

Corporate responsibility

We continue to conduct our operations in a sustainable manner while also seeking to encourage our suppliers to maintain high levels of corporate responsibility within their own businesses.

Highlights

- All directors, managers, sales representatives and purchasing staff once again undertook corporate responsibility training.
- Our supplier audit team, based in China, continued to grow and refine its CR audit programme.
- We have for the first time provided information on our Scope 3 emissions comprising emissions from third party carriers, business flights, waste and electricity transmission losses.

382

Asian supplier
CR audits

16%

Reduction in accident
severity rate

Business context

We are a focused and successful international distribution and outsourcing group with operations across the Americas, Europe and Australasia. By outsourcing the purchasing, consolidation and delivery of a broad range of everyday items, our customers are able to focus on their core businesses, achieve purchasing efficiencies and savings, free up working capital, improve distribution capabilities, reduce carbon emissions and simplify their internal administration.

We do not manufacture any products but as part of our business strategy we source and procure branded, own brand and unbranded products globally. These products are then consolidated into our extensive global warehouse infrastructure, giving our customers a one-stop-shop solution to help reduce or eliminate the hidden costs of self-distribution and reduce their environmental impact. We also offer several delivery options to ensure our customers get their products when and where they are needed.

Sourcing

We source everyday essential non-food items for a number of market sectors including foodservice, grocery, cleaning & hygiene, retail, safety and healthcare. We liaise closely with our suppliers so that we are able to offer a full range of items which satisfy our customers' demands, including offering alternative products which reduce their environmental impact and, as a result, their effect on climate change. Our quality assurance/quality control department based in Shanghai monitors and works with our key suppliers in Asia to ensure that appropriate corporate responsibility ('CR') standards are in place.

Consolidation

We have an extensive footprint of warehouse facilities across four continents. Our broad range of products are therefore never far from where they need to be, allowing us to facilitate our customers' needs quickly and easily, as well as reducing the number of deliveries to our customers, thereby cutting fuel usage, carbon emissions and administration.





Where it has been shown to be cost-effective, we have installed energy efficient lighting, making use of technical advancements available which reduces our energy consumption.

We continue to increase waste segregation facilities and staff are encouraged to work towards zero waste to landfill both in warehouses and offices.

Distribution

With our fleets of delivery vehicles and third party carriers, we are able to get products to our customers in a timely manner. Our flexible delivery service allows our customers to increase the efficiency and competitiveness of their operations.

As well as day-to-day operations, our business relies on developing strong and stable relationships with all of our stakeholders. We believe in managing our business with integrity, making sustainable, long term decisions.

Strategy, framework and materiality

We believe that positive actions with respect to CR are not only desirable in their own right but are also of potential economic and commercial benefit to the Group. A strong reputation for CR can provide business advantage and contribute to shareholder value. Conversely, perceived weakness in CR may damage our reputation and cause risks. Bunzl's good practice in sustainability has been recognised by its FTSE4Good listing and CDP score. Details of our strategy and framework in relation to CR can be found on the Bunzl plc website in the Responsibility section at www.bunzl.com.

Materiality

Understanding our material issues is important to enable us to manage our CR related impacts and stakeholder relationships effectively. It also helps to focus our resources, engagement and reporting activities by addressing those issues most material to our business. Our current areas of focus are:

- business conduct/code of ethics: training to ensure everyone understands our standards;
- employees: engaging through clear communication using a variety of channels, as well as provision of training and development opportunities;
- health & safety: improving safety in our warehouses and on our vehicles and ensuring that everyone takes personal responsibility for this;
- environment/climate change: reducing our and our customers' impacts on the environment by reducing carbon emissions and promoting the reduction of waste and providing innovative products to meet our customers' needs, for example environmentally friendly packaging;
- community: providing support by encouraging employee fundraising, donating to charitable projects that benefit our employees and the communities we work in and by donating stock and cash to charitable organisations and good causes; and
- suppliers: responsible sourcing, working as partners with our suppliers to encourage high levels of CR and ethical trading initiatives.

These issues are governed by a policy framework, which is approved and monitored by the Board, with implementation at a business area level.

Business conduct/code of ethics

The Group's business conduct/code of ethics policy is disseminated to every employee as a guide to how employees are expected to conduct themselves both from a corporate and individual perspective. The policy clearly states that employees should avoid conflicts of interest, provides guidance on the giving and receiving of gifts and entertainment, prohibits illegal payments as well as political donations and reinforces the need to comply with laws, rules and regulations, protect confidential information and company assets and maintain high standards in relationships with our customers and suppliers.

