April 2024:

	Votes cast	Votes for	% of shares voted for	Votes against	% of shares voted against	Votes withheld
Remuneration report (2024)	291,750,318	277,729,411	95.19%	14,020,907	4.81%	33,998
Remuneration policy (2024)	291,751,332	264,037,122	90.50%	27,714,210	9.50%	32,984

Notes

a) The votes 'For' include votes given at the Company Chairman's discretion.

b) A vote 'Withheld' is not a vote in law and is not counted in the calculation of the votes 'For' or 'Against' the resolution. Votes 'For' and 'Against' are expressed as a percentage of the votes cast.

Jacky Simmonds

Chair of the Remuneration Committee

3 March 2025

DIRECTORS' REMUNERATION **POLICY**

The current policy was approved by shareholders at the 2024 AGM. It may remain in place until the 2027 AGM at the latest. A copy of the Policy is set out from page 130. The non-executive director terms of appointment and remuneration scenarios charts have been updated.

Objectives of the Policy

The objectives of the Directors' Remuneration Policy are as follows:

- Clarity: maintain transparency, clear alignment with shareholder value and promotion of longer term, sustained performance.
- Alignment with performance: continue to ensure that targets are stretching (but realistic), the quantum of reward reflects both Company and individual performance and there are appropriate award caps and Committee discretions in place.
- Support for the Company's business strategy: for example, aligning the executive directors' and management's incentives with the Company's growth objectives.
- Simplicity: ensure that the remuneration structures avoid unnecessary complexity.
- Appropriate management of risk: variable pay should drive performance within the Company's risk appetite and encourage a prudent and balanced approach to the business.
- Alignment to culture: the remuneration principles encourage the behaviour from the executive directors that the Committee expects to see throughout the business.
- Proportionality: the link between individual awards, the delivery of strategy and long term performance of the Group is clear.

In setting the remuneration policy for the executive directors, the Committee also took into consideration a number of different factors:

- It applied the principles set out in the Code and also takes into account best practice guidance issued by the major UK institutional investor bodies, the Financial Conduct Authority (including the provisions of any applicable remuneration codes) and other relevant organisations;
- The Committee has overall responsibility for the remuneration policies and structures for employees of the Group as a whole and it reviews the remuneration policy on a Group wide basis. When the Committee reviewed the remuneration policy for the executive directors it considered and compared it against the pay policy and employment conditions of the rest of the Group to ensure that there was alignment between the two;
- The Committee considered the external market in which the Group operates and used comparator remuneration data from time to time to inform its decisions. However, the Committee recognised that such data should be used as a guide only (data can be volatile and may not be directly relevant) and that there is often a need to phase-in changes over a period of time. The Committee reviewed a range of relevant benchmarking data to guide the 2024 review;
- Specifically, it looked at FTSE 11-100 companies with greater than 20% of revenue generated from the United States. For the 2024 Policy Review, the peer group comprised RS Group, Convatec, Melrose Industries, Smiths Group, Pearson, Intertek, Smurfit Kappa, Halma, Spirax-Sarco, Burberry, Rolls-Royce, Informa, Intercontinental Hotels, Croda, WPP, Smith & Nephew, Rentokil, Imperial Brands, Flutter, Ashtead, Experian, BAE Systems, CRH, Haleon, Compass, National Grid, Reckitt Benckiser and RELX.

The Committee's overall policy, having had due regard to the factors above, continues to be for a proportion of total remuneration to be based on variable pay. This is achieved by setting base pay and benefits by reference to mid-market levels, with annual bonus linked to the achievement of demanding performance targets and long term incentives which vest over the medium term and are designed to align the interests of the directors with those of shareholders and the long term sustainable success of the business.

Remuneration policy for executive directors

The following table summarises each element of the remuneration policy for the executive directors, explaining how each element operates and links to the corporate strategy.

Base salary	
Purpose	• Recognise knowledge, skills and experience as well as reflect the scope and size of the role • Reward individual performance without encouraging undue risk
Operation	• Paid in 12 equal monthly instalments during the year • Normally reviewed annually in December (with any changes usually effective from January). An out-of-cycle review may be conducted if the Committee determines that it is appropriate • Takes into consideration a number of factors including (but not limited to) individual and Group performance, the size and scope of the individual's responsibilities, salary increases across the Group, typical salary levels for comparable roles using appropriate comparator groups, for example similarly sized companies with a large international presence • Pensionable
Maximum potential value	• While there is no maximum salary level, salary increases are normally considered in relation to the salary increases of other employees in the Group and performance of the individual. Higher salary increases may be made under certain circumstances, such as when there has been a change in role or responsibility, a major market movement or when a director has been appointed to the Board at a lower than typical salary initially
Performance metrics	• While there are no performance conditions attached to the payment of base salary, individual performance in the role, as well as the performance of the Group and achievements related to environmental, social and governance issues, are all taken into consideration

Annual bonus	
Purpose	• Incentivise the attainment of annual corporate targets • Retain and reward high performing employees • Align with shareholders' and wider stakeholders' interests
Operation	• Bonus awards are based on performance targets and objectives set by the Committee for the financial year • At the end of the performance period, the Committee assesses the extent to which the performance measures have been achieved. The level of bonus for each measure is determined by reference to the actual performance against the relevant performance targets • Up to half the bonus is paid in cash and the remainder in shares (with the shares normally deferred for three years under the Deferred Annual Share Bonus Scheme ('DASBS')) in respect of which dividend equivalents may apply to the extent that such deferred awards vest. If a director resigns during the period of deferral any outstanding DASBS awards would normally lapse • Malus and clawback provisions apply and are set out in more detail below • Bonus awards are non-pensionable and are payable at the Committee's discretion
Maximum potential value	• The annual bonus policy maximum is 200% of base salary (175% for the Chief Financial Officer) • The annual target bonus opportunity is normally set at 50% of the maximum • The level of annual bonus for threshold performance is up to 25% of the maximum

// DIRECTORS' REMUNERATION REPORT *continued*

Annual bonus	
Performance metrics	Metrics will be set each year by the Committee taking into account the Company's key strategic objectives for the year. For example, bonus metrics may include: • Financial measures chosen to align bonus outcomes with the underlying financial performance of the business, such as profit, return on average operating capital ('RAOC') and cash flow; • Non-financial measures are linked to the achievement of personal goals or certain specified strategic goals, including environmental, social and governance matters; • The performance metrics and targets are reviewed each year to ensure that they remain appropriate. The Committee retains the discretion to set alternative metrics as appropriate; and • The specific targets will be disclosed on a retrospective basis following the end of the financial year unless they are deemed to be commercially sensitive. The Committee sets targets that are appropriately stretching in the context of the business outlook and taking into account internal and external factors. The achievement of quantifiable financial targets will always drive the majority of the bonus outturn. Targets are set to ensure that there is appropriate alignment between stakeholder outcomes and to ensure that they do not drive unacceptable levels of risk taking.

Long term incentives	
Purpose	• Incentivise long term decision making as the basis for sustainable growth • Align with shareholders' interests • Recruit and retain senior employees across the Group
Operation	Executive directors receive restricted share awards as the long term variable element of remuneration: • Restricted share awards are discretionary and will normally vest subject to continued employment and the satisfaction of the underpin after no less than three years; • A holding period will apply which means that restricted shares may not ordinarily be sold until at least five years after the grant date (other than to pay relevant taxes due on vested awards); • Malus and clawback provisions apply and are set out in more detail below; • Dividend equivalents shall accrue in respect of restricted share awards to the extent that they vest, including in relation to any holding periods; and • All awards are subject to the discretions contained in the relevant plan rules.

Long term incentives	
Maximum potential value	• The individual restricted share limit per financial year is 175% of base salary • The Chief Executive Officer may receive restricted shares per financial year with a face value of up to 175% of salary • The Chief Financial Officer may receive restricted shares per financial year with a face value of up to 125% of salary
Performance metrics	• Restricted share awards are not subject to performance measures but vesting is subject to the achievement of an underpin normally reviewed over the three financial years commencing with the financial year in which awards are granted • In assessing the underpin, in normal circumstances the Committee may consider the Group's overall performance, including financial and non-financial performance over the course of the vesting period and any material risk/regulatory failures identified. Specifically, it will seek evidence of positive progress against the Group's financial and strategic objectives as follows: – Financial health of the business, considering financial indicators – Strategic priorities – Stakeholder experience – ESG progress • In considering these factors, the Committee will assess performance in the round, with the expectation of full vesting unless there has been a lack of material progress towards a stated objective, or it has identified material underperformance over the period. The Committee may scale back the awards (including to zero) if it is not satisfied the underpin has been met, and there is no threshold level of vesting.

// DIRECTORS' REMUNERATION REPORT *continued*

All employee share plans	
Purpose	• Encourage employees, including the executive directors, to build a shareholding through the operation of all employee share plans such as the HM Revenue & Customs ('HMRC') tax advantaged Sharesave Scheme and the Internal Revenue Service ('IRS') approved Employee Stock Purchase Plan (US) ('ESPP') in the US
Operation	• Executive directors may participate in all employee schemes on the same basis as other eligible employees • The Sharesave Scheme has standard terms under which participants can normally enter into a savings contract, over a period of either three or five years, in return for which they are granted options to acquire shares at a discount of up to 20% of the market price prevailing on the day immediately preceding the date of invitation to apply for the option. Options are normally exercisable either three or five years after they have been granted
Maximum potential value	• In the UK, the Sharesave Scheme is linked to a contract for monthly savings within the HMRC limits over a period of either three or five years (currently £500 per month)
Performance metrics	• Service conditions apply

Retirement benefits	
Purpose	• Provision of retirement benefits • Retain executive directors
Operation	• All defined benefit pension plans in the Group have been closed to new entrants since 2003 with any new recruits being offered defined contribution retirement arrangements and/or a pension allowance. • Pension contributions and allowances are normally paid monthly
Maximum potential value	• Company pension contributions to defined contribution retirement arrangements or cash allowances are capped at 5% of base salary for current and new executive directors
Performance metrics	• Not applicable

Other benefits	
Purpose	• Provision of competitive benefits which helps to recruit and retain executive directors
Operation	• Benefits may include a car allowance or a car which may be fully expensed, various insurances such as life, disability and medical and, in some jurisdictions, club expenses and other benefits provided from time to time. • Some benefits may only be provided to reflect hybrid working and/or overseas relocation, such as removal expenses, and in the case of an international relocation might also include fees for accommodation, children's schooling, home leave, tax equalisation and professional advice etc.
Maximum potential value	• The value of benefits is based on the cost to the Company and varies according to individual circumstances. For example, the cost of medical insurance varies according to family circumstances and the jurisdiction in which the family is based
Performance metrics	• Not applicable

Shareholding requirement	
Purpose	• Strengthen the alignment between the interests of the executive directors and those of shareholders
Operation	• In employment guideline: executive directors will normally be expected to retain shares, net of sales to settle tax, through the exercise of awards under the DASBS and the LTIP until they attain the required holding. Three years is the typical expectation for executives who are promoted from within the Company to achieve the required shareholding. It is recognised that a longer time period may be required for externally recruited executives to achieve the expected shareholding. Unvested deferred shares held under the DASBS will count towards the guideline (net of the expected sales for tax that would apply on vesting) • Post-cessation guideline: upon cessation of employment, executive directors should maintain a shareholding for two years thereafter at a level equal to the lower of the in-employment guideline and the number of shares vested as at cessation (net of tax) under restricted share awards granted. • Shares held by or to the benefit of an executive director's spouse, civil partner or children (or with them as relevant) may count for the purposes of the guidelines.
Maximum potential value	• The Chief Executive Officer's in-employment shareholding requirement is 350% of base salary. The in-employment requirement for other executive directors is 250% of base salary. • The Chief Executive Officer's post-employment shareholding requirement is 300% of salary. The post-employment shareholding requirement for other executive directors is 200%.
Performance metrics	• Not applicable

Fees policy for Chairman and non-executive directors (the 'NEDs')

The following table summarises the fees policy for the Chairman and the NEDs.

Fees	
Purpose	• Provision of a competitive fee to attract NEDs who have a broad range of experience and skills to oversee the implementation of the Company's strategy
Operation	• Determined in light of market practice and with reference to time commitment and responsibilities associated with the roles • Annual fees are paid in 12 equal monthly instalments during the year • The Senior Independent Director and Chairs of the Audit and Remuneration Committees are paid an extra fee to reflect their additional responsibilities • The NEDs and the Chairs are not eligible to receive benefits and do not participate in pension or incentive plans. Expenses incurred in respect of their duties as directors of the Company are reimbursed • The NEDs' and Chairman's fees are reviewed annually in January each year, the latest review being with effect from January 2025 for NED fees and the Chairman's fees • The Board as a whole considers the policy and structure for the NEDs' fees on the recommendation of the Chairman and the Chief Executive Officer. The NEDs do not participate in discussions on their specific levels of remuneration; the Chairman's fees are set by the Committee
Maximum potential value	• Determined within the overall aggregate annual limit of £1,500,000 authorised by shareholders with reference to the Company's Articles of Association approved at the 2021 AGM
Performance metrics	• Not eligible to participate in any performance related elements of remuneration
Taxable benefits and expenses	• Taxable expenses incurred in the course of carrying out NED duties are reimbursed and grossed up to include tax payable

NOTES TO THE POLICY TABLE

Malus and Clawback Provisions

Malus and clawback provisions apply to the cash and deferred elements of the bonus and the RSA awards. The malus and clawback provisions may be enforced in the event of material misstatement, errors in assessment of conditions, significant failure of risk control, serious misconduct, corporate failure (entailing the appointment of an administrator or liquidator) and serious reputational damage or where there has been a material failure in the management of the company to which the relevant individual has made a direct contribution. Malus or clawback as relevant may be affected by a reduction in the amount of any future bonus or subsisting award, the vesting of any subsisting award or future share award and/or a requirement to make a cash payment. In respect of bonus or deferred bonus the relevant discovery period expires three years after the end of the relevant performance period. In respect of RSA awards (and legacy performance shares and options) the relevant discovery period expires on the third anniversary of the vesting of the awards.

Selection of performance measures and targets

The Committee determines the performance measures, and the weighting of each, applying to the annual bonus based on the strategic priorities of the Group at the time. The bonus measures in place normally include the use of profit, RAOC and cash flow measures, but the precise metrics and their weightings may change from year to year. Each of these measures is aligned with the Group's key performance indicators ('KPIs') and has been chosen as, alongside growing profitability, a focus on cash and effective investment of capital are particularly important. The management of capital employed together with profitability and cash flow ensures the focus on cash generation, enabling the Group to pay dividends and to support the growth strategy by making acquisitions and reinvesting in the underlying business. Strategic non-financial goals reward individual contribution to the success of the Group and allow a focus each year on important operational goals and strategic milestones, with a focus on the Environmental, Social and Governance agenda. This combination of performance measures provides a balance relevant to the Group's business and market conditions as well as providing a common goal for the executive directors, senior managers and shareholders.

Statement of consideration of shareholder views

The Committee considers shareholder feedback received in relation to the AGM each year and guidance from shareholder representatives more generally. In addition, the Committee consults proactively with its major shareholders prior to making significant changes to its policy, as it did last year when a comprehensive shareholder consultation was undertaken. This was conducted through meetings, calls and correspondence and the views received helped to shape the policy proposals.

Discretions retained by the Committee in operating the incentive plans

The Committee operates the Group's various incentive plans according to their respective rules and in accordance with HMRC and IRS rules where relevant. To ensure the efficient administration of these plans, the Committee may apply certain operational discretions. These include the following:

- selecting the participants in the plans;
- determining the timing of grants and/or payments;
- determining the quantum of grants, reference pricing basis and/or payments (within the limits set out in the policy table above);
- determining the extent of vesting based on the assessment of performance, including the vesting of restricted share awards;
- determining the appropriate treatment of leavers and the extent of vesting in the case of the share based plans;
- determining the extent of vesting of awards under share based plans in the event of a change of control;
- making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividends);
- determining the appropriate choice of measures, weightings and targets for the annual bonus plan from year to year, including discretion to amend the bonus outcome, as appropriate; and
- varying the performance conditions applying to share based awards if an event occurs which causes the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

Legacy arrangements

The proposed and previous directors' remuneration policies give authority to the Company to honour any commitments entered into with current or former directors (that have been disclosed to shareholders in previous remuneration reports) or internally promoted future directors (in each case, such as the payment of a pension or the unwind of legacy share plans). Details of any payments to former directors will be set out in the relevant remuneration report as they arise.

Executive directors' external appointments

With the specific approval of the Board in each case, executive directors may accept external appointments as non-executive directors of other companies and retain any related fees paid to them.

Recruitment of executive directors – approach to remuneration

Executive directors

For the ongoing stability and growth of the Group, it is important to secure, as necessary, the appointment of high calibre executives to the Board by either external recruitment or internal promotion. The overarching principles applied by the Committee in developing the remuneration package will be to set an appropriate base salary together with retirement and other benefits and short and long term incentives taking into consideration the skills and experience of the individual, the complexity and breadth of the role, the particular needs and situation of the Group, internal relativities, the marketplace in which the executive will operate and an individual's current remuneration package and location. In addition, the Committee recognises that it may need to meet certain relocation expenses or expatriate benefits as appropriate.

Any fixed or variable pay awards for new executive directors will not exceed the maximum limits set out in the policy table above. However, in addition, for external appointments the Committee may consider offering additional cash and/or share based elements to replace deferred remuneration forfeited by the individual on leaving their existing employment when it considers these to be in the best interests of the Company and its shareholders. Such elements, as appropriate, may be made under section 9.4.2 of the Listing Rules and would normally take account of the nature, time horizons and performance requirements attached to the awards forfeited.

Depending on the timing of the appointment, the Committee may deem it appropriate to set different annual bonus performance conditions for the first performance year of appointment. A long term incentive award can be made shortly following an appointment (or as soon as is practical if the Company is in a close period).

Non-executive directors

On appointment of a new Chairman of the Board or non-executive director, the fees will be set taking into account the experience and calibre of the individual and the prevailing rates of the other non-executive directors at the time.

Executive directors' service contracts

The service contracts for Frank van Zanten and Richard Howes provide for an equal notice period from the Company and the executive of a maximum 12 months' notice and any contracts for newly appointed executive directors will provide for equal notice in the future. The date of each service contract is noted in the table below:

	Date of service contract
Frank van Zanten	13 January 2016
Richard Howes	10 May 2019

Non-executive directors' terms of appointment

The non-executive directors do not have service contracts with the Company but instead have letters of appointment. The date of appointment and the most recent re-appointment and the length of service for each non-executive director are shown in the table below:

	Date of appointment	Date of last re-appointment at AGM	Length of service as at 2025 AGM
Peter Ventress	1 June 2019	24 April 2024	5 years 10 months
Lloyd Pitchford	1 March 2017	24 April 2024	8 years 1 month
Stephan Nanninga	1 May 2017	24 April 2024	7 years 11 months
Vin Murria	1 June 2020	24 April 2024	4 years 10 months
Pam Kirby	1 August 2022	24 April 2024	2 years 8 months
Jacky Simmonds	1 March 2023	24 April 2024	2 years 1 month
Daniela Barone Soares	16 December 2024		4 months
Julia Wilson	16 December 2024		4 months

Note

a) On termination, at any time, a non-executive director is entitled to any accrued but unpaid director's fees but not to any other compensation.

Policy on payment for departure from office

On termination of an executive director's service contract, the Committee will take into account the departing director's duty to mitigate his or her loss when determining the amount of compensation. The Committee's policy in respect of the treatment of executive directors leaving the Group is described below and is designed to support a smooth transition from the Company taking into account the interests of shareholders:

Component of pay	Voluntary resignation or termination for cause	Departure as a 'good leaver' or in other specific circumstances including on agreed terms
Base salary, pension and benefits	Paid for the proportion of the notice period worked and any untaken holidays pro-rated to the leaving date	Paid up to the date of departure or death, including any untaken holidays pro-rated to such date. In the case of ill health, a payment in lieu of notice may be made and, according to the circumstances, may be subject to mitigation. In such circumstances some benefits, such as company car or medical insurance may be retained until the end of the notice period.
Annual bonus cash	Cessation of employment during a bonus year will normally result in no cash bonus being paid	Cessation of employment during a bonus year or after the year end but prior to the normal bonus payment date will result in cash and deferred bonus being paid and pro-rated for the relevant portion of the financial year worked and performance achieved.
Annual bonus deferred shares	Unvested deferred shares will lapse	In the case of the death of an executive, all deferred shares will be transferred to the estate as soon as possible after death. In all other cases, subject to the discretion of the Committee, unvested deferred shares will be transferred to the individual on a date determined by the Committee.
Restricted shares	Unvested restricted share awards will lapse	Subject to the discretion of the Committee, unvested restricted share awards will normally be retained by the individual for the remainder of the vesting period, remain subject to the underpin conditions and will ordinarily be subject to time pro-ration. Holding period terms will ordinarily continue to run until (or be set to expire on or no later than) the second anniversary of departure from employment, commensurate with the post-cessation shareholding requirement. However, in the case of the death of an executive, the Committee will determine the extent to which the unvested shares may be exercised within 12 months of the date of death.
Options under Sharesave	As per HMRC regulations	As per HMRC regulations.
Other	None	Disbursements, such as legal costs and outplacement fees may be paid.

Note:
The Committee will have the authority to settle any legal claims against the Company, e.g. for unfair dismissal etc, that might arise on termination.

Differences in remuneration policy for executive directors and employees in general

The main difference in remuneration policy between the executive directors and employees in general is the split of fixed and performance related pay, such as bonus and long term incentives. Overall the percentage of performance related pay, in particular longer term incentive pay, is greater for the executive directors. This reflects that executive directors have more freedom to act and the consequences of their decisions are likely to have a broader and more far reaching time span of effect than those decisions made by employees with more limited responsibility. As a consequence only executive directors, Executive Committee members and other key employees (currently 27 people) are granted restricted share awards. Approximately 500 senior managers are granted executive share option awards on an annual basis, which helps to provide a common focus for management in the Company's decentralised organisation structure. In most cases, the annual bonuses are related to the performance of individual operating units.

Bonus arrangements vary throughout the Group and are related to the specific role and the country in which the employee operates. The majority of bonus plans have quantitative targets, but the performance measures and targets vary according to each specific role. Sales representatives often have annual bonus payments which may be commission based.

When there is a critical mass of employees within a country to make it cost-effective to do so, to encourage wider employee share ownership, an all employee share plan may be offered. Currently plans are offered to all employees based in Australia, New Zealand, Canada, Germany, Ireland, the Netherlands, the US and the UK. In France, employees take part in profit sharing arrangements in accordance with local regulations.

Retirement and other benefits offered to employees across the Group differ according to the country in which the job is based and the function and seniority of the relevant role.

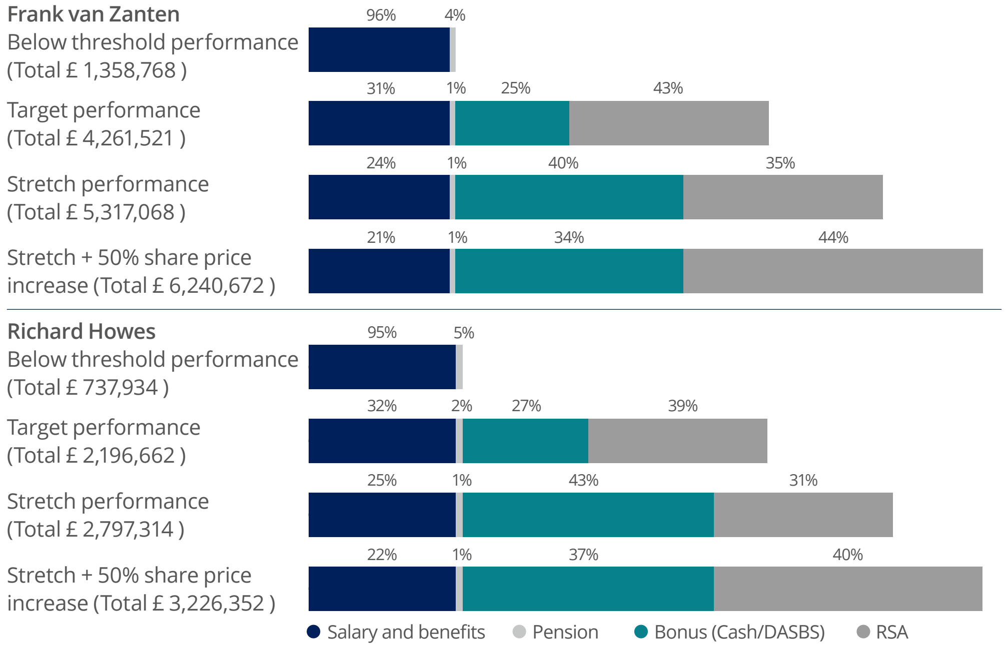
Statement of consideration of employment conditions elsewhere in the Group

The Committee is provided annually with information on the salaries and proposed increases for the Executive Committee members and other senior direct reports of the Chief Executive Officer, as well as data on the average salary increases for leadership teams in each region within the Group. In addition, the Committee reviews and agrees all grants of executive share options, performance share awards and restricted share awards.

The Committee considers the general basic salary increase within the geographical regions for the broader employee population when determining the annual salary increases for the executive directors and is cognisant of the Group's overall employment arrangements when reviewing and implementing the executive directors' remuneration policy. Members of the Committee held feedback sessions with employees in all regions and part of the discussion sought the employee's view on the executive remuneration approach and application. In addition, the Company monitors employees' views through regular employee surveys.

Remuneration scenarios

The remuneration package comprises both core fixed elements (base salary, pension and other benefits) and performance based variable elements (cash bonus, the DASBS and the LTIP). The structure of the remuneration packages for on-target and stretch performance for each of the two executive directors for 2025, in line with the remuneration policy, is illustrated in the bar charts below.



Notes

a) Salary represents annual salary for 2025. Benefits such as a car allowance and private medical insurance have been included based on 2024 figures. In the case of Frank van Zanten benefits also include a hybrid working allowance.
b) Stretch performance plus 50% share price increase shows the effect of a 50% growth in the Company share price on the value of the restricted share awards.
c) Pension represents the value of the annual pension allowance for 2025 for Frank van Zanten and Richard Howes.
d) Below threshold performance comprises salary, benefits, pension with no bonus award and for restricted share awards an assumption that zero will vest.
e) Target performance comprises annual bonus awarded at target level (i.e. for 2025 at 100% of salary for Frank van Zanten and 87.5% of salary for Richard Howes comprised of half cash and half deferred shares under the DASBS) and for restricted share awards an assumption that 100% will vest.
f) Stretch performance comprises annual bonus awarded at stretch level (i.e. for 2025 at 200% of salary for Frank van Zanten and 175% of salary for Richard Howes comprised of half cash and half deferred shares under the DASBS) and for restricted share awards an assumption that 100% will vest.

Jacky Simmonds
Chair of the Remuneration Committee
3 March 2025

// OTHER STATUTORY INFORMATION

Annual General Meeting

The Notice convening the Company's Annual General Meeting ('AGM'), to be held at 5 Broadgate, London EC2M 2QS on Wednesday 23 April 2025 at 11.00 am, is set out in a separate letter from the Chairman to shareholders.

Dividends

An interim dividend of 20.1p per share was paid on 3 January 2025 in respect of 2024 and the directors are recommending a final dividend of 53.8p per share, making a total for the year of 73.9p per share (2023: 68.3p). Dividend details are given in Note 22 to the consolidated financial statements. Subject to shareholder approval at the 2025 AGM, the final dividend will be paid on 2 July 2025 to those shareholders on the register at the close of business on 23 May 2025.

Share capital

The Company has a single class of share capital which is divided into ordinary shares of $32\frac{1}{7}$p each which rank pari passu in respect of participation and voting rights. The shares are in registered form, are fully paid up and are quoted on the London Stock Exchange. In addition, the Company operates a Level 1 American Depositary Receipt programme with J.P. Morgan Chase Bank, N.A. under which the Company's shares are traded on the over-the-counter market in the form of American Depositary Receipts.

Details of changes to the issued share capital during the year are set out in Note 21 to the consolidated financial statements.

Bunzl Group General Employee Benefit Trust

The trustee of the Bunzl Group General Employee Benefit Trust (the 'EBT') holds shares in respect of employee share options and awards that have not been exercised or vested. The EBT abstains from voting in respect of these shares. The trustee has agreed to waive the right to dividend payments on shares held within the EBT. Details of the shares so held are set out in Note 21 to the consolidated financial statements.

Rights and obligations attaching to shares

Subject to the provisions of the Companies Act 2006 and without prejudice to any rights attached to any existing shares, the Company may resolve by ordinary resolution to issue shares with such rights and restrictions as set out in such resolution or (if there is no such resolution or so far as it does not make specific provision) as the Board may decide. Subject to the provisions of the Companies Act 2006 and of any resolution of the Company passed pursuant thereto and without prejudice to any rights attached to existing shares, the Board is duly authorised to issue and allot, grant options over or otherwise dispose of the Company's shares on such terms and conditions and at such times as it thinks fit. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated by special resolution passed at a separate general meeting of such holders. Subject to the rights attached to any existing shares, rights attached to shares will be deemed to be varied by the reduction of capital paid up on the shares and by the allotment of further shares ranking in priority in respect of dividend or capital or which confer on the holders more favourable voting rights than the first-mentioned shares, but will not otherwise be deemed to be varied by the creation or issue of further shares.

Power to issue and allot shares

The directors are generally and unconditionally authorised under the authorities granted at the 2024 AGM to allot shares in the Company up to approximately one third of the Company's issued share capital or two thirds in respect of a rights issue. The directors were also given the power to allot ordinary shares for cash up to a limit representing approximately 10% of the Company's issued share capital as at 8 March 2024, without regard to the pre-emption provisions of the Companies Act 2006 (however, more than 5% can only be used in connection with an acquisition or specified capital investment). No such shares were issued or allotted under these authorities in 2024, nor is there any current intention to do so, other than to satisfy share options under the Company's share option schemes and, if necessary, to satisfy the consideration payable for businesses to be acquired.

These authorities are valid until the conclusion of the forthcoming AGM and the directors again propose to seek equivalent authorities at such AGM.

Restrictions on transfer of shares

Dealings in the Company's ordinary shares by its directors, persons discharging managerial responsibilities, certain employees of the Company and, in each case, any persons closely associated with them, are subject to the Company's Share Dealing Code.

Certain restrictions, which are customary for a listed company, apply to transfers of shares in the Company. The Board may refuse to register an instrument of transfer of any share which is not a fully paid share and of a certificated share at its discretion unless it is:

- lodged, duly stamped or duly certified, at the offices of the Company's registrar or such other place as the Board may specify and is accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- in respect of only one class of share; and
- in favour of not more than four transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules, and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

In addition, no instrument of transfer for certificated shares shall be registered if the transferor has been served with a restriction notice as defined in the Company's Articles of Association (the 'Articles') after failure to provide the Company with information concerning certain interests in the Company's shares required to be provided under the Companies Act 2006, unless the transfer is shown to the Board to be pursuant to an arm's length sale. The Board has the power to procure that uncertificated shares are converted into certificated shares and kept in certificated form for as long as the Board requires.

The Company is not aware of any agreements between shareholders that may result in any restriction of the transfer of shares or voting rights.

Restrictions on voting rights

A member shall not be entitled to vote, unless the Board otherwise decides, at any general meeting or class meeting in respect of any shares held by them if any call or other sums payable remain unpaid. Currently, all issued shares are fully paid. In addition, no member shall be entitled to vote if they have been served with a restriction notice after failing to provide the Company with information concerning certain interests in the Company's shares required to be provided under the Companies Act 2006. Votes may be exercised in person or by proxy. The Articles currently provide a deadline for submission of proxy forms of 48 hours before the relevant meeting, 24 hours before a poll is taken if such poll is taken more than 48 hours after it was demanded or during the meeting at which the poll was demanded if the poll is not taken straight away but is taken not more than 48 hours after it was demanded.

Purchase of own shares

At the AGM on 24 April 2024 (the '2024 AGM'), shareholders gave the Company authority to purchase up to a maximum amount equivalent to approximately 10% of its issued share capital. The Company will seek to renew this authority at the forthcoming 2025 AGM, in line with the recommendations of the Pre-Emption Group and within the limits set out in the notice of the 2025 AGM.

// OTHER STATUTORY INFORMATION *continued*

The Company commenced a share buyback programme on 27 August 2024 (the '2024 Programme'). A total of 7,223,430 ordinary shares (2023: nil), with an aggregate nominal value of £2,321,816.79 were purchased under the 2024 Programme in the financial year ended 31 December 2024, being 2.14% of the shares in issue at the time the authority was granted. The volume weighted average price paid per share was £34.61, with a total consideration (excluding all costs) of £250 million. As at 31 December 2024, 26,578,782 ordinary shares remained under the authority granted at the 2024 AGM.

As announced on 17 December 2024, the Company will execute an additional £200 million of buybacks during 2025 (the '2025 Programme'). The first tranche of the 2025 Programme, to purchase ordinary shares up to a maximum consideration of £50 million, commenced on 2 January 2025 and completed on 25 February 2025. A total of 1,485,587 ordinary shares, with an aggregate nominal value of £477,510.11 were purchased under the first tranche of the 2025 Programme, being 0.45% of the shares in issue at the time the authority was granted at the 2024 AGM. The volume weighted average price paid per share was £33.66, with a total consideration paid (excluding all costs) of £50 million.

As at 3 March 2025, 25,093,195 ordinary shares remain under the authority granted at the 2024 AGM.

The purpose of the 2024 and 2025 Programmes is to reduce the issued share capital of the Company and all ordinary shares purchased so far thereunder have been cancelled. No shares were held in treasury during the year, or during the period from year end up to (and including) 3 March 2025.

Directors

Directors may be elected by ordinary resolution at a duly convened general meeting or appointed by the Board. Under the Articles, the minimum number of directors shall be two and the maximum shall be 15. In accordance with the Articles, at every AGM all the directors at the date of the notice convening the AGM shall retire from office and may offer themselves for appointment or re-appointment by the members. The Board may also appoint a person willing to act as a director during the year either to fill a vacancy or as an additional director but so that the total number of directors shall not at any time exceed 15. However, such appointee shall only hold office until the next AGM of the Company.

In addition to any power to remove a director from office conferred by the Companies Act 2006, the Company may also by special resolution remove a director from office before the expiration of his or her period of office under the Articles.

The office of a director shall also be vacated pursuant to the Articles if the director:

- resigns by giving notice in writing sent to or received at the office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a meeting of the Board and that resignation becomes effective, or is asked to resign by all of the other directors who are not less than three in number; or
- is or has been suffering from mental or physical ill health and the Board resolves that his or her office be vacated; or
- is absent without permission from Board meetings for six consecutive months and the Board resolves that his or her office be vacated; or
- becomes bankrupt or compounds with his or her creditors generally; or
- is prohibited by law from being a director; or
- ceases to be a director by virtue of any provision of the Companies Act 2006 or is removed from office pursuant to the Articles.

Biographical details of all the current directors are set out on pages 86 to 87. Each of the directors will retire and offer themselves for re-appointment at the forthcoming AGM.

Directors' interests in the Company's ordinary shares are shown in Note 24 to the consolidated financial statements. None of the directors were materially interested in any contract of significance with the Company or any of its subsidiary undertakings during or at the end of 2024. Information relating to the directors' service agreements, their remuneration for the year and details of the directors' share options under the Company's share option schemes and awards under the Long Term Incentive Plan and Deferred Annual Share Bonus Scheme are set out in the Directors' remuneration report on pages 115 to 136.

Powers of the directors

Subject to the Articles, the Companies Act 2006 and any directions given by the Company by special resolution, the business of the Company is managed by the Board who may exercise all powers of the Company. The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent or agents of the Company for such purposes and on such conditions as the Board determines.

Directors' indemnities

Indemnities were in force throughout 2024 and remain in force as at the date of this report under which the Company has agreed to indemnify the directors and the Company Secretary, in addition to other senior executives who are directors of subsidiaries of the Company, to the extent permitted by law and the Articles in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities as a director or officer of the Company or any of its subsidiaries.

Amendment of articles

Any amendments to the Articles may be made in accordance with the provisions of the Companies Act 2006 by way of a special resolution of the Company's shareholders at a general meeting.

Environmental and social responsibility

The directors recognise that the Company is part of a wider community and that it has a responsibility to act in a way that respects the environment and social and community issues. Further information relating to the Company's approach to these matters is set out in the Sustainability report on pages 38 to 60.

Greenhouse gas emissions

Information relating to greenhouse gas emissions has been set out in the ESG appendix on pages 204 to 212.

Employment policies

The employment policies of the Group have been developed to meet the needs of its different business areas and the locations in which they operate worldwide, embodying the principles of equal opportunity. The Group has standards of business conduct with which it expects all its employees to comply. Bunzl encourages the involvement of its employees in the performance of the business in which they are employed and aims to achieve a sense of shared commitment. In addition to a regular magazine, which provides a variety of information on activities and developments within the Group and incorporates half year and annual financial reports, announcements are periodically circulated to give details of corporate and employee matters, together with a number of subsidiary or business area publications dealing with activities in specific parts of the Group.

