

This document is important and requires your IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are advised to consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000 immediately. If you have sold or transferred all of your ordinary shares in Bunzl plc you should pass this document to the purchaser or transferee or to the person through whom the sale was effected for transmission to the purchaser or transferee.



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

Registered in England  
No. 358948

To the holders of ordinary shares

17 March 2008

Dear Sir or Madam

### **ANNUAL GENERAL MEETING**

The Annual General Meeting of Bunzl plc (the 'Company') is to be held at 11.00 am on Wednesday 14 May 2008 in The Park Suite at The Dorchester, Park Lane, London W1K 1QA. You will see from the Notice of Meeting in Appendix 1 to this letter that, in addition to the routine business to be dealt with at the meeting, there are five items of other business contained in Resolutions 8 to 12. An explanation of these Resolutions is set out below and certain further information is given in Appendix 2.

#### **Ordinary Resolution 8 (Authority to allot unissued shares)**

Under the Companies Act 1985, the directors require the authority of shareholders in general meeting to allot unissued shares of the Company and this Resolution seeks to renew the authority last granted to the directors at the 2007 Annual General Meeting. Accordingly, the directors seek the authority to allot at their discretion ordinary shares in the Company up to a maximum aggregate nominal amount of £35,500,000, being 34% of the total issued share capital of the Company and representing an amount equal to the sum of (i) 33% of the total issued share capital and (ii) the amount of the share capital reserved for unexercised share options. The directors do not have any present intention of exercising this authority other than in respect of the Company's share option schemes and, if necessary, to satisfy the consideration payable for businesses to be acquired. This authority supersedes all previous authorities and the directors intend to seek its renewal at next year's Annual General Meeting.

#### **Special Resolution 9 (Allotment of shares for cash)**

Shareholders' authority is required before the directors may allot any authorised but unissued shares in the Company (including any shares which the Company has purchased and elected to hold as treasury shares) for cash (unless the issue or sale takes place pro rata to existing ordinary shareholders). Such authority is sought annually so that the directors may at any time, should appropriate circumstances arise, allot shares up to the maximum permitted by Resolution 8 in connection with a rights issue or other pre-emptive offer (subject to certain limited exclusions or arrangements) and, in addition, allot for cash a maximum of 16,325,000 shares, being 5% of the issued share capital, provided that such allotment would not cause the amount of shares allotted for cash to exceed 7.5% of the issued share capital in any rolling three year period. The existing authority will expire at the forthcoming Annual General Meeting and, by proposing Resolution 9, the directors seek its renewal although at the present time there is no intention to exercise such authority.

#### **Special Resolution 10 (Purchase of own shares)**

This Resolution replaces a similar authority granted to the directors at the 2007 Annual General Meeting which is valid until the conclusion of the forthcoming Annual General Meeting. During 2007 the Company purchased 10,625,000 of its ordinary shares through the London Stock Exchange under this existing authority which are currently held by the Company as treasury shares. This authority was exercised only after very careful consideration and the proposed authority will be exercised in the future only if the directors consider it to be in the best interests of the Company and its shareholders, given the market conditions and price prevailing at the time. For a further explanation of this proposal and a brief summary of the taxation consequences, please see Appendix 2 to this letter.

#### **Special Resolution 11 (Amendment to Articles of Association)**

The Companies Act 2006 (the '2006 Act') was enacted on 8 November 2006 and is being implemented in stages. Since a number of significant changes arising from the 2006 Act will not come into force until October 2009, the Company has decided at this stage to propose only two 2006 Act related amendments to its current Articles of Association (the 'Current Articles') regarding the length of notice required to convene general meetings and directors' conflicts of interest. It is intended that, subject to there being no further delays in the implementation of the 2006 Act, a comprehensively updated set of Articles of Association reflecting the full implementation of the 2006 Act will be proposed for adoption at next year's Annual General Meeting.

In addition to the above 2006 Act proposed amendments, the Company is also proposing to adopt a further amendment to its Current Articles regarding the disclosure of a director's age in the notice convening a meeting at which he is proposed to be appointed or reappointed.

These proposed amendments to the Current Articles are summarised below:

#### *Convening general meetings*

The provision in the Current Articles relating to the length of notice required to convene general meetings is being removed in the amended version of the Company's Articles of Association (the 'New Articles'). This is to enable the Company to take advantage of Section 307 of the 2006 Act which allows a general meeting to consider a special resolution to be convened on 14 days', instead of 21 days', notice.

#### *Directors' interests*

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from October 2008, a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. This requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation.

The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts of interest, where appropriate, where the company's articles of association contain a provision to this effect. The 2006 Act also allows a company's articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty.