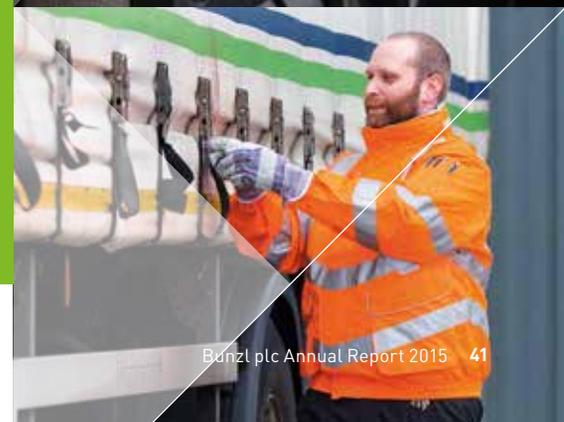
No material breaches of our business conduct/code of ethics policy were recorded in 2015. However, some minor incidents relating to employee conduct, such as theft or misuse of the Group's property, did occur and were dealt with during the normal course of business using Group human resources ('HR') policies and procedures. 17 (2014: nine) calls/letters were received through our confidential whistle blowing process, 'Speak Up', none of which raised any issues of material concern.

During 2015, all directors, managers, sales representatives and purchasing staff once again undertook all of the CR e-learning modules which had been developed and enhanced since their original launch. There are now a total of 11 modules which provide an overview of the business conduct/code of ethics policy and anti-bribery issues such as facilitation payments and gifts and entertainment, and include two new modules on competition law and cybersecurity. In addition we refreshed the posters which are displayed in all our locations to advertise our whistle blowing process - 'Speak Up'.

Sustainable business practice is important to Bunzl and we continue to refine our processes and operations to ensure ongoing improvements in this area. Our ability to measure the improvement in our performance relies on the availability of high quality data for our key indicators.

Philip Rogerson
Chairman

We continually review the performance of the fleet as part of our operational efficiency strategy, including the use of routing software. We have also recently fitted cameras to our vehicles in the UK to improve safety, especially when they are manoeuvring.