It is the Group's policy that applicants with a disability should be considered for employment and career development on the basis of their aptitudes and abilities. Employees who develop a disability during their working life will be retained in employment wherever possible and given help with rehabilitation and training.

Further information relating to the Group's employees can be found in the Our people section on pages 31 to 35.

// OTHER STATUTORY INFORMATION *continued*

Significant agreements

The Company's wholly owned subsidiary, Bunzl Finance plc, has a number of bilateral loan facilities with a range of different counterparties, all of which are guaranteed by the Company, are in substantially the same form and are repayable at the option of the lender in the event of a change of control of the Company. Similar change of control provisions in relation to the Company are included in the US dollar, sterling and euro US private placement notes and the senior unsecured bonds (which are listed on the Main Market and International Securities Market of the London Stock Exchange), all of which have been entered into by Bunzl Finance plc and the Company and are also guaranteed by the Company.

Political donations

During 2024, no contributions were made for political purposes.

Use of financial instruments

Information on the use of financial instruments can be found in the Financial review on pages 76 to 82 and in the Notes to the financial statements on pages 145 to 181.

Disclosures required under UK Listing Rule 6.6

For additional information, which is required to be disclosed pursuant to UK Listing Rule 6.6, and which is incorporated by reference into this Directors' report, see the below table:

Information	Page
Allotment for cash of equity securities	173
Conflicts of interest	93
Directors of the Company	85
Directors' interests in shares	125
Details of dividend waiver(s)	173
Details of long term incentive schemes	131
Statement of capitalised interest	n/a

External auditors

Each of the directors in office at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Group and the Company's auditors are unaware; and
- the director has taken all steps that he or she ought to have taken as a director in order to make the director aware of any relevant audit information and to establish that the Group and the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Resolutions are to be proposed at the forthcoming AGM for the re-appointment of PricewaterhouseCoopers LLP as auditors of the Company, at a rate of remuneration to be determined by the directors.

Future developments within the Group

An indication of likely future developments in the Group's business can be found in the Strategic report on pages 2 to 83.

Strategic report and Directors' report

Pages 2 to 83 inclusive consist of the Strategic report and pages 84 to 139 inclusive consist of the Directors' report. These reports have been drawn up and presented in accordance with, and in reliance upon, applicable English company law and any liability of the directors in connection with these reports shall be subject to the limitations and restrictions provided by such law.

The Company has chosen, in accordance with section 414C(11) of the Companies Act 2006, to include certain matters in its Strategic report that would otherwise be required to be disclosed in this Directors' report. These matters are referred to above and are explained in more detail in the Strategic report on pages 2 to 83.

Under the Companies Act 2006, a safe harbour limits the liability of directors in respect of statements in and omissions from a strategic report and a directors' report. Under English law, the directors would be liable to the Company, but not to any third party, if the Strategic report or the Directors' report contain errors as a result of recklessness or knowing misstatement or dishonest concealment of a material fact but would not otherwise be liable.

The Strategic report and the Directors' report were approved by the Board on 3 March 2025.

By order of the Board

Suzanne Jefferies
Secretary
3 March 2025

Substantial shareholdings

As at 31 December 2024, the Company had been notified of the following significant interests in the issued share capital of the Company, in accordance with Rule 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Shareholder	Date of notification	Number of shares	% of issued share capital
Schroders plc	06.11.24	16,695,791	4.99%
The Capital Group Companies, Inc.	11.12.24	16,940,386	5.08%
Norges Bank	22.05.24	10,065,895	2.98%

On 19 February 2025, the Company received a further notification that The Capital Group Companies, Inc. had reduced its shareholding to 16,031,548 shares (4.86% of the Company's issued share capital). No other notifications have been received between 31 December 2024 and 3 March 2025.

// CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Revenue	4	**11,776.4**	11,797.1
Operating profit	4	**799.3**	789.1
Finance income	6	**72.6**	60.4
Finance expense	6	**(178.0)**	(150.9)
Disposal of businesses	10	**(20.3)**	–
Profit before income tax		**673.6**	698.6
Income tax	7	**(172.6)**	(172.4)
Profit for the year		**501.0**	526.2
Profit is attributable to:			
Company's equity holders		**500.4**	526.2
Non-controlling interests		**0.6**	–
Profit for the year		**501.0**	526.2
Earnings per share attributable to the Company's equity holders			
Basic	8	**149.6p**	157.1p
Diluted	8	**148.7p**	156.0p

Alternative performance measures†	Notes	2024 £m	2023 £m
Operating profit	4	**799.3**	789.1
Adjusted for:			
Amortisation excluding software	4	**148.3**	135.6
Acquisition related items through operating profit	4	**31.7**	19.5
Non-recurring pension scheme credit	4	**(3.2)**	–
Adjusted operating profit		**976.1**	944.2
Finance income	6	**72.6**	60.4
Adjusted finance expense	6	**(175.8)**	(150.9)
Adjusted profit before income tax		**872.9**	853.7
Tax on adjusted profit	7	**(222.4)**	(213.4)
Adjusted profit for the year		**650.5**	640.3
Adjusted profit is attributable to:			
Company's equity holders		**649.9**	640.3
Non-controlling interests		**0.6**	–
Adjusted profit for the year		**650.5**	640.3
Adjusted earnings per share attributable to the Company's equity holders	8	**194.3p**	191.1p

† See Note 3 on page 151 for further details of the alternative performance measures.

The Accounting policies and other Notes on pages 145 to 181 form part of these consolidated financial statements.

// CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Profit for the year		**501.0**	526.2
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Actuarial (loss)/gain on defined benefit pension schemes	25	**(35.1)**	2.9
Tax on items that will not be reclassified to profit or loss*	7	**8.2**	(0.1)
Total items that will not be reclassified to profit or loss		**(26.9)**	2.8
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences on foreign operations		**(193.3)**	(126.9)
Reclassification from translation reserve to income statement on disposal of foreign operations	10	**18.7**	–
Gain/(loss) recognised in cash flow hedge reserve*		**6.3**	(2.3)
Gain taken to equity as a result of effective net investment hedges		**20.3**	31.4
Tax on items that may be reclassified to profit or loss*	7	**(1.7)**	0.1
Total items that may be reclassified subsequently to profit or loss		**(149.7)**	(97.7)
Other comprehensive expense for the year		**(176.6)**	(94.9)
Total comprehensive income		**324.4**	431.3
Total comprehensive income is attributable to:			
Company's equity holders		**323.8**	431.3
Non-controlling interests		**0.6**	–
Total comprehensive income		**324.4**	431.3

* The Group has restated comparatives for the year to 31 December 2023 in the Consolidated statement of comprehensive income to recognise fair value movements on cash flow hedges, and the related deferred tax balances, that were previously classified as 'Items that will not subsequently be reclassified to profit or loss', within 'Items that may subsequently be reclassified to profit or loss'. This is to reflect the fact that, while considered unlikely, there are some potential future scenarios that may lead to these items being reclassified to profit or loss. This restatement is a presentational change. There is no impact from this change on the Group's Other comprehensive expense for the year or Total comprehensive income for the year. There is no impact from this change on the Group's net assets or shareholders' equity, nor any impact on the Consolidated income statement, Consolidated statement of changes in equity or the Consolidated cash flow statement.

// CONSOLIDATED BALANCE SHEET
at 31 December 2024

	Notes	2024 £m	2023 £m
Assets			
Property, plant and equipment	11	**213.3**	159.4
Right-of-use assets	12	**697.6**	616.3
Intangible assets	13	**3,683.8**	3,242.1
Defined benefit pension assets	25	**35.8**	69.0
Derivative financial assets		**–**	0.1
Deferred tax assets	20	**14.1**	14.2
Total non-current assets		**4,644.6**	4,101.1
Inventories	15	**1,760.9**	1,621.1
Trade and other receivables	16	**1,634.1**	1,578.5
Income tax receivable		**13.0**	8.7
Derivative financial assets		**28.0**	11.7
Cash and cash equivalents	28	**1,432.9**	1,426.1
Assets classified as held for sale		**15.7**	–
Total current assets		**4,884.6**	4,646.1
Total assets		**9,529.2**	8,747.2

	Notes	2024 £m	2023 £m
Equity			
Share capital	21	**106.4**	108.6
Share premium		**212.1**	205.2
Translation reserve		**(324.6)**	(170.2)
Other reserves		**24.3**	16.7
Retained earnings		**2,769.2**	2,806.0
Total equity attributable to the Company's equity holders		**2,787.4**	2,966.3
Non-controlling interests		**3.3**	–
Total equity		**2,790.7**	2,966.3
Liabilities			
Interest bearing loans and borrowings	28	**1,361.7**	1,417.1
Defined benefit pension liabilities	25	**16.0**	19.6
Other payables	17	**255.4**	176.1
Income tax payable		**–**	0.5
Provisions	19	**49.7**	75.8
Lease liabilities	27	**573.7**	512.4
Derivative financial liabilities		**82.8**	78.7
Deferred tax liabilities	20	**263.3**	190.1
Total non-current liabilities		**2,602.6**	2,470.3
Bank overdrafts	28	**987.9**	874.2
Interest bearing loans and borrowings	28	**619.2**	130.0
Trade and other payables	17	**2,206.1**	2,071.6
Income tax payable		**63.7**	47.0
Provisions	19	**57.1**	10.0
Lease liabilities	27	**180.4**	152.1
Derivative financial liabilities		**15.8**	25.7
Liabilities relating to assets classified as held for sale		**5.7**	–
Total current liabilities		**4,135.9**	3,310.6
Total liabilities		**6,738.5**	5,780.9
Total equity and liabilities		**9,529.2**	8,747.2

The financial statements on pages 140 to 181 were approved by the Board of Directors of Bunzl plc (Company registration number 358948) on 3 March 2025 and signed on its behalf by Frank van Zanten, Chief Executive Officer and Richard Howes, Chief Financial Officer.

// CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

				Other reserves			Retained earnings				
	Share capital £m	Share premium £m	Translation reserve £m	Merger £m	Capital redemption £m	Cash flow hedge £m	Own shares £m	Earnings £m	Total attributable to the Company's equity holders £m	Non-controlling interests £m	Total equity £m
At 1 January 2024	108.6	205.2	(170.2)	2.5	16.1	(1.9)	(70.9)	2,876.9	2,966.3	–	2,966.3
Profit for the year								500.4	500.4	0.6	501.0
Actuarial losses on defined benefit pension schemes								(35.1)	(35.1)	–	(35.1)
Foreign currency translation differences on foreign operations			(193.3)						(193.3)	–	(193.3)
Reclassification from translation reserve to income statement on disposal of foreign operations			18.7						18.7	–	18.7
Gain taken to equity as a result of effective net investment hedges			20.3						20.3	–	20.3
Gain recognised in cash flow hedge reserve						6.3			6.3	–	6.3
Income tax (charge)/credit on other comprehensive expense			(0.1)			(1.6)		8.2	6.5	–	6.5
Total comprehensive income			(154.4)			4.7		473.5	323.8	0.6	324.4
2023 interim dividend								(61.0)	(61.0)	–	(61.0)
2023 final dividend								(167.6)	(167.6)	–	(167.6)
Movement from cash flow hedge reserve to inventory (net of tax)						0.6			0.6	–	0.6
Hyperinflation accounting adjustments[1]								17.1	17.1	–	17.1
Non-controlling interest acquired									–	2.7	2.7
Issue of share capital	0.1	6.9							7.0	–	7.0
Own shares purchased for cancellation (Note 21)								(301.2)	(301.2)	–	(301.2)
Own shares cancelled (Note 21)	(2.3)				2.3				–	–	–
Employee trust shares							(16.6)		(16.6)	–	(16.6)
Movement on own share reserves							24.2	(24.2)	–	–	–
Share based payments (net of tax)								19.0	19.0	–	19.0
At 31 December 2024	106.4	212.1	(324.6)	2.5	18.4	3.4	(63.3)	2,832.5	2,787.4	3.3	2,790.7

// CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024 *continued*

				Other reserves			Retained earnings				
	Share capital £m	Share premium £m	Translation reserve £m	Merger £m	Capital redemption £m	Cash flow hedge £m	Own shares £m	Earnings £m	Total attributable to the Company's equity holders £m	Non-controlling interests £m	Total equity £m
At 1 January 2023	108.5	199.4	(74.2)	2.5	16.1	(0.9)	(63.4)	2,532.9	2,720.9	–	2,720.9
Profit for the year								526.2	526.2	–	526.2
Actuarial gain on defined benefit pension schemes								2.9	2.9	–	2.9
Foreign currency translation differences on foreign operations			(126.9)						(126.9)	–	(126.9)
Gain taken to equity as a result of effective net investment hedges			31.4						31.4	–	31.4
Loss recognised in cash flow hedge reserve						(2.3)			(2.3)	–	(2.3)
Income tax (charge)/credit on other comprehensive expense			(0.5)			0.6		(0.1)	–	–	–
Total comprehensive income			(96.0)			(1.7)		529.0	431.3	–	431.3
2022 interim dividend								(57.9)	(57.9)	–	(57.9)
2022 final dividend								(151.8)	(151.8)	–	(151.8)
Movement from cash flow hedge reserve to inventory (net of tax)						0.7			0.7	–	0.7
Hyperinflation accounting adjustments[1]								21.6	21.6	–	21.6
Issue of share capital	0.1	5.8							5.9	–	5.9
Employee trust shares							(25.2)		(25.2)	–	(25.2)
Movement on own share reserves							17.7	(17.7)	–	–	–
Share based payments (net of tax)								20.8	20.8	–	20.8
At 31 December 2023	108.6	205.2	(170.2)	2.5	16.1	(1.9)	(70.9)	2,876.9	2,966.3	–	2,966.3

1. IAS 29 'Financial Reporting in Hyperinflationary Economies' remains applicable for the Group's businesses with a functional currency of the Turkish lira and was applicable for the Group's business with a functional currency of the Argentinian peso up to the date of disposal (Note 10). The results of the Group's businesses in Turkey and Argentina have been adjusted for the effects of inflation in accordance with IAS 29. See Note 1 for further details.

// CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Cash flow from operating activities			
Profit before income tax		**673.6**	698.6
Adjusted for:			
net finance expense	6	**105.4**	90.5
amortisation excluding software	13	**148.3**	135.6
acquisition related items through operating profit	4	**31.7**	19.5
non-recurring pension scheme credit	25	**(3.2)**	–
disposal of businesses	10	**20.3**	–
Adjusted operating profit		**976.1**	944.2
Adjustments:			
depreciation and software amortisation	30	**235.8**	207.2
other non-cash items	30	**18.6**	6.5
working capital movement	30	**(97.1)**	(28.4)
Cash generated from operations before acquisition related items		**1,133.4**	1,129.5
Cash outflow from acquisition related items	9	**(42.0)**	(36.9)
Income tax paid		**(180.5)**	(188.6)
Cash inflow from operating activities		**910.9**	904.0
Cash flow from investing activities			
Interest received		**61.4**	54.4
Purchase of property, plant and equipment and software	11,13	**(54.4)**	(58.3)
Sale of property, plant and equipment and software		**17.2**	2.1
Purchase of businesses net of cash acquired	9	**(636.2)**	(337.7)
Disposal of businesses net of cash disposed	10	**2.9**	–
Cash outflow from investing activities		**(609.1)**	(339.5)
Cash flow from financing activities			
Interest paid excluding interest on lease liabilities		**(126.6)**	(107.6)
Dividends paid	22	**(228.6)**	(209.7)
Increase in borrowings		**561.7**	–
Repayment of borrowings		**(132.9)**	(159.5)
Receipts on settlement of foreign exchange contracts		**24.2**	21.6
Payment of lease liabilities – principal	27	**(178.2)**	(159.4)
Payment of lease liabilities – interest	27	**(38.5)**	(28.6)
Proceeds from issue of ordinary shares to settle share options		**7.0**	5.9
Proceeds from exercise of market purchase share options		**53.7**	46.8
Purchase of own shares	21	**(247.9)**	–
Purchase of employee trust shares		**(75.0)**	(76.4)
Cash outflow from financing activities		**(381.1)**	(666.9)
Decrease in cash, cash equivalents and overdrafts		**(79.3)**	(102.4)

	Notes	2024 £m	2023 £m
Cash, cash equivalents and overdrafts at start of year		**551.9**	678.1
Decrease in cash, cash equivalents and overdrafts		**(79.3)**	(102.4)
Currency translation		**(27.6)**	(23.8)
Cash, cash equivalents and overdrafts at end of year	28	**445.0**	551.9

	Notes	2024 £m	2023 £m
Alternative performance measures†			
Cash generated from operations before acquisition related items		**1,133.4**	1,129.5
Purchase of property, plant and equipment and software		**(54.4)**	(58.3)
Sale of property, plant and equipment and software		**17.2**	2.1
Payment of lease liabilities	27	**(216.7)**	(188.0)
Operating cash flow		**879.5**	885.3
Adjusted operating profit		**976.1**	944.2
Add back depreciation of right-of-use assets	12	**186.1**	166.1
Deduct payment of lease liabilities	27	**(216.7)**	(188.0)
Lease adjusted operating profit		**945.5**	922.3
Cash conversion (operating cash flow as a percentage of lease adjusted operating profit)		**93%**	96%
Operating cash flow		**879.5**	885.3
Net interest paid excluding interest on lease liabilities		**(65.2)**	(53.2)
Income tax paid		**(180.5)**	(188.6)
Free cash flow		**633.8**	643.5

† See Note 3 on page 151 for further details of the alternative performance measures.

// NOTES

1 Basis of preparation

Bunzl plc (the 'Company') is a public company, which is limited by shares and is listed on the London Stock Exchange. The Company is incorporated and domiciled in the United Kingdom and is registered in England and Wales.

a. Basis of accounting

The consolidated financial statements for the year ended 31 December 2024 have been approved by the Board of directors of Bunzl plc. They are prepared in accordance with UK-adopted International Accounting Standards ('IASs') in conformity with the requirements of the Companies Act 2006 and the applicable legal requirements of the Companies Act 2006. The consolidated financial statements also comply fully with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB'). They are prepared under the historical cost convention with the exception of certain items which are measured at fair value as described in the accounting policies below.

(i) Going concern

The directors, having reassessed the principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the financial statements.

In reaching this conclusion, the directors noted the Group's strong operating cash flow performance in the year and the substantial funding held by the Group as described in the Financial review. The directors also considered a range of different forecast scenarios for the 18 month period from the date of these financial statements to the end of June 2026 starting with a base case projection derived from the Group's 2025 Budget excluding any non-committed spending or changes in funding. The resilience of the Group to a severe but plausible downside scenario was factored into the directors' considerations. The severe but plausible downside scenario included a 15% reduction in adjusted operating profit from the potential for adverse impacts from the crystallisation of the principal risks to the Group's organic growth and a reduction in the Group cash conversion to 90% (cash conversion in 2024 was 93% and in 2023 was 96%).

In addition, the Group has carried out a reverse stress test against the base case to determine the level of performance that would result in a breach of financial covenants (as disclosed in Note 18). In order for a breach of covenants to occur during the 18 month period to the end of June 2026 the Group would need to experience a reduction in EBITDA of over 55% compared with the base case.

In the severe but plausible downside scenario it was found that the Group was resilient and in particular it remained in compliance with the relevant financial covenants. The conditions required to create the reverse stress test scenario were so severe that they were considered to be implausible. The directors are therefore satisfied that the Group's forecasts, and the severe but plausible downside scenario applied to them, show that there are no material uncertainties over going concern, including no anticipated breach of covenants, and therefore the going concern basis of preparation continues to be appropriate.

(ii) Impact of Hyperinflation on the financial statements at 31 December 2024

The Group's financial statements include the results and financial position of its Turkish operations restated to the measuring unit current at the end of the year, and the results of its Argentinian operation restated to the measuring unit current for the period up until disposal (Note 10), with hyperinflationary gains and losses in respect of monetary items being reported in finance expense. Comparative amounts presented in the financial statements have not been restated. The inflation rates used by the Group are the official rates published by the Turkish Statistical Institute and the Argentine Federation of Professional Councils of Economic Sciences. The movement in the publicly available official price index for the year ended 31 December 2024 was an increase of 44% (2023: increase of 65%) in Turkey and an increase of 37% for the period up until disposal (2023: increase of 210%) in Argentina.

IAS 29 requires that the income statement is adjusted for inflation in the year and translated at the year end foreign exchange rates and that non-monetary assets and liabilities on the balance sheet are inflated to reflect the change in purchasing power caused by inflation from the date of initial recognition. For the year ended 31 December 2024, this resulted in an increase in goodwill of £7.5m (2023: £8.4m) and a net increase in other intangibles of £0.2m (2023: £0.4m). The impacts on other non-monetary assets and liabilities were immaterial. The impact to retained earnings during the year was a gain of £17.1m (2023: gain of £21.6m). The total impact to the Consolidated income statement during the year was a charge of £9.8m (2023: £11.0m) to profit after tax from hyperinflation accounting adjustments, comprising a £9.9m adverse impact (2023: £9.5m adverse impact) on adjusted profit before tax, increased customer relationships amortisation of £nil (2023: £0.2m) and a decreased tax charge of £0.1m (2023: £1.3m increased tax charge).

When applying IAS 29 on an ongoing basis, comparatives in a stable currency are not restated with the translation effect presented within other comprehensive income during the year, and the effect of inflating opening balances to the measuring unit current at the end of the reporting period presented as a change in equity.

b. Newly adopted accounting policies

There are no new standards or amendments to existing standards that are effective that have had a material impact on the Group. Based on the Group's ongoing assessment, the Group does not anticipate any new or revised standards and interpretations that are effective from 1 January 2025 and beyond to have a material impact on its consolidated results or financial position.

// NOTES *continued*

2 Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in the consolidated financial statements.

a. Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group is either exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. A list of all of the Company's subsidiary undertakings is included in the Related undertakings note in the Shareholder information section on pages 195 to 200 and is incorporated by reference within these financial statements and is, therefore, subject to audit. The results of all of the subsidiary undertakings are included in full in these consolidated financial statements.

The following UK subsidiaries are exempt from the requirements under the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A of the Act.

Company Name	Registered number
Bunzl American Holdings (No. 1) Limited	02865710
Bunzl American Holdings (No. 2) Limited	05286676
Bunzl Holding GTL Limited	0685352
Bunzl Holding LCE Limited	0970892
Bunzl Mexico Holdings 1 Limited	13558260
Bunzl Mexico Holdings 2 Limited	13558193
Bunzl Overseas Holdings Limited	02865701
Bunzl Overseas Holdings (No. 2) Limited	02090880
Bunzl Overseas Holdings (No. 3) Limited	08224950
Henares Limited	06387342
Yorse No. 1 Limited	04373660
Yorse No. 3 Limited	02317609
Selectuser Limited	03829908

(ii) Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date. The consideration paid or payable in respect of acquisitions comprises amounts paid on completion and deferred consideration, excluding payments which are contingent on the continued employment of former owners of businesses acquired. Where material, deferred consideration is discounted to present value using an appropriate discount rate and is unwound within finance expense over the relevant period. The excess of the consideration over the fair value of the identifiable net assets acquired is recorded as goodwill. Payments that are contingent on future employment are charged to the income statement over the period of employment. Transaction costs and expenses such as professional fees are charged to the income statement in the period they are incurred.

When less than 100% of the issued share capital of a subsidiary is acquired and the acquisition includes an option to purchase the remaining share capital of the subsidiary, the anticipated acquisition method is applied, where judged appropriate to do so based on the risks and rewards associated with the option to purchase, meaning that no non-controlling interest is recognised. A liability is carried on the balance sheet equal to the fair value of the option and this is revised to fair value at each reporting date with differences being recorded in acquisition related items in the income statement.

When less than 100% of the issued share capital of a subsidiary is acquired and the acquisition does not include an option to purchase the remaining share capital of the subsidiary, the non-controlling interests are stated at the non-controlling interests' proportion of the fair values of the assets and liabilities recognised.

(iii) Disposal of businesses

Where a subsidiary undertaking is sold, the profit or loss on disposal is calculated as the difference between the aggregate of the fair value of the consideration received and the carrying amount of the assets and liabilities of the subsidiary on the date of disposal less any transaction costs relating to the disposal. On the disposal of a subsidiary with assets and liabilities denominated in foreign currency, the cumulative translation difference associated with that subsidiary in the translation reserve is credited or debited to the profit or loss on disposal recognised in the income statement. Cash received on disposal of businesses is shown within investing activities in the Consolidated cash flow statement, net of cash, cash equivalents and overdrafts disposed of and transaction costs paid.

(iv) Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, they are available for immediate disposal and the sale is highly probable. Non-current assets and disposal groups held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

(v) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

b. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Foreign exchange differences arising on translation are recognised in the income statement, unless they qualify for cash flow or net investment hedge accounting treatment, in which case the effective portion is recognised directly in other comprehensive income.

Assets and liabilities of foreign operations are translated at the exchange rate prevailing at the balance sheet date. Income and expenses of foreign operations are translated at average exchange rates with the exception of subsidiaries in hyperinflationary economies that are translated at the closing rate at the end of the year. All resulting exchange differences, including exchange differences arising from the translation of borrowings and other financial instruments designated as hedges of such balances, are recognised directly in other comprehensive income and accumulated in the translation reserve. Differences that have arisen since 1 January 2004, the date of transition to IFRS, are presented in this separate component of equity.

// NOTES *continued*

2 Accounting policies continued

c. Revenue

The Group is principally engaged in the delivery of goods to customers representing a single performance obligation which is typically satisfied upon delivery of the relevant goods. Revenue related to the provision of services is recognised when the service is provided, which for the majority of the Group's service revenue represents a single performance obligation. Service revenue is recognised over time where it relates to multiple performance obligations being satisfied, usually based on work completed to date. Revenue is not recognised if there is significant uncertainty regarding recovery of the consideration due.

Revenue is valued at invoiced amounts, excluding sales taxes and including estimates for variable consideration where relevant, such as returns, rebates and discounts, for which a liability is recognised as required. Returns and early settlement discount liabilities are based on experience over an appropriate period whereas volume discount (including rebates) liabilities are based on agreements with customers and expected volumes.

d. Cost of goods sold

Cost of goods sold consists of the cost of the inventories sold or disposed of in the period where the cost of inventories is net of supplier rebate income related to those inventories.

e. Supplier rebates

The Group has various rebate arrangements with a number of suppliers. Some of these arrangements are based on the volume of products purchased and others are based on the volume of products sold. Supplier rebate income is recognised in cost of goods sold concurrent with the sale of the inventories to which it relates and is calculated by reference to the expected consideration receivable from each rebate arrangement. Substantially all supplier rebate income is unconditional and non-judgemental. Supplier rebate income is not recognised if there is significant uncertainty regarding recovery of the amount due. Supplier rebate income accrued but not yet received is included in other receivables.

f. Share based payments

The Group operates a number of equity settled share based payment compensation plans. Details of these plans are outlined in Note 21 and the Directors' remuneration report. The total expected expense is based on the fair value of options and other share based incentives on the grant date, calculated using a valuation model, and is spread over the expected vesting period with a corresponding credit to equity.

g. Leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and any lease payments made at or before the lease commencement date, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot readily be determined, as is the case in the vast majority of the leasing activities of the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset in a similar economic environment with similar terms and conditions. The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index/rate or a change in the Group's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

Judgements are involved in determining the lease term, particularly because termination options are included in a number of property leases across the Group to facilitate operational flexibility. The majority of termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise a termination option. Periods after the date of a termination option are only included in the lease term if it is reasonably certain that the lease will not be terminated. The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the Group.

Payments associated with short term leases and leases of low value assets are recognised on a straight line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low value assets are assets with a value of less than £5,000 when new, typically small items of IT equipment, office equipment and office furniture.

h. Income tax

Income tax in the income statement comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or recoverable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date and any adjustments in respect of prior years. Current tax payable is recognised when it is probable that the Group will be required to settle the obligation. The Group's policy for accounting for current tax payable or receivable where it is uncertain is described in more detail in Note 2y – Sources of estimation uncertainty – Taxation.

Deferred tax is provided using the balance sheet liability method providing for temporary differences arising between tax bases and carrying amounts in the consolidated financial statements. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is not recognised for the following temporary differences: goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profits and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future and where the Company controls the timing of the reversal. A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

i. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment losses. The carrying values of property, plant and equipment are periodically reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

// NOTES *continued*

2 Accounting policies continued

j. Depreciation

Depreciation is charged to the income statement on a straight line basis to write off cost less estimated residual value over the assets' estimated remaining useful lives. The estimated useful lives are as follows:

Buildings	50 years (or depreciated over life of lease if shorter than 50 years)
Plant and machinery	3 to 12 years
Fixtures, fittings and equipment	3 to 12 years
Freehold land	Not depreciated

Assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date.

k. Intangible assets

(i) Goodwill

Acquisitions are accounted for using the acquisition method. As permitted by IFRS 1 'First-time Adoption of International Financial Reporting Standards', the Group chose to apply IFRS 3 'Business Combinations' from 1 January 2004 and elected not to restate previous business combinations. For acquisitions made before 1 January 2004, goodwill represents the amount previously recorded under UK Generally Accepted Accounting Practice ('UK GAAP'). For acquisitions that occurred between 1 January 2004 and 31 December 2009, goodwill represents the cost of the business combination in excess of the fair value of the identifiable assets, liabilities and contingent liabilities acquired. For acquisitions that have occurred on or after 1 January 2010, goodwill represents the cost of the business combination (excluding payments contingent on future employment and transaction costs and expenses) in excess of the fair value of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is allocated to cash generating units ('CGUs') and is tested annually for impairment. Negative goodwill arising on acquisition is recognised immediately in the income statement.

(ii) Customer and supplier relationships, brands and technology

Customer and supplier relationships, brands and technology intangible assets acquired in a business combination are recognised on acquisition and recorded at fair value. Subsequent to initial recognition, customer and supplier relationships, brands and technology intangible assets are stated at cost less accumulated amortisation and any impairment losses. Amortisation is charged to the income statement on a straight line basis over the estimated useful economic lives which range from 3 to 19 years.

(iii) Software

Software is stated at historical cost less accumulated amortisation and any impairment losses. The carrying values of software are periodically reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. Amortisation is charged to the income statement on a straight line basis over the estimated useful economic lives which range from 3 to 10 years.

l. Impairment

The carrying amounts of the Group's assets are reviewed annually to determine if there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. The recoverable amounts of assets carried at amortised cost are calculated as the present value of estimated future cash flows, discounted at appropriate pre-tax discount rates. The recoverable amounts of other assets are the greater of their fair value less the costs of disposal and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present values using appropriate pre-tax discount rates. Impairment losses are recognised when the carrying amount of an asset or CGU exceeds its recoverable amount, with impairment losses being recognised in the income statement.

m. Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle and comprises the purchase price, net of any related supplier volume rebates, plus import duties and other taxes, inbound freight and haulage costs and other related costs incurred to bring the product to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated cost necessary to make the sale. Provision is made for obsolete, slow moving or defective items and market price movements where appropriate.

n. Trade and other receivables

Trade and other receivables are initially measured at fair value, which for trade receivables is equal to the consideration expected to be received from the satisfaction of performance obligations. Subsequent to initial recognition these assets are measured at amortised cost less any provision for impairment losses including expected credit losses. In accordance with IFRS 9 'Financial Instruments' the Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics such as the ageing of the debt and the credit risk of the customers. An historical credit loss rate is then calculated for each group and adjusted to reflect expectations about future credit losses. Inputs and assumptions used for expected credit loss provisions are based on local operating company historical experience and expectations about future credit losses. The Group does not have any significant contract assets.

o. Trade and other payables

Trade and other payables are initially measured at fair value including any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost. The Group has contract liabilities in the form of deferred income which arises from consideration received in advance of the satisfaction of performance obligations.

p. Financial instruments

Classification and measurement

Under IFRS 9, financial instruments are initially measured at fair value with subsequent measurement depending upon the classification of the instrument. IFRS 13 'Fair Value Measurement' defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All non-derivative financial assets and liabilities are subsequently held at amortised cost unless they are in a fair value hedge relationship, with the exception of money market funds which are held at fair value. Financial assets and liabilities held in a fair value hedge relationship are held at amortised cost with a fair value adjustment with subsequent changes in this fair value adjustment recorded in the income statement.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- a hedge of the fair value of recognised assets or liabilities or a firm commitment ('fair value hedge');
- a hedge of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions ('cash flow hedge'); or
- a hedge of a net investment in a foreign operation ('net investment hedge').

// NOTES *continued*

2 Accounting policies continued

The Group documents its risk management objectives and strategy for undertaking its hedge transactions. At inception of hedge relationships, the Group documents the economic relationship between the hedging instruments and the hedged items.

The fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is 12 months or less.

(i) Fair value hedge
Where a derivative instrument is designated and qualifies as a hedge of a recognised asset or liability, all changes in the fair value of the derivative are recognised immediately in the income statement within finance expense. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged with changes recognised in the income statement, also within finance expense. The gain or loss relating to any ineffective portion of the hedging arrangement is recognised immediately in finance expense in the income statement.

If the hedge relationship is de-designated, then from the point of de-designation there is no further fair valuing of the hedged item. Any previous adjustment to the carrying amount of the hedged item is amortised over the remaining maturity of the hedged item.

(ii) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to any ineffective portion is recognised immediately in the income statement.

Where a derivative instrument is designated and qualifies as a hedge of a forecast transaction, only the change in fair value of the forward contract related to the spot component is designated as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contract are initially recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item is recognised in the income statement.

Gains or losses accumulated in equity are reclassified to the income statement when the hedged item affects profit or loss. When the hedged item results in the recognition of a non-financial asset, the gains or losses accumulated in equity are transferred from equity and included in the carrying amount of the non-financial asset, with the deferred gains or losses ultimately being recognised in the income statement as the non-financial asset affects profit or loss. This transfer is not a reclassification adjustment.

When a hedging instrument expires, any cumulative deferred gain/loss in equity relating to that instrument remains in equity until the forecast transaction occurs at which point it is reclassified to the income statement. When the forecast transaction is no longer expected to occur, the cumulative deferred gain/loss recorded in equity is immediately reclassified to the income statement.

(iii) Net investment hedge
Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operations are recognised directly in equity to the extent the hedge is effective and are accumulated in a separate reserve within equity. To the extent that the hedge is ineffective such differences are recognised in the income statement.

(iv) Other derivative instruments
Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

q. Cash, cash equivalents and overdrafts
Cash and cash equivalents, as reported in the balance sheet, comprises cash at bank and in hand and money market funds. Cash at bank and in hand includes cash balances and short term deposits with maturities of three months or less from the date the deposit is made.

Cash, cash equivalents and overdrafts, as reported in the cash flow statement, comprises cash at bank and in hand, money market funds and bank overdrafts.

r. Net debt
Net debt is defined as interest bearing loans and borrowings adjusted for the fair value of interest rate swaps on fixed interest rate borrowings and other derivatives managing the interest rate risk and currency profile less cash, cash equivalents and overdrafts.

s. Provisions
A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

t. Investment in own shares
The cost of shares held either directly (treasury shares) or indirectly (employee benefit trust shares) is deducted from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are subsequently sold or reissued, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is recognised in retained earnings. Shares repurchased under the share buyback programme, which are immediately cancelled, are not shown as treasury shares, but are shown as a deduction from the profit and loss account reserve in the group statement of changes in equity. When an irrevocable commitment to repurchase shares is entered into, the value of the commitment is recognised as an accrual within trade and other payables in the balance sheet, with a corresponding charge recognised in the profit and loss account reserve in the consolidated statement of changes in equity.

At each reporting date the Group remeasures the value of the shares held in the employee benefit trust to present them in the own shares reserve at the market value of those shares at the reporting date. This is done through a reclassification from retained earnings to the own shares reserve. This movement has no effect on the actual numbers of shares held by the employee benefit trust.

u. Retirement benefits
(i) Defined contribution pension schemes
A defined contribution pension scheme is a post-employment benefit scheme under which the Company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement in the periods during which services are rendered by employees.

(ii) Defined benefit pension schemes
A defined benefit pension scheme is a post-employment benefit plan other than a defined contribution pension scheme. Defined benefit pension schemes are recognised on the balance sheet as a defined benefit pension asset or a defined benefit pension liability based on the difference between the fair value of pension scheme assets and the present value of pension scheme liabilities.

// NOTES *continued*

2 Accounting policies continued

The present value of pension scheme liabilities is calculated by a qualified actuary using the projected unit method by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, discounted using the rate applicable to AA rated corporate bonds that have a similar maturity and currency to the pension scheme liabilities. The fair value of any pension scheme assets (at mid price) is deducted from the present value of pension scheme liabilities to determine the net deficit or surplus of each scheme. Remeasurements arising from defined benefit pension schemes comprise actuarial gains and losses on pension scheme liabilities and the actual return on pension scheme assets excluding amounts already included in net interest. The net actuarial gain or loss for the year is recorded in full in the statement of comprehensive income.

Current service cost, past service cost or gain and gains and losses on any settlements and curtailments are credited or charged to the income statement. Past service cost is recognised immediately to the extent benefits are already vested. Net interest on the net defined benefit pension liability or asset is calculated by applying the discount rate used to measure the defined benefit pension scheme deficit or surplus at the beginning of the year to the net defined benefit pension liability or asset at the beginning of the year. Net interest is recorded within finance expense or finance income in the income statement.