The provisions in the Current Articles in relation to directors' interests are being replaced in the New Articles with provisions giving the directors authority to approve such situations and otherwise to allow directors' conflicts of interest to be dealt with in a similar way to the position set out in the Current Articles. The provisions in the Current Articles allowing directors to vote and be counted in the quorum in certain situations in which they have an interest have also been updated in the New Articles.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict of interest. First, only directors who have no interest in the matter being considered will be able to take the relevant decision and secondly, in taking the decision, the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

The New Articles also contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers in order to protect a director being in breach of duty if a conflict or potential conflict of interest arises. These provisions will only apply where the position giving rise to the conflict or potential conflict of interest has previously been authorised by the directors. It is the directors' intention to report annually on the Company's procedures for ensuring that the directors' power to authorise conflicts and potential conflicts of interest are operated effectively.

The New Articles also allow the Company to suspend or relax the directors' conflicts of interest provisions and ratify by ordinary resolution any contract not properly authorised by reason of a contravention of such provisions.

#### *Disclosure of a director's age*

The provision in the Current Articles requiring a director's age to be disclosed in the notice convening a meeting at which the director is proposed to be appointed or re-appointed if such director has attained the age of 70 years or more is being removed in the New Articles as such provision may be in breach of the Employment Equality (Age) Regulations 2006.

#### **Special Resolution 12** (Amendment to borrowing powers)

The Current Articles contain provisions allowing the Board to incur borrowings of an amount not exceeding the aggregate of any amounts written off in respect of goodwill arising on the consolidation or acquisition of brands, businesses or companies remaining within the Group and twice the adjusted capital and reserves (calculated as set out in the Current Articles). Since these provisions were adopted by the Company, the nature of its business has changed considerably. As an outsourcing services Group, although following the demerger of the Filtrona manufacturing businesses in 2005 its business is less capital intensive than it formerly was, the strategic priority remains to grow both organically and through an active acquisition programme, whilst seeking to maintain an efficient balance sheet structure. This has involved, when appropriate circumstances have arisen, undertaking an on-market share buy back programme in order to return value to shareholders. The Board considers that its borrowing powers are now insufficiently flexible to enable the Company to pursue these objectives fully and, accordingly, the Company proposes to amend the provisions of the Current Articles to allow the Board to incur borrowings of an amount not exceeding the aggregate of any amounts written off in respect of goodwill arising on the consolidation or acquisition of brands, businesses or companies remaining within the Group and three times the adjusted capital and reserves.

#### **Issued share capital**

All references to the Company's issued share capital in this document are to the Company's issued ordinary share capital as at 17 March 2008, which was 326,524,623 ordinary shares, excluding any ordinary shares held as treasury shares. As at 17 March 2008 the Company held 23,325,000 ordinary shares as treasury shares, representing 7.1% of the Company's issued share capital, and the total number of voting rights in the Company was 326,524,623.

**Action to be taken**

Shareholders are asked to complete the enclosed Form of Proxy and to post it to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible, but in any event so as to arrive by no later than 11.00 am on Monday 12 May 2008. Completion and posting of the Form of Proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting, should they wish to do so. A user of the CREST system (including a CREST personal member) may appoint a proxy by having an appropriate CREST message transmitted to be received by no later than 11.00 am on Monday 12 May 2008. Alternatively, proxy votes can be submitted via the internet to be received by no later than 11.00 am on Monday 12 May 2008. Details of how to do this are shown on the enclosed Form of Proxy.

**Documents available for inspection**

Copies of the directors' service agreements and letters of appointment will be available for inspection at any time during normal business hours on normal working days up to and including 14 May 2008 at the Company's registered office, as will copies of the Annual Review and Summary Financial Statement and Directors' Report and Accounts for the year ended 31 December 2007. Copies of the Current Articles marked to show the changes being proposed in Special Resolutions 11 and 12 will also be available for inspection at such times at the Company's registered office and at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY. All such documents will be available for inspection in The Park Suite at The Dorchester, Park Lane, London, W1K 1QA from 10.30 am on 14 May 2008 until the conclusion of the Annual General Meeting.

**Recommendation**

The directors are unanimously of the opinion that the proposals described above are in the best interests of the Company and its shareholders as a whole. Accordingly, they recommend shareholders to vote in favour of the Resolutions referred to above, as they intend to do in respect of their own beneficial holdings.

**DIVIDEND REINVESTMENT PLAN**

The directors are recommending a final dividend of 12.9p per ordinary share for the year ended 31 December 2007 and, subject to the passing at the Annual General Meeting of Resolution 2 approving the dividend, shareholders will again be offered the opportunity to receive shares instead of the cash dividend to which they would otherwise have been entitled by participating in the Dividend Reinvestment Plan (the 'DRP').

The DRP allows shareholders to reinvest their cash dividend in shares bought on the London Stock Exchange through a specially arranged share dealing service. Under the DRP there is no creation of new shares to dilute the value of existing shares and the directors therefore believe that the DRP is beneficial for existing shareholders.