Corporate responsibility continued

Key performance indicators	Performance			What we said we would do in 2015	What we did
	2013	2014	2015		
 Employees Engaging with our employees with clear communications and the provision of training and development opportunities					
Employee turnover: Voluntary	7.5%	10.5%	10.8%	Monitor turnover and take action where necessary.	Turnover levels have remained relatively flat in UK & Ireland, Australasia and Continental Europe, increased somewhat in Latin America but reduced slightly in North America. In our view the movement in voluntary turnover tends to reflect changing economic conditions in the countries in which we operate rather than any intrinsic reasons related to the Group.
Gender diversity: Women at senior management level	9%	10%	11%	Consider development and training opportunities exclusively for women.	The number of women at senior management level has once again increased slightly to 11% (2014: 10%). In February 2015 another female non-executive director was appointed to the Board. We continued to promote a women's development and training network across the Group which is proving to be popular.
Employee engagement index score	-	74%	-	Implement actions as appropriate to address issues raised in the 2014 survey.	The results of the employee survey have been absorbed and, as appropriate, working parties have been set up to address issues raised. The employee engagement survey is run every two to three years and therefore data was only available in 2014.
 Health & safety Improving safety in our warehouses and on our vehicles					
Reduction in accident incidence rate [% change year-on-year]	-4%	-19%	-7%	Reduce the Group accident incidence rate by 3% from 2014.	The accident incidence rate reduced by 7% and the accident severity rate reduced by 16%. The accident incidence rate improved substantially in excess of target in North America and Continental Europe. In UK & Ireland, Australasia and Latin America there was an increase in both incidence and severity rates. In UK & Ireland three significant incidents due to unsafe conditions on customer premises accounted for 42% of days lost in that business area. The inclusion for the first time of recently acquired companies in Latin America has increased the incidence and severity rates. The increase in Australasia's incidence and severity rates show no specific causal trends.
Reduction in accident severity rate [% change year-on-year]	-1%	-3%	-16%	Reduce the Group accident severity rate by 5% from 2014.	
 Environment/climate change Reducing our impact on the environment by reducing carbon emissions and waste and improving packaging, etc.					
Carbon emissions: Scope 1 (Tonnes of CO ₂ e per £m revenue)	15.5	15.7	14.7	Reduce emissions by 25% from 2010 base line data (3% from 2014).	The 2015 figure represents a 27% reduction in emissions versus our 2010 baseline data (6% from 2014). Fuel for transportation remains our highest source of CO ₂ e emissions contributing c. 84% of Scope 1 and 61% of combined Scope 1 and 2 emissions. Of those emissions relating to transportation, more than 75% are generated by our fleet of commercial vehicles. We continually review the performance of the fleet as part of our operational efficiency strategy.
Carbon emissions: Scope 2 (Tonnes of CO ₂ e/£m revenue)	5.3	5.2	5.4	Reduce emissions by 17% from 2010 base line data (2% from 2014).	The 2015 figure represents an 11% reduction in emissions versus our 2010 baseline data (but an increase of 4% from 2014). As a result of our ongoing acquisition programme and extensions to existing sites and operating hours to service growth within the business, units of electricity consumed across the Group have increased. Lighting is our highest area of electricity consumption and we continue to review the return on investment on low energy lighting at all our sites worldwide as the technology progresses.
Total Scope 1 & 2 emissions (Tonnes of CO ₂ e/£m revenue)	20.8	20.9	20.1	Reduce emissions by 23% from 2010 base line data.	The 2015 figure represents a 24% reduction in emissions versus our 2010 baseline data.
 Suppliers Responsible sourcing, working as partners with our suppliers to encourage high levels of CR and ethical trading initiatives					
Asian supplier CR audits and assessments covering environmental and social standards (No. of audits/assessments carried out)	275	323	382	Continue to work with key suppliers to encourage them to meet Bunzl's CR standards.	The audit team has continued to grow and has further refined its CR audit programme to categorise suppliers appropriately in relation to their standards and practices.
 Community Providing support to our local communities through employee fundraising, matched funding and donations of stock and cash to charitable organisations					
Charity donations (£000s)	580	572	631	Continue to support relevant charities.	Bunzl supported a variety of projects for charities supporting healthcare and the environment. For example, we have funded a mobile first aid vehicle for St John Ambulance and a seed collection trip for Kew's Millennium Seed Bank.

	What we plan to do in 2016
	Monitor turnover and take action where necessary.
	Extend the training network further and encourage wider participation.
	Prepare to undertake the employee engagement survey either at the end of 2016 or during the first half of 2017.
	Reduce the Group accident incidence rate by 5% from 2015.
	Reduce the Group accident severity rate by 5% from 2015. Establish programmes in each business area to identify behaviours that promote safety as a value.
	Reduce emissions by 29% against 2010 baseline data (3% from 2015).
	Reduce emissions by 13% against 2010 baseline data (2% from 2015).
	Reduce emissions by 25% against 2010 baseline data.
	Undertake a supplier risk assessment in relation to enforced labour/slavery.
	Continue to support relevant charities.



Employees

Bunzl currently operates in 29 countries worldwide. We are a service provider, not a manufacturer and, as such, our business relies heavily on the skills and experience of our employees. We pride ourselves on the fact that we run our businesses locally with local managers. We do not unfairly discriminate and we respect human rights. We seek to recruit the right people who are passionate about our business and to provide opportunities for people to progress within the organisation on the basis of their skills, experience and aptitude. We believe that to get the best from people we need to respect each other and encourage honest, straightforward communication. Our acquisition pipeline continues to be a valuable source of management talent for the Group and the completion of a number of acquisitions during the year has brought further highly skilled people into Bunzl. Details of the Group's workforce diversity at 31 December 2015 are set out in the charts opposite.

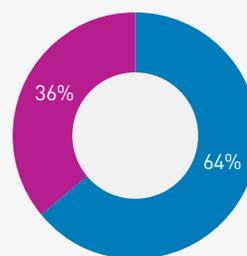
Human rights

Bunzl adheres to the Universal Declaration of Human Rights ('UDHR') and upholds the Fundamental Principles and Rights at Work policies, defined by the International Labour Organization, as well as local laws. The majority of countries in which Bunzl operates have their own laws banning child and forced labour and promoting human rights. We monitor the age of our workforce across the world to ensure compliance and identify any potential succession issues. In the US some of our operations, particularly in the north east, are represented by trade unions with which we have negotiated pay contracts. Bunzl does not restrict any of its employees in any of the countries in which it operates from joining a trade union if they wish to do so. We also work closely with our suppliers to ensure that they at least meet internationally recognised minimum requirements for workers' welfare and conditions of employment, as defined by the International Labour Organization or the Ethical Trading Initiative, and do not use any forced labour.