When the valuation of a defined benefit pension scheme results in a surplus, the recognised defined benefit pension asset is limited to the present value of benefits available in the form of any future refunds from the pension scheme or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

v. Dividends

The interim dividend is recognised in the statement of changes in equity in the period in which it is paid and the final dividend in the period in which it is approved by shareholders at the Annual General Meeting.

w. Hyperinflationary economies

Where the Group has operations in countries to which hyperinflation accounting applies, the financial statements of the business concerned are accounted for under IAS 29 'Financial Reporting in Hyperinflationary Economies'. See Note 1a(ii) for details on the impact of hyperinflation accounting in the current year.

x. Judgements made in applying the Group's accounting policies

In the course of preparing the financial statements, the following judgements, in addition to those made in determining estimates and assumptions (see Note 2y below), were made in the process of applying the Group's accounting policies that have had a significant effect on the amounts recognised in the financial statements:

Determining lease terms under the application of IFRS 16 'Leases'

In measuring its right-of-use assets and lease liabilities, management is required to make judgements, particularly in relation to lease termination options. Periods after the date of a termination option are only included in the lease term if it is reasonably certain that the lease will not be terminated. As the Group holds a portfolio of leases and determines lease terms on a case-by-case basis, it is impractical to provide any meaningful quantification of the impact the judgements taken compared with other assumptions that might have been applied have had on the overall amounts recognised in the financial statements.

Non-controlling interests

In determining whether to recognise a non-controlling interest for business combinations whereby less than 100% of the issued share capital of a subsidiary is acquired, and the acquisition includes an option to purchase the remaining share capital of the subsidiary, management is required to make judgements in relation to whether the risks and rewards associated with the non-controlling interest have substantially transferred to the Group. Management determines this on a case-by-case basis but if different judgements were applied, it could have a significant effect on the overall amounts recognised in the financial statements.

y. Sources of estimation uncertainty

In applying the Group's accounting policies various transactions and balances are valued using estimates or assumptions. Should these estimates or assumptions prove incorrect, there may be an impact on the following year's financial statements. As at 31 December 2024, while not expected to result in a material change in the carrying value of assets or liabilities in the next 12 months, the following estimates or assumptions were used in applying the Group's accounting policies.

Defined benefit pension schemes

The measurement of the present value of defined benefit pension scheme liabilities involves the use of various actuarial assumptions. The Group uses independent actuarial experts to assist with the estimation of the discount rates, inflation rates and longevity assumptions used for the measurement of defined benefit pension scheme liabilities but the actual liabilities could be materially different. The main risks to which the Group is exposed in relation to the valuation of the defined benefit pension schemes are described in Note 25. The Group's net pension asset balance as at 31 December 2024 was £19.8m (2023: £49.4m).

Fair values for assets and liabilities acquired

Part of the Company's strategy is to grow through acquisitions. Acquisitions are accounted for using the acquisition method as described in the business combinations accounting policy, Note 2a(ii), and the goodwill accounting policy, Note 2k(i). This includes the determination of fair values for assets and liabilities acquired, including the separate identification of intangible assets, which use assumptions and estimates and are therefore subjective. The Group has developed a process to meet the requirements of IFRS 3 including the separate identification of customer and supplier relationships, brands and technology intangible assets based on estimated future performance and customer attrition rates. This formal process is applied to each acquisition and involves an assessment of the assets acquired and liabilities assumed with assistance provided by external valuation specialists where appropriate. Until this assessment is complete, the allocation period remains open up to a maximum of 12 months from the relevant acquisition date. The process applied is described in Note 9.

Deferred and contingent consideration

The consideration paid or payable in respect of acquisitions comprises amounts paid on completion and deferred and contingent consideration. The amounts for deferred and contingent consideration, principally relating to earn outs and options over non-controlling interests, are estimated by calculating the present value of the future expected cash flows which is dependent on management's estimates in respect of the forecasting of future cash flows, in particular the expected profitability. Movements in the estimated liability in respect of earn outs and put options are recognised in acquisition related items through operating profit in the income statement. As at 31 December 2024, the Group carried a liability for deferred consideration of £258.2m (2023: £175.6m).

// NOTES *continued*

2 Accounting policies continued

Recoverability of goodwill, customer and supplier relationships, brands and technology intangible assets

As noted above, part of the Company's strategy is to grow through acquisitions which has led to material goodwill, customer and supplier relationships, brands and technology intangible assets being recognised on the balance sheet. Goodwill, which is allocated across CGUs, is tested annually to determine if there is any indication of impairment by comparing the carrying amount of the goodwill to the recoverable amount of the CGU to which it has been allocated. Assumptions and estimates are used to determine the recoverable amount of each CGU, principally based on the present value of estimated future cash flows. Actual performance may differ from management's expectations. The estimates and assumptions used in performing impairment testing are described in Note 13. Customer and supplier relationships, brands and technology intangible assets are also reviewed annually for indicators of impairment and if an indicator of impairment exists then similar recoverability testing, involving the use of estimates and assumptions, is performed for the business to which the customer relationships, brands and technology intangible assets relate. The useful economic lives of customer and supplier relationships, brands and technology intangible assets are also reviewed at least annually, with any revisions to the original estimated useful economic lives accounted for prospectively. As at 31 December 2024 the goodwill balance was £2,286.1m (2023: £2,008.9m), the amount of customer and supplier relationships intangible assets was £1,235.8m (2023: £1,150.8m), the amount of brands intangible assets was £116.4m (2023: £41.1m) and the amount of technology intangible assets was £5.3m (2023: £7.5m).

Trade receivables and inventory provisions

As at 31 December 2024, the Group carried trade receivables provisions of £39.6m (2023: £34.5m) and provisions for slow moving, obsolete or defective inventories and market price movements of £143.5m (2023: £154.2m).

Taxation

The Group operates in many countries and is therefore subject to tax laws in a number of different tax jurisdictions. The amount of tax payable or receivable on profits or losses for any period is subject to the agreement of the tax authority in each respective jurisdiction and the tax liability or asset position is open to review for several years after the relevant accounting period ends. In determining the provisions for income taxes, management is required to make assumptions based on interpretations of tax statute and case law, which it does after taking account of professional advice and prior experience.

The majority of the Group's tax payable balance of £63.7m (2023: £47.5m) relates to provisions for uncertain tax matters. Uncertainties in respect of enquiries and additional tax assessments raised by tax authorities are measured by management according to the guidance provided by IFRIC 23 'Uncertainty over Income Tax Treatments' but the amounts ultimately payable or receivable may differ from the amounts of any provisions recognised in the consolidated financial statements as a result of the estimates and assumptions used.

Management does not consider there to be any significant risks of material adjustment within the next financial year because tax provisions cover a range of matters across multiple tax jurisdictions with a variety of timescales before such matters are expected to be concluded.

3 Alternative performance measures

In addition to the various performance measures defined under IFRS, the Group reports a number of other measures that are designed to assist with the understanding of the underlying performance of the Group and its businesses. These measures are not defined under IFRS and, as a result, do not comply with Generally Accepted Accounting Practice ('GAAP') and are therefore known as 'alternative performance measures'. Accordingly, these measures, which are not designed to be a substitute for any of the IFRS measures of performance, may not be directly comparable with other companies' alternative performance measures. The principal alternative performance measures used within the consolidated financial statements and the location of the reconciliation to equivalent IFRS measures are shown and defined in the table below where applicable:

Organic revenue growth	Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior years at constant exchange
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 (reconciled in the Financial review)
Adjusted operating profit	Operating profit before amortisation excluding software, acquisition related items through operating profit and non-recurring pension scheme charges/credits (reconciled in the following tables and in the Consolidated income statement)
Operating margin	Adjusted operating profit as a percentage of revenue
Adjusted finance expense	Finance expense before interest on unwinding of discounting on deferred consideration
Adjusted profit before income tax	Profit before income tax, amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits and profit or loss on disposal of businesses (reconciled in the following tables)
Adjusted profit for the year	Profit for the year before amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and the associated tax (reconciled in the following tables)
Effective tax rate	Tax on adjusted profit before income tax as a percentage of adjusted profit before income tax (reconciled in Note 7)
Adjusted earnings per share	Adjusted profit for the year attributable to the Company's equity holders divided by the weighted average number of ordinary shares in issue (reconciled in the following tables and in Note 8)
Adjusted diluted earnings per share	Adjusted profit for the year attributable to the Company's equity holders divided by the diluted weighted average number of ordinary shares (reconciled in Note 8)
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 (as shown in the Consolidated cash flow statement)
Free cash flow	Operating cash flow after deducting payments for income tax and net interest excluding interest on lease liabilities (as shown in the Consolidated cash flow statement)
Lease adjusted operating profit	Adjusted operating profit after adding back the depreciation of right-of-use assets and deducting the payment of lease liabilities (as shown in the Consolidated cash flow statement)

// NOTES *continued*

3 Alternative performance measures continued

Cash conversion	Operating cash flow as a percentage of lease adjusted operating profit (as shown in the Consolidated cash flow statement)
Working capital	Inventories and trade and other receivables less trade and other payables, excluding non-trading related receivables, non-trading related payables (including those relating to acquisition payments) and dividends payable (reconciled in Note 14)
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 assets/liabilities, cumulative amortisation excluding software, acquisition related items and amounts written off goodwill, net of the associated tax)
Dividend cover	The ratio of adjusted earnings per share to the total dividend per share
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 (reconciled in Note 28)
Covenant net debt to EBITDA	Net debt excluding lease liabilities calculated at average exchange rates divided by EBITDA
Adjusted net debt	Net debt excluding lease liabilities and including total deferred and contingent consideration (as reconciled in the Financial review)
Adjusted net debt including lease liabilities	Net debt including lease liabilities and total deferred and contingent consideration (as reconciled in the Financial review)
Adjusted net debt to EBITDA	Adjusted net debt calculated at average exchange rates divided by EBITDA adjusted for contractually agreed earnings targets
Adjusted net debt including lease liabilities to EBITDA	Adjusted net debt including lease liabilities calculated at average exchange rates divided by adjusted operating profit, before depreciation of property, plant and equipment and right of use assets and software amortisation and after adjustments to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses adjusted for contractually agreed earnings targets
Constant exchange rates	Growth rates at constant exchange rates are calculated by retranslating the results for prior years at the average rates for the year ended 31 December 2024 so that they can be compared without the distorting impact of changes caused by foreign exchange translation. The principal exchange rates used for 2024 and 2023 can be found in the Financial review on page 77

The definitions of 'Organic revenue growth', 'Adjusted finance expense', 'Covenant net debt to EBITDA', 'Adjusted net debt', 'Adjusted net debt including lease liabilities', 'Adjusted net debt to EBITDA' and 'Adjusted net debt including lease liabilities to EBITDA' have been added to the list of alternative performance measures in the year. All other alternative performance measures have been calculated consistently with the methods applied in the consolidated financial statements for the year ended 31 December 2023. The amendments to the list of alternative performance measures, and an assessment of the relevance of the existing alternative performance measures, were agreed with the Audit Committee.

A number of the alternative performance measures listed above exclude the charge for amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and any associated tax, where relevant.

Acquisition related items through operating profit comprise deferred consideration relating to the retention of former owners of businesses acquired, transaction costs and expenses, adjustments to previously estimated earn outs, customer relationships asset impairment charges, goodwill impairment charges and interest on acquisition related income tax. Total acquisition related items also include interest on unwinding of discounting deferred consideration, which is included in net finance expense. Amortisation excluding software comprises amortisation of customer and supplier relationships, brands and technology intangible assets. Acquisition related items, amortisation (excluding software) and any associated tax are considered by management to form part of the total spend on acquisitions or are non-cash items resulting from acquisitions. The non-recurring pension scheme charges/credit relate to non-recurring charges arising from the Group's participation in a number of defined benefit pension schemes. In the year ended 31 December 2024 the non-recurring pension scheme credit relates to a gain on curtailment of the UK defined benefit pension scheme following the scheme's closure to further accrual in May 2024. In the year ended 31 December 2023 there were no non-recurring pension scheme charges. Disposal of businesses relates to the loss on disposal of the Group's business in Argentina on 14 March 2024 and a healthcare business in Germany on 12 July 2024. None of these items relate to the trading performance of the business. Accordingly, these items are not taken into account by management when assessing the results of the business and are removed in calculating the profitability measures by which management assesses the performance of the Group. However, it should be noted that they do exclude charges that nevertheless do impact the Group's cash flow and GAAP financial performance.

Other alternative performance measures, including the Group's key performance indicators which are set out and defined on pages 36 and 37, are used to monitor the performance of the Group and a number of these are based on, or derived from, the alternative performance measures noted above.

// NOTES *continued*

3 Alternative performance measures continued

Reconciliation of alternative performance measures to IFRS measures

The principal profit related alternative performance measures, being adjusted operating profit, adjusted profit before income tax, adjusted profit for the year and adjusted earnings per share, are reconciled to the most directly reconcilable statutory measures in the tables below:

Year ended 31 December 2024

		Adjusting items					
	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Non-recurring pension scheme credit £m	Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	**976.1**	**(148.3)**	**(31.7)**	**3.2**		**799.3**	**Operating profit**
Finance income	**72.6**					**72.6**	Finance income
Adjusted finance expense	**(175.8)**		**(2.2)**			**(178.0)**	Finance expense
Disposal of businesses	**–**				**(20.3)**	**(20.3)**	Disposal of businesses
Adjusted profit before income tax	**872.9**	**(148.3)**	**(33.9)**	**3.2**	**(20.3)**	**673.6**	**Profit before income tax**
Tax on adjusted profit	**(222.4)**	**42.8**	**7.8**	**(0.8)**	**–**	**(172.6)**	Income tax
Adjusted profit for the year	**650.5**	**(105.5)**	**(26.1)**	**2.4**	**(20.3)**	**501.0**	**Profit for the year**
Adjusted earnings per share attributable to the Company's equity holders	**194.3p**	**(31.5)p**	**(7.8)p**	**0.7p**	**(6.1)p**	**149.6p**	**Basic earnings per share attributable to the Company's equity holders**

Year ended 31 December 2023

		Adjusting items					
	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Non-recurring pension scheme credit £m	Disposal of businesses £m	Statutory measures £m	
Adjusted operating profit	944.2	(135.6)	(19.5)	–		789.1	Operating profit
Finance income	60.4					60.4	Finance income
Adjusted finance expense	(150.9)		–			(150.9)	Finance expense
Adjusted profit before income tax	853.7	(135.6)	(19.5)	–	–	698.6	Profit before income tax
Tax on adjusted profit	(213.4)	36.7	4.3	–	–	(172.4)	Income tax
Adjusted profit for the year	640.3	(98.9)	(15.2)	–	–	526.2	Profit for the year
Adjusted earnings per share attributable to the Company's equity holders	191.1p	(29.5)p	(4.5)p	–	–	157.1p	Basic earnings per share attributable to the Company's equity holders

// NOTES *continued*

4 Segment analysis

The Group results are reported as four business areas based on geographical regions which are reviewed regularly by the Company's chief operating decision maker, the Board of directors. The principal results reviewed for each business area are revenue and adjusted operating profit.

Year ended 31 December 2024

	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	6,568.1	2,377.1	1,625.8	1,205.4		11,776.4
Adjusted operating profit/(loss)	515.6	210.8	135.1	146.2	(31.6)	976.1
Amortisation excluding software	(55.9)	(42.7)	(20.7)	(29.0)		(148.3)
Acquisition related items through operating profit	(0.8)	(10.4)	5.1	(25.6)		(31.7)
Non-recurring pension scheme credit	–	–	–	–	3.2	3.2
Operating profit/(loss)	458.9	157.7	119.5	91.6	(28.4)	799.3
Finance income						72.6
Finance expense						(178.0)
Disposal of businesses						(20.3)
Profit before income tax						673.6
Adjusted profit before income tax						872.9
Income tax						(172.6)
Profit for the year						501.0
Operating margin	7.9%	8.9%	8.3%	12.1%		8.3%
Return on average operating capital	47.5%	40.8%	45.4%	38.9%		43.2%
Purchase of property, plant and equipment	14.2	12.6	7.4	6.1	–	40.3
Depreciation of property, plant and equipment	11.3	11.0	9.2	6.2	0.1	37.8
Additions to right-of-use assets	66.4	36.5	38.1	20.3	–	161.3
Depreciation of right-of-use assets	87.7	42.8	35.3	19.7	0.6	186.1
Purchase of software	2.7	6.6	3.4	1.2	0.2	14.1
Software amortisation	4.2	4.1	2.3	0.9	0.4	11.9

Year ended 31 December 2023

	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	6,973.5	2,354.9	1,365.5	1,103.2		11,797.1
Adjusted operating profit/(loss)	528.0	224.7	103.4	119.6	(31.5)	944.2
Amortisation excluding software	(57.1)	(43.7)	(11.1)	(23.7)		(135.6)
Acquisition related items through operating profit	(5.5)	(0.3)	(3.1)	(10.6)		(19.5)
Non-recurring pensions scheme credit	–	–	–	–	–	–
Operating profit/(loss)	465.4	180.7	89.2	85.3	(31.5)	789.1
Finance income						60.4
Finance expense						(150.9)
Disposal of businesses						–
Profit before income tax						698.6
Adjusted profit before income tax						853.7
Income tax						(172.4)
Profit for the year						526.2
Operating margin	7.6%	9.5%	7.6%	10.8%		8.0%
Return on average operating capital	49.6%	45.4%	65.5%	35.5%		46.1%
Purchase of property, plant and equipment	12.3	13.5	8.7	8.1	0.2	42.8
Depreciation of property, plant and equipment	12.0	10.3	4.7	4.6	0.1	31.7
Additions to right-of-use assets	34.0	41.5	42.4	18.8	–	136.7
Depreciation of right-of-use assets	83.4	38.9	24.3	18.8	0.7	166.1
Purchase of software	3.1	8.7	2.4	1.0	0.3	15.5
Software amortisation	3.4	2.7	2.1	0.9	0.3	9.4

// NOTES *continued*

4 Segment analysis continued

Acquisition related items through operating profit	2024 £m	2023 £m
Deferred consideration relating to the retention of former owners of businesses acquired	**45.5**	37.3
Transaction costs and expenses	**25.9**	18.1
Adjustments to previously estimated earn outs and minority options	**(42.0)**	(35.9)
	29.4	19.5
Customer relationships impairment charges (Note 13)	**2.3**	–
	31.7	19.5

Reportable segments are determined based on quantitative thresholds in accordance with IFRS 8 'Operating Segments'. The three business areas of North America, Continental Europe and UK & Ireland are operating segments that meet the quantitative thresholds for reportable segments and are therefore disclosed separately above. The Rest of the World business area contains businesses in Latin America and Asia Pacific which individually do not meet the quantitative thresholds for separate disclosure as reportable segments. Rest of the World is therefore an 'other' segment that is disclosed above as a reportable segment as this information is considered to be useful to users of the financial statements and it also helps to reconcile the results of the reportable segments to the Group's consolidated results.

The revenue presented relates to external customers. Sales between the business areas are not material. Each of the business areas supplies a range of products to customers operating primarily in the grocery, foodservice, safety, cleaning & hygiene, retail and healthcare market sectors but results are not monitored on this basis. The performance of the four business areas is assessed by reference to adjusted operating profit and this measure also represents the segment results for the purposes of reporting in accordance with IFRS 8. Debt and associated interest is managed at a Group level and therefore has not been allocated across the business areas.

In the year ended 31 December 2024 the Group had no customer that represented 10% or more of total Group revenue (2023: no customers).

As noted above, the businesses within each operating segment operate in a number of different countries and sell products across a range of market sectors, with the vast majority of revenue generated from the delivery of goods to customers. The following table provides a breakdown of revenue by market sector. The other category covers a wide range of market sectors, none of which is sufficiently material to warrant separate disclosure.

Revenue by market sector	2024 £m	2023 £m
Foodservice	**3,453.2**	3,383.4
Grocery	**2,991.2**	3,136.6
Safety	**1,820.9**	1,835.7
Retail	**950.4**	1,032.8
Cleaning & Hygiene	**1,220.7**	1,218.6
Healthcare	**759.0**	679.6
Other	**581.0**	510.4
	11,776.4	11,797.1

Revenue attributable to the UK, the parent company's country of domicile, for the year ended 31 December 2024 was £1,453.5m, representing 12% of the Group's total (2023: £1,270.3m, representing 11% of the Group's total). Revenue attributable to foreign countries in total was £10,322.9m, representing 88% of the Group's total (2023: £10,526.8m, representing 89% of the Group's total). Six foreign countries account for the majority of the revenue attributable to foreign countries, these being USA, Canada, France, the Netherlands, Australia and Brazil. These six foreign countries account for 71% of the Group's revenue (2023: 73%).

Non-current segment assets attributable to the UK, the parent company's country of domicile, for the year ended 31 December 2024 were £1,031.8m, representing 22% of the Group's total (2023: £508.7m, representing 13% of the Group's total). Non-current segment assets attributable to foreign countries in total were £3,562.9m, representing 78% of the Group's total (2023: £3,509.2m, representing 87% of the Group's total). Six foreign countries account for the majority of the non-current segment assets attributable to foreign countries, these being USA, Canada, France, the Netherlands, Australia and Brazil. These six foreign countries account for 56% of the Group's total non-current segment assets (2023: 66%).

The table below reconciles segment assets and liabilities to the Group's total assets and total liabilities. Unallocated assets and liabilities include corporate assets and liabilities, tax assets and liabilities, cash at bank and in hand, bank overdrafts, interest bearing loans and borrowings, derivative financial assets and liabilities and defined benefit pension assets and liabilities.

At 31 December 2024

	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Unallocated £m	Total £m
Segment assets	**3,060.6**	**2,086.0**	**1,665.9**	**1,178.7**		**7,991.2**
Unallocated assets					**1,538.0**	**1,538.0**
Total assets	**3,060.6**	**2,086.0**	**1,665.9**	**1,178.7**	**1,538.0**	**9,529.2**
Segment liabilities	**1,251.7**	**762.1**	**737.2**	**380.3**		**3,131.3**
Unallocated liabilities					**3,607.2**	**3,607.2**
Total liabilities	**1,251.7**	**762.1**	**737.2**	**380.3**	**3,607.2**	**6,738.5**

At 31 December 2023

	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Unallocated £m	Total £m
Segment assets	3,129.1	2,043.5	942.2	1,080.3		7,195.1
Unallocated assets					1,552.1	1,552.1
Total assets	3,129.1	2,043.5	942.2	1,080.3	1,552.1	8,747.2
Segment liabilities	1,284.4	763.8	522.7	342.0		2,912.9
Unallocated liabilities					2,868.0	2,868.0
Total liabilities	1,284.4	763.8	522.7	342.0	2,868.0	5,780.9

// NOTES *continued*

5 Analysis of operating income and expenses

	2024 £m	2023 £m
Cost of goods sold	**8,383.8**	8,609.2
Employee costs (Note 26)	**1,218.2**	1,149.8
Non-recurring pension scheme credit (Note 25)	**(3.2)**	–
Depreciation of property, plant and equipment (Note 11)	**37.8**	31.7
Depreciation of right-of-use assets (Note 12)	**186.1**	166.1
Amortisation excluding software (Note 13)	**148.3**	135.6
Amortisation of software (Note 13)	**11.9**	9.4
Acquisition related items through operating profit (Note 4)	**31.7**	19.5
Net impairment losses on trade receivables (Note 16)	**1.0**	2.6
Profit on disposal of property, plant and equipment and software	**(12.3)**	(0.6)
Restructuring costs	**5.9**	0.4
Expense relating to short term leases and low value assets	**5.0**	4.6
Lease and sublease income	**(4.8)**	(4.1)
Other operating expenses	**967.7**	883.8
Net operating expenses	**10,977.1**	11,008.0

Cost of goods sold consists of the cost of the inventories sold or disposed of in the year where the cost of inventories is net of supplier rebate income related to those inventories.

	2024			2023		
Auditors' remuneration	UK £m	Overseas £m	Total £m	UK £m	Overseas £m	Total £m
Audit of these financial statements	**1.3**	**–**	**1.3**	1.0	–	1.0
Amounts receivable by the Company's auditors* in respect of:						
audit of financial statements of subsidiaries of the Company	**1.1**	**3.2**	**4.3**	0.4	4.2	4.6
audit related assurance services	**0.2**	**–**	**0.2**	0.1	–	0.1
all other services	**0.4**	**–**	**0.4**	0.3	–	0.3
Total auditors' remuneration	**3.0**	**3.2**	**6.2**	1.8	4.2	6.0

* Including their associates.

Audit related assurance services comprise the review of the half yearly financial report for the six months ended 30 June. All other services comprise other non-audit work, including ESG limited assurance and EMTN comfort letters. These services were permissible in accordance with the Company's policy and the prevailing regulations concerning the provision of non-audit services by the Company's external auditors. All other services also include tax work provided to an acquisition, which completed during 2024, that were ongoing at the acquisition date and were subsequently completed during the 3 month transition period allowed under the FRC's Ethical Standard. It is the Company's policy to assess the non-audit services to be performed by the Company's auditors on a case-by-case basis to ensure adherence to the prevailing ethical standards and regulations. Other firms are normally used by the Company to provide non-audit services. However, if the provision of a service by the Company's auditors is permitted and adequate safeguards are in place, it is sometimes appropriate for this additional work to be carried out by the Company's auditors.

The Audit Committee, which consists entirely of independent non-executive directors, reviews and approves the level and type of non-audit work that the external auditors perform, including the fees paid for such work, to ensure that the auditors' objectivity and independence are not compromised. Further information is set out in the Audit Committee's report on pages 102 to 111.

6 Finance income/(expense)

	2024 £m	2023 £m
Interest on cash and cash equivalents	**46.7**	40.3
Interest income from foreign exchange contracts	**19.9**	16.0
Net interest income on defined benefit pension schemes in surplus	**3.1**	3.2
Interest related to income tax	**1.8**	–
Other finance income	**1.1**	0.9
Finance income	**72.6**	60.4
Interest on loans and overdrafts	**(122.4)**	(106.7)
Lease interest expense	**(38.5)**	(28.6)
Interest expense from foreign exchange contracts	**(6.1)**	(1.5)
Net interest expense on defined benefit pension schemes in deficit	**(0.7)**	(1.0)
Fair value gain/(loss) on US private placement notes and senior bonds in a hedge relationship	**3.9**	(24.4)
Fair value (loss)/gain on interest rate swaps in a hedge relationship	**(4.1)**	21.8
Foreign exchange loss on intercompany funding	**(35.5)**	(41.1)
Foreign exchange gain on external debt and foreign exchange forward contracts	**34.8**	40.5
Interest related to income tax	**(1.4)**	(0.1)
Monetary loss from hyperinflation accounting[1]	**(3.6)**	(7.2)
Other finance expense	**(2.2)**	(2.6)
Adjusted finance expense	**(175.8)**	(150.9)
Interest on unwinding of discounting on deferred consideration	**(2.2)**	–
Finance expense	**(178.0)**	(150.9)
Net finance expense	**(105.4)**	(90.5)

1. See Note 1 for further details.

The foreign exchange loss on intercompany funding arises as a result of the retranslation of foreign currency intercompany loans. This loss on intercompany funding is substantially matched by the foreign exchange gain on external debt and foreign exchange forward contracts not in a hedge relationship which minimises the foreign currency exposure in the income statement.

// NOTES *continued*

7 Income tax

	2024 £m	2023 £m
Current tax on profit		
current year	**208.9**	199.0
adjustments in respect of prior years	**(20.0)**	(6.9)
	188.9	192.1
Deferred tax on profit		
current year	**(28.4)**	(19.6)
adjustments in respect of prior years	**12.1**	(0.1)
	(16.3)	(19.7)
Income tax on profit	**172.6**	172.4

In assessing the underlying performance of the Group, management uses adjusted profit before income tax. The tax effect of the adjusting items (see Note 3) is excluded in monitoring the effective tax rate (being the tax rate on adjusted profit before income tax) which is shown in the table below.

	2024 £m	2023 £m
Income tax on profit	**172.6**	172.4
Tax associated with adjusting items	**49.8**	41.0
Tax on adjusted profit	**222.4**	213.4
Profit before income tax	**673.6**	698.6
Adjusting items (Note 3)	**199.3**	155.1
Adjusted profit before income tax	**872.9**	853.7
Reported tax rate	**25.6%**	24.7%
Effective tax rate	**25.5%**	25.0%

	2024			2023		
Tax on other comprehensive income/ (expense) and equity	**Gross £m**	**Tax (charge)/ credit £m**	**Net £m**	Gross £m	Tax (charge)/ credit £m	Net £m
Actuarial (loss)/gain on defined benefit pension schemes	**(35.1)**	**8.2**	**(26.9)**	2.9	(0.1)	2.8
Foreign currency translation differences on foreign operations	**(193.3)**	**(0.1)**	**(193.4)**	(126.9)	(0.5)	(127.4)
Reclassification from translation reserve to income statement on disposal of foreign operation	**18.7**	**–**	**18.7**	–	–	–
Gain taken to equity as a result of effective net investment hedges	**20.3**	**–**	**20.3**	31.4	–	31.4
Gain/(loss) recognised in cash flow hedge reserve	**6.3**	**(1.6)**	**4.7**	(2.3)	0.6	(1.7)
Other comprehensive (expense)/income	**(183.1)**	**6.5**	**(176.6)**	(94.9)	–	(94.9)
Dividends	**(228.6)**	**–**	**(228.6)**	(209.7)	–	(209.7)
Movement from cash flow hedge reserve to inventory	**0.8**	**(0.2)**	**0.6**	1.0	(0.3)	0.7
Hyperinflation accounting adjustments	**17.1**	**–**	**17.1**	21.6	–	21.6
Issue of share capital	**7.0**	**–**	**7.0**	5.9	–	5.9
Own shares purchased for cancellation	**(301.2)**	**–**	**(301.2)**	–	–	–
Non-controlling interest on acquisition	**2.7**	**–**	**2.7**	–	–	–
Employee trust shares	**(16.6)**	**–**	**(16.6)**	(25.2)	–	(25.2)
Share based payments	**17.2**	**1.8**	**19.0**	15.4	5.4	20.8
Other comprehensive (expense)/income and equity	**(684.7)**	**8.1**	**(676.6)**	(285.9)	5.1	(280.8)

// NOTES *continued*

7 Income tax continued

Factors affecting the tax charge for the year

The Group operates in many countries and is subject to different rates of income tax in those countries. The expected tax rate is calculated as a weighted average of the tax rates in the tax jurisdictions in which the Group operates, most of which are equal to or higher than the UK statutory rate for the year of 25.0% (2023: 23.5%). Although the Group is subject to the global minimum tax regime known as Pillar 2 from 2024, this is not expected to cause any significant increase in the Group's tax liabilities. The adjustments to the tax charge at the weighted average rate to determine the income tax on profit are as follows:

	2024 £m	2023 £m
Profit before income tax	**673.6**	698.6
Weighted average rate	**25.1%**	25.2%
Tax charge at weighted average rate	**168.9**	176.0
Effects of:		
non-deductible expenditure	**9.7**	0.5
impact of intercompany finance	**1.4**	1.2
change in tax rates	**(0.4)**	(0.7)
inflation: tax and accounting impacts	**1.3**	3.8
prior year adjustments	**(7.9)**	(7.0)
other current year items	**(0.4)**	(1.4)
Income tax on profit	**172.6**	172.4

Deferred tax in the income statement	2024 £m	2023 £m
Property, plant and equipment	**0.4**	1.0
Defined benefit pension schemes	**1.4**	1.6
Goodwill, customer and supplier relationships, brands and technology	**(23.8)**	(20.2)
Provisions and accruals	**7.0**	(3.6)
Inventories	**2.7**	7.4
Leases	**(0.9)**	(1.1)
Other	**(3.1)**	(4.8)
Deferred tax on profit	**(16.3)**	(19.7)

8 Earnings per share attributable to the Company's equity holders

	2024 £m	2023 £m
Profit for the year attributable to the Company's equity holders	**500.4**	526.2
Adjusted for:		
amortisation excluding software	**148.3**	135.6
acquisition related items	**33.9**	19.5
profit on disposal of businesses	**20.3**	–
non-recurring pension scheme credit	**(3.2)**	–
tax credit on adjusting items	**(49.8)**	(41.0)
Adjusted profit for the year attributable to the Company's equity holders	**649.9**	640.3

	2024	2023
Basic weighted average number of ordinary shares in issue (million)	**334.4**	335.0
Dilutive effect of employee share plans (million)	**2.1**	2.2
Diluted weighted average number of ordinary shares (million)	**336.5**	337.2
Basic earnings per share attributable to the Company's equity holders	**149.6p**	157.1p
Adjustment	**44.7p**	34.0p
Adjusted earnings per share attributable to the Company's equity holders	**194.3p**	191.1p
Diluted basic earnings per share attributable to the Company's equity holders	**148.7p**	156.0p
Adjustment	**44.4p**	33.9p
Adjusted diluted earnings per share attributable to the Company's equity holders	**193.1p**	189.9p

// NOTES *continued*

9 Acquisitions

Acquisitions involving the purchase of the acquiree's share capital or, as the case may be, the relevant assets of the businesses acquired, have been accounted for under the acquisition method of accounting. A key part of the Group's strategy is to grow through acquisition. The Group has developed a process to assist with the identification of the fair values of the assets acquired and liabilities assumed, including the separate identification of intangible assets in accordance with IFRS 3 'Business Combinations' as revised. This formal process is applied to each acquisition and involves an assessment of the assets acquired and liabilities assumed with assistance provided by external valuation specialists where appropriate. Until this assessment is complete, the allocation period remains open up to a maximum of 12 months from the relevant acquisition date. At 31 December 2024 the allocation period for all acquisitions completed since 1 January 2024 remained open and accordingly the fair values presented are provisional.

Adjustments are made to the assets acquired and liabilities assumed during the allocation period to the extent that further information and knowledge come to light that more accurately reflect conditions at the acquisition date. Adjustments are made to the value of assets acquired to reflect more accurately the estimated realisable or settlement value. Similarly, adjustments are made to acquired liabilities to record onerous commitments or other commitments existing at the acquisition date but not recognised by the acquiree. Adjustments are also made to reflect the associated tax effects. During the year ended 31 December 2024 adjustments have been recognised to the fair value of assets and liabilities acquired related to acquisitions made in the prior year, resulting in a net increase to intangible assets of £1.5m (2023: net increase of £3.5m). Given the immaterial amounts involved the fair value of assets and liabilities acquired as reported in the prior year have not been restated.

The consideration in respect of acquisitions comprises amounts paid on completion and deferred consideration. The consideration has been allocated against the identified net assets, with the balance recorded as goodwill. Any payments that are contingent on future employment, including payments which are contingent on the retention of former owners of businesses acquired, are charged to the income statement. Transaction costs and expenses such as professional fees are charged to operating profit in the income statement. Given the structure of acquisitions and the quantum of deferred consideration in the period, the Group has recognised interest on unwinding of discounting deferred consideration, where applicable, which is charged to finance expense in the income statement.

For each of the businesses acquired and announced during the year, the name of the business, the market sector served, its location and date of acquisition, as well as the estimated annualised revenue it would have contributed to the Group for the year if such acquisitions had been made at the beginning of the year, are separately disclosed. The remaining disclosures required by IFRS 3 are provided separately for those individual acquisitions that are considered to be material and in aggregate for individually immaterial acquisitions. An acquisition would generally be considered individually material if the impact on the Group's revenue or profit measures (on an annualised basis) or the relevant amounts on the balance sheet is greater than 5%. Management also applies judgement in considering whether there are any material qualitative differences from other acquisitions made.

2024

Summary details of the businesses acquired during the year ended 31 December 2024 are shown in the table below:

Business	Sector	Country	Acquisition date 2024	Percentage of share capital acquired	Annualised revenue £m
Pamark Group	Foodservice, Healthcare, Cleaning & Hygiene and Safety	Finland	29 February	100%	53.3
Nisbets	Foodservice	United Kingdom	23 May	80%	474.9
Clean Spot	Cleaning & Hygiene	Canada	18 June	100%	4.3
Sistemas De Embalaje Anper	Other	Spain	28 June	100%	24.9
Holland Packaging	Retail	Netherlands	29 June	75%	15.0
RCL Implantes	Healthcare	Brazil	3 July	100%	15.6
Powervac	Cleaning & Hygiene	Australia	31 July	100%	4.5
Cermerón	Foodservice	Spain	30 August	100%	10.3
Cubro Group	Healthcare	New Zealand	30 September	72%	45.7
DBM Medical Group	Healthcare	New Zealand	30 September	75%	8.7
Arrow County Holdings Limited	Cleaning & Hygiene	United Kingdom	22 October	100%	27.1
C&C Group	Foodservice	United Kingdom	29 October	100%/80%	26.7
Comodis	Cleaning & Hygiene	France	1 December	100%	20.7
Others*					12.5
Acquisitions agreed and completed in the current year					744.2

* Others includes two acquisitions agreed in 2024.