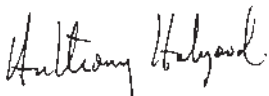
If you are not already a member of the DRP you will find full details set out in the enclosed brochure. This is a simple and low cost way for shareholders to increase their holdings in the Company. If you choose to join the DRP, an amount equal to the cash dividend (less an amount retained in respect of dealing commission and stamp duty reserve tax, each currently 0.5% of the value of shares purchased) will be used to buy the Company's ordinary shares. To join the DRP you should complete and sign the enclosed mandate form and return it to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, using the prepaid facility, to arrive no later than 12 June 2008. If you wish to continue receiving dividends in cash, you need take no further action.

The timetable relating to the payment of the dividend is as follows:

Shares quoted ex-dividend	7 May 2008
Record date	9 May 2008
Dividend paid	3 July 2008

Further copies of this letter may be obtained from the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, from the date of this letter until 12 May 2008.

Yours faithfully



**A J Habgood**  
Chairman

**Appendix 1**  
**Notice of Meeting**

**NOTICE IS HEREBY GIVEN that the sixty-eighth Annual General Meeting of Bunzl plc (the 'Company') will be held in The Park Suite at The Dorchester, Park Lane, London W1K 1QA on Wednesday 14 May 2008 at 11.00 am for the following purposes:**

1. To receive and adopt the accounts for the year ended 31 December 2007 together with the reports of the directors and auditors.
2. To declare a final dividend.
3. To re-appoint Mr P L Larmon as a director.
4. To re-appoint Dr U Wolters as a director.
5. To re-appoint Mr D J R Sleath as a director.
6. To re-appoint KPMG Audit Plc as auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next General Meeting at which accounts are laid before the Company at a rate of remuneration to be determined by the directors.
7. To approve the directors' remuneration report as set out on pages 52 to 60 of the Directors' Report and Accounts for the year ended 31 December 2007.

To consider and, if thought fit, pass the following Resolutions:

**8. Ordinary Resolution** (Authority to allot unissued shares)

THAT the directors of the Company be and they are hereby generally and unconditionally authorised, in substitution for all previous authorities, to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £35,500,000 provided that this authority shall expire, unless previously revoked or varied, at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or, if earlier, 13 November 2009, save that the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

**9. Special Resolution** (Allotment of shares for cash)

THAT the directors of the Company be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the Companies Act 1985) for cash, subject to the passing of Resolution 8 above and pursuant to the authority granted by that Resolution, and to sell treasury shares wholly for cash, as if Section 89(1) of such Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- a) the allotment or sale of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of ordinary shareholders (excluding any holders of ordinary shares as treasury shares), where the equity securities respectively attributable to the interests of such ordinary shareholders are proportionate (or as nearly as may be) to the respective numbers of ordinary shares held by them, subject to such exclusions or other arrangements as the directors may deem fit to deal with fractional entitlements or legal or practical problems arising under the laws of, or the requirements of, any stock exchange or regulatory body in any territory or otherwise howsoever; and
- b) the allotment or sale (otherwise than pursuant to paragraph a) above) of equity securities up to an aggregate nominal value of £5,247,344,

and shall expire, unless previously revoked or varied, at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

**10. Special Resolution** (Purchase of own shares)

THAT the directors be and are hereby generally and unconditionally authorised, pursuant to Section 166 of the Companies Act 1985, to make one or more market purchases (as defined in Section 163(3) of such Act) of ordinary shares of 32½p each in the capital of the Company on such terms and in such manner as the directors shall determine, provided that:

- a) the maximum aggregate number of ordinary shares authorised to be acquired shall be 32,650,000;
- b) the maximum price, exclusive of expenses, which may be paid for an ordinary share shall be, in respect of an ordinary share contracted to be purchased on any day, the higher of (i) an amount equal to 5% above the average of the closing middle market quotations (as derived from the London Stock Exchange Daily Official List) for the ordinary shares on the five business days immediately preceding the day on which that ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out;
- c) the minimum price which may be paid for an ordinary share shall be 32½p, which amount shall be exclusive of expenses; and

d) this authority shall expire, unless previously revoked or varied, at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or, if earlier, 13 November 2009, save that the Company may make a contract to purchase ordinary shares under this authority before the expiry of such authority which may or will be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares pursuant to any such contract.

**11. Special Resolution** (Amendments to Articles of Association)

THAT the amended form of the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be and is hereby adopted as the Company's Articles of Association.

**12. Special Resolution** (Amendment to borrowing powers)

THAT the Company's Articles of Association be amended by deleting the word 'twice' in line 11 of Article 97(2) and replacing it with the words 'three times'.