Total workforce

Gender split at 31 December 2015

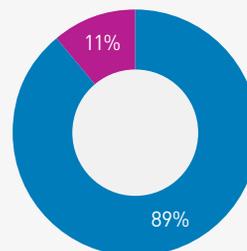
- Male (8,809)
- Female (4,941)



Senior management

Gender split at 31 December 2015

- Male (352)
- Female (43)



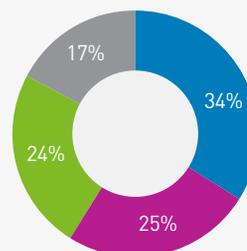
Board composition

7 male, 2 female

Average number of employees

By business area

- North America (5,097)
- Continental Europe (3,762)
- UK & Ireland (3,636)
- Rest of the World (2,549)



Corporate responsibility continued



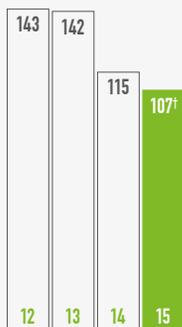
Health & safety

Health and safety remains a priority for Bunzl and it is our aim that no employee or other person should be injured as a result of our operations. Incidents relating to manual handling, slipping and tripping and impact with equipment/objects remain the highest causes of accidents and days lost. Together these three hazards represent 90% of incidents and 82% of days lost. Regretfully in the 2015 reporting period there were two fatalities (2014: two) both resulting from impact with Bunzl vehicles. One incident involved the death of a delivery driver who was struck by a reversing vehicle on Bunzl premises and the other was the death of a third party whose vehicle was in collision with an overturned Bunzl trailer. We continue to invest in premises and equipment to improve the safety of our employees and others. The majority of the vehicles in our commercial fleet already have on-board telematics that enable us to improve safety. We are currently piloting the use of telematics in France Hygiene's commercial fleet which is the largest fleet in Continental Europe. Following a successful pilot study, UK & Ireland is fitting its commercial fleet with cameras and audible turn left and reversing warnings with audible/visual side sensors. It is expected that the fitting of such devices will significantly improve safety and reduce vehicle damage.

Many of the incidents we experience result from human error and/or failure to implement identified safe working practices. We recognise that world-class safety

Incidence rate

Average number of incidents per month per 100,000 employees

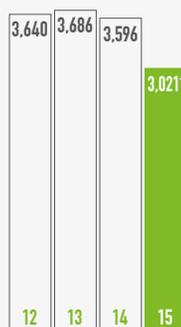


depends on leadership that promotes safe working practices and we have introduced a number of activities to demonstrate this. Bunzl has developed a Safety Guide for Managers based on Bunzl's accident history, an app which can be accessed via tablets or mobile phones to assist senior managers in raising safety issues while visiting sites. Further, substantial investment was approved for our web-based accident reporting system in order to provide improved analysis and management reports. The Safety Observations Programme, mentioned in last year's report, has been implemented in North America and UK & Ireland and is also being adopted in Continental Europe. Investment in additional Environment, Health & Safety management resource has occurred in Continental Europe which has resulted in safety improvement programmes being implemented in each company based on self-assessment. North America has launched Safety Call to Action, a communication programme led by Division Presidents to enhance safety behaviours of all staff. In addition, UK & Ireland has developed a series of bespoke safety posters with supporting Tool-box Talks. In Australasia the Safety Walk programme is aimed at promoting a safe working culture by demonstrating the engagement of business leaders. The programme involves senior managers visiting sites and talking with individual employees about safety related matters that affect their particular site.

The Bunzl Risk Management Committee, which reviews Group safety performance on a quarterly basis, will focus on this issue going forward. Details of our performance from 2012 to 2015 are provided in the bar charts below. The accident data provided is for the whole Group including acquisitions made during the relevant reporting period.

Severity rate

Average number of days lost per month per 100,000 employees



Incidence and severity rates for previous years have been restated to address inconsistencies in the definition of employee numbers. The number of time lost accidents and days lost are unchanged from those previously reported. † Included in the external auditors' limited assurance scope referred to on page 47. 2014 data was also assured as detailed in the 2014 Annual Report.