// NOTES *continued*

9 Acquisitions continued

The acquisition of Nisbets is considered to be individually significant due to its impact on intangible assets. The acquisition is therefore separately disclosed in the table below. No acquisitions in 2023 were considered to be individually significant. A summary of the effect of acquisitions in 2024 and 2023 is shown below:

	Nisbets £m	Other £m	Total 2024 £m	Total 2023 £m
Customer and supplier relationships	124.6	160.0	284.6	229.5
Brands	78.3	5.0	83.3	10.6
Property, plant and equipment and software	62.5	9.2	71.7	16.6
Right-of-use assets	55.7	17.3	73.0	16.2
Inventories	77.0	34.7	111.7	44.7
Trade and other receivables	59.6	71.9	131.5	57.0
Trade and other payables	(103.0)	(37.4)	(140.4)	(40.5)
Net cash	43.4	16.5	59.9	19.8
External debt	(5.6)	(0.7)	(6.3)	–
Provisions	(10.5)	(22.3)	(32.8)	(26.2)
Lease liabilities	(55.7)	(18.0)	(73.7)	(16.2)
Income tax payable and deferred tax liabilities	(45.8)	(65.4)	(111.2)	(29.6)
Fair value of net assets acquired	280.5	170.8	451.3	281.9
Less non-controlling interests	(2.7)	–	(2.7)	–
Provisional goodwill	187.5	170.3	357.8	130.6
Consideration	465.3	341.1	806.4	412.5
Satisfied by:				
cash consideration	377.6	297.6	675.2	343.0
deferred consideration	87.7	43.5	131.2	69.5
	465.3	341.1	806.4	412.5
Contingent payments relating to retention of former owners	42.1	50.7	92.8	59.5
Interest relating to discounting of deferred consideration	15.1	2.2	17.3	–
Net cash acquired	(43.4)	(16.5)	(59.9)	(19.8)
Transaction costs and expenses	12.4	13.5	25.9	18.1
Total committed spend in respect of acquisitions completed in the year	491.5	391.0	882.5	470.3
Spend on acquisitions committed at prior year end but completed in the current year	–	–	–	(2.8)
Total committed spend in respect of acquisitions agreed in the year	491.5	391.0	882.5	467.5

The net cash outflow in the year in respect of acquisitions comprised:

	Nisbets £m	Other £m	Total 2024 £m	Total 2023 £m
Cash consideration	377.6	297.6	675.2	343.0
Net cash acquired	(43.4)	(16.5)	(59.9)	(19.8)
Deferred consideration payments	–	20.9	20.9	14.5
Net cash outflow on purchase of businesses	334.2	302.0	636.2	337.7
Transaction costs and expenses paid	11.0	14.6	25.6	18.1
Payments relating to retention of former owners	–	16.4	16.4	18.8
Cash outflow from acquisition related items	11.0	31.0	42.0	36.9
Total cash outflow in respect of acquisitions	345.2	333.0	678.2	374.6

Acquisitions completed in the year ended 31 December 2024 contributed £398.3m (2023: £120.5m) to the Group's revenue, £34.8m (2023: £16.1m) to the Group's adjusted operating profit and £20.1m (2023: £8.7m) to the Group's operating profit for the year ended 31 December 2024.

The estimated contributions from acquisitions completed and agreed during the year to the results of the Group for the year if such acquisitions had been made at the beginning of the year, are as follows:

	2024 £m	2023 £m
Revenue	744.2	325.1
Adjusted operating profit	72.0	51.4

The total amount of goodwill expected to be deductible for tax purposes in relation to acquisitions completed during the year is £nil (2023: £49.1m).

// NOTES *continued*

9 Acquisitions continued

Deferred consideration

The table below gives further details of the Group's deferred consideration liabilities.

	2024 £m	2023 £m
Minority options – acquisition of non-controlling interest*	158.4	86.5
Earn outs	33.7	36.9
Deferred consideration held at fair value	**192.1**	123.4
Minority options – retention payments of former owners*	50.3	38.2
Other	15.8	14.0
Total deferred consideration	**258.2**	175.6
Current	43.6	32.3
Non-current	214.6	143.3
Total deferred consideration	**258.2**	175.6
Expected future payments which are contingent on the continued retention of former owners of businesses acquired not yet recognised on balance sheet	117.2	83.2
Total deferred and contingent consideration – on and off balance sheet	**375.4**	258.8

The maturity profile of total deferred and contingent consideration is set out in the table below.

	2024 £m	2023 £m
Within one year	44.2	33.6
After one year but within two years	19.3	31.2
After two years but within five years	301.3	178.0
After five years	10.6	16.0
	375.4	258.8

	2024 Deferred consideration held at fair value £m	2024 Other £m	2024 Total deferred consideration £m	2023 Deferred consideration held at fair value* £m	2023 Other £m	2023 Total deferred consideration £m
Beginning of year	123.4	52.2	175.6	101.8	38.1	139.9
Acquisitions	128.6	2.6	131.2	61.4	8.1	69.5
Charges related to the retention of former owners	–	40.7	40.7	–	34.5	34.5
Adjustments to previously estimated earn outs and minority options	(33.0)	(9.0)	(42.0)	(27.2)	(8.7)	(35.9)
Interest on unwinding of discounting	2.2	–	2.2	–	–	–
Deferred consideration and retention payments	(16.0)	(17.3)	(33.3)	(10.8)	(19.2)	(30.0)
Foreign exchange	(13.1)	(3.1)	(16.2)	(1.8)	(0.6)	(2.4)
End of year	**192.1**	**66.1**	**258.2**	123.4	52.2	175.6

* The Group has restated comparatives for the year to 31 December 2023 to remove minority options – retention payments of former owners from 'Deferred consideration held at fair value' as these are accounted for in line with IAS19 'Employee benefits'.

// NOTES *continued*

2023

Summary details of the businesses acquired during the year ended 31 December 2023 are shown in the table below:

Business	Sector	Country	Acquisition date 2023	Percentage of share capital acquired	Annualised revenue £m
GRC	Healthcare	Australia	1 January	100%	4.4
Capital Paper	Foodservice	Canada	31 January	100%	16.0
Arbeitsschutz-Express	Safety	Germany	3 April	66%	33.1
Dimasa	Cleaning & Hygiene	Spain	28 April	100%	3.1
Irudek	Safety	Spain	28 April	75%	16.7
EHM	Safety	UK	5 June	100%	19.5
La Cartuja Complementos Hostelería	Foodservice	Spain	30 June	100%	4.4
EcoTools.nl	Other	Netherlands	31 July	100%	17.8
Leal Equipamentos de Proteção	Safety	Brazil	1 August	100%	33.1
PackPro	Foodservice	Canada	10 August	85%	20.1
Groveko	Cleaning & Hygiene	Netherlands	11 August	93.75%	21.0
Pittman Traffic & Safety Equipment*	Safety	Ireland	28 August	100%	6.2
FlexPost	Safety	USA	31 October	100%	3.0
Grupo Lanlimp	Cleaning & Hygiene	Brazil	1 November	70%	37.8
Melbourne Cleaning Supplies	Cleaning & Hygiene	Australia	6 November	100%	9.7
Safety First	Safety	Poland	30 November	65%	24.9
Miracle Sanitation Supply	Cleaning & Hygiene	Canada	1 December	100%	7.6
CT Group	Healthcare	Brazil	1 December	100%	47.8
Others**				100%	3.3
Acquisitions completed in the current year					329.5
GRC	Healthcare	Australia	1 January	100%	(4.4)
Acquisitions agreed in the current year					325.1

* The acquisition supports the expansion of our North America based McCue business and is therefore reported as part of the North America business area.
** Others includes two small acquisitions agreed in 2023.

10 Disposal of businesses

The Group completed the disposal of Vicsa Argentina on 14 March 2024 and a healthcare business in Germany on 12 July 2024. As a result, the net assets of the Group decreased by £20.3m representing the loss on disposal of £20.3m. The loss on disposal reflects the cash consideration received of £4.4m offset by the net book value of assets disposed of £6.0m and recycling of historical foreign exchange losses of £18.7m from amounts held in the translation reserve within equity. There were no disposals completed in the year ended 31 December 2023.

The net cash inflow in the year in respect of disposal of businesses comprised:

Cash flow from disposal of businesses	2024 £m
Cash consideration received	4.4
Cash and cash equivalents disposed	(1.5)
Net cash proceeds	**2.9**

11 Property, plant and equipment

2024	Land and buildings £m	Plant and machinery £m	Fixtures, fittings and equipment £m	Total £m
Cost				
Beginning of year	104.0	208.5	126.6	439.1
Acquisitions (Note 9)	38.6	21.4	7.5	67.5
Disposal of businesses	–	–	(0.6)	(0.6)
Additions	5.6	22.1	12.6	40.3
Disposals	(10.1)	(8.6)	(12.8)	(31.5)
Transferred to assets held for sale	(0.3)	(1.5)	(0.1)	(1.9)
Currency translation	(3.1)	(9.1)	(8.4)	(20.6)
End of year	134.7	232.8	124.8	492.3
Accumulated depreciation				
Beginning of year	59.2	134.3	86.2	279.7
Charge in year	6.7	19.4	11.7	37.8
Disposal of businesses	–	–	(0.4)	(0.4)
Disposals	(7.2)	(8.6)	(10.8)	(26.6)
Transferred to assets held for sale	(0.2)	(1.5)	(0.1)	(1.8)
Currency translation	(1.6)	(3.7)	(4.4)	(9.7)
End of year	56.9	139.9	82.2	279.0
Net book value at 31 December 2024	77.8	92.9	42.6	213.3

// NOTES *continued*

11 Property, plant and equipment continued

2023	Land and buildings £m	Plant and machinery £m	Fixtures, fittings and equipment £m	Total £m
Cost				
Beginning of year	98.9	201.6	117.2	417.7
Acquisitions (Note 9)	3.6	8.6	3.1	15.3
Additions	4.6	20.7	17.5	42.8
Disposals	(2.5)	(14.9)	(8.7)	(26.1)
Currency translation	(0.6)	(7.5)	(2.5)	(10.6)
End of year	104.0	208.5	126.6	439.1
Accumulated depreciation				
Beginning of year	56.6	138.5	85.4	280.5
Charge in year	5.3	16.0	10.4	31.7
Disposals	(2.3)	(14.4)	(7.9)	(24.6)
Currency translation	(0.4)	(5.8)	(1.7)	(7.9)
End of year	59.2	134.3	86.2	279.7
Net book value at 31 December 2023	44.8	74.2	40.4	159.4

12 Right-of-use assets

2024	Property £m	Motor vehicles £m	Equipment £m	Total £m
Net book value at beginning of year	**520.0**	**68.8**	**27.5**	**616.3**
Acquisitions (Note 9)	**69.8**	**2.9**	**0.3**	**73.0**
Disposal of businesses	**(0.2)**	**(0.1)**	**(0.1)**	**(0.4)**
Additions	**97.9**	**44.4**	**19.0**	**161.3**
Transferred to assets held for sale	**(1.5)**	**–**	**–**	**(1.5)**
Depreciation charge in the year	**(142.8)**	**(31.6)**	**(11.7)**	**(186.1)**
Remeasurement adjustments	**47.8**	**0.8**	**1.2**	**49.8**
Currency translation	**(13.3)**	**(1.3)**	**(0.2)**	**(14.8)**
Net book value at 31 December 2024	**577.7**	**83.9**	**36.0**	**697.6**

2023	Property £m	Motor vehicles £m	Equipment £m	Total £m
Net book value at beginning of year	439.6	63.3	26.7	529.6
Acquisitions (Note 9)	15.9	0.3	–	16.2
Additions	87.5	37.1	12.1	136.7
Depreciation charge in the year	(125.1)	(30.0)	(11.0)	(166.1)
Remeasurement adjustments	118.6	0.4	0.8	119.8
Currency translation	(16.5)	(2.3)	(1.1)	(19.9)
Net book value at 31 December 2023	520.0	68.8	27.5	616.3

// NOTES *continued*

13 Intangible assets

2024	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of year	2,020.7	2,494.5	48.5	9.3	116.8	4,689.8
Acquisitions (Note 9)	357.8	284.6	83.3	–	4.2	729.9
Disposal of businesses	(3.3)	(15.4)	–	–	(0.3)	(19.0)
Adjustment for hyperinflation accounting[1]	7.5	0.9	–	–	–	8.4
Additions					14.1	14.1
Disposals					(2.1)	(2.1)
Transferred to assets held for sale	(1.7)	–	–	–	–	(1.7)
Currency translation	(83.2)	(111.1)	(1.2)	(0.5)	(2.6)	(198.6)
End of year	2,297.8	2,653.5	130.6	8.8	130.1	5,220.8
Accumulated amortisation and impairment						
Beginning of year	11.8	1,343.7	7.4	1.8	83.0	1,447.7
Amortisation charge in the year		139.4	7.1	1.8	11.9	160.2
Impairment charge in the year	–	2.3	–	–	–	2.3
Disposal of businesses	–	(11.2)	–	–	(0.3)	(11.5)
Adjustment for hyperinflation accounting[1]	–	0.7	–	–	–	0.7
Disposals					(2.1)	(2.1)
Currency translation	(0.1)	(57.2)	(0.3)	(0.1)	(2.6)	(60.3)
End of year	11.7	1,417.7	14.2	3.5	89.9	1,537.0
Net book value at 31 December 2024	2,286.1	1,235.8	116.4	5.3	40.2	3,683.8

1. See Note 1 for further details.

2023	Goodwill £m	Customer and supplier relationships £m	Brands £m	Technology £m	Software £m	Total £m
Cost						
Beginning of year	1,944.4	2,349.0	39.7	9.5	107.4	4,450.0
Acquisitions (Note 9)	130.6	229.5	10.6	–	1.3	372.0
Adjustment for hyperinflation accounting[1]	8.4	1.6	–	–	–	10.0
Additions					15.5	15.5
Disposals					(4.6)	(4.6)
Currency translation	(62.7)	(85.6)	(1.8)	(0.2)	(2.8)	(153.1)
End of year	2,020.7	2,494.5	48.5	9.3	116.8	4,689.8
Accumulated amortisation and impairment						
Beginning of year	12.8	1,258.1	4.8	0.4	80.0	1,356.1
Amortisation charge in the year		130.2	4.0	1.4	9.4	145.0
Adjustment for hyperinflation accounting[1]	–	1.2	–	–	–	1.2
Disposals					(4.6)	(4.6)
Currency translation	(1.0)	(45.8)	(1.4)	–	(1.8)	(50.0)
End of year	11.8	1,343.7	7.4	1.8	83.0	1,447.7
Net book value at 31 December 2023	2,008.9	1,150.8	41.1	7.5	33.8	3,242.1

1. See Note 1 for further details.

Goodwill, customer and supplier relationships, brands and technology intangible assets have been acquired as part of business combinations. Further details of acquisitions made in the year are set out in Note 9.

Customer and supplier relationships include four businesses with individually significant customer and supplier relationships assets, McCue Corporation acquired in October 2021 and based in North America, MCR Safety acquired in September 2020 and based in North America, Hedis acquired in 2017 and based in France and Nisbets acquired in May 2024 and based in the UK. The net book value of customer and supplier relationships as at 31 December 2024 were: McCue Corporation £92.4m (2023: £98.9m) with a remaining useful economic life of 11.7 years (2023: 12.7 years), MCR Safety £76.8m (2023: £82.7m) with a remaining useful economic life of 10.7 years (2023: 11.7 years), Hedis £64.8m (2023: £76.8m) with a remaining useful economic life of 8.9 years (2023: 9.9 years) and Nisbets £118.2m (2023: £nil) with a remaining useful economic life of 9.0-13.0 years. Brands include one business, Nisbets, with individually significant brands assets with a total net book value as at 31 December 2024 of £75.0m (2023: £nil) and a remaining useful economic life of 13.2 years.

// NOTES *continued*

13 Intangible assets continued

Impairment testing

The carrying amount of goodwill is allocated across CGUs and is tested annually for impairment by comparing the recoverable amount of each CGU with its carrying value.

A description of the Group's principal activities is set out in the Chief Executive Officer's review. There is no significant difference in the nature of activities across different geographies. The identification of CGUs reflects the way the business is managed and monitored on a geographical basis, taking into account the generation of cash flows. Given the similar nature of the activities of each CGU, a consistent methodology is applied across the Group in assessing CGU recoverable amounts. The recoverable amount is the higher of the value in use and the fair value less the costs of disposal. The value in use is the present value of the cash flows expected to be generated by the CGU over a projection period together with a terminal value. The projection period is the time period over which future cash flows are predicted. The Group's methodology is to use a projection period of five years consisting of detailed cash flow forecasts for the first two years and CGU specific growth assumptions for years three, four and five. For periods after this five year period, the methodology applies a long term growth rate specific to the CGU to derive a terminal value. Cash flow expectations exclude any future cash flows that may arise from restructuring or other enhancements to the cash generating activities of the CGU and reflect management's expectations of the range of economic conditions that may exist over the projection period.

The value in use calculations are principally sensitive to revenue growth, including any significant changes to the customer base, achievability of future profit margins and the discount rates used in the present value calculation. The information used for valuation purposes takes into consideration past experience and the current economic environment with regard to customer attrition rates and additions to the customer base, the ability to introduce price increases and new products and experience in controlling the underlying cost base. This information is used to determine a long term growth rate which is consistent with the geographic segments in which the Group operates and management's assessment of future operating performance and market share movements. The discount rates used are determined with assistance provided by external valuation specialists.

The Group allocates goodwill across seven CGUs (2023: seven). Based on our impairment testing, no impairments were identified to the carrying value of goodwill within the Group.

As at 31 December 2024, North America, UK & Ireland, France and Rest of Continental Europe carried a significant amount of goodwill in comparison with the total value of the Group's goodwill. At 31 December 2024 the carrying value of goodwill in respect of North America was £702.4m (2023: £700.0m), UK & Ireland was £519.1m (2023: £317.3m), France was £250.8m (2023: £253.5m) and Rest of Continental Europe was £344.2m (2023: £307.1m). As at 31 December 2024 the aggregate amount of goodwill attributable to the Group's CGUs, excluding North America, UK & Ireland, France and Rest of Continental Europe, was £469.6m (2023: £431.0m), none of which is individually significant.

For North America, UK & Ireland, France and Rest of Continental Europe, the weighted average long term growth rate used in 2024 was in the range of 2.5%–3.2% (2023: 2.5%–3.3%) reflecting anticipated revenue and profit growth. A pre-tax discount rate in the range of 9%–11% (2023: 9%–11%) has been applied to the value in use calculations reflecting market assessments of the time value of money at the balance sheet date. Similar assumptions have been applied to the other CGUs but where appropriate the directors have considered alternative market risk assumptions to reflect the specific conditions arising in individual CGUs with long term growth rates ranging from 2.5%–5.5% (2023: 2.5%–5.5%) and pre-tax discount rates ranging from 9%–14% (2023: 9%–15%).

As part of the annual impairment testing for goodwill, the Group also considered whether there were any indicators that individual customer relationships and brands intangible assets were impaired. As for the impairment testing for the Group's CGUs noted above, value in use calculations were prepared based on management's latest expectations of the performance of the relevant business over a five year projection period and appropriate long term growth and discount rates. Based on our impairment testing, the Group has recognised an impairment charge of £2.3m relating to the customer relationships intangible asset of a foodservice business within the Benelux and Germany cash generating unit in Continental Europe.

Sensitivity to changes in key assumptions

Impairment testing is dependent on management's estimates and judgements, particularly as they relate to the forecasting of future cash flows, expected long term growth rates, profit margins and the discount rates selected. Key assumptions on which value in use calculations are dependent relate to the discount rates used, profit margins and revenue growth including the impact of changes to the underlying customer base from customer attrition and the rate at which new customer relationships are introduced and established.

As part of the annual impairment testing, management performed sensitivity analysis by modelling the impact of higher discount rates and lower profit, and reviewing the combination of discount rates and long term growth rates which would bring the value in use to the net book value or below. From this sensitivity testing management has concluded that no reasonably possible change in key assumptions would result in a material change to the carrying amounts of any of the Group's intangible assets in the next 12 months.

The Group has also considered whether climate change would have a significant impact on the approach taken to the annual impairment testing. As part of this the Group has assessed three alternative climate change scenarios up to 2050. Two of our scenarios align with the global warming trajectory of between 1ºC to 2ºC by 2100 but differ in the speed and extent of global decarbonisation over the next 30 years (orderly and disorderly). Our final scenario assessed the potential impacts of a world in which global warming exceeds 3ºC by 2100 (hothouse world scenario). Having assessed these scenarios the Group has concluded that, although climate change is a principal risk, it does not warrant any amendment to the assumptions used in the Group's impairment testing, and would not have a material impact on the results of the impairment testing.

14 Working capital

	2024 £m	2023 £m
Inventories (Note 15)	**1,760.9**	1,621.1
Trade and other receivables (Note 16)	**1,634.1**	1,578.5
Trade and other payables – current (Note 17)	**(2,206.1)**	(2,071.6)
Add back net non-trading related receivables and payables	**21.3**	30.1
	1,210.2	1,158.1

See Note 30 for the cash flow impact of movements in working capital which exclude the impact from foreign exchange movements, acquisitions and the disposal of businesses.

// NOTES *continued*

15 Inventories

	2024 £m	2023 £m
Goods for resale	**1,760.9**	1,621.1

During the year £10.0m (2023: £11.9m) was written off directly from inventories due to obsolescence or damage. Inventory provisions, including provisions for slow moving, obsolete or defective inventories and market price movements, as at 31 December 2024 were £143.5m (2023: £154.2m).

16 Trade and other receivables

	2024 £m	2023 £m
Trade receivables	**1,284.5**	1,287.3
Prepayments	**92.4**	84.4
Other receivables	**257.2**	206.8
	1,634.1	1,578.5

The Group does not have any significant contract assets.

The ageing of trade receivables at 31 December was:

	2024		2023	
	Gross £m	Provision £m	Gross £m	Provision £m
Current	**1,106.3**	**10.8**	1,058.6	5.7
0–30 days overdue	**142.2**	**2.5**	186.1	2.6
31–90 days overdue	**49.3**	**5.4**	49.6	3.0
Over 90 days overdue	**26.3**	**20.9**	27.5	23.2
	1,324.1	**39.6**	1,321.8	34.5

The trade receivables provision includes provisions for expected credit losses and credit notes to be issued. The movement in the provision during the year was as follows:

	2024 £m	2023 £m
Beginning of year	**34.5**	29.1
Acquisitions	**9.4**	4.3
Charge	**6.1**	6.3
Released	**(5.1)**	(3.7)
Utilised	**(2.6)**	(1.0)
Currency translation	**(2.7)**	(0.5)
End of year	**39.6**	34.5

17 Trade and other payables

Current

	2024 £m	2023 £m
Trade payables	**1,392.9**	1,290.1
Other tax and social security contributions	**36.3**	35.2
Other payables	**264.6**	249.6
Accruals and contract liabilities	**512.3**	496.7
	2,206.1	2,071.6

Other payables includes £43.6m (2023: £32.3m) related to deferred consideration on acquisitions.

The Group's contract liabilities are limited to deferred income of £10.4m (2023: £7.1m). This arises from contracts with customers in the form of consideration that has been received in advance of the satisfaction of performance obligations.

Non-current

Other payables greater than one year of £255.4m (2023: £176.1m) includes £214.6m (2023: £143.3m) related to deferred consideration on acquisitions.

18 Risk management and financial instruments

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on average operating capital and the return on invested capital (as defined in Note 3) as well as the level of total shareholders' equity and sets the amount of dividends paid to ordinary shareholders.

The principal financial covenant limits are net debt, calculated at average exchange rates, to EBITDA of no more than 3.5 times and interest cover of no less than 3.0 times, based on historical accounting standards. Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the year ended 31 December 2024 all covenants were complied with, with covenant net debt to EBITDA of 1.5 times as at 31 December 2024 (31 December 2023: 1.1 times), and based on current forecasts it is expected that such covenants will continue to be complied with for the foreseeable future. The US private placement notes ('USPPs') issued in March 2022 contain a clause whereby upon maturity of the previously issued USPPs, the latest maturity being in 2028, the principal financial covenants referred to above will no longer apply.

The Group funds its operations through a mixture of shareholders' equity and bank and capital market borrowings. All of the borrowings are managed by a central treasury function and funds raised are lent onward to operating subsidiaries as required. The overall objective is to manage the funding to ensure the borrowings have a range of maturities, are competitively priced and meet the demands of the business over time and, in order to do so, the Group arranges a mixture of borrowings from different sources with a variety of maturity dates.

// NOTES *continued*

18 Risk management and financial instruments continued

The Group's businesses provide a high and consistent level of cash generation which helps fund future development and growth. The Group seeks to maintain an appropriate balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes to the Group's approach to capital management during the year and the Group is not subject to any externally imposed capital requirements.

Treasury policies and controls

The Group has a centralised treasury department to control external borrowings and manage liquidity, interest rate, foreign currency and credit risks. Treasury policies have been approved by the Board and cover the nature of the exposure to be hedged, the types of financial instruments that may be employed and the criteria for investing and borrowing cash. The Group uses derivatives to manage its foreign currency and interest rate risks arising from underlying business activities. No transactions of a speculative nature are undertaken. The treasury department is subject to periodic independent review by the internal audit department. Underlying policy assumptions and activities are periodically reviewed by the Board. Controls over exposure changes and transaction authenticity are in place.

Derivatives and hedge accounting

The Group designates derivatives which qualify as hedges for accounting purposes as either (a) a hedge of the fair value of a recognised asset or liability; (b) a hedge of the cash flow risk resulting from changes in interest rates or foreign exchange rates; or (c) a hedge of a net investment in a foreign operation. The accounting treatment for hedges and derivatives is set out in the financial instruments accounting policy in Note 2p. The Group tests the effectiveness of hedges on a prospective basis to ensure compliance with IFRS 9. Information about the methods and assumptions used in determining the fair value of derivatives is provided under the Financial instruments section on page 171.

Hedge effectiveness

For hedges of foreign currency purchases and sales, the Group enters into cash flow hedge relationships where the critical terms of the hedging instrument are similar to those of the hedged item, such as notional amount, expected maturity date and currency. Hedge ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated. The Group therefore performs a quantitative hedge effectiveness assessment to calculate any ineffectiveness during the period.

Part of the Group's fixed rate debt portfolio is swapped to floating rates using interest rate swaps where the hedged items are individual tranches of fixed rate debt. These interest rate swaps are held in fair value hedges with critical terms exactly matching those of the underlying hedged items, such as notional amounts, payment dates, reset dates, maturity dates and currencies. As all critical terms matched during the year, the economic relationship was 100% effective. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group will perform a quantitative assessment of effectiveness. Hedge ineffectiveness may arise due to a change in credit risk of the counterparty or if there is a change in timings or amounts of the hedged cash flows.

There was no material ineffectiveness during 2024 in relation to the interest rate swaps or the forward currency contracts.

Risk management

(a) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group continually monitors net debt and forecast cash flows to ensure that sufficient facilities are in place to meet the Group's requirements in the short, medium and long term and, in order to do so, arranges borrowings from a variety of sources.

The Group has substantial funding available comprising multi-currency credit facilities from the Group's banks, US private placement notes and senior bonds. During 2024, the Group issued a €500m bond which matures in 2032 under the terms of its Euro Medium Term Note ('EMTN') programme. The bond issued extends the maturity profile of the Group's debt portfolio.

During 2024, £264.8m of existing bank facilities with maturities between 2024 and 2026 were refinanced by £350.6m of new or amended bank facilities with maturities between 2026 to 2029.

In July 2024, the Group established a €1 billion euro-commercial paper programme, under which it can issue short term notes. At 31 December 2024, the nominal value of commercial paper in issue was £144.6m (2023: none) with maturities of up to three months.

Loans, borrowings and net debt

	2024 £m	2023 £m
Bank overdrafts	**(987.9)**	(874.2)
Bank loans	**(1.6)**	(0.1)
Commercial paper	**(144.3)**	–
US private placement notes	**(173.4)**	(129.9)
Senior bonds	**(299.9)**	–
Borrowings due within one year	**(1,607.1)**	(1,004.2)
Bank loans	**(5.8)**	–
US private placement notes	**(628.6)**	(795.2)
Senior bonds	**(727.3)**	(621.9)
Borrowings due after one year	**(1,361.7)**	(1,417.1)
Derivatives managing the interest rate risk and currency profile of the debt	**(75.5)**	(90.3)
Gross debt	**(3,044.3)**	(2,511.6)
Cash and cash equivalents	**1,432.9**	1,426.1
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Lease liabilities	**(754.1)**	(664.5)
Net debt including lease liabilities	**(2,365.5)**	(1,750.0)

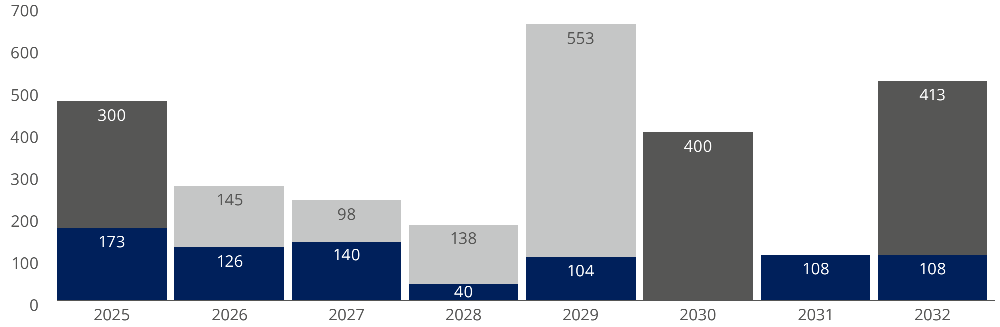
Further information on the movement in net debt and lease liabilities is shown in Note 29.

// NOTES *continued*

18 Risk management and financial instruments continued

The total available committed funding at 31 December 2024 was £2,845.4m (2023: £2,470.0m). This includes our US private placement notes, senior bonds and all committed bank facilities. The committed funding maturity profile at 31 December 2024 is set out in the chart below:

Committed funding maturity profile by year (£m)



The undrawn committed bank facilities available at 31 December were as follows:

	2024 £m	2023 £m
Expiring within one year	–	179.8
Expiring after one year but within two years	145.3	50.0
Expiring after two years	788.2	622.8
	933.5	852.6

In addition, the Group maintains a commercial paper programme, bank overdrafts and uncommitted facilities to provide short term flexibility. As at 31 December 2024 there were no loans secured by fixed charges on property (2023: none).

Contractual maturity profile

The contractual maturity profile of the Group's financial liabilities at 31 December is set out in the tables below. The amounts disclosed are the contractual undiscounted cash flows and therefore include interest cash flows (forecast using SONIA and SOFR interest rates at 31 December in the case of floating rate financial assets and liabilities). Derivative assets and liabilities have been included within the tables since they predominantly relate to derivatives which are used to manage the interest cash flows on the Group's debt. Foreign currency cash flows have been translated using spot rates as at 31 December.

	Contractual cash (outflows)/inflows				
2024	Total contractual cash flows £m	Within one year £m	After one year but within two years £m	After two years but within five years £m	After five years £m
Financial liabilities					
Bank overdrafts	(987.9)	(987.9)			
Bank loans	(7.4)	(1.6)	(1.0)	(2.7)	(2.1)
Commercial paper	(144.6)	(144.6)			
US private placement notes	(918.3)	(201.2)	(149.1)	(330.4)	(237.6)
Senior bonds	(1,260.5)	(319.7)	(19.9)	(59.8)	(861.1)
Lease payments	(875.0)	(212.8)	(189.4)	(338.3)	(134.5)
Trade and other payables	(2,364.5)	(2,149.0)	(50.5)	(157.7)	(7.3)
	(6,558.2)	(4,016.8)	(409.9)	(888.9)	(1,242.6)
Derivative financial instruments					
Net settled:					
Interest rate swaps	(115.5)	(20.2)	(20.2)	(56.8)	(18.3)
Gross settled:					
Foreign exchange inflows	2,768.1	2,768.1	–		
Foreign exchange outflows	(2,753.3)	(2,753.3)	–		
	(100.7)	(5.4)	(20.2)	(56.8)	(18.3)
Total	(6,658.9)	(4,022.2)	(430.1)	(945.7)	(1,260.9)

// NOTES *continued*

18 Risk management and financial instruments continued

2023	Total contractual cash flows £m	Within one year £m	After one year but within two years £m	After two years but within five years £m	After five years £m
	Contractual cash (outflows)/inflows				
Financial liabilities					
Bank overdrafts	(874.2)	(874.2)			
Bank loans	(0.1)	(0.1)			
US private placement notes	(1,068.8)	(163.4)	(199.6)	(357.2)	(348.6)
Senior bonds	(755.6)	(12.8)	(312.8)	(18.0)	(412.0)
Lease payments	(788.1)	(180.5)	(159.4)	(318.4)	(129.8)
Trade and other payables*	(2,167.2)	(2,018.4)	(55.4)	(83.7)	(9.7)
	(5,654.0)	(3,249.4)	(727.2)	(777.3)	(900.1)
Derivative financial instruments					
Net settled:					
Interest rate swaps	(151.9)	(22.8)	(22.8)	(65.9)	(40.4)
Gross settled:					
Foreign exchange inflows	2,539.0	2,539.0	–		
Foreign exchange outflows	(2,549.2)	(2,549.2)	–		
	(162.1)	(33.0)	(22.8)	(65.9)	(40.4)
Total	(5,816.1)	(3,282.4)	(750.0)	(843.2)	(940.5)

* The Group has restated comparatives for the year to 31 December 2023 to remove minority options – retention payments of former owners of £38.2m from Other payables held at fair value as these are accounted for in line with IAS19 'Employee benefits'.

(b) Interest rate risk

The Group is funded by a mixture of fixed and floating rate debt with the Group's main interest rate risk arising on its floating rate debt. Interest rate swaps and interest rate caps are used to manage the interest rate risk profile.

The table below shows the fixed/floating rate debt mix after interest rate swaps. Of the US private placement notes of £802.0m (2023: £925.1m), there are US dollar denominated amounts totalling £92.0m (2023: £90.6m), with maturities ranging from 2026 to 2028, which have been swapped to floating rates using interest rate swaps which reprice daily. Of the senior bonds of £1,027.2m (2023: £621.9m), an amount totalling £318.9m (2023: £322.4m), with a maturity of 2030, has been swapped to floating rates using interest rate swaps which reprice daily.

The US private placement notes of £802.0m include a fair value adjustment of £8.1m (2023: £12.4m) related to interest rate swaps terminated in previous years. The terminations resulted in discontinuation of a number of fair value hedge relationships. At the date of de-designation, there was a fair value adjustment on the US private placement notes which will be amortised to the income statement across the remaining life of the debt. The amortisation of the fair value adjustment in 2024 was a credit to the income statement of £4.3m (2023: £4.2m).

The interest rate risk on the floating rate liability is managed using interest rate options. The strike rates of these options are based on EURIBOR and are re-priced every three months.

Fixed vs floating interest rate table

	2024 £m	2023 £m
Fixed rate debt		
US private placement notes	**(802.0)**	(925.1)
Senior bonds	**(1,027.2)**	(621.9)
Total fixed rate debt	**(1,829.2)**	(1,547.0)
Interest rate swaps (fixed leg)	**410.9**	413.0
Fixed rate liability	**(1,418.3)**	(1,134.0)
Floating rate debt		
Bank overdrafts	**(987.9)**	(874.2)
Bank loans	**(7.4)**	(0.1)
Commercial paper	**(144.3)**	–
Total floating rate debt	**(1,139.6)**	(874.3)
Interest rate swaps (floating leg)	**(410.9)**	(413.0)
Floating rate liability	**(1,550.5)**	(1,287.3)
Derivatives managing the interest rate risk and currency profile of the debt	**(75.5)**	(90.3)
Gross debt excluding lease liabilities	**(3,044.3)**	(2,511.6)

Effects of hedge accounting on the financial position and performance

The effects of the interest rate swaps on the Group's financial position and performance are as follows:

	2024	2023
Interest rate swaps		
Net carrying amount liability (£m)	**(82.8)**	(78.7)
Notional amount (£m)	**496.0**	494.5
Maturity date range	**2026–2030**	2026–2030
Hedge ratio	**1:1**	1:1
Fair value gain/(loss) on US private placement notes and senior bond in a hedge relationship (£m)	**3.9**	(24.4)
Fair value (loss)/gain on interest rate swaps in a hedge relationship (£m)	**(4.1)**	21.8

// NOTES *continued*

18 Risk management and financial instruments continued

Sensitivity to movements in interest rates

After taking account of hedge relationships, a change of 1% in the interest rate forward curves on 31 December would have affected profit before income tax for the year and equity as at the year end as a result of changes in the fair values of derivative assets and liabilities at that date by the amounts shown below:

	Impact on profit before tax		Impact on equity	
	+1% £m	–1% £m	+1% £m	–1% £m
2024	**0.1**	**–**	**0.1**	**–**
2023	0.2	(0.1)	0.2	(0.1)

(c) Foreign currency risk

The majority of the Group's sales are made and income is earned in US dollars, euros and other foreign currencies. The Group does not hedge the impact of exchange rate movements arising on translation of earnings into sterling at average exchange rates.