By Order of the Board

**P N Hussey**

Secretary

17 March 2008

**Notes:**

1. Resolutions 3, 4 and 5 relate to the re-appointment of directors. Biographical information relating to the appointees appears on page 16 of the Company's Annual Review and Summary Financial Statement for the year ended 31 December 2007. Mr P L Larmon and Dr U Wolters are subject to re-election in accordance with the retirement by rotation provisions of the Company's Articles of Association. Mr D J R Sleath was appointed to the Board by the directors after the last Annual General Meeting and as a result and in compliance with the Combined Code on Corporate Governance, he will be offering himself for re-appointment by shareholders at this year's Annual General Meeting. Following a formal evaluation process, the Company believes that the performance of Dr U Wolters and Mr D J R Sleath as non-executive directors continues to be effective and they continue to demonstrate commitment to their roles.
2. Every holder of ordinary shares (other than a holder of treasury shares) is entitled to attend and vote at the meeting. A shareholder entitled to attend and vote may appoint a proxy (who need not be a member of the Company) to attend and vote instead of him. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A Form of Proxy is enclosed with this letter for use in connection with the meeting. If you do not have a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy, please contact the Company's registrar, Computershare Investor Services PLC. To be valid, any Form of Proxy together with the power of attorney or other authority (if any) under which it is signed or a duly certified copy thereof, must reach the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 am on Monday 12 May 2008. Completion and return of any Form of Proxy will not preclude a member from attending and voting at the meeting. A user of the CREST system (including a CREST personal member) may appoint a proxy or proxies by having an appropriate CREST message transmitted to be received by no later than 11.00 am on Monday 12 May 2008. Alternatively, proxy votes can be submitted via the internet to be received by no later than 11.00 am on Monday 12 May 2008. Details of how to do this are shown on the enclosed Form of Proxy. In the case of joint holdings, any one holder may sign the Form of Proxy, but the names of all joint holders must be stated. The vote of the senior joint holder who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
3. In order to facilitate voting of corporate representatives at the Annual General Meeting, arrangements will be put in place at the meeting so that: (i) if a corporate shareholder has appointed the Chairman of the Annual General Meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the Annual General Meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the Annual General Meeting but the corporate shareholder has not appointed the Chairman of the Annual General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure.
4. Any person to whom this notice is sent who is a person nominated under Section 146 of the 2006 Act to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 2 above does not apply to Nominated Persons. The rights described in such paragraph can only be exercised by the Company's shareholders.

## Appendix 2

### Authority for the Company to purchase its own shares

#### Details of proposals

At the Annual General Meeting held in May 2007 the directors were authorised to purchase up to 10% of the Company's ordinary shares then in issue (approximately 33.9 million ordinary shares of 32½p). During 2007, under this authority, 10,625,000 shares were purchased for an aggregate consideration of £74.4 million and are currently held by the Company as treasury shares, representing 3.3% of the Company's issued share capital.

The directors are seeking to renew the authority from shareholders to purchase up to 10% of the Company's issued share capital. The authority which is now sought is substantially the same as that obtained at the Annual General Meeting held in May 2007. The number of options to subscribe for ordinary shares outstanding at 17 March 2008 was 2,149,843 representing 0.7% of the issued share capital and representing 0.8% of the share capital which would be in issue if both the existing authority to purchase shares granted at the 2007 Annual General Meeting and the authority being sought were fully utilised.

The Company's Articles of Association already confer the general power for the Company to purchase its own ordinary shares. If the Company were to purchase any of its own shares, it would consider holding them as treasury shares with a view to possible resale or transfer at a future date, rather than cancelling them, in accordance with applicable law, if the Company considered this would give it the ability to sell or transfer treasury shares (subject to Resolution 9) quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base.

The maximum price payable per ordinary share, exclusive of expenses, would be the higher of (i) 5% above the average of the middle market quotations for the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days preceding the date of the contract to purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out. The minimum price payable per ordinary share, exclusive of expenses, would be 32½p (being the nominal value of each ordinary share). This authority will expire on 13 November 2009 or, if earlier, at the conclusion of the Annual General Meeting to be held in 2009. However, it is the directors' present intention to seek renewal of the authority at that Annual General Meeting and to seek further renewals at subsequent Annual General Meetings.

Shareholders are assured that the directors would purchase ordinary shares only on the basis that it would be expected to result in an increase in anticipated earnings per share, after taking account of other investment opportunities, appropriate gearing levels and the overall financial position of the Company. The Company's first priorities, whether by way of internal investment or by way of acquisition, lie in the support and development of its businesses. The use of the authority to purchase shares would therefore be only one of a range of investment options open to the directors.

#### Taxation consequences

The main taxation consequences under current UK legislation in force on 17 March 2008 of a purchase of ordinary shares taking place on or after 6 April 2008 pursuant to the proposed authority would be broadly as follows:

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