Environment/ climate change

We seek to minimise the contribution of Bunzl operations to climate change and to prevent other harmful effects of Bunzl's operations on the environment. Our facilities operate worldwide to Group standards and we promote environmental awareness throughout the business. Our branch network serves to minimise the effects of extreme local climate conditions. Bunzl had no significant environmental incidents in 2015.

Direct water usage is not a significant environmental impact for our business as it is principally confined to staff hygiene and workplace cleaning purposes. We continue to measure water across a sample of our sites worldwide and our usage per employee is largely unchanged. As we do not manufacture any of the goods we sell, water discharges, apart from internal sanitation, are limited to rainwater run-off from the yards of Group locations where the water is treated by interceptors in accordance with local legislation.

Our reported environmental data includes all businesses that are subsidiaries of the Group for financial reporting purposes, with the exception of those recent acquisitions where there has been insufficient opportunity for the businesses to adopt our reporting guidelines, in which case the revenue from the businesses is not included when calculating the indexed emissions. We integrate our environmental reporting with our financial reporting through the annual budget review. Businesses provide commentary on their environmental performance and set targets for the following year. Environmental data is reviewed and agreed by the relevant Finance Directors.

The EU Energy Efficiency Directive came into effect during 2015. UK & Ireland appointed Lead Assessors in May 2015 and the Company's submission was completed ahead of the deadline. Recommendations for energy reductions are currently under review and the findings will be shared across the Group through the Bunzl Risk Management Committee. We have completed a review of the businesses in Continental Europe within the scope of the Directive and plans are in place to comply with the

requirements of the relevant legislation in each country. A number of locations in UK & Ireland, Australasia and Continental Europe renewed their ISO 14001 accreditation. Currently, measured by revenue, approximately 27% of the Group's operations are ISO 14001 accredited.

All acquisitions made prior to the 2015 reporting year are now providing environmental data. Revenue relating to more recent acquisitions which are not yet reporting emissions is excluded. The reported data covers around 98% of the Group by revenue.

Scope 1: Fuel for transportation remains our highest source of CO₂e emissions contributing c. 84% of Scope 1 and 61% of combined Scope 1 and 2 emissions. Of those emissions relating to transportation, more than 75% are generated by our fleet of commercial vehicles. We continually review the performance of the fleet as part of our operational efficiency strategy. This includes regular replacement and maintenance of vehicles, mapping of customers against the branch network and optimising routing, the use of vehicle telematics and driver training programmes. At Group level diesel consumed by our commercial fleet decreased by c. 1%. Reductions in UK & Ireland and Australasia were partially offset by slight increases in North America and Continental Europe where fleet sizes have increased due to a combination of acquisition and organic growth. We have considered the use of bio fuels in UK & Ireland but it is not currently viable due to the requirement to install on-site fuel tanks and concerns about compatibility with Euro 6 engines. France Hygiene, which operates the largest commercial fleet in Continental Europe, is piloting the use of vehicle telematics which can encourage more fuel efficient driving. Fuel consumption in Latin America has increased by 18% as a result of acquisitions. Consumption of gas during the year fell by 5% as slight increases in UK & Ireland and Continental Europe, due primarily to acquisitions, were more than offset by reductions in North America because of the less harsh winter weather compared with 2014.

Scope 2: As a result of our ongoing acquisition programme and extensions to existing sites and operating hours to service growth within the business, units of electricity consumed across the Group have increased. North America has seen a 9% increase in electricity consumption resulting from a combination of extensions to a number of sites, longer operating hours and the purchase of new materials handling equipment to reduce manual handling risks. In Australasia, Bunzl Industrial Services ('BIS') has reported for the first time. BIS is made up of a number of smaller sites which is less energy efficient, and accounted for 34% of electricity consumed in Australasia during the year. Despite some lighting renewal projects in Continental Europe, both Continental Europe and Latin America have increased consumption due to the effect of acquisitions, together with some increases in the number or size of sites to provide extra capacity. In UK & Ireland there was a reduction in consumption as a result of site consolidations and some lighting improvement programmes in office areas. Lighting is our highest area of electricity consumption and we continue to review the return on investment on low energy lighting at all our sites worldwide as the technology progresses and continues to improve the efficiency of such lighting.