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
	2024	2023	2024	2023
US dollar	**1.28**	1.24	**1.25**	1.27
Euro	**1.18**	1.15	**1.21**	1.15

The majority of the Group's transactions are carried out in the respective functional currencies of the Group's operations and so transaction exposures are usually relatively limited. Where they do occur the Group's policy is to hedge exposures of highly probable forecast transactions using forward foreign exchange contracts and these are designated as cash flow hedges. During the year the Group hedged highly probable forecast transactions for periods of up to 21 months. However, the economic impact of foreign exchange on the value of uncommitted future purchases and sales is not hedged. As a result, sudden and significant movements in foreign exchange rates can impact profit margins where there is a delay in passing the resulting price increases on to customers.

For the year ended 31 December 2024, all foreign exchange cash flow hedges were effective with a cumulative pre-tax gain of £4.7m (2023: cumulative pre-tax loss of £2.5m) recognised in equity at the end of the year and this will affect the income statement during 2025.

Effects of hedge accounting on the financial position and performance

	2024	2023
Forward foreign currency hedges in relation to inventory purchases		
Net carrying amount asset/(liability) (£m)	**4.7**	(2.5)
Notional amount at 31 December (£m)	**131.2**	135.3
Maturity date range	**2025**	2024
Hedge ratio	**1:1**	1:1
Change in value of hedged items since 1 January (£m)	**(7.2)**	1.3
Change in fair value of outstanding foreign currency forward contracts since 1 January (£m)	**7.2**	(1.3)

The majority of the Group's borrowings are in effect denominated in US dollars, sterling and euros, aligning them to the respective functional currencies of the component parts of the Group's EBITDA. This currency profile is achieved using short term foreign exchange contracts and foreign currency debt which are designated as hedging instruments to achieve net investment hedge accounting at a Group level. This currency composition minimises the impact of movements in foreign exchange rates on the ratio of net debt to EBITDA. No ineffectiveness was recorded from net investments in foreign entity hedges.

The currency profile of the Group's net debt excluding lease liabilities at 31 December is set out in the table below:

	2024 £m	2023 £m
US dollar	**637.7**	438.6
Sterling	**225.4**	91.8
Euro	**644.7**	573.9
Other	**103.6**	(18.8)
	1,611.4	1,085.5

The Group also enters into foreign currency derivatives to hedge intercompany loans economically although these do not qualify for hedge accounting and therefore gains and losses are recorded in the income statement. These currency derivatives are subject to the same risk management policies as all other derivative contracts.

Sensitivity to movements in foreign exchange rates

For the year ended 31 December 2024, a movement of one cent in the US dollar and euro average exchange rates would have changed profit before income tax by £2.8m and £0.9m respectively (2023: £3.0m and £1.0m) and adjusted profit before income tax by £3.2m and £1.2m respectively (2023: £3.4m and £1.5m).

If a 10% strengthening or weakening of sterling had taken place on 31 December it would have increased/(decreased) profit before income tax and (decreased)/increased equity for the year by the amounts shown below. The impact of this translation is much greater on equity than it is on profit before income tax since equity is translated using the closing exchange rates at the year end and profit before income tax is translated using the average exchange rates for the year. As a result, the value of equity is more sensitive than the value of profit before income tax to a movement in exchange rates on 31 December and the resulting movement in profit before income tax is due solely to the translation effect on monetary items. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Impact on profit before tax		Impact on equity	
	+10% £m	–10% £m	+10% £m	–10% £m
2024	**0.7**	**(0.9)**	**(214.9)**	**260.3**
2023	0.4	(0.5)	(228.8)	308.2

// NOTES *continued*

18 Risk management and financial instruments continued

(d) Credit risk

Credit risk is the risk of loss in relation to a financial asset due to non-payment by the relevant counterparty. The Group's objective is to reduce its exposure to counterparty default by restricting the type of counterparty it deals with and by employing an appropriate policy in relation to the collection of financial assets.

The Group's financial assets are cash at bank and in hand, derivative financial instruments and trade and other receivables which represent the Group's maximum exposure to credit risk in relation to financial assets. The maximum exposure to credit risk for cash at bank and in hand, derivative financial assets (see page 172) and trade and other receivables (see Note 16) is their respective carrying amounts.

Dealings are restricted to those banks with the relevant combination of geographic presence and suitable credit rating. The Group continually monitors the credit ratings of its counterparties and the credit exposure to each counterparty.

For trade and other receivables, the amounts represented in the balance sheet are net of any impairment losses measured using the expected credit loss model. Note 16 sets out an analysis of trade and other receivables and the provision for expected credit losses and credit notes in respect of trade receivables.

At the balance sheet date there were no significant concentrations of credit risk (2023: none).

(e) Financial instruments

Financial assets and liabilities

	2024 £m	2023 £m
Financial assets held at amortised cost		
Cash at bank and in hand	**1,369.1**	1,377.1
Trade and other receivables	**1,541.7**	1,494.1
Total financial assets held at amortised cost	**2,910.8**	2,871.2
Financial assets held at fair value		
Foreign exchange derivatives in cash flow hedges	**4.8**	0.3
Foreign exchange derivatives in net investment hedges	**13.3**	9.8
Other foreign exchange and interest rate derivatives	**9.9**	1.7
Total derivative financial assets	**28.0**	11.8
Money market funds	**63.8**	49.0
Total financial assets held at fair value	**91.8**	60.8
Total financial assets	**3,002.6**	2,932.0
Current derivative financial assets	**28.0**	11.7
Non-current derivative financial assets	**–**	0.1
Total derivative financial assets	**28.0**	11.8

Financial assets and liabilities

	2024 £m	2023 £m
Financial liabilities held at amortised cost		
Bank overdrafts	**(987.9)**	(874.2)
Bank loans	**(7.4)**	(0.1)
Commercial paper	**(144.3)**	–
US private placement notes	**(802.0)**	(925.1)
Senior bonds	**(1,027.2)**	(621.9)
Lease liabilities	**(754.1)**	(664.5)
Trade and other payables	**(2,172.4)**	(2,043.8)
Total financial liabilities held at amortised cost	**(5,895.3)**	(5,129.6)
Financial liabilities held at fair value		
Interest rate derivatives in fair value hedges	**(82.8)**	(78.7)
Foreign exchange derivatives in cash flow hedges	**(0.1)**	(2.8)
Foreign exchange derivatives in net investment hedges	**(9.1)**	(16.6)
Other foreign exchange derivatives	**(6.6)**	(6.3)
Total derivative financial liabilities	**(98.6)**	(104.4)
Other payables held at fair value*	**(192.1)**	(123.4)
Total financial liabilities held at fair value	**(290.7)**	(227.8)
Total financial liabilities	**(6,186.0)**	(5,357.4)
Current derivative financial liabilities	**(15.8)**	(25.7)
Non-current derivative financial liabilities	**(82.8)**	(78.7)
Total derivative financial liabilities	**(98.6)**	(104.4)

* The Group has restated comparatives for the year to 31 December 2023 to remove minority options – retention payments of former owners of £38.2m from Other payables held at fair value as these are accounted for in line with IAS19 'Employee benefits'.

Financial assets and liabilities stated as being measured at fair value in the tables above (including all derivative financial instruments), with the exception of money market funds and other payables, have carrying amounts where the fair value is, and has been throughout the year, a level two fair value measurement. Level two fair value measurements use inputs other than quoted prices that are observable for the relevant asset or liability, either directly or indirectly. The fair values of financial assets and liabilities stated at level two fair value have been determined by discounting expected future cash flows, translated at the appropriate balance sheet date exchange rates and adjusted for counterparty or own credit risk as applicable. Money market funds have a fair value which is a level one fair value measurement, as this is determined by utilising unadjusted quoted prices in active markets as at the balance sheet date. Other payables measured at fair value relate to earn outs and minority options, excluding elements relating to the retention of former owners, on businesses acquired.

// NOTES *continued*

18 Risk management and financial instruments continued

This is a level three fair value which is initially measured based on the expected future profitability of the businesses acquired at the acquisition date and subsequently reassessed at each reporting date based on the most recent data available on the expected profitability of the businesses acquired. These balances are sensitive to a change in the expected profitability of the businesses acquired. A 1% increase in the expected profitability of the relevant businesses acquired would result in an increase to other payables held at fair value of £2.1m (2023: £2.3m) and 1% decrease in the expected profitability would result in a decrease of £2.1m (2023: £2.3m).

There were no transfers between levels for recurring fair value measurements during the year.

As at 31 December 2024 the fair values, based on unadjusted market data, of the US private placement notes was £761.6m (2023: £875.9m) and of the senior bonds was £968.2m (2023: £615.8m).

For other financial assets and financial liabilities not measured at fair value, including cash at bank and in hand, bank loans and overdrafts, trade and other receivables and trade and other payables, their carrying amount is a reasonable approximation of fair value due to their short term nature. Bank loans are priced based on floating interest rates and the credit spread has not changed since the inception of the loan.

Offsetting of financial assets and liabilities

The following table sets out the Group's derivative financial assets and liabilities that are subject to counterparty offsetting or master netting agreements.

2024	Gross amounts £m	Gross amounts offset in the balance sheet £m	Net amounts recognised in the balance sheet £m	Amounts not offset in the balance sheet £m	Net amounts £m
Derivative financial assets	28.0	–	28.0	(12.9)	15.1
Derivative financial liabilities	(98.6)	–	(98.6)	12.9	(85.7)
2023					
Derivative financial assets	11.8	–	11.8	(10.2)	1.6
Derivative financial liabilities	(104.4)	–	(104.4)	10.2	(94.2)

19 Provisions

	2024 £m	2023 £m
Current	57.1	10.0
Non-current	49.7	75.8
	106.8	85.8

	2024				2023			
	Properties £m	MEPP withdrawal £m	Other £m	Total £m	Properties £m	MEPP withdrawal £m	Other £m	Total £m
Beginning of year	26.4	4.2	55.2	85.8	25.3	13.8	35.6	74.7
Charge	2.1	–	7.1	9.2	2.6	–	1.3	3.9
Acquisitions	8.1	–	24.7	32.8	2.2	–	24.0	26.2
Disposal of businesses	–	–	(4.2)	(4.2)	–	–	–	–
Utilised or released	(1.9)	(0.7)	(6.0)	(8.6)	(3.3)	(9.1)	(5.0)	(17.4)
Currency translation	(0.4)	–	(7.8)	(8.2)	(0.4)	(0.5)	(0.7)	(1.6)
End of year	34.3	3.5	69.0	106.8	26.4	4.2	55.2	85.8

The Properties provision includes provisions for repairs and dilapidations. These provisions cover the relevant periods of the lease agreements, which typically extend from one to 10 years, up to the expected termination date.

The MEPP withdrawal provision relates to the withdrawal liability on multi-employer pension plans in North America. See Note 25 for further details.

Group companies are, from time to time, subject to certain claims and litigation incidental to their operations and arising in the ordinary course of business including, but not limited to, those relating to the products and services that they supply, contractual and commercial disputes, environmental claims, employment related disputes and indirect and payroll taxes. Other provisions include management's best estimate of the liabilities for such claims and litigation at the balance sheet date, determined by reference to known factors and past experience of similar items. Provision is made if, on the basis of current information and professional advice, liabilities are considered likely to arise. Management expects these matters to be settled within the next one to five years. While any dispute has an element of uncertainty, management does not expect that the actual outcome of any such claims and litigation, either individually or in the aggregate, will be materially different to the amounts provided. In the case of unfavourable outcomes, the Group may benefit from applicable insurance protection, for which an asset is only recognised when it is virtually certain. There are no individually significant provisions included within the other category.

// NOTES *continued*

20 Deferred tax

	2024 Asset £m	2024 Liability £m	2024 Net £m	2023 Asset £m	2023 Liability £m	2023 Net £m
Property, plant and equipment	**0.2**	**(15.6)**	**(15.4)**	0.5	(11.5)	(11.0)
Defined benefit pension schemes	**4.3**	**(8.8)**	**(4.5)**	5.4	(16.4)	(11.0)
Goodwill, customer and supplier relationships, brands and technology	**9.7**	**(304.2)**	**(294.5)**	6.9	(232.5)	(225.6)
Share based payments	**14.5**	**–**	**14.5**	15.1	–	15.1
Leases	**8.7**	**(0.3)**	**8.4**	7.8	(0.2)	7.6
Provisions and accruals	**48.2**	**(5.1)**	**43.1**	51.6	(4.2)	47.4
Inventories	**12.0**	**(23.5)**	**(11.5)**	13.6	(21.8)	(8.2)
Other	**14.9**	**(4.2)**	**10.7**	14.7	(4.9)	9.8
Deferred tax asset/(liability)	**112.5**	**(361.7)**	**(249.2)**	115.6	(291.5)	(175.9)
Set-off of tax	**(98.4)**	**98.4**	**–**	(101.4)	101.4	–
Net deferred tax asset/(liability)	**14.1**	**(263.3)**	**(249.2)**	14.2	(190.1)	(175.9)

Except as noted below, deferred tax is calculated in full on temporary differences under the liability method using the tax rate of the country of operation.

The Company is able to control the dividend policy of its subsidiaries and, therefore, the timing of the remittance of the undistributed earnings of overseas subsidiaries. In general, the Company has determined either that such earnings will not be distributed in the foreseeable future or, where there are plans to remit those earnings, no tax liability is expected to arise except for a liability of £1.4m (2023: £1.4m) which has been provided for.

Deferred tax assets in respect of temporary differences have only been recognised in respect of tax losses and other temporary differences where it is probable that these assets will be realised. No deferred tax asset has been recognised in respect of unutilised tax losses of £10.9m (2023: £11.9m).

No deferred tax has been recognised in respect of unutilised capital losses of £86.9m (2023: £86.9m) as it is not considered probable that there will be suitable future taxable profits against which they can be utilised.

The movement in the net deferred tax liability is shown below:

	2024 £m	2023 £m
Beginning of year	**175.9**	188.7
Acquisitions	**99.8**	20.3
Disposal of businesses	**(1.6)**	–
Credit to income statement	**(16.3)**	(19.7)
Recognised in other comprehensive income and equity	**(4.4)**	(1.2)
Reclassified (to)/from current tax	**–**	(4.1)
Currency translation	**(4.2)**	(8.1)
End of year	**249.2**	175.9

21 Share capital and share based payments

	2024 £m	2023 £m
Issued and fully paid ordinary shares of 32½p each	**106.4**	108.6

Number of ordinary shares in issue and fully paid	2024	2023
Beginning of year	**338,021,077**	337,667,846
Issued – option exercises	**378,873**	353,231
Own shares purchased for cancellation	**(7,223,430)**	–
End of year	**331,176,520**	338,021,077

Own shares purchased for cancellation

During 2024 the Company repurchased and cancelled 7,223,430 ordinary shares, with an aggregate nominal value of £2.3m, for a total consideration of £251.2m, including transaction costs of £0.2m and stamp duty of £1.0m, of which £247.9m had been paid during the year. The repurchased shares represent approximately 2% of ordinary share capital in issue as at 31 December 2024.

Own shares purchased for cancellation of £301.2m, as shown in the consolidated statement of changes in equity, includes the £251.2m total consideration for shares repurchased and cancelled during the year and a further £50.0m accrual for share purchases committed to as at 31 December 2024. Of the £50.0m accrual, 1,485,587 ordinary shares were repurchased and cancelled between the end of the reporting period and 3 March 2025, for a total cost of £50.0m. The number of shares in issue is reduced when shares are repurchased and cancelled.

Investment in own shares

The Company holds a number of its ordinary shares in an employee benefit trust. The principal purpose of this trust is to hold shares in the Company for subsequent transfer to certain senior employees and executive directors in relation to options granted and awards made under the LTIP and the Deferred Annual Share Bonus Scheme ('DASBS') over market purchase shares. Details of these plans are set out below and in the Directors' remuneration report. The assets, liabilities and expenditure of the trust have been incorporated in the consolidated financial statements. Finance expenses and administration charges are included in the income statement on an accruals basis. As at 31 December 2024 the trust held 1,921,706 (2023: 2,223,988) shares, upon which dividends have been waived, with an aggregate nominal value of £0.6m (2023: £0.7m) and market value of £63.3m (2023: £70.9m).

Shares based payments

The Company operates a number of share plans for the benefit of employees of the Company and its subsidiaries. Further details of the share plans as they relate to the directors of the Company are set out in the Directors' remuneration report.

Sharesave Scheme, International Sharesave Plan and Irish Sharesave Plan

For many years, the Company has operated all employee savings related share option schemes. The existing scheme in the UK, the Bunzl plc Sharesave Scheme, was approved by shareholders at the 2011 Annual General Meeting ('AGM') and renewal amendments were approved by shareholders at the 2021 AGM. It is an HMRC tax advantaged scheme and is open to all eligible UK employees, including UK-based executive directors.

The Bunzl Irish Sharesave Plan, which is approved by the Irish Revenue Commissioners, and the Bunzl plc International Sharesave Plan, were first introduced in 2006 and have since been extended, most recently following the renewal of the Bunzl plc Sharesave Scheme in 2021.

// NOTES *continued*

21 Share capital and share based payments continued

The Bunzl plc Sharesave Scheme, Bunzl plc International Sharesave Plan and the Bunzl Irish Sharesave Plan operate on a similar basis with options granted to participating employees who have completed at least three months of continuous service at a discount of up to 20% of the market price prevailing shortly before the invitation to apply for the options. Depending on the scheme, options are normally exercisable either three or five years after they have been granted, with employees saving up to £500 (2023: £500) per month (or the equivalent value in other currencies under the Bunzl plc International Sharesave Plan) or €500 per month under the Bunzl Irish Sharesave Plan (the last grant under the Bunzl Irish Sharesave Plan was in 2021).

Long Term Incentive Plan 2014 ('2014 LTIP') and 2024 ('2024 LTIP')

The 2014 LTIP was approved by shareholders at the 2014 AGM and expired in April 2024. No further share options or performance share awards have been granted under the 2014 LTIP since that date. The 2024 LTIP was approved by shareholders at the 2024 AGM and replaced the 2014 LTIP. The operation of the LTIP is overseen by the Remuneration Committee of the Board and is divided into two parts, being Part A and Part B.

Part A of the 2024 LTIP relates to the grant of market priced executive share options. In normal circumstances, options granted under Part A are only exercisable if the relevant performance condition has been satisfied. The performance condition is based on the Company's adjusted earnings per share growth meeting certain specified targets.

Part B of the 2024 LTIP relates to the grant of performance share awards and restricted share awards, both of which are conditional rights to receive shares in the Company for nil consideration. Performance share awards and restricted share awards will usually vest (i.e. become exercisable) on the third anniversary of their grant. The extent to which a performance share award will vest is usually subject to the extent to which the applicable performance conditions have been satisfied, based partly on the Company's total shareholder return performance, relative to a comparator group of companies over a three year period, and partly subject to the Company's adjusted earnings per share growth meeting certain specified targets. The extent to which a restricted share award will vest is usually subject to the extent to which the applicable underpin condition has been satisfied. There are no set measures or targets in relation to the underpin condition. The basis of assessment is at the absolute discretion of the Remuneration Committee.

IFRS 2 disclosures

Options granted during the year have been valued using a Black Scholes model. The fair value per option granted during the year and the assumptions used in the calculations are as follows:

	2024	2023
Grant date	**01.03.24-11.09.24**	01.03.23–13.09.23
Share price at grant date (£)	**29.46-36.14**	28.04–30.60
Exercise price (£)	**nil-36.38**	nil–28.05
Number of options granted during the year (shares)	**2,062,611**	2,329,854
Vesting period (years)	**3.0-5.0**	3.0–5.0
Expected volatility (%)	**18-20**	19–21
Option life (years)	**3.0-10.0**	3.0–10.0
Expected life (years)	**3.0-6.5**	3.0–6.5
Risk free rate of return (%)	**3.6-4.4**	3.1–3.6
Expected dividends expressed as a dividend yield (%)	**0.0-2.3**	0.0–2.1
Fair value per option (£)	**5.09-24.41**	6.08–25.28

The expected volatility is based on historical volatility over the last three to seven years. The expected life is the average expected period to exercise. The risk free rate of return is the yield on zero coupon UK government bonds of a term consistent with the assumed option life.

The weighted average share price for options exercised by employees of the Company and its subsidiaries during the year was £33.47 (2023: £30.45). The total charge for the year relating to share based payments was £17.2m (2023: £15.4m). After tax the total charge was £14.0m (2023: £11.7m).

Details of share options and awards which have been granted and exercised, those which have lapsed during 2024 and those outstanding and available to exercise at 31 December 2024, whether over new issue or market purchase shares, or cash-settled, under the Sharesave Scheme, International Sharesave Plan, Irish Sharesave Plan, the 2014 LTIP Part A and Part B and 2024 LTIP Part A and Part B, are set out in the following table:

	Options outstanding at 01.01.24	Grants/awards† 2024		Exercises 2024		Lapses* 2024	Options outstanding at 31.12.24		Options available to exercise at 31.12.24
	Number	Number	Price (£)	Number	Price(£)	Number	Number	Price (£)	Number
Sharesave Scheme	**557,498**	**270,320**	**24.53**	**198,134**	**17.81-24.53**	**52,849**	**576,835**	**15.28-24.53**	**1,102**
International Sharesave Plan	**234,571**	**110,849**	**24.53**	**86,122**	**17.81-24.53**	**28,266**	**231,032**	**22.56-24.53**	**3,152**
Irish Sharesave Plan	**11,599**	**–**	**–**	**10,731**	**17.81**	**868**	**–**	**–**	**–**
2014 LTIP Part A	**8,813,165**	**–**	**–**	**2,375,032**	**16.38-28.97**	**137,949**	**6,300,184**	**16.87-28.97**	**3,194,043**
2024 LTIP Part A	**–**	**1,391,123**	**36.38**	**–**	**–**	**7,581**	**1,383,542**	**36.38**	**–**
2014 LTIP Part B	**1,088,163**	**257,633**	**–**	**253,428**	**–**	**13,126**	**1,079,242**	**–**	**199,592**
2024 LTIP Part B	**–**	**32,686**	**–**	**–**	**–**	**–**	**32,686**	**–**	**–**
	10,704,996	**2,062,611**		**2,923,447**		**240,639**	**9,603,521**		**3,397,889**

† Share option grants/awards also include the dividend equivalent shares accrued in relation to the vested LTIP B Restricted Share Awards ('RSAs').
* Share option lapses relate to those which have either been forfeited or have expired during the year.

// NOTES *continued*

21 Share capital and share based payments continued

For the options outstanding at 31 December 2024, the weighted average fair values and the weighted average remaining contractual lives (being the time period from 31 December 2024 until the lapse date of each share option) are set out below:

	Weighted average fair value of options outstanding (£)	Weighted average remaining contractual life (years)
Sharesave Scheme	7.46	2.28
International Sharesave Plan	7.73	2.07
Irish Sharesave Plan	–	–
2014 LTIP Part A	4.26	6.36
2014 LTIP Part B	23.96	4.00
2024 LTIP Part A	7.61	9.70
2024 LTIP Part B	25.96	5.32

The outstanding share options and performance share awards are exercisable at various dates up to September 2034.

22 Dividends

Total dividends for the years in which they are recognised are:

	2024 £m	2023 £m
2022 interim		57.9
2022 final		151.8
2023 interim	61.0	
2023 final	167.6	
Total	228.6	209.7

Total dividends per share for the year to which they relate are:

	Per share	
	2024	2023
Interim	20.1p	18.2p
Final	53.8p	50.1p
Total	73.9p	68.3p

The 2024 interim dividend of 20.1p per share was paid on 3 January 2025 and comprised £66.7m of cash. The 2024 final dividend of 53.8p per share will be paid on 2 July 2025 to shareholders on the register at the close of business on 23 May 2025. The 2024 final dividend will comprise approximately £177m of cash.

23 Bank guarantees

	2024 £m	2023 £m
Bank guarantees	4.5	2.0

24 Directors' ordinary share interests

The interests of the directors, and their connected persons, in the share capital of the Company at 31 December were:

	2024	2023
Peter Ventress	2,608	2,608
Frank van Zanten	269,899	225,612
Richard Howes	89,384	76,333
Pam Kirby	1,800	1,800
Lloyd Pitchford	4,000	4,000
Stephan Nanninga	10,000	–
Vin Murria	–	–
Jacky Simmonds	1,445	–
Daniela Barone Soares	519	–
Julia Wilson	1,302	–
Vanda Murray*	N/A	3,000
	380,957	313,353

* Vanda Murray retired as a director on 24 April 2024.

Details of the directors' options and awards over ordinary shares made under the 2024 LTIP, Sharesave Scheme, International Sharesave plan and DASBS are set out in the Directors' remuneration report. No changes to the directors' ordinary share interests shown in this Note and the Directors' remuneration report have taken place between 31 December 2024 and 3 March 2025, that were notifiable under article 19 of the Market Abuse Regulation.

// NOTES *continued*

25 Retirement benefits

The Group operates a number of defined benefit and defined contribution retirement benefit schemes in the US, the UK and elsewhere in Europe (including France, the Netherlands and the Republic of Ireland). The funds of the principal defined benefit schemes are administered by trustees and are held independently from the Group. Pension costs of defined benefit schemes are assessed in accordance with the advice of independent professionally qualified actuaries. Contributions to all schemes are determined in line with actuarial advice and local conditions and practices. Scheme assets for the purpose of IAS 19 'Employee Benefits' are stated at their mid value.

Characteristics of defined benefit pension schemes

UK

The UK defined benefit scheme is a contributory defined benefit pension scheme providing benefits based on final pensionable pay. The scheme has been closed to new members since 2003 and during the year was closed to further accrual in May 2024 before the trustee entered into a bulk annuity buy-in transaction in December 2024 that insured the vast majority of the benefit obligations. The value of the annuity policy is equal to the value of the IAS 19 liability less GMP equalisation liabilities estimated as approximately £2m. The valuation of the UK defined benefit pension scheme has been updated to 31 December 2024 by the Group's actuaries.

The purchase price for the buy-in contract based on conditions as at 10 December 2024 was £253m. There was a reduction in the pension fund surplus following the transaction because the IAS 19 liability for the insured benefits was estimated to be less than the purchase price. The difference between the amount paid and the corresponding IAS 19 liabilities has been recognised as an actuarial loss within return on plan assets in 2024.

The UK scheme is an HMRC registered pension scheme and is subject to standard UK pensions and tax law. This means that the payment of contributions and benefits are subject to the appropriate tax treatments and restrictions and the scheme is subject to the scheme funding requirements outlined in section 224 of the Pensions Act 2004.

In accordance with UK trust and pensions law, the pension scheme has a corporate trustee. Although the Company bears the financial cost of the scheme, the responsibility for the management and governance of the scheme lies with the trustee, which has a duty to act in the best interest of members at all times. The assets of the scheme are held in trust by the trustee who consults with the Company on investment strategy decisions.

The last full triennial valuation on the UK defined benefit pension scheme was carried out by a qualified actuary as at 5 April 2024 and showed that there was a surplus on the agreed funding basis.

US

The principal US defined benefit pension scheme is a non-contributory defined benefit pension scheme providing benefits based on final pensionable pay. The scheme has been closed to new members since 2003. The valuation of the US defined benefit pension scheme has been updated to 31 December 2024 by the Group's actuaries.

The US scheme is a qualified pension scheme and is subject to standard regulations under the Employee Retirement Income Security Act of 1974, the Pension Protection Act of 2006 and the Department of Labor and Internal Revenue reporting requirements. The scheme pays annual premiums to the Pension Benefit Guaranty Corporation to insure the benefits of the scheme.

The assets of the scheme are held in trust by an independent custodian. The Company has established a Retirement Scheme Investment Committee. The members of the Committee are the scheme fiduciaries and, as such, are ultimately responsible for the management of the scheme assets.

The Committee performs the oversight function and delegates the day-to-day management process to appropriate staff. A registered investment adviser advises the Committee regarding the investment of scheme assets.

A de-risking strategy has been agreed for the scheme to reduce the mismatch between the assets and liabilities, whereby investments are switched from return seeking assets to liability matching assets as the funding improves, based on pre-agreed triggers.

Annual actuarial valuations are performed on the US defined benefit pension scheme. The last annual review was carried out by a qualified actuary as at 1 January 2024 and showed that there was a required annual contribution of $3.9m. Bunzl plans to cover this required contribution using a prefunding balance. In comparison, in the 2023 plan year, Bunzl also used a prefunding balance to cover the required contribution of $4.5m. The annual review as at 1 January 2025 is ongoing.

Risks

Following the buy-in for the UK defined benefit pension scheme in December 2024 the risk of material change has been substantially mitigated. In June 2023, the High Court handed down a decision (Virgin Media Limited v NTL Pension Trustees II Limited and others) which potentially has implications for the validity of amendments made by pension schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. The High Court ruled that any amendments made to these pension schemes during the relevant period would be void unless the scheme actuary had confirmed that the pension scheme would continue to satisfy the statutory standard for contracted-out schemes. On 25 July 2024, the Court of Appeal upheld the original decision. The Trustees have initiated an investigation of scheme amendments to decide whether any subsequent actions or amendments to scheme liabilities are required. The Group has not made any allowance for the possible impact of the ruling as it is currently unclear whether any additional liabilities might arise, and if they were to arise, how they would be reliably measured. The Group will continue to monitor developments.

The main risks to which the Group is exposed in relation to the US defined benefit pension scheme are described below:

- Interest rate risk – a fall in bond yields will increase the value of the scheme's liabilities. A proportion of both the US scheme's assets are invested in liability matching assets to mitigate the interest rate and also the inflation risk.
- Mortality risk – the assumptions adopted by the Group make allowance for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the schemes and consequently increases in the schemes' liabilities. The mortality assumptions are reviewed on a regular basis to minimise the risk of using an inappropriate assumption.
- Investment risk – the schemes invest in a diversified range of asset classes to mitigate the risk of falls in any one area of the investments.

The risks mentioned above could lead to a material change to the deficit or surplus of the pension scheme. Given the long term time horizon of the schemes' cash flows, the assumptions used can lead to volatility in the scheme valuations from year to year.

A higher defined benefit obligation could lead to additional funding requirements in future years. Any deficit measured on a funding valuation basis, which may differ from the actuarial valuation under IAS 19, will generally be financed over a period that ensures the contributions are appropriate to the Group and in line with the relevant regulations.

// NOTES *continued*

25 Retirement benefits continued

Financial information

The amounts included in the consolidated financial statements at 31 December were:

Amounts included in the income statement	**2024 £m**	2023 £m
Defined contribution pension schemes	**31.8**	28.9
Defined benefit pension schemes		
current service cost (net of contributions by employees)	**2.3**	3.4
Total included in employee costs excluding non-recurring pension scheme credits	**34.1**	32.3
Defined benefit pension schemes		
past service cost included in non-recurring pension scheme credits	**(3.2)**	–
Total included in employee costs	**30.9**	32.3
Amounts included in finance (income)/expense		
Net interest income on defined benefit pension schemes in surplus	**(3.1)**	(3.2)
Net interest expense on defined benefit pension schemes in deficit	**0.7**	1.0
Total charge to the income statement	**28.5**	30.1

Amounts recognised in the statement of comprehensive income	**2024 £m**	2023 £m
Actual return less expected return on pension scheme assets	**(74.2)**	5.2
Experience gain/(loss) on pension scheme liabilities	**7.9**	(2.2)
Impact of changes in financial assumptions relating to the present value of pension scheme liabilities	**25.5**	(7.7)
Impact of changes in demographic assumptions relating to the present value of pension scheme liabilities	**5.7**	7.6
Actuarial (loss)/gain on defined benefit pension schemes	**(35.1)**	2.9

The cumulative amount of net actuarial losses arising since 1 January 2004 recognised in the statement of comprehensive income at 31 December 2024 was £67.2m (2023: £32.1m).

The principal assumptions used by the independent qualified actuaries for the purposes of IAS 19 were:

UK	**2024**	2023
Longevity at age 65 for current pensioners (years)	**21.4**	21.6
Longevity at age 65 for future pensioners (years)	**22.3**	22.8
US		
Longevity at age 65 for current and future pensioners (years)	**21.6**	21.6

	UK			US		
	2024	2023	2022	**2024**	2023	2022
Rate of increase in salaries	**–**	3.5%	3.6%	**3.0%**	3.0%	3.0%
Rate of increase in pensions	**–**	2.7%	2.7%	**–**	–	–
Discount rate	**5.6%**	4.8%	5.0%	**5.4%**	4.8%	5.0%
Inflation rate	**2.8%**	2.7%	2.7%	**2.3%**	2.3%	2.3%

The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescales covered, may not necessarily be borne out in practice.

The increase/(decrease) that would arise on the overall net pension surplus as at 31 December 2024 as a result of reasonably possible changes to key assumptions was:

	Impact of change in longevity		Impact of change in inflation rate		Impact of change in discount rate	
	+1 year £m	–1 year £m	+0.25% £m	–0.25% £m	+0.25% £m	–0.25% £m
UK	**(6.7)**	**6.1**	**(2.7)**	**2.6**	**6.2**	**(6.7)**
US	**(2.1)**	**2.3**	**–**	**–**	**1.6**	**(1.6)**

The market value of pension scheme assets and the present value of retirement benefit obligations at 31 December were:

2024	**UK £m**	**US £m**	**Other £m**	**Total £m**
Equities	–	16.3	1.7	18.0
Bonds	–	54.0	9.5	63.5
Assets held by insurance company	211.6	–	–	211.6
Other	36.8	11.4	6.5	54.7
Total market value of pension scheme assets	248.4	81.7	17.7	347.8
Present value of funded obligations	(213.8)	(79.8)	(17.2)	(310.8)
Present value of unfunded obligations	–	(8.3)	(8.9)	(17.2)
Present value of funded and unfunded obligations	(213.8)	(88.1)	(26.1)	(328.0)
Defined benefit pension schemes in deficit	–	(6.4)	(9.6)	(16.0)
Defined benefit pension schemes in surplus	34.6	–	1.2	35.8
Total surplus/(deficit) before tax	34.6	(6.4)	(8.4)	19.8
Deferred tax	(8.7)	1.7	2.5	(4.5)
Total surplus/(deficit) after tax	**25.9**	**(4.7)**	**(5.9)**	**15.3**

// NOTES *continued*

25 Retirement benefits continued

Financial information continued

2023	UK £m	US £m	Other £m	Total £m
Equities	–	25.1	1.4	26.5
Bonds	316.0	47.0	10.4	373.4
Other	0.3	15.0	9.7	25.0
Total market value of pension scheme assets	316.3	87.1	21.5	424.9
Present value of funded obligations	(251.0)	(84.8)	(21.4)	(357.2)
Present value of unfunded obligations	–	(9.3)	(9.0)	(18.3)
Present value of funded and unfunded obligations	(251.0)	(94.1)	(30.4)	(375.5)
Defined benefit pension schemes in deficit	–	(9.3)	(10.3)	(19.6)
Defined benefit pension schemes in surplus	65.3	2.3	1.4	69.0
Total surplus/(deficit) before tax	65.3	(7.0)	(8.9)	49.4
Deferred tax	(16.3)	2.5	2.8	(11.0)
Total surplus/(deficit) after tax	49.0	(4.5)	(6.1)	38.4

There is a net surplus of £34.6m (£25.9m after deferred tax) (2023: £65.3m (£49.0m after deferred tax)) on the UK scheme, which is recorded as a defined benefit pension asset on the balance sheet. In accordance with IFRIC 14, the surplus on the scheme is recognised as a defined benefit asset because the Group considers that it has an unconditional right to a refund of any surplus from the UK scheme.

Of the pension scheme assets, £118.3m (2023: £400.1m) are valued based on quoted market prices.

Movement in net surplus/(deficit)	2024 £m	2023 £m
Beginning of year	**49.4**	39.9
Disposal of businesses	**0.6**	–
Current service cost	**(2.3)**	(3.4)
Past service credit	**3.2**	–
Contributions	**1.2**	6.9
Net interest income	**2.4**	2.2
Actuarial (loss)/gain	**(35.1)**	2.9
Currency translation	**0.4**	0.9
End of year	**19.8**	49.4

Changes in the present value of defined benefit pension scheme liabilities	2024 £m	2023 £m
Beginning of year	**375.5**	381.6
Disposal of businesses	**(2.3)**	–
Current service cost	**2.3**	3.4
Past service credit	**(3.2)**	–
Interest expense	**17.3**	17.9
Contributions by employees	**0.2**	0.5
Actuarial (gain)/loss	**(39.1)**	2.3
Benefits paid	**(22.5)**	(23.7)
Currency translation	**(0.2)**	(6.5)
End of year	**328.0**	375.5

Changes in the fair value of defined benefit pension scheme assets	2024 £m	2023 £m
Beginning of year	**424.9**	421.5
Disposal of businesses	**(1.7)**	–
Interest income	**19.7**	20.1
Actuarial (loss)/gain	**(74.2)**	5.2
Contributions by employer	**1.2**	6.9
Contributions by employees	**0.2**	0.5
Benefits paid	**(22.5)**	(23.7)
Currency translation	**0.2**	(5.6)
End of year	**347.8**	424.9

The actual return on pension scheme assets was a loss of £54.5m (2023: gain of £25.3m).

The Group expects to pay approximately £1.2m in contributions to the defined benefit pension schemes in the year ending 31 December 2025 (expected as at 31 December 2023 for the year ending 31 December 2024: £1.3m) including none for the UK (expected as at 31 December 2023 for the year ending 31 December 2024: none).

The weighted average duration of the defined benefit pension scheme liabilities at 31 December 2024 was approximately 13.0 years (2023: 14.0 years) for the UK and 7.6 years (2023: 8.2 years) for the US.

The total defined benefit pension scheme liabilities are divided between active members (£41.3m (2023: £96.5m)), deferred members (£146.0m (2023: £142.7m)) and pensioners (£140.7m (2023: £136.3m)).

// NOTES *continued*

25 Retirement benefits continued

Multi-employer pension plans

The Group participates in a number of multi-employer pensions plans ('MEPPs') in North America. Although these plans are defined benefit plans the Group does not have sufficient information to account for them as defined benefit plans and, therefore, in accordance with IAS 19, accounts for them as defined contribution plans.

For MEPPs, US law requires payment of a withdrawal liability when employers cease contributing to underfunded MEPPs. The liability for withdrawal payments is shared by all members of the group of companies in any particular plan and solvent entities must cover the unfunded liabilities of employers who are unable to pay due to insolvency or bankruptcy. On withdrawal from a plan, an employer's withdrawal liability amount is calculated by reference to the employer's proportionate share of the MEPP's unfunded vested benefits based on the employer's share of all contributions made to the plan over the previous 10 years.

In 2024, the Group paid a lump sum of £0.7m towards the settlement of the liabilities for one of these plans.

The Group continues to participate in three MEPPs and continues to account for these as defined contribution plans with the combined ongoing annual contributions for the three plans in 2025 expected to be no more than £2.0m per annum.

26 Directors and employees

Number of employees	Closing 2024	Closing 2023	Average 2024	Average 2023
North America	**8,780**	8,724	**8,817**	8,712
Continental Europe	**6,472**	6,252	**6,393**	6,032
UK & Ireland	**5,968**	4,006	**5,014**	3,995
Rest of the World	**5,682**	5,462	**5,456**	4,255
	26,902	24,444	**25,680**	22,994
Corporate	**76**	84	**76**	78
	26,978	24,528	**25,756**	23,072

Employee costs	2024 £m	2023 £m
Wages and salaries	**1,052.2**	991.8
Social security costs	**114.7**	110.3
Pension costs	**34.1**	32.3
Share based payments	**17.2**	15.4
	1,218.2	1,149.8
Non-recurring pension scheme credit	**(3.2)**	–
	1,215.0	1,149.8

In addition to the above, acquisition related items for the year ended 31 December 2024 include deferred consideration of £45.5m (2023: £37.3m) relating to the retention of former owners of businesses acquired.

Key management remuneration	2024 £m	2023 £m
Salaries and short term employee benefits	**9.0**	8.9
Share based payments	**3.5**	3.2
Retirement benefits	**0.6**	0.6
	13.1	12.7

The Group revised its definition of key management personnel during the year and, for the purposes of IAS 24 'Related Party Disclosures', now considers it to be the directors of the Company and other members of the Leadership team as disclosed on page 15. The comparatives for the prior year have been restated on this basis from total key management remuneration of £10.9m to £12.7m.

Directors' emoluments	2024 £m	2023 £m
Non-executive directors	**0.9**	0.9
Executive directors:		
remuneration excluding performance related elements	**2.0**	1.9
annual bonus	**1.4**	1.3
	4.3	4.1

More detailed information concerning directors' emoluments and long term incentives is set out in the Directors' remuneration report. The aggregate amount of gains made by directors on the exercise of share options during the year was £nil (2023: £0.8m). The aggregate market value of performance share awards exercised by directors under long term incentive schemes during the year was £1.5m (2023: £2.9m). The aggregate market value of share awards exercised by directors under the DASBS was £1.9m (2023: £1.1m).

// NOTES *continued*

27 Lease liabilities

The Group leases certain property, plant, equipment and vehicles under non-cancellable operating lease agreements. These leases have varying terms and renewal rights. Details of the Group's right-of-use assets recognised under these lease agreements are shown in Note 12.

Movement in lease liabilities

	2024 £m	2023 £m
Beginning of year	**664.5**	569.9
Acquisitions (Note 9)	**73.7**	16.2
Disposal of businesses (Note 10)	**(0.4)**	–
Transferred to liabilities held for sale	**(1.6)**	–
New leases	**161.3**	136.7
Interest charge in the year	**38.5**	28.6
Payment of lease liabilities	**(216.7)**	(188.0)
Remeasurement adjustments	**50.4**	122.1
Currency translation	**(15.6)**	(21.0)
End of year	**754.1**	664.5
Ageing of lease liabilities:		
Current lease liabilities	**180.4**	152.1
Non-current lease liabilities	**573.7**	512.4
End of year	**754.1**	664.5

As at 31 December 2024, the Group had £1.1m (2023: £11.9m) of leases which had been committed to but which had not yet started. Such leases are not included in the Group's lease liabilities as at 31 December 2024. In relation to leases which are included in lease liabilities, there are potential further future cash flows of £52.8m (2023: £67.8m) if termination options are not exercised and extension options are exercised.

The cash outflow for low value and short term leases was £5.0m for the year ended 31 December 2024 (2023: £4.6m).

28 Cash, cash equivalents and overdrafts and net debt

	2024 £m	2023 £m
Cash at bank and in hand	**1,369.1**	1,377.1
Money market funds	**63.8**	49.0
Cash and cash equivalents	**1,432.9**	1,426.1
Bank overdrafts	**(987.9)**	(874.2)
Cash, cash equivalents and overdrafts	**445.0**	551.9
Interest bearing loans and borrowings – current liabilities	**(619.2)**	(130.0)
Interest bearing loans and borrowings – non-current liabilities	**(1,361.7)**	(1,417.1)
Derivatives managing the interest rate risk and currency profile of the debt	**(75.5)**	(90.3)
Net debt excluding lease liabilities	**(1,611.4)**	(1,085.5)
Lease liabilities (Note 27)	**(754.1)**	(664.5)
Net debt including lease liabilities	**(2,365.5)**	(1,750.0)

The cash at bank and in hand and bank overdrafts amounts included in the table above include the amounts associated with the Group's cash pool. The cash pool enables the Group to access cash in its subsidiaries to pay down the Group's borrowings. The Group has the legal right of set-off of balances within the cash pool which is an enforceable right. The cash at bank and in hand and bank overdrafts figures net of the amounts in the cash pool are disclosed below for reference:

	2024 £m	2023 £m
Cash at bank and in hand net of amounts in the cash pool	**406.9**	520.8
Money market funds	**63.8**	49.0
Bank overdrafts net of amounts in the cash pool	**(25.7)**	(17.9)
Cash, cash equivalents and overdrafts	**445.0**	551.9

// NOTES *continued*

29 Movement in net debt

2024	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Beginning of year excluding lease liabilities	551.9	(1,547.1)	(90.3)	(1,085.5)
Cash flow excluding movements in other components of net debt	(405.7)	–	–	(405.7)
Interest paid excluding interest on lease liabilities	(126.6)	–	–	(126.6)
Increase in borrowings	561.7	(561.7)	–	–
Repayment of borrowings	(132.9)	132.9	–	–
Receipts on settlement of foreign exchange contracts	24.2	–	(24.2)	–
Net cash outflow	(79.3)	(428.8)	(24.2)	(532.3)
Non-cash movement in debt	–	6.5	(4.2)	2.3
Loans and borrowings recognised on acquisition	–	(6.3)	–	(6.3)
Realised gain on foreign exchange contracts	–	–	24.2	24.2
Currency translation	(27.6)	(5.2)	19.0	(13.8)
End of year excluding lease liabilities	445.0	(1,980.9)	(75.5)	(1,611.4)
Lease liabilities (Note 27)	–	(754.1)	–	(754.1)
End of year including lease liabilities	445.0	(2,735.0)	(75.5)	(2,365.5)

2023	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Beginning of year excluding lease liabilities	678.1	(1,735.0)	(103.2)	(1,160.1)
Cash flow excluding movements in other components of net debt	143.1	–	–	143.1
Interest paid excluding interest on lease liabilities	(107.6)	–	–	(107.6)
Repayment of borrowings	(159.5)	159.5	–	–
Receipts on settlement of foreign exchange contracts	21.6	–	(21.6)	–
Net cash (outflow)/inflow	(102.4)	159.5	(21.6)	35.5
Non-cash movement in debt	–	(20.8)	21.5	0.7
Realised gain on foreign exchange contracts	–	–	21.6	21.6
Currency translation	(23.8)	49.2	(8.6)	16.8
End of year excluding lease liabilities	551.9	(1,547.1)	(90.3)	(1,085.5)
Lease liabilities (Note 27)	–	(664.5)	–	(664.5)
End of year including lease liabilities	551.9	(2,211.6)	(90.3)	(1,750.0)

30 Cash flow from operating activities

The tables below give further details on the adjustments for depreciation and software amortisation, other non-cash items and the working capital movement shown in the Consolidated cash flow statement.

Depreciation and software amortisation	2024 £m	2023 £m
Depreciation of right-of-use assets	186.1	166.1
Other depreciation and software amortisation	49.7	41.1
	235.8	207.2

Other non-cash items	2024 £m	2023 £m
Share based payments	17.2	15.4
Provisions	0.6	(13.1)
Retirement benefit obligations	1.1	(3.5)
Hyperinflation accounting adjustments	6.0	2.1
Other	(6.3)	5.6
	18.6	6.5

Working capital movement	2024 £m	2023 £m
(Increase)/decrease in inventories	(94.3)	108.1
Decrease/(increase) in trade and other receivables	0.7	(9.9)
Decrease in trade and other payables	(3.5)	(126.6)
	(97.1)	(28.4)

31 Related party disclosures

The Group has identified the directors of the Company, their close family members, the Group's defined benefit pension schemes and its key management as related parties for the purpose of IAS 24. Details of the relevant relationships with these related parties are disclosed in the Directors' remuneration report, Note 25 and Note 26, respectively. All transactions with subsidiaries are eliminated on consolidation.

// COMPANY BALANCE SHEET
at 31 December 2024

	Notes	2024 £m	2023 £m
Assets			
Property, plant and equipment	3	**0.4**	0.5
Right-of-use assets	4	**2.3**	2.9
Intangible assets	3	**0.7**	0.9
Investments	5	**765.1**	752.9
Defined benefit pension asset	11	**34.6**	65.3
Total non-current assets		**803.1**	822.5
Trade and other receivables	7	**1,431.1**	1,309.0
Cash at bank and in hand		**31.6**	13.1
Total current assets		**1,462.7**	1,322.1
Total assets		**2,265.8**	2,144.6
Liabilities			
Provisions	9	**(0.9)**	(0.9)
Lease liabilities	10	**(1.7)**	(2.4)
Deferred tax liability	6	**(4.5)**	(12.5)
Total non-current liabilities		**(7.1)**	(15.8)
Trade and other payables	8	**(161.1)**	(104.7)
Lease liabilities	10	**(0.7)**	(0.7)
Total current liabilities		**(161.8)**	(105.4)
Total liabilities		**(168.9)**	(121.2)
Net assets		**2,096.9**	2,023.4
Capital and reserves			
Share capital	12	**106.4**	108.6
Share premium		**212.1**	205.2
Other reserves		**5.6**	5.6
Capital redemption reserve	13	**18.4**	16.1
Profit and loss account†	13	**1,754.4**	1,687.9
Total shareholders' funds		**2,096.9**	2,023.4

The financial statements on pages 182 to 187 were approved by the Board of Directors of Bunzl plc (Company registration number 358948) on 3 March 2025 and signed on its behalf by Frank van Zanten, Chief Executive Officer and Richard Howes, Chief Financial Officer.

The Accounting policies and other Notes on pages 184 to 187 form part of these financial statements.

† Profit and loss account includes a net profit after tax for the year of £622.8m (2023: £91.9m). As permitted by section 408(3) of the Companies Act 2006, the profit and loss account of the Company has not been separately presented in these financial statements.

// COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

	Share capital £m	Share premium £m	Other reserves £m	Capital redemption reserve £m	Profit and loss account: Own shares £m	Profit and loss account: Retained earnings £m	Total shareholders' funds £m
At 1 January 2024	**108.6**	**205.2**	**5.6**	**16.1**	**(70.9)**	**1,758.8**	**2,023.4**
Profit for the year						**622.8**	**622.8**
Other comprehensive income/(expense)							
Actuarial loss on defined benefit pension scheme						**(36.7)**	**(36.7)**
Income tax credit on other comprehensive expense						**9.2**	**9.2**
Total comprehensive income						**595.3**	**595.3**
2023 interim dividend						**(61.0)**	**(61.0)**
2023 final dividend						**(167.6)**	**(167.6)**
Issue of share capital	**0.1**	**6.9**					**7.0**
Own shares purchased for cancellation						**(301.2)**	**(301.2)**
Own shares cancelled	**(2.3)**			**2.3**			**–**
Employee trust shares					**(16.6)**		**(16.6)**
Movement on own share reserves					**24.2**	**(24.2)**	**–**
Share based payments (net of tax)						**17.6**	**17.6**
At 31 December 2024	**106.4**	**212.1**	**5.6**	**18.4**	**(63.3)**	**1,817.7**	**2,096.9**

	Share capital £m	Share premium £m	Other reserves £m	Capital redemption reserve £m	Profit and loss account: Own shares £m	Profit and loss account: Retained earnings £m	Total shareholders' funds £m
At 1 January 2023	108.5	199.4	5.6	16.1	(63.4)	1,880.2	2,146.4
Profit for the year						91.9	91.9
Other comprehensive income/(expense)							
Actuarial loss on defined benefit pension scheme						(1.8)	(1.8)
Income tax credit on other comprehensive expense						0.5	0.5
Total comprehensive income						90.6	90.6
2022 interim dividend						(57.9)	(57.9)
2022 final dividend						(151.8)	(151.8)
Issue of share capital	0.1	5.8					5.9
Employee trust shares					(25.2)		(25.2)
Movement on own share reserves					17.7	(17.7)	–
Share based payments (net of tax)						15.4	15.4
At 31 December 2023	108.6	205.2	5.6	16.1	(70.9)	1,758.8	2,023.4

// NOTES TO THE COMPANY FINANCIAL STATEMENTS

1 Basis of preparation

Bunzl plc (the 'Company') is a company incorporated and domiciled in the United Kingdom and is registered in England and Wales. These financial statements present information about the Company as an individual undertaking and not about its Group.

The financial statements of the Company have been prepared on a going concern basis and under the historical cost convention with the exception of certain items which are measured at fair value as described in the accounting policies below.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006 as applicable to companies using FRS 101. The Company balance sheet has been presented using the format as prescribed in IAS 1. There are no new standards, amendments or interpretations that are applicable to the Company for the year ended 31 December 2024. In preparing these financial statements the Company has applied the exemptions available under FRS 101 in respect of:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures relating to transactions with wholly owned subsidiaries and capital management;
- the effects of new but not yet effective IFRSs; and
- disclosures relating to the compensation of key management personnel.

As the consolidated financial statements of the Company include the equivalent disclosures, the Company has also applied the exemptions available under FRS 101 in respect of:

- certain disclosures required by IFRS 2 'Share Based Payments' in respect of Group settled share based payments; and
- certain disclosures required by IFRS 13 'Fair Value Measurement' and disclosures required by IFRS 7 'Financial Instruments: Disclosures'.

2 Accounting policies

The accounting policies of the Company have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. In most cases the accounting policies for the Company are fully aligned with the equivalent accounting policies for the Group as stated in Note 2 to the consolidated financial statements. The accounting policies of the Company which are aligned with those of the Group are the policies for property, plant and equipment, leases, intangible assets, income tax, trade and other payables, provisions, retirement benefits, investment in own shares and dividends. The accounting policies that are specific to the Company are set out below.

a. Investment in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less any provision for impairment. The subsidiary undertakings which the Company held at 31 December 2024 are disclosed in the Related undertakings Note in the Shareholder information section on pages 195 to 200.

b. Share based payments

The Company operates a number of equity settled share based payment compensation plans. Details of these plans are outlined in Note 21 to the consolidated financial statements and the Directors' remuneration report. The total expected expense is based on the fair value of options and other share based incentives on the grant date, calculated using a valuation model, and is spread over the expected vesting period with a corresponding credit to equity.

Where the Company grants options over its own shares to the employees of its subsidiaries and it has not recharged the cost to the relevant subsidiaries, it recognises, in its individual financial statements, an increase in the cost of investment in its subsidiaries equivalent to the equity settled share based payment charge recognised in its consolidated financial statements, with the corresponding credit being recognised directly in equity.

c. Financial guarantee contracts

The Company has issued financial guarantee contracts to guarantee the indebtedness of other companies within its Group. The likelihood of these financial guarantee contracts being called is considered to be remote and therefore the estimated financial effect of issuing is nil (2023: nil). The fair value of the issued financial guarantee contracts is deemed to be immaterial.

d. Intercompany and other receivables

Intercompany and other receivables are initially measured at fair value. Subsequent to initial recognition these assets are measured at amortised cost less any provision for expected credit losses. The Group measures expected credit losses using the expected credit loss model in accordance with IFRS 9. There were no impairment losses on intercompany or other receivables during the year (2023: none).

e. Defined benefit pension schemes

The Company is the sponsoring company of the UK defined benefit pension scheme. As there is no contractual agreement or stated Group policy for charging the net defined benefit cost of the scheme to participating subsidiaries, the net defined benefit pension cost or benefit is recognised fully by the Company. The contributions paid by the participating subsidiaries other than the Company are credited to profit or loss of the Company where the amounts relate to service and are independent of the number of years of service or to other comprehensive income if not linked to service.

f. Judgements made in applying the Company's accounting policies

In the course of preparing the financial statements, other than judgements involved in determining estimates and assumptions (see Note 2g below), no judgements have been made in the process of applying the Company's accounting policies that have had a significant effect on the amounts recognised in the financial statements.

g. Sources of estimation uncertainty

In applying the Company's accounting policies various transactions and balances are valued using estimates or assumptions. Should these estimates or assumptions prove incorrect, there may be an impact on the following year's financial statements. As at 31 December 2024, the only source of estimation uncertainty that has a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is the measurement of the defined benefit pension scheme liability which is explained in Note 2y to the consolidated financial statements.

// NOTES TO THE COMPANY FINANCIAL STATEMENTS *continued*

3 Property, plant and equipment and intangible assets

	Short leasehold improvement £m	Fixtures, fittings and equipment £m	Total tangible assets £m	Total intangible assets £m
Cost				
Beginning of year	0.5	1.8	2.3	2.4
Additions	–	–	–	0.2
End of year	0.5	1.8	2.3	2.6
Accumulated depreciation and amortisation				
Beginning of year	0.2	1.6	1.8	1.5
Charge in year	–	0.1	0.1	0.4
End of year	0.2	1.7	1.9	1.9
Net book value at 31 December 2024	0.3	0.1	0.4	0.7
Net book value at 31 December 2023	0.3	0.2	0.5	0.9

4 Right-of-use assets: Property

Net book value	2024 £m	2023 £m
Beginning of year	2.9	3.6
Depreciation charge in the year	(0.6)	(0.7)
End of year	2.3	2.9

5 Investments

Investments in subsidiary undertakings	2024 £m	2023 £m
Cost		
Beginning of year	756.2	744.3
Additions	12.2	11.9
End of year	768.4	756.2
Impairment provisions		
Beginning and end of year	3.3	3.3
Net book value at 31 December	765.1	752.9

6 Deferred tax asset/(liability)

Recognised deferred tax assets net of deferred tax liabilities are attributable to the following:

	Defined benefit pension scheme £m	Share based payments £m	Other £m	Net deferred tax asset/ (liability) £m
At 31 December 2022/1 January 2023	(14.8)	3.4	0.2	(11.2)
Recognised in profit or loss	(2.0)	–	0.2	(1.8)
Recognised in other comprehensive income or directly in equity	0.5	–	–	0.5
At 31 December 2023/1 January 2024	(16.3)	3.4	0.4	(12.5)
Recognised in profit or loss	(1.6)	–	–	(1.6)
Recognised in other comprehensive income or directly in equity	9.2	0.4	–	9.6
At 31 December 2024	(8.7)	3.8	0.4	(4.5)

No deferred tax asset has been recognised in respect of unutilised capital losses of £60.7m (2023: £60.7m).

7 Trade and other receivables

	2024 £m	2023 £m
Amounts owed by Group undertakings	1,426.1	1,302.0
Prepayments and other debtors	5.0	7.0
	1,431.1	1,309.0

Amounts owed by Group undertakings falling due within one year are interest bearing, unsecured and repayable on demand with no fixed date of repayment. Interest rates are linked to the Bank of England Base Rate. The amounts owed by Group undertakings are classified as a current asset as the Company expects to realise the asset in its normal operating cycle.

8 Trade and other payables

	2024 £m	2023 £m
Trade payables	3.5	0.9
Amounts owed to Group undertakings	82.2	82.2
Other tax and social security contributions	0.4	0.5
Income tax payable	4.0	3.8
Accruals	71.0	17.3
	161.1	104.7

Amounts due to Group undertakings are repayable on demand and are not interest bearing.

// NOTES TO THE COMPANY FINANCIAL STATEMENTS *continued*

9 Provisions

	2024 £m	2023 £m
Beginning and End of year	**0.9**	0.9

The provisions relate to properties, where amounts are held against liabilities for repairs and dilapidations, and other claims.

10 Lease liabilities

	2024 £m	2023 £m
Beginning of year	**(3.1)**	(3.8)
Interest charge in the year	**(0.1)**	(0.1)
Payments of lease liabilities	**0.8**	0.8
End of year	**(2.4)**	(3.1)
Ageing of lease liabilities:		
Current lease liabilities	**(0.7)**	(0.7)
Non-current lease liabilities	**(1.7)**	(2.4)
End of year	**(2.4)**	(3.1)

11 Retirement benefits

The Company operates a number of retirement benefit schemes in the UK, including both defined benefit and defined contribution schemes. A description of the characteristics and risks to which the Company is exposed in relation to the UK defined benefit pension scheme together with the principal assumptions used and sensitivity to changes in assumptions are detailed in Note 25 to the consolidated financial statements. The amounts included in the Company financial statements relating to the defined benefit pension scheme at 31 December were:

Amounts included in profit for the year	2024 £m	2023 £m
Current service cost (net of contributions by employees)	**0.3**	0.7
Past service credit	**(3.2)**	–
Net interest income	**(3.1)**	(3.1)
Contributions paid by participating subsidiaries linked to service	**–**	(0.3)
Total credit to profit for the year	**(6.0)**	(2.7)

Amounts recognised in other comprehensive income	2024 £m	2023 £m
Actual return less expected return on pension scheme assets	**(71.0)**	0.4
Experience loss on pension scheme liabilities	**8.0**	(0.7)
Impact of changes in assumptions relating to the present value of pension scheme liabilities	**26.3**	(1.5)
Actuarial loss on defined benefit pension scheme	**(36.7)**	(1.8)
Total charge to other comprehensive income	**(36.7)**	(1.8)

Movement in defined benefit pension scheme surplus	2024 £m	2023 £m
Beginning of year	**65.3**	59.3
Current service cost	**(0.3)**	(0.7)
Past service credit	**3.2**	–
Contributions	**–**	5.4
Net interest income	**3.1**	3.1
Actuarial loss	**(36.7)**	(1.8)
End of year	**34.6**	65.3

Changes in the present value of defined benefit pension scheme liabilities	2024 £m	2023 £m
Beginning of year	**251.0**	247.0
Current service cost	**0.3**	0.7
Past service credit	**(3.2)**	–
Interest expense	**12.1**	12.1
Contributions by employees	**0.2**	0.4
Actuarial (gain)/loss	**(34.3)**	2.2
Benefits paid	**(12.3)**	(11.4)
End of year	**213.8**	251.0

Changes in the fair value of defined benefit pension scheme assets	2024 £m	2023 £m
Beginning of year	**316.3**	306.3
Interest income	**15.2**	15.2
Actuarial (loss)/gain	**(71.0)**	0.4
Contributions by the Company	**–**	5.1
Contributions by participating subsidiaries	**–**	0.3
Contributions by employees	**0.2**	0.4
Benefits paid	**(12.3)**	(11.4)
End of year	**248.4**	316.3

The actual return on pension scheme assets was a loss of £55.8m (2023: gain of £15.6m). The market value of scheme assets and the present value of retirement benefit obligations at 31 December are detailed in Note 25 to the consolidated financial statements. The total defined benefit pension liability is divided between active members (£nil (2023: £45.6m)), deferred members (£101.7m (2023: £98.4m)) and pensioners (£112.1m (2023: £107.0m)).

// NOTES TO THE COMPANY FINANCIAL STATEMENTS *continued*

12 Share capital

	2024 £m	2023 £m
Issued and fully paid ordinary shares of 32½p each	**106.4**	108.6

Number of ordinary shares in issue and fully paid	2024	2023
Beginning of year	**338,021,077**	337,667,846
Cancelled	**(7,223,430)**	–
Issued – option exercises	**378,873**	353,231
End of year	**331,176,520**	338,021,077

13 Reserves

The capital redemption reserve of £18.4m (2023: £16.1m) as presented in the statement of changes in equity records the aggregate nominal value of ordinary and treasury shares that have been cancelled.

The own shares reserve of £63.3m (2023: £70.9m) within the profit and loss reserve, as presented in the statement of changes in equity, comprises ordinary shares of the Company held by the Company in an employee benefit trust. The assets, liabilities and expenditure of the trust are included in the Company financial statements. Details of the trust and investment in own shares reserve are set out in Note 21 to the consolidated financial statements.

The dividends paid and declared in the current and prior year are detailed in Note 22 to the consolidated financial statements.

14 Financial guarantees

Borrowings by subsidiary undertakings totalling £2,049.0m (2023: £1,614.4m) which are included in the Group's borrowings have been guaranteed by the Company.

15 Employees' and directors' remuneration

The average number of persons employed by the Company during the year (including directors) was 71 (2023: 66) and the aggregate employee costs relating to these persons were:

	2024 £m	2023 £m
Wages and salaries	**13.8**	12.5
Social security costs	**1.8**	1.6
Share based payments	**1.7**	1.6
Pension costs	**1.1**	0.9
	18.4	16.6

Conditional awards of executive share options and performance shares are granted to executive directors and other senior employees of the Company. Employees of the Company can also participate in the Company's Sharesave Scheme. Further information on the Company's share plans is disclosed in Note 21 to the consolidated financial statements.

16 Related party disclosures

The Company has identified the directors of the Company, their close family members, its key management, the UK pension scheme and its subsidiary undertakings as related parties for the purpose of IAS 24 'Related Party Disclosures'. Details of the relevant relationships with these related parties are disclosed in the Directors' remuneration report, Note 25 and Note 26 to the consolidated financial statements and the Related undertakings note in the Shareholder information section on pages 195 to 200.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE **ANNUAL REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with UK-adopted International Accounting Standards ('IASs') and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). In preparing the Group financial statements, the directors have also elected to comply with International Financial Reporting Standards ('IFRSs') issued by the International Accounting Standards Board ('IASB').

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted IASs and IFRSs issued by IASB have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each of the directors, whose names and functions are listed in Directors' report confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted IASs and IFRSs issued by IASB, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

By order of the Board

Frank van Zanten
Chief Executive Officer

Richard Howes
Chief Financial Officer

3 March 2025

// INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNZL PLC

REPORT ON THE **AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

In our opinion:

- Bunzl plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2024 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated balance sheet and the Company balance sheet as at 31 December 2024; the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated cash flow statement, the Consolidated statement of changes in equity and the Company statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the Group financial statements, the Group, in addition to applying UK-adopted international accounting standards, has also applied international financial reporting standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

In our opinion, the Group financial statements have been properly prepared in accordance with IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 5 to the Group financial statements, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope	• We performed full scope audits or other procedures over the financial information of 49 components spread across 7 countries in North America, Continental Europe, UK & Ireland and the Rest of the World. • Specific audit procedures in relation to various Group activities, including consolidation, taxation, pensions, business combinations and assessing the carrying value of goodwill and intangible assets, were performed by the Group audit team centrally. • The components where we conducted audit procedures, together with work performed by the Group audit team centrally, accounted for approximately 83% (2023: 95%) of the Group's revenue. This coverage includes 100% of the revenue in the consolidated reporting packs that we receive opinions on for Bunzl North America, Australia and four of the components in Brazil. If we were to 'look through' these sub-consolidations to determine which individual businesses are tested by the local audit teams, the effective coverage attained equates to approximately 66% of Group revenue.
Key audit matters	• Valuation of intangible assets acquired in a business combination (Group) • Valuation of defined benefit schemes' obligations (Group and parent)
Materiality	• Overall Group materiality: £43.0 million (2023: £42.0 million) based on 5% of adjusted profit before tax. • Overall Company materiality: £22.0 million (2023: £20.0 million) based on 1% of total assets (2023: 1% of net assets). • Performance materiality: £32.0 million (2023: £31.5 million) (Group) and £16.5 million (2023: £15.0 million) (Company).

// INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNZL PLC *continued*

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of intangible assets acquired in a business combination (Group)	
Refer to the Audit Committee report and note 2 and note 9 of the Group financial statements. The Group has recognised customer and supplier relationship assets of £284.6 million (2023: £229.5 million), brands of £83.3 million (2023: £10.6 million) and provisional goodwill of £357.8 million (2023: £130.6 million) from acquisitions in the year. £124.6 million of customer and supplier relationship assets, £78.3 million of brands and £187.5 million of provisional goodwill relate to the Nisbets acquisition. Given that the Group continues to make a significant investment in acquisitions, including the acquisition of Nisbets in the year, the valuation of intangible assets acquired in a business combinations is an area of audit focus due to the level of judgement involved in the valuation.	Management uses external valuation experts for large acquisitions to assist in the valuation of the intangible assets acquired in business combinations. Where management has relied on such experts, with the support of our own valuation experts, we assessed their objectivity and competence and tested the results of their work. For smaller acquisitions, management prepares its own valuation models or, for the Group's smallest acquisitions, relies on the historical split of the purchase price from previous acquisitions. In testing the value of the intangible assets acquired, we focused our testing on Nisbets given its magnitude but also performed limited testing on certain other acquisitions on a sample basis, in particular assessing the following areas: • We assessed the methodology and key assumptions used in determining the value of brands and customer and supplier relationship assets for the most significant acquisitions; • We determined whether the cash flows applied within the valuation models and the key assumptions, such as the discount rates, customer attrition, useful economic lives, royalty rates and the lead time on supplier relationships, were supportable; • We evaluated the consideration paid or payable in respect of certain acquisitions, which include cash and deferred and contingent consideration; and • We considered the disclosures in note 2 and note 9 of the Group financial statements. We noted no material issues from our testing.

Key audit matter	How our audit addressed the key audit matter
Valuation of defined benefit schemes' obligations (Group and parent)	
Refer to the Audit Committee report, note 2 and note 25 of the Group financial statements and note 11 of the Company financial statements The Group has defined benefit pension schemes (with material schemes in the United States and the United Kingdom) with a net surplus of £19.8 million at the current year end (2023: net surplus of £49.4 million). The gross assets and liabilities in each scheme are significant in the context of the consolidated balance sheet. The UK scheme is also significant in the context of the Company balance sheet. Management estimation is required in relation to the measurement of pension scheme obligations and management employs independent actuarial experts to assist in determining appropriate assumptions such as inflation rates, discount rates and salary increases. Movements in these assumptions can have a material impact on the determination of the liability and, therefore, the extent of any net surplus or deficit. In December 2024, the Trustees of the UK scheme executed a bulk annuity buy-in transaction to insure the vast majority of the benefit obligations of the scheme. The annuity policy's value (£211.6 million) was aligned with the IAS 19 liability, excluding GMP equalisation liabilities of approximately £2.0 million. The valuation of the UK defined benefit pension scheme was updated by the Group's actuaries as at 31 December 2024. The UK pension fund experienced a reduction in its surplus as a result of the buy-in transaction that resulted in an actuarial loss, recognised within the actual return less expected return on pension scheme assets for the current year. The valuation of defined benefit schemes' obligations is considered a key accounting matter given the quantum of the balances and the judgement involved in determining the associated actuarial assumptions.	We used our own actuarial experts to satisfy ourselves that the assumptions used in calculating the US and UK pension scheme liabilities were appropriate, comparing these assumptions with our internally developed benchmarks. In each case we considered the assumptions made by management to be reasonable in light of the available evidence. We also performed procedures to satisfy ourselves over the completeness and accuracy of the employee data used in the calculations. We reviewed the UK pension scheme buy-in contract to confirm the existence of the insurance asset and the nature of the buy-in transaction. We verified the benefits covered by the buy-in, identifying any member benefits not included, to confirm the accuracy of the carrying amount of the associated asset. We tested the buy-in asset value at year-end, ensuring it equated to the value of the associated defined benefit obligation assessed by our actuarial experts. We also traced the consideration involved in the transaction to independent confirmations and disinvestment statements and ensured the appropriate accounting treatment was adopted by management. We noted no material issues from our testing.

// INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNZL PLC *continued*

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

In response to the introduction of International Standard on Auditing 600 (Revised), 'Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)', and Bunzl's ongoing investment in its Internal Control Essentials (ICE) programme, which aims to further enhance the Group's internal control environment, we revisited our historical audit scoping approach, to ensure greater effectiveness whilst maintaining sufficient coverage. This led us to reduce our coverage in 2024 compared with 2023.

We identified one component that we considered significant due to size, being North America, and one component that we considered significant due to risk, being Nisbets, where full scope audits were performed. The Nisbets component team also supported our testing on the opening acquisition balance sheet. We identified one further material component, being Australia, where a full scope audit was also performed. In addition, full scope audits were performed across a further 41 components in Brazil, France, Spain, the Netherlands and UK&I. An audit of one or more FSLIs or specified procedures at a further 5 components in the Netherlands and UK&I was also performed.

Specific audit procedures in relation to various Group activities, including consolidation, taxation, pensions, business combinations and assessing the carrying value of goodwill and intangible assets, were performed by the Group audit team centrally.

The components where we conducted audit procedures, together with work performed by the Group audit team centrally, accounted for approximately 83% (2023: 95%) of the Group's revenue. This coverage includes 100% of the revenue in the consolidated reporting packs that we receive opinions on for Bunzl North America, Australia and four of the components in Brazil. If we were to 'look through' these sub-consolidations to determine which individual businesses are tested by the local audit teams, the effective coverage attained equates to approximately 66% of Group revenue.

Where work was performed by component auditors, detailed instructions were issued by the Group team. For in-scope components, oversight procedures included regular communication with the component teams, site visits through the 2024 audit cycle, reviewing the working papers of certain components and attending the local clearance meetings by video conference.

The impact of climate risk on our audit
As part of the audit, we inquired of management to understand and evaluate the Group's risk assessment process in relation to climate change. Management has sought advice from external sustainability experts to help them understand the environmental challenges they face, and to source science-based inputs for their assessment of climate risk. We reviewed management's paper, which sets out their assessment of climate change risk to the Group and the impact, if any, on the financial statements.

In evaluating the completeness of the risks identified, we assessed the objectivity and competence of management's experts, we engaged our internal climate change experts to review management's assessment, we considered the latest return submitted to the Carbon Disclosure Project by the Group and challenged management on how they considered the Group's net zero commitment in their assessment.

In responding to the risk identified, we specifically considered how climate change risk would impact the assumptions made in the forecasts prepared by management used in their assessment of the carrying value of goodwill. We also read the disclosures in relation to climate change made in the other information within the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the Reporting on other information section of our report.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£43.0 million (2023: £42.0 million).	£22.0 million (2023: £20.0 million).
How we determined it	5% of adjusted profit before tax	1% of total assets (2023: 1% of net assets)
Rationale for benchmark applied	Given that the Group's businesses are profit oriented and the directors use adjusted profit measures to assess the performance of the business, we consider that adjusted profit before tax is the best benchmark to use.	Considering the nature of the business and the activities in Bunzl plc (which is a holding Company) we used the Company's total asset value as a basis for the calculation of the overall materiality level in the current year to be consistent with other non-trading companies across the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £140,000 and £36,500,000. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £32.0 million (2023: £31.5 million) for the Group financial statements and £16.5 million (2023: £15.0 million) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £2.1 million (Group audit) (2023: £2.0 million) and £1.1 million (Company audit) (2023: £2.0 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- We evaluated the key assumptions in the forecasts and considered whether these were supported by the evidence we obtained and evaluated the directors' downside sensitivities against these forecasts;
- We examined the headroom under the base case cash flow forecasts, as well as the directors' sensitised cases, and evaluated whether the directors' conclusion that headroom remained in all cases was supported by the evidence we obtained;
- We obtained the Group's covenant calculations and reperformed the calculations, including applying sensitivities to assess the potential impact of downside sensitivities on covenant compliance; and
- We also reviewed the disclosures provided relating to the going concern basis of preparation and found that these provided an explanation of the directors' assessment that was consistent with the evidence we obtained.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Strategic Report and Directors' Report, is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

// INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNZL PLC *continued*

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, employment laws, data protection regulations, listing and transparency rules and environmental regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- Enquiry of management, those charged with governance and the entity's in-house legal team around actual and potential litigation and claims and any instances of fraud;
- Reviewing minutes of meetings of those charged with governance including the Board, Audit Committee and Executive Committee;
- Reviewing Internal Audit reports;
- Assessment of matters reported to the Group's whistleblowing helpline;
- Testing journal entries that meet certain criteria; and
- Considering accounting estimates for management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

// INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNZL PLC *continued*

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 19 May 2014 to audit the financial statements for the year ended 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement is 11 years, covering the years ended 31 December 2014 to 31 December 2024.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Simon Morley (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London
3 March 2025

// SHAREHOLDER INFORMATION

SHAREHOLDER INFORMATION

Related undertakings as at 31 December 2024

In accordance with section 409 of the Companies Act 2006 a full list of Bunzl plc's subsidiary undertakings and other shares held by the Company as at 31 December 2024 is disclosed below. The registered office address of each entity or, in the case of unincorporated entities, the principal place of business, is disclosed on pages 195 to 200. Unless otherwise stated the subsidiary undertakings listed are wholly owned and held indirectly by Bunzl plc with ordinary shares issued (or the equivalent of ordinary shares in the relevant country of incorporation). In some of the jurisdictions in which the Group operates share classes are not defined and in these instances, for the purposes of this disclosure, the shares issued have been classified as ordinary shares. Bunzl plc does not have any associated undertakings, other than those listed below, and has no joint venture companies.