Scope 3: We have for the first time provided information on our Scope 3 emissions comprising emissions from third party carriers, business flights, waste and electricity transmission losses. We are aware that there is still work to be done to refine the data which is provided for transparency of our emissions, particularly in relation to the distribution of products. The majority of the businesses which have been acquired since 2010 do not have their own fleet. In addition all our businesses, irrespective of whether they have their own fleet, will distribute a proportion of goods by third party carriers where it is more efficient and cost-effective to do so. The bar graph below shows that third party carriers produce the largest part of our Scope 3 emissions. Bunzl is an international company

Waste

Tonnes per £m revenue



with an active global acquisition programme and business flights are essential for the effective management and growth of our business. We increasingly use alternative means of communication such as video and telephone conferencing and flights are justified by business needs and subject to authorisation by senior management. Reduction and segregation of waste continues to be an area of focus and the data provided covers approximately 96% of the Group by revenue. Although we have included this in our Scope 3 calculation, we have for transparency continued to provide waste data separately as well. UK & Ireland has successfully launched initiatives in the hospitality and catering sector to improve recovery and recycling of waste generated by our customers, including disposable products that we have supplied, by partnering with our customers and waste management contractors who specialise in recycling.

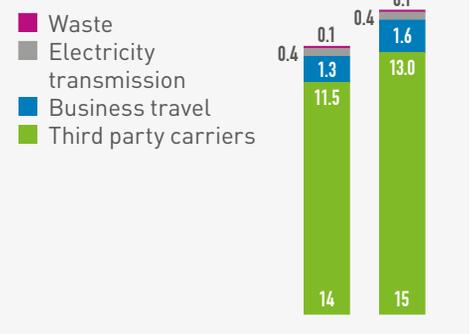
Greenhouse gas emissions data for the period 1 October to 30 September

	Tonnes of CO ₂ e		
	Base year 2010	2014	2015 [†]
Scope 1	95,249	93,641	92,645
Scope 2	28,757	31,204	33,843
Total gross emissions	124,006	124,845	126,488
Total carbon emissions per £m revenue	26.3	20.9	20.1

[†] Included in the external auditors' limited assurance scope referred to on page 47. The data for 2014 was also assured as detailed in the 2014 Annual Report.

Scope 3 carbon emissions

Tonnes of CO₂ per £m revenue



Corporate responsibility continued



Suppliers

Price is only one factor in our purchasing decisions and matters such as quality, availability, our customers' preferences and our policies are also taken into account. The vast majority of our products are sourced locally by our businesses but many products are sourced elsewhere if it is appropriate to do so. In 2015 less than 20% of our products were sourced from lower cost countries. Each business area is responsible for implementing appropriate processes to assess key suppliers' compliance with the relevant CR standards and to monitor performance and improvements against such standards. Bunzl focuses on its key suppliers to ensure that they meet the same CR standards we have set for ourselves. We periodically write to those suppliers that provide us with 50% of our products by value to update them on our CR aspirations and to encourage them to adopt a similar approach.

To assist the business areas, we have our own quality assurance/quality control department based in Shanghai whose main aim is to perform regular audits of our suppliers in Asia to ensure that they meet international standards, as well as testing the factories' production capabilities and their quality assurance and quality control systems. Employees' terms and conditions of work, customer service capabilities, hygiene management systems and their policies and practices on environmental issues are also checked. Our policy is that all our suppliers meet internationally recognised minimum requirements for workers' welfare and conditions of employment, as defined by the International Labour Organization or the Ethical Trading Initiative. During 2015 the team has continued to grow and has further refined its CR audit programme to categorise suppliers appropriately in relation to their standards and practices.

Suppliers who are unable to meet all the requirements after an initial assessment/audit are given the opportunity to comply fully within a period which is deemed appropriate for the circumstances. If a serious breach is identified following assessment, an action plan is documented and the supplier is expected to commit to addressing all the areas where

discrepancies have been identified. The process of improvement via this method is principally reliant on the commitment of the supplier's management team/owner/agent to ensure that all areas are addressed. If we have reason to believe that the supplier is not making sufficient or committed progress, this could lead to a suspension in the relationship until such time that we are confident that all areas are being satisfactorily addressed. Bunzl companies reserve the right to cease a relationship with a supplier if it is found that unacceptable practices are being employed at any sites used for producing or sourcing Bunzl products. Such practices include use of child labour, forced or bonded labour as well as physical abuse or discipline and intimidation, illegal discrimination, wages not meeting local minimum requirements and not providing adequate days of rest. Since 2015, in order to enhance the processes further, any suppliers that are being monitored and assessed due to identification of a serious breach are now reported to and reviewed by the Board.