Subsidiary undertakings	Registered office address
Australia	
Atlas Health Care Pty Ltd	1
Bunzl Australasia Limited	2
Bunzl Brands & Operations Pty Limited	3
Bunzl Catering Supplies Limited	1
Bunzl Food Processor Supplies Pty Ltd	1
Bunzl Outsourcing Services Limited	1
Containit Pty Ltd(iii) (80%)	3
Cubro Pty Limited (72%)	2
Fire Rescue Safety Australia Pty Ltd (80%)	4
GRC Medical Pty Ltd	2
Inkell Pty. Limited	1
Interpath Services Pty. Ltd.	2
Melbourne Cleaning Supplies Pty Ltd(iii)	1
Multipoint Technologies Pty Ltd (75.1%)	2
Network Packaging Pty Limited	3
Nisbets Australia Pty Limited (60%)	5
Obex Australia Holdings Pty Ltd	2
Powervac Pty Ltd	1
Robertsons Lifting & Rigging Pty Limited	3
Sanicare Australia Pty Ltd	2
Worksense Workwear and Safety Pty Limited	3
Austria	
Bunzl Holdings Austria GmbH	6
Meier Verpackungen GmbH	6

Subsidiary undertakings	Registered office address
Belgium	
AFL Belgium BV (90%)	7
Établissements Glorieux SA	8
King Belgium NV	9
Total Safety Supply Belgium BVBA	10
Varia-Pack NV	11
Brazil	
BR Hommed Comércio de Materiais Médicos Ltda.	12
Bunzl Equipamentos para Proteção Individual Ltda.	13
Canada Central de Negócios do Brasil Ltda.	14
Corsul Comercio e Representações do Sul Ltda.	15
Corsul Representações Comerciais Ltda.	15
Dental Sorria Ltda.	16
DLA Soluções Médicas Ltda.	17
DME Serviços em Saúde ltda.	18
DVT Comércio, Importação E Exportação Ltda.	19
Endolog Logística e Armazéns Ltda.	20
Full Safe Equipamentos de Proteção Ltda.	21
Indústria e Comércio Leal Ltda.	13
Irudek Brazil Importação, Exportação, Comercio e Sericos de Proteção e Segurança Ltda (65.8%)	22
Labor Import Comercial Importadora Exportadora Ltda	23

Subsidiary undertakings	Registered office address
Lanlimp Descartáveis e Limpeza Ltda. (70%)	24
Manulatex Leal Ltda. (49%)	21
MCR Safety de Brasil Distribuiacao de Equipamentos	25
Medcorp Saúde tecnologia Ltda	20
Octomed Comércio de Produtos Médicos Ltda.	26
Pactual Comércio de Descartáveis e Limpeza Ltda. (70%)	27
Rcl Importação, Comércio E Locação De Materiais Médico Hospitalares Ltda.	18
Rcl Sports Importação E Comércio De Materiais Hospitalares Ltda.	18
RCL7 Participações Ltda.	18
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China	
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Keenpac (Shenzhen) Trading Company Limited	45
McCue (Xiamen) Safety Technologies Co., Ltd (96.9%)	46
MCR Safety Products Foshan Co., Ltd.	48
Red Ribbon Trading (Shenzhen) Co. Ltd (80%)	49
Shanghai Cosafety Technology Co., Ltd.	50
Shanghai Yinghao Protection Technology Co., Ltd.	52
Vicsa Commerce and Trading (Shanghai) Co., Ltd	53
Colombia	
B2B Web Distribuição De Produtos Colombia Spa S.A.S	54
Importadores Exportadores Solmaq S.A.S	55
MCR Safety Colombia S.A.S.	56
Vicsa Steelpro Colombia S.A.S.	57
Czech Republic	
Blyth s.r.o.	58
Bunzl CS s.r.o.	59
VM Footwear s.r.o. (70%)	60
VM Obuv s.r.o. (70%)	60
Denmark	
Bunzl Distribution Danmark A/S	61
Bunzl Holding Nordic A/S	61
Clean Care A/S	62
ICM A/S (78.9%)	63
MultiLine A/S	64
PM Pack A/S (70%)	65
Finland	
Pamark Business Oy	66
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France Sécurité SAS	76
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Industrie du Compactage Alimentaire Hygiene ICA Hygiene L'image du Propre SAS	80
Keenpac France SAS	81
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Mat'hygiene SAS	83
Nicolas Entretien SAS	84
Nisbets France EURL (80%)	85
ORRU SAS	86
PLG Finances SAS	87
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SCI des Saules SCI	67
SNC FANGO	88
SNC Figarella	88
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Société Civile Immobilière Sainte Claire Deville SC	67
Sodiscol SAS	89
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Germany	
Arbeitsschutz-Express GmbH (66%)	91
Bunzl Großhandel GmbH	92
Bunzl Holding GmbH(iii)	92
Bunzl Holding No. 2 GmbH (75%)	92
hygi GmbH & Co. KG (75%)	93
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Majestic GmbH	94
McCue Europe GmbH	95
Nisbets Deutschland GmbH (80%)	96

Subsidiary undertakings	Registered office address
Hong Kong	
Bunzl Asia Limited(iii)	97
Bunzl Retail Services of Hong Kong Limited	98
Keenpac Asia Limited	99
MCR Safety Asia Company Limited	100
Nisbets Asia Limited (80%)	101
Hungary	
Bunzl Magyarország Kft.	102
India	
Nisbets India Private Limited (79.9%)	104
Ireland	
Abco Kovex Limited (98%)	105
Bunzl Ireland Limited	105
G.H. Pittman Limited(iii)	106
Thomas McLaughlin (Ireland) Limited	105
Israel	
M.S. Global Limited	107
Meichaley Zahav Packages Ltd	108
Silco (Utensils) A.S. Limited(iii)	107
Italy	
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Irudek Italia, S.R.L. (75%)	110
Keenpac Italia S.r.l.	111
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Malaysia	
Medshop Malaysia Sdn. Bhd. (75.1%)	113
Mexico	
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Bunzl Retail Services of Mexico, S. de R.L. de C.V.(iii)	115
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Cool Pak AG Packaging, S. de R. L. de C.V.(iii)	116
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Pico Textil, S. de R.L. de. C.V.	119
Proepta, S.A. DE C.V.(iii)	120
Shelby Manufacturing de México, S.A. de C.V.	121
Steel pro S.A de C.V.(iii)	122

Subsidiary undertakings	Registered office address
TRC Protective Footwear, S.A. de C.V.(iii)	123
Web Distribucion Safety Mexico, S. de R.L. de C.V.(iii)	124
Morocco	
Proin Maroc, S.à r.l.	125
Netherlands	
AFL Groep B.V. (90%)	126
Allshoes Benelux B.V.	127
Bunzl Netherlands Holdings B.V.	128
Bunzl Outsourcing Services B.V.	128
Bunzl Verpakkingen Arnhem B.V.	129
De Ridder B.V.	130
Ecotools B.V.	131
E-TALES B.V. (51%)	132
GLO Brands B.V.	128
Groveko B.V. (93.7%)	133
Groveko Group Holdings B.V. (93.7%)	128
Holland Packaging B.V. (75%)	134
King Nederland B.V.	135
Le Roux Verpakkingen & Disposables B.V. (75.1%)	136
Majestic Products B.V.	137
MCR Safety Europe B.V.	138
Nisbets Europe B.V. (80%)	139
QS Nederland B.V.	140
Worldpack Trading B.V.	141
New Zealand	
Alach Limited (72%)	142
Bunzl New Zealand Holdings (No. 2) Limited (iii)	143
Bunzl New Zealand Holdings Limited (iii) (99.1%)	143
Bunzl Outsourcing Services NZ Limited	144
CB Med Limited (75%)	145
Corded Strap (NZ) Limited	146
Cubro Holdings Limited(iii) (72%)	142
Cubro Limited (72%)	142
Cubro Vision Limited (72%)	142
DBM Medical Limited (75%)	145
Downs Distributors Limited (99.1%)	143

Subsidiary undertakings	Registered office address
Euromedical Limited (72%)	142
Fire Rescue Safety New Zealand Limited (80%)	147
ICB Cleaning Supplies Limited	144
Isobex Medical Limited (99.1%)	143
Mobility Hub Limited (72%)	142
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Nelson Packaging Supplies Limited	146
Nisbets New Zealand Limited (60%)	148
Obex (NZ) Limited (99.1%)	143
Obex Medical Limited (99.1%)	143
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Opritech Limited (72%)	142
Orthomed NZ Limited (75%)	145
OXC (NZ) Limited(ii) (99.1%)	143
Surgical Innovations Limited (75%)	145
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Norway	
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Poland	
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Melissa Sales Corp.(ii)	154
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Singapore	
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Eurobal, spol. s.r.o.	158
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Comercial Cermerón, S.L.	162
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Grupo R Queraltó, S.A. (85%)	164
Irudek 2000, S.L. (75%)	165
Juba Personal Protective Equipment, S.L.U.	166
Marca Proteccion Laboral, S.L.U.	167
PROIN-PINILLA, S.L.	168
PROTEC & MARTI, S.L.	169
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United Kingdom	
Abco Kovex (N.I.) Limited (98%)	180
Abco Kovex (UK) Limited (98%)	181
Aggora (Technical) Limited(iii)	181
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Beaumont T M Limited (80%)	182
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Enviropack Ltd(iii) (85%)	181
Eugene Harrington Marketing Limited	181
GH Pittman UK Limited(iii)	184
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Henares Limited(i)	181
Host Online Ltd (80%)	185
Howper 800 Limited(iii)	181
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Jongor (Holdings) Ltd(iii) (80%)	186
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Kingsbury Packaging (Limavady) Ltd	180
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McCue Corporation Limited (96.9%)	181
Nisbets Limited(iii) (80%)	183
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Red Ribbon Trading Limited (80%)	183
Rowlett Rutland Limited (80%)	183
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The Classic Printed Bag Company Limited	181
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ANB Brands Holdings Inc.	190
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McCue International, Inc. (96.9%)	200
McCue Corporation Limited (96.9%)	200
MCQ Holdings, Inc.(iii) (96.9%)	201
MCR Holdings, Inc.	198
Monte Package Company, LLC	193
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Revco Industries, Inc.(iii)	195
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SAS Safety Corporation	193
SH Glove LLC	190
Shelby Group International, Inc.(iii)	198
Steiner Industries, Inc.	202
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U.S. Glove Co., Inc.	203
Uruguay	
Steelpro Safety S.A.	204

Other shareholdings	Registered office address
MCR Hanvo Safety Products (Nantong) Co., Ltd. (20%)	47
Viner-Pack Gyártó Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság (20%)	103

Classifications key

(i) Directly owned by Bunzl plc
(ii) Holding of ordinary and preference shares
(iii) Holding of more than one class of ordinary share

List of registered office addresses

Registered office address	Key
Unit 1, 52 Fox Drive, Dandenong South VIC 3175, Australia	1
Level 2, 700 Springvale Road, Mulgrave VIC 3170, Australia	2
55 Sarah Andrews Close, Erskine Park NSW 2759, Australia	3
17 Millrose Drive, Malaga WA 6090, Australia	4
15 Badgally Road, Campbelltown NSW NSW 2560, Australia	5
Diepoldsauer Straße 37, 6845, Hohenems, Austria	6
Port Atlantic House, Noorderlaan 147, bus 9, 2030 Antwerp, Belgium	7
1 Rue du Bois des Hospices, 2iémé étage, 7522 Tournai, Belgium	8
Rue du Cerf 188/A 1332 Genval, Belgium	9
Oudenaardsesteenweg 19 9000 Ghent, Belgium	10
Aarschotsesteenweg 114 3012 Leuven (Wilsele), Belgium	11
Rua Marginal Emicol, S/N, Condomínio Rua 04, No. 90, 1st floor, Sala 01, lotes 15, 16 e ML 17, bairro Jardim Emicol, Itu, São Paulo, 13312-820	12
Estrada Velha de Guarulhos – São Miguel, 5135, Box 301 – Jardim Arapongas, city of Guarulhos, São Paulo, CEP 07210-250, Brazil	13
Avenida Francisco Silveira Bitencourt, 1369, Pavilhão 27, Sala 01, 2° andar, bairro Sarandi, Porto Alegre, Rio Grande do Sul, 91150-010	14
Avenida Centenário, No. 900, Bairrro Pinheirinho, Criciuma, Santa Catarina, 88.804-000	15
Via Expressa de Contagem, 3115, galpão 1, Bairro Agua Branca, City of Contagem, Minas Gerais, CEP 32370-485, Brazil	16
Rua Luís Louza, No. 28, room 29, 2nd floor, Bairro Olímpico, City of São Caetano do Sul, State of São Paulo, 09540-430	17
Rua Rafael Correia Sampaio, No. 496, 2nd floor, room B, Santa Paula, City of São Caetano do Sul, State of São Paulo, 09541-250	18
Estado de Santa Catarina, na Rua Fermino Vieira Cordeiro, 380 – Shed 2 module B, district of Espinheiros, City of Itajaí, State of Santa, 88.317-200, Brazil	19
Avenida Fagundes de Oliveira, No. 538, galpão A-01, A-02 e A-03, bairro da Piraporinha, Diadema, São Paulo, 09950-300	20
Estrada Faustino Bizzetto, No. 101, Warehouse 2, Sector A, City of Campo Limpo Paulista, São Paulo, 13230-800	21
Rua Pedra Lavrada, 74-A, Parque Cisper, Sao Paulo, 03818-000, Brazil	22
Rua Padre Damaso 165, 173 e 187, Osasco, São Paulo, CEP 06016-010, Brazil	23
Av. Tenente José Eduardo, No. 35, Ano Bom, Barra Mansa, Rio de Janeiro, 27323-24	24
Rua Dr. Guilherme Bannitz, No. 126, 2nd floor, sets 21 and 22, District of Itaim Bibi, City of São Paulo, State of São Paulo, 04532-060, Brazil	25
Avenida Roque Petroni Júnior, No. 850, Edifício Bacaetava, conjunto 174, bairro Jardim das Acácias, Sao Paulo, 04707-000	26
Estrada da Gávea, 696, rooms 409, 410, 411, 412 e 413, São Conrado, Rio de Janeiro, 22610-002	27
Avenida Robert Kennedy 675, Jardim Felix, City of São Bernardo do Campo, São Paulo, 09895-030, Brazil	28
Avenida Roque Petroni Júnior, No. 850, Bloco Bacaetava, Conjuntos 111, 112, 113, 114, 172, bairro das Acácias, City of São Paulo, 04707-000	29
Rua Salem Bechara, 140, 10th floor, Centro, City of Osasco, Sao Paulo, CEP 06018-180, Brazil	30
Miller Thomson LLP, Commerce Place #2700, Edmonton, T2C 4R1	31
MLT Aikins LLP, 30th Floor, 360 Main Street, Winnipeg, Manitoba, R3C 4G1	32
Parlee McLaws LLP, 3300 TD Canada Trust Tower, 421-7th Avenue, SW, Calgary AB T2P 4K9, Canada	33
40 King Street West, Suite 5800, Toronto ON MSH 3S1, Canada	34
1212 – 1175 Douglas St, Victoria, BC V8W 2E1, Canada	35
1801 Hollis St Ste 1800, Halifax NS B3J 3N4, Canada	36
Dentons Canada LLP, 77 King Street West, Suite 400 Toronto, Toronto ON M5K 0A1, Canada	37
#310, 5700 Boul. Des Galeries, Québec G2K 0H5, Canada	38
Av. Presidente Eduardo Frei Montalva 5151, Conchalí, 8550678 Santiago, Chile	39
Camino Coquimbo N' 16.000, Colina, Sanitago, Chile	40
Avenida del Valle 765, of 101, Huechuraba, Santiago, Chile	41
Avenida del Valle 787, Piso 5, Huechuraba, Santiago, Chile	42
Units 501A, 501B, 501C, 5th Floor, No. 4, Lane 255, Dongyu Road, Pudong New Area, Shanghai, China	43
Room 1509, Building 2, No. 1266 Nanjing West Road, Jingan District, Shanghai, CHINA, China	44
Room 1805, Central Business Tower, 88 Fuhua 1st Road, Futian, Shenzhen Guangdong, China	45
Room 901, No. 595 West Lianqian Road, Siming District, Xiamen, Fujian Province, China	46
No.128 Jinshajiang Road, Rudong Economic Development Zone, Jiangsu, China	47
Room A39, Floor 6, Building 2, Dongfang MAO Business Center, Xiacheng District, Hangzhou, Zhejiang, China	48
Room 306, Building No. 6, Hua Jian Building, Xing Hua Road, Shekou, Shui Wan Community, Merchants Street, Nanshan District, Shenzhen, China	49
M05-02 Floor 11, Building 11, No. 1569, Yushu Road, Songjiang District, Shanghai, China	50

// SHAREHOLDER INFORMATION *continued*

Registered office address	Key
Room 315 Lane 777, Guangfulin Road, Songjiang District, Shanghai, China	52
Room 3123, Building 3, 112-118 Gaoyi Road, Baoshan District, Shanghai, China	53
54 61 44 Bloque 2-503, Bogotá, Colombia	54
Carrera 30 No. 15-30, Bogota D.C., Colombia	55
CR 71 No 94 – 23 AP, 1134 TO 9, Colombia	56
Km 7 Vía Medellín, Parque Empresarial Celta, Módulo 1, Bodega 49, Funza (Cundinamarca), Colombia	57
Přátelstvi 1011/17, Uhřiněves, Praha 10, 10 400, Czech Republic	58
Dolnokrčská 1966/54, Praha 4, 140 00, Czech Republic	59
Veselská 1935, Strážnice, 696 62	60
Greve Main 30, 2670 Greve, Denmark	61
Indkildevej 2 c, DK-9210, Aalborg SØ, Denmark	62
Kærvej 25, DK-2970 Hørsholm, Denmark	63
Kirkebjergvej 17, 4180 Sorø, Denmark	64
Satellitvej 7, 8700, Horsens, Denmark	65
Itäinen Valkoisenlähteentie 18, 01380 Vantaa, Finland	66
440 route de Rosporden, Le Grand Guelen, 29000 Quimper, France	67
725 Route des Vernes Pringy, 74370, Annecy, France	68
Zone Artisanale Maritime du Bassin de Thau, Route de Séte, 34540 Ballaruc Les Bains, France	69
14 rue Lavoisier, 21 700 Nuits Saint Georges, France	70
La Fregate, 19 avenue Jacques Cartier, 44800, Saint-Herblain, France	71
Boulevard Francois-Xavier Faffeur, Zone Industrielle Lannolier, 11000, Carcassonne, France	72
95, rue du Colonel du Rousset, ZAE Porte du Vercors, 26300, Châteauneuf-sur-Isère, France	73
Lieudit la Trentaine, 77690, La Genevraye, France	74

Registered office address	Key
Rue reamur, départementale 939, PA du Jardin, 28000, Chartres, France	75
585, Rue Alain Colas, 29200, Brest, France	76
530 rue Jacqueline Auriol ZA de Saint Thudon, 29490, Guipavas, France	77
17 Boulevard du Trieux, Zone d'aménagement Concerté les touches, 35740, Pacé, France	78
130-136 rue Victor Hugo, 92300 Levallois-Perret, France	79
Route Nationale, 57420, Louvigny, France	80
191-195 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, Paris, France	81
50 Avenue d'Allemagne, Rond Point de L'Europe ZA Albasud, 82000 Montauban, France	82
7 route de Villiers, 77780, Bourron-Marlotte, France	83
Rue Pierre Pascal Fauvelle, 66000 Perpignan, France	84
Rue Louis Broglie, ZAC d'Arvigny, 77550 Moissy Cramayel	85
Route Nationale 97, ZA Les Plantades, 83130 La Garde, France	86
Rue Nungesser et Coli, D2a Nantes Atlantique, 44860, Saint-Aignan de Grand Lieu, France	87
32, Résidence Village Viva-Bas-du-Fort, 97190, Le Gosier, France	88
13 rue des Battants RN 20, 31140, Saint-Alban, France	89
840 Rue de la Ferme de Carboué, 40000, Mont-de-Marsan, France	90
Theodor-Heuss-Strasse 3, Leipheim, D-89340	91
Elbestraße 1-3, 45768 Marl, Germany	92
Otto-Diehls-Str. 13-17, 48291 Telgte, Germany	93
Stadtweide 17, 46446 Emmerich, Germany	94
Magirus-Deutz-Straße 14, 89077, Ulm, Germany	95
Theodorstraße 105, 40472, Düsseldorf, Germany	96
11th Floor, One Pacific Place, 88 Queensway, Hong Kong	97

Registered office address	Key
Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Hong Kong	98
Unit 3-4 18F Tower 6, China Hong Kong City, Tsim Sha Tsui, Kowloon, Hong Kong	99
Unit 26, 22/F, Metro Centre II, Lam Hing St., Kowloon Bay, Kowloon, Hong Kong	100
Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, Hong Kong	101
Vendel Park, Erdőalja út 3, 2051 Biatorbágy, Hungary	102
2336 Dunavarsány, 071/33 hrsz, Hungary	103
C-150 Second Floor, Okhla Industrial Area Phase 1, New Delhi, 110020, India	104
10 Earlsfort Terrace, Dublin 2, D02 T380, Ireland	105
B2 Athy Business Campus, Athy, Kildare, Ireland	106
4 Kinneret Street, POB 1139, Airport City, Ben Gurion Airport, 7019802, Israel	107
Emek Ha'Ela 250, Modi'in, P.O.B 553, LOD 7110601, Israel	108
Via 8 Marzo n. 6, 42025 Corte Tegge di Cavriago, Reggio Emilia, Italy	109
via dell'Euro, 69/71, Barletta (BT), Italy	110
Corsa Italia n.6, 50123 Florence, Italy	111
Via Brigata Reggio no. 24, Reggio Emilia, Italy	112
8.03, 8th Floor Plaza First Nationwide 161, Jalan Tun H.S. Lee 50000 Kuala Lumpur, Malaysia	113
Carretera Miguel Alemán KM21 Edificio 4C Prologis Park, Apodaca, N.L., México C.P, 66627, Mexico	114
Avenida Cafetales No. 1702, Interior 201, between streets Rancho Recoveco and Rancho Estopila, Hacienda de Coyoacán, Coyoacán, 04970, Mexico	115
Carretera al CUCBA No. 400 Interior 5, Colonia La Venta del Astillero, C.P. 45221 Zapopan, Jalisco, Mexico	116
Carretera Corredor Tijuana Rosarito 2000 Exterior 15202., Interior Mt3 A, Colonia Zona Cerril General, Tijuana, Baja California, Mexico	117

Registered office address	Key
Pablo A. Gonzalez Garza Pte., 820, Chepevera, Monterrey, Nuevo León, 64030, Mexico	118
Lot 1 of Block 5 of Parque Industrial Tecate, Tecate, Baja California, Mexico	119
Galileo # 11, Colonia Polanco V Secc., Delagación Miguel Hidalgo, 11560, Ciudad de México, Mexico	120
Av. del sauce número 1600, Col. La angostura, City of San Luis Potosí, S.L.P, 78117, Mexico	121
Calle Rio San Lorenzo No. 503, Col. Fuentes del Valle, CP 6620, CD San Pedro Garza Garcia, Nuevo León, Mexico	122
Nicaragua 205, Arbide, León, Guanajuato, 37360, Mexico	123
Rio San Lorenzo No. 503 Local I, Col. Fuentes Del Valle, San Pedro Garza Garcia, C.P. 66220, Mexico	124
C/O CAE, ILOT 43B Bureau 9/18, Zone Franche d'Exportation, 90000 Tanger, Morocco	125
Kraaiendonk 46, 5428 NZ Venhorst, Netherlands	126
Koivistokade 80, 1013 BB, Amsterdam, Netherlands	127
Rondebeltweg 82, 1329 BG Almere	128
Delta 57, 6825 ML Arnhem, Netherlands	129
Industrieweg 11B, 1566JN, Assendelft, Netherlands	130
Hagenaar 3, 3961 NP Wijk bij Duurstede, Netherlands	131
Kieler Bocht 3, 9723 JA Groningen, Netherlands	132
Maxwellstraat 49, 6716 BX Ede	133
Veemarktkade 8, 5222AE 's-Hertogenbosch	134
Grotewei 2, 4004 LW Tiel, Netherlands	135
Portugallaan 3, 9403DR, Assen, Netherlands	136
Jan Campertlaan 6, 3201AX, Spijkenisse, Netherlands	137
Sedumweg 25, 3343 LL, Hendrik-Ido-Ambacht, Netherlands	138
Hurksestraat 2B, 5652 AJ Eindhoven, the Netherlands	139
Bijsterhuizen 3005C, 6604 LP Wijchen, Netherlands	140

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List of registered office addresses continued

Registered office address	Key
Ekkersrijt 3102A, 5692CC, Son en Breugel, Netherlands	141
149 Taurikura Drive, Tauriko, Tauranga, 3110, New Zealand	142
Level 3, 109 Carlton Gore Road, Newmarket, Auckland, 1023, New Zealand	143
686 Rosebank Road, Avondale, Auckland, 1026, New Zealand	144
363c East Tamaki Road, East Tamaki, Auckland, 2013, New Zealand	145
KPMG Level 5, 79 Cashel Street, Christchurch, 8140, New Zealand	146
1 Aruhe Road, Hornby, Christchurch, 8011, New Zealand	147
23 Business Parade North, Highbrook, Auckland, 2013, New Zealand	148
32D Poland Road, Wairau Valley, Auckland, 0627, New Zealand	149
Holmaveien 20, 1339 Vøyenenga, Norway	150
Av.Santa Rosa 350. Ate., Lima, Peru	151
Gliwaka, no. 136, Mikolow, 43-190	152
Starowiejska, no. 2, Czechowice-Dziedzice, 43-502, Poland	153
PO Box 6494, PR 00914-6494, San Juan, Puerto Rico	154
Sat Dragomiresti-Deal, Comuna Dragomiresti-Vale, DE 287/1, Bucharest West Logistic Park, Cladirea C, Unitatea C01, Ilfov, Romania	155
1 Penjuru Close, 608617, Singapore	156
190 Middle Road #16-01, Fortune Centre, 188979, Singapore	157
Jilemnickeho 1012/14, Pezinok, 902 01, Slovakia	158
Calle Rosario 22, Villamartín, 11650, Cádiz, Spain	159
Calle Filats, 8 Polg. Industrial Prologis Park, 08830 Sant Boi de Llobregat, Barcelona, Spain	160
Calle las Palmeras 7, Polígono Industrial La Sendeilla, 28350 Ciempozuelos, Spain	161
Calle Gerald Brenan, N° 11, 1°, Polígono Guadalhorce, Málaga, 29004	162

Registered office address	Key
Edificio Plaza, Nave 5, Ali-4 Plataforma Logistica de Zaragoza, 50197, Zaragoza, Spain	163
Calle Pino Albar, number 24, P.I. El Pino, Seville, C.P. 41016	164
Polig. Erribera Industria Gunea, 8-A, Aduna (Gipuzkoa), Spain	165
Santo Domingo De La Calzada, La Rioja, 26250, Carretera De Logrono, Spain	166
Cartagena, Murcia, poligono industrial Cabezo Beaza, Avenida Bruselas, 30353, esquina calle Amsterdam, parcela R 100, Spain	167
Calle Ana Abarca de Bolea 22, Nave A, polígono industrial El Pilar, Zaragoza, Spain	168
Carretera de Madrid Km 314 – Nave 3ª, polígono industrial Jesús Vicente, Zaragoza, Spain	169
Corretger No 115-117-119, Parque Empresarial Táctica, Paterna, 46980, Valencia, Spain	170
Calle Progres, nº 47, Polígono Industrial Los Massotes, 08850 Gava, Barcelona, Spain	171
Calle Castilla-León, Parcela 45 Onda, 12200, Castellón, Spain	172
Nordring 2, 4147 Aesch, Switzerland	173
Rue Pierre-Yerly 10, 1762, Givisiez, Switzerland	174
Route de Saint-Julien 275, 1258, Perly-Cer, Switzerland	175
Güterstrasse, 4313 Möhlin, Switzerland	176
Akçaburgaz Mahallesi, 3137. Sokak, No.19, Esenyurt, Istanbul, Turkey	177
Arapcami Mah, Tersane Cad, No. 115, Beyoğlu, Istanbul, Turkey	178
Barbaros Mah., Begonya Sk., Nidakule Kuzey Ataşehir Apt., No:3/157, Ataşehir, İstanbul, Turkey	179
Arthur Cox, Victoria House, 15-17 Gloucester Street, Belfast, BT1 4LS, United Kingdom	180
York House, 45 Seymour Street, London, W1H 7JT, United Kingdom	181
2-4,Lyall Court, Flitwick Industrial Estate Flitwick, Bedford, England, MK45 1UQ, United Kingdom	182

Registered office address	Key
Nisbets Limited, Fourth Way, Bristol, England, BS11 8TB, United Kingdom	183
71-75 Shelton Street, Covent Garden, London, WC2H 9JQ, United Kingdom	184
Host House Newhouse Farm Industrial Estate, Mathern, Chepstow, Wales, NP16 6UP, United Kingdom	185
Unit G Kingsland Trading Estate, St. Philips Road, Bristol, England, BS2 0JZ, United Kingdom	186
Jongor Limited, Unit G Kingsland Trading Estate, St Philips Road, Bristol, England, BS2 0JZ, United Kingdom	187
Fourth Way, Avon, Bristol, England, BS11 8TB, United Kingdom	188
Host House Newhouse Farm Industrial Estate, Mathern, Chepstow, Wales, NP16 6UP, United Kingdom	189
CSC-Lawyers Incorporating Service Company, 221 Bolivar Street, Jefferson City MO 65101, United States	190
The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County DE 19801, United States	191
Corporation Service Company, 2345 Rice Street, Suite 230, Roseville MN 55113, United States	192
Corporation Service Company, 100 Shockoe Slip, 2nd Floor, Richmond VA 23219, United States	193
2300 Kennedy St NE Ste 205, Minneapolis MN 55413–4549, United States	194
Corporation Service Company, 2710 Gateway Oaks Drive, Suite 150N, Sacramento CA 95833-3505, United States	195
Corporation Service Company, 80 State Street, Albany NY 12207-2543, United States	196
2915 SR 590, Suite 15, Clearwater FL 33759, United States	197
Corporation Service Company, 2908 Poston Avenue, Nashville TN 37203-1312, United States	198
Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States	199
Corporation Service Company, 84 State Street, Boston MA 02109, United States	200

Registered office address	Key
Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States	201
Illinois Corporation Service Company, 801 Adlai Stevenson Drive, Springfield IL 62703-4261, United States	202
Corporation Service Company, 300 Deschutes Way SW, Suite 304, Turnwater WA 98501, United States	203
César Cortinas 2037, Montevideo, Uruguay	204

// SHAREHOLDER INFORMATION *continued*

Financial calendar

	2025
Annual General Meeting	23 April
Results for the half year to 30 June 2025	26 August

	2026
Results for the year to 31 December 2025	February
Annual Report circulated	March

Dividend payments are normally made on the second working day of the following months:

Ordinary shares (final)	July
Ordinary shares (interim)	January

Analysis of ordinary shareholders

At 31 December 2024 the Company had 4,040 (2023: 4,351) registered shareholders who held 331.3 million (2023: 338.0 million) ordinary shares between them, analysed as follows:

Size of holding	Number of shareholders	% of issued share capital
0 – 10,000	3,358	1%
10,001 – 100,000	414	4%
100,001 – 500,000	256	46%
500,001 – 1,000,000	7	13%
1,000,001 and over	5	36%
	4,040	100

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: +44 (0) 370 889 3257
Email: webcorres@computershare.co.uk
Website: www.computershare.com

Investor Centre

Shareholders can manage their shareholding online at www.investorcentre.co.uk. The Investor Centre is our registrar's easy to use website, available 24 hours a day, seven days a week, where the following services are available:

- elect for electronic communications;
- change of address;
- view share balance information;
- join the dividend reinvestment plan; and
- view dividend payment and tax information.

In order to register for the Investor Centre, shareholders will need their shareholder reference number which can be found on either their share certificate or dividend confirmations.

Dividend payment by BACS

Shareholders can have their dividends paid directly into their bank or building society account using the Bankers' Automated Clearing Service ('BACS'). This means that dividends will be in the account on the same day the dividend payment is made. To use this method of payment please contact our registrar on +44 (0) 370 889 3257 or visit the Investor Centre website. Please note that this option will not override any existing dividend scheme mandate, which would need to be revoked in writing. Shareholders who have elected to have their dividends paid by BACS and who have registered a valid email address with the registrar will be able to access their dividend confirmations electronically at www.investorcentre.co.uk. If no such email address has been registered, shareholders will receive their dividend confirmations by post.

Dividend reinvestment plan

The Company operates a dividend reinvestment plan which allows shareholders in eligible countries to use the whole of their cash dividend to buy additional shares in the Company, thereby increasing their shareholding.

Shareholders can check their eligibility in the terms and conditions and apply to join the plan online in the Investor Centre or can contact the Company's registrar to request the terms and conditions of the plan and a printed mandate form.

American Depositary Receipts

The Company has a sponsored Level 1 American Depositary Receipt programme that trades on the over-the-counter market in the US with ticker BZLFY. J.P. Morgan Chase Bank, N.A. acts as the Depositary Bank.

Telephone: +1 651 453 2128
Email: https://www.adr.com/contact/jpmorgan
Website: www.adr.com

International payment option

If you do not have access to a UK bank or building society account, you can elect to join the International Fund Transfer and receive cash dividends direct to your bank account in your local currency (a small fee and terms and conditions apply). You can find out more about this service and register via the Company's registrar at www.investorcentre.co.uk.

Share dealing

Bunzl plc shares can be traded through most banks and stockbrokers. The Company's registrar also offers an internet and postal dealing service. Further details can be found at www-uk.computershare.com/Investor/#ShareDealingInfo or by telephoning +44 (0) 370 889 3257.

ShareGift

Sometimes shareholders have only a small holding of shares which may be uneconomical to sell. Shareholders who wish to donate these shares to charity can do so through ShareGift, an independent charity share donation scheme (registered charity no. 1052686). Further information about ShareGift may be obtained from ShareGift on +44 (0) 20 7930 3737 or at www.sharegift.org.

Shareholder security

Shareholders are advised to be cautious about any unsolicited financial advice, offers to buy shares at a discount or offers of free company reports. More detailed information about this can be found at www.fca.org.uk in the Consumers section and at www.fca.org.uk/scamsmart. Details of any share dealing facilities that the Company endorses will be included in Company mailings.

Independent auditors

PricewaterhouseCoopers LLP

Corporate brokers

J.P. Morgan Cazenove
UBS

Company Secretary

Suzanne Jefferies

Registered office

York House
45 Seymour Street
London W1H 7JT
Telephone +44 (0) 20 7725 5000
Website www.bunzl.com
Registered in England no. 358948

Forward-looking statements

The Annual Report contains certain statements about the future outlook for the Group. Although the Company believes that the expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

SASB REPORTING FOR BUNZL'S SUSTAINABILITY METRICS

The Sustainability Accounting Standards Board ('SASB') has industry-specific sustainability standards which identify material topics and associated metrics. The table below summarises where relevant SASB disclosures can be found throughout Bunzl's annual reporting. This is based on several standards from the materiality map as Bunzl does not fall within one clear sector. We have based our disclosure on the most relevant standards for the business that align to and cover the key sustainability themes arising from our materiality assessments. The data provided below is from 2024 unless otherwise stated.

SASB metric	Bunzl disclosures
Product lifecycle management	
Revenue from products that are reusable, recyclable, and/or compostable	In 2024, £2.0bn revenue was generated from packaging and products made from materials that are recyclable, compostable, reusable or made from renewable sources.
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	We have discussed how we work with our suppliers and customers to reduce the environmental impact of packaging and products in both our Annual Report and Insight Series presentations. Pages 55 to 59.

SASB metric	Bunzl disclosures
Greenhouse gas emissions	
Gross global scope 1 emissions	89,199 tonnes of CO_2e
Discussion of long term and short term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Our climate change/carbon strategy has been detailed in the sustainability section of our Annual Report on pages 45 to 51. A comprehensive view into how we understand, assess and manage the risks and opportunities associated with climate change can be found in our TCFD index and associated reporting. Pages 46 to 51 and 207. Our integrated process for identifying and assessing risks is detailed in the Strategic report section of our Annual Report on pages 66 to 74. Our carbon reduction targets can be found on pages page 37 of our Annual Report with our performance shown on page 50. The targets are (baseline year: 2019): • scope 1 & 2 – 50% more carbon efficient (equivalent to a 27.5% absolute reduction by 2030) • scope 3 – 80% of suppliers by emissions will have science-based targets by 2027 • scope 1, 2 & 3 – 90% absolute reduction in emissions by 2050 • net zero emissions by 2050 at the latest We have committed to the Business Ambition for 1.5ºC initiative & Race to Zero campaign. Our net zero plan was approved by the SBTi in 2024. All our targets have now been approved by the SBTi.
(1) Total fuel consumed, (2) percentage natural gas, (3) percentage renewable	(1) Total fuel consumed: 1,445,985 GJ (2) Percentage natural gas: 25% (3) Percentage renewable fuel: 1%
(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) Operational energy consumed: 1,793,919 GJ (2) Percentage grid electricity: 19% (3) Percentage renewable: 6.3% (total energy), 28% (total electricity)

// SASB REPORTING FOR BUNZL'S SUSTAINABILITY METRICS *continued*

SASB metric	Bunzl disclosures
Labour conditions in the supply chain	
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct, (3) percentage of total audits conducted by a third party auditor	Our auditing process is our first line of defence to prevent defective products being shipped and to ensure products comply with our ethical standards. (1) Tier 1 suppliers: All products supplied directly from Asia are through suppliers that are verified by our Global Supply Chain Solutions team and our audits typically cover c.98% of Bunzl spend across 13 Asian countries every two years. We will take a proactive, risk-based approach to responsible sourcing, identifying common issues in our supply chain and working closely with suppliers to reduce the future incidences of these. The spend coverage above (representing c.15% of our global supply chain) relates to our suppliers based in regions identified as very high risk in international rankings of human rights issues (e.g. Global Slavery Index). (2) Tier 2 suppliers: None audited as we are taking a risk-based approach to working through our supply chain with our programme (and focusing on Tier 1 as a priority). Our audits and Supplier Code of Conduct demand that our Tier 1 suppliers ensure that the Code is maintained and enforced within their own supply chains, including by any sub-contractors used in executing any orders received from our Company. (3) Percentage of total audits conducted by a third party auditor: 12%. For more information see: Pages 42 to 44 Bunzl Supplier Code of Conduct Bunzl Modern Slavery Statement
Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	During 2024, our Global Supply Chain Solutions team assessed 1,175 suppliers: • 1,075 had no critical issues (c.91% suppliers assessed). • 100 underwent remediation efforts to bring them up to the required standard (c.9% suppliers assessed). • Following these remediation efforts, we terminated relationships with eight suppliers who failed to make enough progress (c.0.7% of suppliers assessed, c.8% of suppliers requiring remediation). • Corrective action rate for suppliers requiring remediation: c.92%.

SASB metric	Bunzl disclosures
Labour conditions in the supply chain	
Description of the greatest (1) labour and (2) environmental, health, and safety risks in the supply chain	Our Global Supply Chain Solutions team and external risk assessment exercise has identified the following risks: (1) Labour: • Forced Labour • Child Labour • Freedom of Association • Unfair discrimination • Continuous work for more than 30 consecutive days without at least one day's rest (2) Environmental, health and safety risks: • Evacuation routes and safety exits unsafe or blocked • Firefighting equipment difficult to access • Dormitories not located in buildings separate from the production facilities • Structurally unsafe buildings • Poor management systems
Workforce diversity and inclusion	
Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	We monitor the percentage of our workforce by gender and have total workforce of c.25,000 employees, 61% of them are male and 39% are female. In our senior management population (c.530 leaders) there are 25% females and 75% males. We cannot monitor ethnicity of our total workforce or senior management population due to restrictions on capturing data in certain countries in which we operate.
Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	No compensation costs were paid in 2024.
Voluntary and involuntary turnover rates for employees	Voluntary turnover was 14.8%.

ESG APPENDIX

Double materiality methodology

Our most recent Group-wide double materiality assessment methodology went beyond what is known as 'impact materiality' by also identifying how the different sustainability matters impact Bunzl's business financially.

During the assessment we sought insights on the potentially material impacts, risks and opportunities from stakeholders across our value chain, including our biggest suppliers of key commodities (e.g. paper & pulp, plastics and chemicals), large customers from across all of our business areas, key investors and internal stakeholders such as members of the Bunzl finance, procurement and sales teams.

We plan to update our materiality assessment at least once every three years but will review our outputs on an annual basis and update as necessary for any significant changes in the business.

DOUBLE MATERIALITY METHODOLOGY

Assessment stage	**1** DEFINING THE BOUNDARIES AND BUSINESS CONTEXT	**2** IDENTIFICATION OF POTENTIALLY MATERIAL TOPICS, IMPACTS, RISKS AND OPPORTUNITIES	**3** ENGAGEMENT WITH RELEVANT STAKEHOLDERS	**4** DETERMINING MATERIALITY USING A DEFINED SCORING METHODOLOGY AND THRESHOLDS
Activities completed	• Consideration for the actual and potential ESG impacts present across the entire value chain. • Both positive and negative impacts identified with consideration given to impacted stakeholders at each stage (even though Bunzl's role is limited to connecting one with another). • Assessment has been designed in a disaggregated way to consider the impacts that might relate to individual geographies and market sectors.	• ESRS list of sustainability topics, sub-topics and sub-sub-topics used as a starting point for our assessment. • This list was supplemented with information from our previous materiality work, SASB standards, legal requirements, peer benchmarking and feedback from key stakeholders. • Final list of potentially material impacts developed and peer reviewed prior to engagement with stakeholders.	• Gathered insights from suppliers, customers, investors and other key stakeholders across the Group. • Assigned relevant sustainability topics to each stakeholder group and tailored the questions to match those who were expected to be impacted by a sustainability issue or were in a position to provide unique insight on a particular topic.	• Developed a quantitative approach and scoring criteria, aligned to Bunzl's risk assessment process, to determine whether an impact, risk or opportunity is material for Bunzl. • Impact materiality has been assessed based on two factors: severity and likelihood. Financial materiality has been assessed by reviewing potential magnitude of financial effects and likelihood.

// ESG APPENDIX *continued*

Packaging categories

- Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure.
- We have exercised our judgement to allocate sales to the packaging and non-packaging categories as explained in the table below.
- In future years packaging and products may move between categories and/or may be added or removed (for example, as legislation changes, recyclability improves or if a new line of products is launched).

Category detail and name applied by Bunzl		Description	Example products in category
Category detail: Single-use plastic products facing restriction **Bunzl name:** Consumable plastics facing regulation	**1**	The single-use plastic products most commonly facing restriction – i.e. outright bans or complete restriction on placing into the market within the majority of the countries in which we operate – this is the category where we expect to see some volume reduction and transition may not happen on a like-for-like basis. We have expanded these specific regulations to all business areas where such products are sold. This is to provide consistency, as it can be reasonably expected that legislation will follow to those areas where it does not currently apply.	Including but not limited to: • Plastic cutlery • Plastic plates, bowls, platters and lids
Category detail: Single-use plastic products facing regulation (not outright restriction) **Bunzl name:** Consumable plastics likely to transition	**2**	Single-use plastic products that have existing measures in place (either legislative in countries we operate or voluntarily by some brands/businesses we sell to) to control their usage. As the use of these products across our Group is not completely restricted (i.e. there are no consistent bans as with category 1) and the products themselves serve a functional purpose, customers typically transition away from these products to alternatives on a like-for-like basis (including reusable options). We have expanded these specific regulations to all business areas where such products are sold to provide consistency.	Including but not limited to: • Single-use plastic cups • Paper cups and soup containers with plastic lining • Lightweight plastic carrier bags • EPS food containers
Category detail: Single-use plastic products where plastic is an appropriate material for the job, where alternatives are not commercially available or where substitution could cause unintended environmental consequences **Bunzl name:** Packaging and products with an important purpose	**3**	Single-use plastic products where plastic is an appropriate material for the job from a functional perspective, where alternatives do not currently exist at scale or where unmitigated, careless substitution of plastic could lead to significant negative, unintended consequences such as higher carbon emissions, water use and food waste.	Including but not limited to: • Plastic pouches, packets, and wrappers • Baking paper and parchment
Category detail: Recyclable, reusable, compostable products, and those made from renewable resources **Bunzl name:** Packaging and products made from alternative materials	**4**	These represent the alternative solutions our customers typically transition their single-use packaging and products to. These are products that are typically recyclable or compostable, made from a renewable resource, for example palm leaf or sugar cane, plastic products containing a proportion of recycled content (where these products are also recyclable) and reusable products such as 'bags for life' or refillable coffee cups that are products specifically designed to be used more than once. National guidance (where it exists) has been used to determine the recyclability of a product. Due to the huge variation in recycling provisions globally we have expanded these criteria to all business areas where such products are sold to provide consistency.	Including but not limited to: • PET and rPET food containers • Cardboard or paperboard containers • Compostable plastic cups • Reusable cups • Alternative materials cutlery • Alternative materials plates, bowls, platters and lids • Paper bags • Reusable carrier bags

Climate change scenarios

The process to assess climate change scenarios and their impact on our business is described on pages 49 and 50. This appendix provides additional details around the used scenarios, the impacts that were evaluated, the key risks and opportunities and our response measures.

Our climate change scenarios align with the environmental and economic conditions represented in the Network for Greening the Financial System ('NGFS') scenario framework. This framework was used as the basis for the Bank of England's 2021 Biennial Exploratory Scenario on climate risks and is based on the following assumptions:

Scenario 1 – 'Orderly'

This reflects net zero 2050 commitments from COP26. This scenario aims to limit global warming to 1.5°C by implementing stringent climate policies and fostering innovation, achieving net-zero CO_2 emissions around 2050. Ambitious climate policies are enacted immediately, resulting in relatively low physical risks but high transition risks.

Scenario 2 – 'Disorderly'

This scenario assumes a lack of coordinated response to climate change and therefore emissions reductions are limited until 2030. Climate policies are delayed or divergent across countries and since actions are taken relatively late emissions initially increase but decline sharply after 2030. While emissions decline, they still lead to approximately 2.6°C of warming, resulting in moderate to severe physical risks and relatively low transition risks.

Scenario 3 – 'Hothouse world'

The final scenario assumes that governments fail to introduce the policies needed to address climate change beyond those that are already in place. This scenario assumes that only policies currently in place are maintained. As a result, emissions continue to rise until 2080, leading to approximately 3°C of warming. Physical risks are severe under this trajectory, as no significant mitigation efforts are implemented.

Evaluating potential impacts of climate change on our business

The Group has considered three possible outcomes (best, medium, worst) across our key potential climate-related business impacts, under the three climate scenarios. We have assessed the impacts on a short term (to 2030) mid term (to 2040) and long term (to 2050) basis.

The key identified risks were grouped into 4 thematic areas: the global economic impact of climate change, carbon pricing, shifting customer expectations (ESG requirements), and extreme weather-related impacts.

Global impact of climate change.

We have modelled the business impact of changing market conditions, by considering the potential for climate change to lead to lower GDP growth as Bunzl's revenue is to some extent correlated with the health and progress of the economy, particularly in regions of the world in which Bunzl has significant operations. Economic damage from climate change could be caused by a number of outcomes, including shocks from extreme weather events, losses in agricultural productivity, temperature effects on labour productivity and human health, energy demands, and flows of tourism. All impacts are incorporated within the NGFS scenarios on which we have based our financial assessment.

Carbon Pricing

Carbon pricing is a cost levied by governments to encourage polluters to reduce the amount of greenhouse gases they emit. We have considered the cost of carbon pricing under the three scenarios for our own (scope 1 and 2) emissions as well as for the emissions of our suppliers, as suppliers will pass onto us increased costs due to carbon pricing.

Shifting customer expectations (ESG requirements).

Many customers have committed to dramatically reduce carbon emissions by 2050 (with some committing to net zero) and they expect suppliers such as Bunzl to contribute to achieving these targets. In our analysis we have assumed that ESG requirements would come from customers that have, or will set, SBTi targets, as this commitment reflects a stronger dedication to sustainability and a climate transition pathway. The number of customers setting such targets will vary significantly between the orderly, disorderly and Hothouse scenarios.

Bunzl has already established a science-based reduction target in line with an Orderly scenario and will assess on an ongoing basis whether this emissions trajectory continues to meet customers' ambitions.

Extreme weather-related impacts

The business impact of extreme weather is already included in our climate model to assess the financial impact of climate change, as it could be a driver of lower GDP growth. Bunzl monitors the current impact of extreme weather on our operations to ensure we remain well prepared for worsening conditions in the future. In recent years we have seen disruptions due to extreme weather in North America (hurricanes and wildfires) and Australasia (wildfires and flooding). These events were predominantly regional and in most cases we were able to serve customers from a different location.

In our analysis we have considered the costs of repair and adaptation, the cost of stock losses and increased costs due to temporarily closing operations.

We have concluded that the direct impact of extreme weather conditions currently does not represent a material financial risk to Bunzl

// ESG APPENDIX *continued*

Thematic area	Risk & opportunities	Response measures
Shifting customer expectations Bunzl's customers are setting more stringent environmental targets. Bunzl is increasingly expected to help customers achieve their ambitions and goals.	**Risks** Failing to align with our customers' ambitions could lead to reputational damage and loss of sales. **Opportunities** Aligning with customers' ambitions could strengthen customer relationships, build resilience to new environmental legislation and policy, and create brand differentiation. The risks and opportunities are applicable for all time horizons and are most significant in the short and medium term.	Proactive scanning of customer trends and expectations. Our customers demand a wide range of solutions from Bunzl. We will build on our role as a material-agnostic distributor to provide customers with: • information on less carbon intensive products; • expert advice on the sustainability impact of products sourced; • a broad range of product solutions suited to the applications they need; • options to reduce the impact of our deliveries (see page 47); and • setting emissions reduction targets to decarbonise our operations and supply chain in line with climate science (see pages 45 and 50).
Carbon pricing A key potential impact could come from carbon pricing, leading to an increase in costs of carbon intensive products. It may create a stronger demand for low carbon products	**Risks** Bunzl may face the risk of some increases in indirect costs from carbon intensive products. **Opportunities** Our material agnostic business model and flexible supply chain allows us to benefit from opportunities to source and supply specialist low carbon products. The risks and opportunities are applicable for all time horizons and are most significant in the short and medium term.	Bunzl is agnostic to the type of products it sources and supplies. Bunzl has the ability to effectively pass through any increased costs of products in our supply chain (for example due to carbon pricing mechanisms) to our customers.

Thematic area	Risk & opportunities	Response measures
Adaptation to extreme weather Bunzl's suppliers and operations have already experienced the impacts of extreme weather. For example, hurricanes in North America have disrupted Bunzl's distribution activities and wildfires have posed a risk to Bunzl's Australian operations. In both cases, we have been able to mitigate the risks to ensure supply.	**Risks** The severity and frequency of extreme weather events could increase in the future. While the flexibility of Bunzl's supply chain has provided good operational resilience to the physical impacts of climate change, there could be an impact if several key customers in a high risk region were impacted simultaneously. **Opportunities** Our supply chain flexibility and lack of fixed manufacturing assets provide an opportunity to quickly respond to changing operating conditions such as flooding and erosion caused by changed weather patterns. The risks and opportunities are applicable for all time horizons and are most significant in the medium and long term.	Proven business continuity plans have ensured continued service to customers. Resilience through supply chain flexibility and lack of fixed manufacturing assets.
Changing market dynamics The direct (physical) and indirect (transitional) risks may change the dynamics of the markets in which Bunzl operates and are correlated to the overall impact of climate change on the global economy. Climate change may create a demand for low carbon products or the supply of products which help mitigate the physical impacts of climate change. Certain markets may also be increasingly affected by extreme weather.	**Risks** Bunzl may face the risk of some increases in indirect costs from carbon intensive products. Certain markets may be increasingly affected by extreme weather (i.e. disruption to the hospitality industry in areas impacted by wildfires and flooding) which could impact our commercial strategy. **Opportunities** Our material agnostic business model and flexible supply chain allows us to benefit from opportunities to source and supply specialist low carbon products, or to acquire businesses and/or supply products which help mitigate the physical impacts of climate change. The risks and opportunities are applicable for all time horizons and are most significant in the medium and long term.	Bunzl is agnostic to the type of products it sources and supplies. This allows us to follow broader environmental, social and economic trends, entering new markets and seeking new customers where there is a business case for doing so. Bunzl has the ability to effectively pass through any increased costs of products in our supply chain.

// ESG APPENDIX *continued*

Emissions reporting and environmental performance

Greenhouse gas emissions scope 1 and scope 2 data (Group)

Data for the period 1 October to 30 September	2019	2020	2021	2022	2023	**2024**
Scope 1						
Total emissions (tonnes of CO_2e)	99,193	90,568	87,125	93,405	89,806	**89,199◊**
Emission intensity (tonnes of CO_2e/£m revenue)	10.7	9.5	8.5	8.1	7.6	**7.9◊**
Natural gas usage (m^3)	8,912,413	8,082,813	8,272,123	9,650,228	8,658,861	**9,011,198**
Fuel usage (ltr)	31,523,097	29,306,537	28,060,702	29,099,858	29,216,415	**28,721,022**
Fuel intensity (ltr/£m revenue)	3.4	3.1	2.7	2.5	2.4	**2.5**
Scope 2						
Emissions location-based (tonnes of CO_2e)	29,594	27,421	25,043	27,895	28,011	**28,590◊**
Emission intensity location-based (tonnes of CO_2e/£m revenue)	3.2	2.9	2.4	2.4	2.3	**2.5◊**
Emissions market-based (tonnes of CO_2e)	29,835	26,183	25,025	27,337	25,576	**26,461◊**
Emission intensity market-based (tonnes of CO_2e/£m revenue)	3.2	2.7	2.4	2.4	2.1	**2.3◊**
Electricity usage (MWh)	83,062	80,276	79,057	93,224	90,221	**93,709**
% renewable electricity	NA	15	14	17	25	**28◊**
Total scope 1 and 2 emissions						
Emissions location-based (tonnes of CO_2e)	128,787	117,989	112,168	121,300	117,817	**117,789◊**
Emission intensity location-based (tonnes of CO_2e/£m revenue)	13.9	12.4	10.9	10.5	9.9	**10.3◊**
Emissions market-based (tonnes of CO_2e)	129,028	116,751	112,150	120,742	115,382	**115,660◊**
Emission intensity market-based (tonnes of CO_2e/£m revenue)	13.9	12.2	10.9	10.5	9.7	**10.2◊**
Total energy (MWh) (including self-generated)	516,775	480,711	470,941	510,524	493,505	**498,311**

◊ Included in the external auditor limited assurance scope. See data assurance statement, which is available on our website, www.bunzl.com.
The data for previous years was also assured as detailed in the respective Annual Reports.

Scope 1 and 2 emissions data requires significant time to collect and categorise and as a result there is a three month time lag between our financial data and scope 1 and 2 emissions data.

Our absolute carbon emissions increased by 0.2% in 2024, mainly due to the impact of recent acquisitions reporting emissions for the first time.

Our natural gas consumption increased by 4%, due to higher heating requirements, which increased our global emissions by 0.7%. Our global electricity consumption and associated emissions increased by 4%. This increase is partially due to increased charging of electricity and hybrid company vehicles on site. In 2024, approximately 2% of our electricity consumption was used for charging electric vehicles. We did see an increased uptake of electric vehicles (particularly in UK & Ireland and Continental Europe), energy efficiency improvements and increased procurement of renewable energy (from 25 to 28%).

Fuel used for transportation remains our highest source of operational emissions, contributing c.80% of our scope 1 emissions. Of those emissions relating to transportation, c.81% are generated by our fleet of commercial vehicles.

Performance against carbon reduction targets

Data for the period 1 October to 30 September	2019	**2024**	2024 % reduction (vs 2019)	**2030 target (vs 2019)**
Total scope 1 and scope 2 emissions market-based (tonnes of CO_2e)	141,320[1]	**115,660◊**	18	27.5%
Emission intensity market-based (tonnes of CO_2e/£m revenue)	13.8	**10.2◊**	26	50%

1. Emissions and emissions intensity in our baseline year have been recalculated to reflect the impact of acquisitions.
◊ Included in the external auditor limited assurance scope. See data assurance statement, which is available on our website, www. bunzl.com.

Greenhouse gas emissions data (UK)*

Data for the period 1 October to 30 September	2019	2020	2021	2022	2023	**2024**
Scope 1 emissions (tonnes of CO_2e)	17,211	15,261	14,845	15,479	14,165	**12,793**
Scope 2 emissions (tonnes of CO_2e) (location-based)	2,660	2,847	2,511	2,215	2,161	**2,162**
Total scope 1 and 2 emissions (tonnes of CO_2e)	19,871	18,108	17,356	17,694	16,325	**14,955**
Emission intensity (tonnes of CO_2e/£m revenue)	17.0	14.9	14.6	13.4	12.9	**12.4**
Natural gas usage (m^3)	469,573	486,661	419,138	425,053	399,787**	**334,447**
Fuel usage (ltr)	6,271,182	5,606,760	5,572,556	5,716,256	5,326,859	**4,856,259**
Electricity usage (MWh)	10,405	11,140	9,823	11,292	10,340	**10,208**
Total energy consumption (MWh)	82,084	75,812	73,815	76,744	71,064	**65,464**

* Energy usage and carbon emissions disclosed separately to adopt to the requirements of the UK Streamlined Energy and Carbon Reporting ('SECR') policy.
** We identified an error in last year's natural gas usage report. The amount reported previously was 480,586 and has been restated to 399,787.

Our reported environmental data includes all businesses that are subsidiaries of the Group for financial reporting purposes, except for recent acquisitions where there has been insufficient opportunity for the businesses to adopt our reporting guidelines. The revenue from these businesses is not included when calculating the indexed emissions. The reported data covers 97.7% of the Group by revenue. Nisbets, the Group's largest acquisition in the reporting year, has not been included in the reported environmental data.

// ESG APPENDIX *continued*

Bunzl has a Group-wide approach to recording, measuring and reporting energy and climate change data. Business areas are responsible for data input and monitoring progress against targets and providing commentary on significant variances and on the implementation of projects aimed at improving EHS performance. All data is reported in the Group's central EHS reporting and consolidation system. More details can be found in the Group reporting guidelines on our website www.bunzl.com/sustainability/sustainability-reporting.

Scope 3

Our scope 3 emissions are summarised in the table below. The calculation of the emissions associated with purchased goods and services, which is our largest scope 3 emission source, is based on supplier spend. The economic emission intensity factors that we use for this calculation do not account for the inflation increase in 2021 and 2022, which is why the reported emissions associated with purchased goods and services have increased significantly.

We are reporting on all material scope 3 categories of emissions. Our scope 3 carbon emissions are reported based on the previous financial year ended 31 December 2023. The scope 3 emissions calculation is complex and requires data from a large number of supply chain partners and service providers, such as third party carriers and other logistics services providers. As a result, there is a one year time-lag between our financial data and the scope 3 emissions data in our Annual Report. We are working to develop our access to high quality scope 3 data and to reduce the time required to calculate our scope 3 emissions. Once complete, this will allow us to report our scope 3 emissions in better alignment with our financial reporting year.

More information on the scope 3 data methodology can be found in our EHS reporting guidelines which are available in the sustainability section of our website.

Greenhouse gas emissions scope 3 data (Group)

Scope 3 category	2019 (kt CO_2e)	2021 (kt CO_2e)	2022 (kt CO_2e)	**2023 (kt CO_2e)**
Purchased goods and services*	5,337	6,348	6,826	**6,510**
Capital goods	18	18	24	**29**
Fuel and energy-related activities not included in scope 1 or scope 2	29	30	31	**30**
Upstream transportation and distribution**	299	346	456	**415**
Waste generation in operations	5	5	5	**5**
Business travel	20	11	23	**26**
Employee commuting	21	20	23	**24**
Downstream transportation and distribution**	92	81	112	**110**
Use of sold products	20	13	55	**124**
End of life treatment of sold products	468	483	696	**774**
Total scope 3 emissions	**6,309**	**7,355**	**8,251**	**8,047**
Rebase	557			
Total scope rebased emissions	**6,866**	**7,355**	**8,251**	**8,047**

* Includes FLAG emissions.
** 2019 and 2021 restated due to applied methodology changes.

Waste

The amount of waste generated in our facilities in 2024 was estimated to be 19,900 tonnes. We have continued to increase completeness and accuracy of reporting, particularly by moving to centralised waste management services in certain areas. The recycling rates strongly depend on the locally available waste recycling options. In 2024, the recycling rate remained stable at approximately 50% of the generated waste. This excludes any post-disposal waste treatment and recycling carried out by waste handlers. The reported waste data covers 97.7% of the Group by revenue although accurate waste measurement remains challenging in geographies with less advanced waste management infrastructures.

Water

Direct water usage is not a significant environmental impact for our business as it is principally confined to staff hygiene and workplace cleaning, with the exception of a very small number of sites where we process gel or ice packs which contain water. Water discharges, apart from internal sanitation, are limited to rainwater run-off from the yards of our locations. Our estimated water usage is 219,000 m^3 of water per year. Despite the increase in employees in the Group, the usage is slightly lower than last year due to increased accuracy of reporting.

Environmental management system certification

We have developed an internal EHS management system standard that is based on ISO 14001 and ISO 45001. Some parts of the business, mainly in UK & Ireland, Asia Pacific and Continental Europe, have elected to become formally certified. These businesses cover approximately 23% of the Group's operations (measured by revenue).

Health & safety

Health & safety indicators Data for the period 1 October to 30 September	2019	2020	2021	2022	2023	**2024**
Average number of incidents per month per 100,000 employees	96	85	86	80	88	**96◊**
Average number of days lost per month per 100,000 employees	3,110	3,040	2,615	2,441	2,338	**1,963◊**
Fatalities	0	0	0	0	0	**0**

◊ Included in the external auditor limited assurance scope. See data assurance statement, which is available on our website, www.bunzl.com The data for previous years was also assured as detailed in the respective Annual Reports.

Targets for 2024

Reduce the Group accident incidence rate by 3% from 2023. Reduce the Group accident severity rate by 3% from 2023.

The 2024 Group accident incidence rate of 96 represents a 9% increase versus 2023. The 2024 Group accident severity rate of 1,960 represents a 16% improvement versus 2023.

Injuries relating to the operation of our warehouses and vehicles, such as manual handling, falling, slipping and tripping and impact with equipment remain the highest causes of accidents. In addition to the number of accidents, we use a variety of leading indicators, such as near misses, the number of safety meetings and the number of inspections to measure our performance.

We have not been able to achieve our incidence reduction target for reporting year 2024. Following a

// ESG APPENDIX *continued*

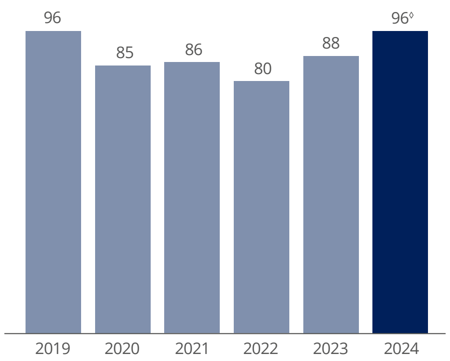
review of root causes that caused or contributed to the increase in the number of safety accidents, we have implemented corrective and preventative measures across various regions. These measures included rolling out of safety intervention training, enhancing involvement of managing directors in accident reviews, and improving staff onboarding processes. We have also enlarged regional EHS support and auditing teams to cope with the increase of headcount in some regions. In some areas, we have seen that the implementation of a new global reporting system, and the associated training with regards to reporting and escalating incidents, has triggered increased reporting of near misses, hazard and other incidents.

Despite the increase in the number of incidents, the severity rate continues to be well below last year – which indicates that (on average) the incidents are less severe. In 2024, we have updated our global health & safety standards and the associated audit checklist. We are currently completing the introduction of a new global integrated EHS data management system. The new system provides one platform globally to report data, carry out audits and inspections and to record and monitor actions.

Targets for 2025:

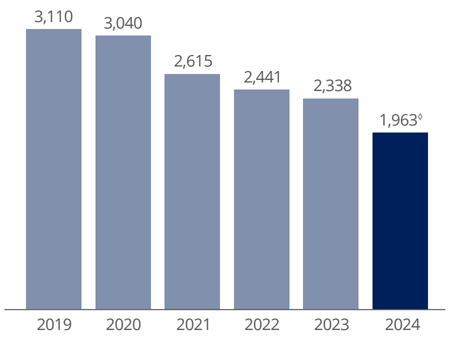
- Reduce the Group accident incidence rate by 3% from 2024.
- Reduce the Group accident severity rate by 3% from 2024.

Incidence rate
Average number of incidents per month per 100,000 employees



12 months to 30 September.

Severity rate
Average number of days lost per month per 100,000 employees



12 months to 30 September.

◊ Included in the external auditors' limited assurance scope. See limited assurance statement, which is available on our website, www.bunzl.com. The data for previous years was also assured as detailed in the respective Annual Reports.

External assurance

We engaged PricewaterhouseCoopers LLP 'PwC' to undertake a limited assurance engagement, reporting to Bunzl plc only, using International Standard on Assurance Engagements 'ISAE' 3000 (Revised): 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and ISAE 3410: 'Assurance Engagements on Greenhouse Gas Statements' over the two non-financial KPIs highlighted on page 37 and the selected data on page 50 of the sustainability report and in the ESG appendix. In each case that has been highlighted with the symbol '◊'.

PwC has provided an unqualified opinion in relation to the relevant KPIs and data and their full assurance opinion is available in the sustainability section of our Group website, www.bunzl.com. Non-financial performance information, including greenhouse gas quantification in particular, is subject to more inherent limitations than financial information. It is important to read the selected information contained in this Annual Report in the context of PwC's full limited assurance opinion and the Company's EHS Reporting Guidelines which are also available in the sustainability section of our website.

Code of conduct

The Group's business code of conduct is a guide for every employee explaining how they are expected to conduct themselves both from a corporate and individual perspective.

	2022	2023	**2024**	**Comment**
Material breaches of code of conduct	0	4	**0**	No material breaches of our code of conduct were recorded in 2024.
Speak Up	83	141	**135**	In 2024, we received 135 reports through our confidential whistleblowing process, 'Speak Up', none of which related to any issues of material concern. More than 40% of the cases came from the LATAM region. A number of the reports were from the same site or related to the same issue and were treated as separate reports.

// ESG APPENDIX *continued*

Employees

Engaging with our employees with clear communications and the provision of learning and development opportunities

	2022	2023	2024	What we said we would do in 2024	What we did	What we plan to do in 2025
Employee turnover: Voluntary	17.1%	15.3%	**14.8%**	Pilot to gather targeted feedback from new joiners to understand early views on employee experience. Analyse employee survey engagement consolidated data from leavers to understand any barriers to staying at Bunzl. Build on our employer brand work.	Improvements made in onboarding new joiners in targeted areas. Use of Great Place to Work survey data to gain deeper insight into employee engagement levels and put action plans in place to drive continuous improvement. Reviewed our employer brand both internally and externally to elevate ourselves as an employer of choice.	Continue to gather targeted feedback from new joiners to understand early views on employee experience. Execute an action plan following our employer brand review, including refreshing our corporate website and developing Group-wide collateral using the concept of 'Unlimited Potential' to ensure that we have a compelling brand.
Gender diversity: Women at senior management level	20%	22%*	**25%**	Continue to report on percentage of females at senior leadership level to ensure we maintain or increase current levels. Further expand networks and female-focused development programmes.	Improvements made in number of female leaders. Continued investment in the Inspiring Women in Bunzl programme and other programmes aimed at future female leaders such as mentoring for all high potential females in management roles.	Continue to report on percentage of females at senior leadership level to ensure we maintain or increase current levels. Continue to expand networks and female-focused development programmes.
Employee engagement index score	85%	69%**	**71%****	Extend the Great Place To Work survey to do a full global survey for all employees in 2024 and continue to make improvements through the monitoring of actions plans.	Extended the Great Place To Work survey scope to cover all employees across all regions. Local and regional action plans were put into place following the survey results to drive continuous improvement.	Undertake a full global Great Place To Work survey in 2025 and continue to make improvements through the monitoring of action plans and the analysis of trend data.

* 2022 gender diversity figure was restated to ensure comparison of like for like population.
** The measure used for 2023 and 2024 is the overall Trust Index score from the Great Place To Work survey. This is a very different measure from the previous sustainable engagement score so cannot be compared directly. The 2023 score was from the 2023 pilot survey (covering approximately 45% of our employees).

Senior management (%) and employees

Males	75%	396
Females	25%*	133

* 35.7% of the Executive Committee's direct reports are female (10 employees).

Source:
HR from September 2024 (senior management group defined as the individuals who receive share awards as part of their remuneration)

Total workforce (%) and employees

Males	61%	15,172
Females	39%	9,847

Source: HR from BRMS

Average number of employees (%)

North America	36%
Continental Europe	26%
UK & Ireland	17%
Rest of the World	21%

Source: Note 26 on page 179

Total workforce age profile (%)

Under 30	19%
30–39	25%
40–54	36%
Over 55	20%

Source: HR from BRMS

// ESG APPENDIX *continued*

Charitable contributions

Bunzl's operations are international, but our strength lies in the local nature of our businesses. We support the communities where our employees live and work and encourage fundraising activities championed by our businesses and their employees locally. In 2019, we realigned our corporate charity programme to focus on environmental projects related to reuse, recycling, litter prevention and disadvantaged communities impacted by waste pollution and poor management infrastructure.

During 2024 we continued to support activities in three key areas and are pleased with the long-standing relationships we have with our chosen charity partners:

1. charitable projects that encourage packaging reuse and recycling, and work to educate consumers;
2. litter clean-up and prevention initiatives operating in our markets, giving our employees the opportunity to get involved; and
3. projects that build new waste management infrastructure and develop recycling skills in some of the world's poorest places, often in areas where plastic leakage to the natural environment is highest.

Example initiatives

Charity name	Project
The Marine Conservation Society ('MCS')	Bunzl has funded the MCS Ocean Friendly Schools Award ('OFS') which in 2024 completed its first full academic year, inspiring and engaging students across the UK to learn more about the ocean and how they can all take accessible steps towards helping to protect it. Ocean literacy is at the heart of the OFS award scheme, nurturing students' understanding of the ocean, the ecosystem services it provides and how both our health and ocean health are inextricably linked.
Sea Changers	Now in its fifth year, Bunzl and Sea Changers Coastal Fountain Fund has installed 40 water bottle refill stations at some of the UK's busiest coastal locations. The partnership was designed to reduce the negative impacts on UK coastal and marine environments and species by reducing marine litter caused by the use of non-reusable plastic drinks bottles.

Group wide, Bunzl donated a total of c.£1.1m to charitable causes during 2024. This does not include amounts donated by Bunzl in matching funds raised by employees for local charities.

// FIVE YEAR REVIEW

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Revenue	**11,776.4**	11,797.1	12,039.5	10,285.1	10,111.1
Operating profit	**799.3**	789.1	701.6	623.3	618.5
Finance income	**72.6**	60.4	22.3	10.7	10.4
Finance expense	**(178.0)**	(150.9)	(90.2)	(65.3)	(73.2)
Disposal of businesses	**(20.3)**	–	0.9	–	–
Profit before income tax	**673.6**	698.6	634.6	568.7	555.7
Income tax	**(172.6)**	(172.4)	(160.2)	(125.9)	(125.7)
Profit for the year	**501.0**	526.2	474.4	442.8	430.0
Profit is attributable to:					
Company's equity holders	**500.4**	526.2	474.4	442.8	430.0
Non-controlling interest	**0.6**	–	–	–	–
Profit for the year	**501.0**	526.2	474.4	442.8	430.0
Basic earnings per share attributable to the Company's equity holders	**149.6p**	157.1p	141.7p	132.7p	128.8p

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Alternative performance measures†					
Adjusted operating profit	**976.1**	944.2	885.9	752.8	778.4
Adjusted profit before income tax	**872.9**	853.7	818.0	698.2	715.6
Adjusted profit for the year attributable to the Company's equity holders	**649.9**	640.3	616.8	542.5	550.5
Adjusted earnings per share attributable to the Company's equity holders	**194.3p**	191.1p	184.3p	162.5p	164.9p

† See Note 3 to the consolidated financial statements on page 151 for further details of the alternative performance measures.

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