We continue to liaise with suppliers and have refined and introduced a process to ensure that any paper or wood based products are manufactured from sustainable sources in compliance with the relevant timber regulations.

We continue to support our employees in their charitable fundraising, for example a cycle challenge raising money for Northern Ireland Hospice, as well as supporting projects for healthcare and environmental charities, such as sponsoring Kew Gardens' Millennium Seed Bank field trips to the Atacama Desert in Chile to collect seeds from rare plants flowering due to unusual weather conditions.





Community

Although Bunzl’s operations are international, our strength is in the local nature of our businesses. In keeping with this ethos, we particularly support the fundraising activities championed by our employees locally. This is supplemented by donations made at Group level to charities predominantly in the fields of healthcare and the environment to support projects often in the communities where our operations are based. Where possible and appropriate, Bunzl also looks to donate stock free of charge (‘in-kind’). Group wide, Bunzl donated a total of £631,000 to charitable causes during 2015 (2014: £572,000). This does not include in-kind donations or employee fundraising.

For more information on all of Bunzl’s CR policies and activities please visit the Responsibility section of our website, www.bunzl.com.

Risks

The Principal risks and uncertainties section on pages 36 to 38 details the principal risks and uncertainties which could have a material impact on the Group’s business, financial condition or results of operations. Although many CR risks are not seen as principal risks to the Group, as part of the Group risk analysis a number of CR risks which could impact the Group’s business have been identified and these are set out below together with the steps taken by management to mitigate such risks.

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 three KPIs on page 15 and the data on pages 44 and 45, in each case that has been highlighted with the symbol ‘+’. They have provided an unqualified opinion in relation to the relevant KPIs and data and their full assurance opinion is also available in the Responsibility section of our website, www.bunzl.com.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. In order to reach their opinion, PwC performed a range of procedures including making enquiries of relevant Bunzl management, and evaluating the design of the key structures, systems,

processes and controls for managing, recording and reporting the selected information. This included analysing and testing over three sites selected on the basis of their inherent risk and materiality to the Group, to understand the key processes and controls for reporting site performance data and to obtain supporting information. Finally PwC performed limited substantive testing on a selective basis of the selected information in relation to one site in Bunzl UK & Ireland and multiple sites across Bunzl North America to check that data had been appropriately measured, included, collated and reported.

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 corporate responsibility information contained in this Annual Report in the context of PwC’s full limited assurance opinion and the Company’s Corporate Responsibility Performance Reporting Guidelines which are also available in the Responsibility section of our website.

Risk	Mitigating factors
<p>CR compliance failures</p> <p>Lack of adherence to the Group’s CR policies could result in a variety of issues including those relating to inappropriate business practices, accidents at work and increased levies due to levels of waste or carbon emissions.</p>	<p>The Group has comprehensive CR policies and procedures (including those relating to anti-bribery and corruption) in place throughout the business as well as an established reporting framework. Regular training in all areas of CR takes place using our suite of e-training modules.</p>
<p>Loss of key employees</p> <p>The Group is not capital intensive but the business is based on strong customer and supplier relationships which are built up locally. Stability of key relationship roles amongst the Group’s employees is therefore important.</p>	<p>The Group seeks to secure key staff with appropriate incentive packages, development opportunities and career progression. Voluntary staff turnover and sickness absence is measured on a monthly basis and employee age profiles are reviewed annually, which enables any issues to be identified and resolved.</p>
<p>Loss of operating facilities/unavailability of staff</p> <p>Climate change may result in higher frequency of extreme weather conditions. This could result in some of the Group’s facilities being affected or employees being unable to attend for work.</p>	<p>The Group has multi-site facilities with products stocked in more than one location, as a result of which the Group usually has the ability to distribute products from nearby facilities. Business continuity plans are in place to minimise the impact of any such issues.</p>
<p>Suppliers’ non-compliance with good CR practices</p> <p>The Group is not a manufacturer and has many international suppliers across the world. The failure of one of the Group’s key suppliers to adhere to recognised CR standards could affect the Group’s reputation.</p>	<p>The Group’s key suppliers are principally publicly owned multinational organisations with high standards of operations. Suppliers are monitored by the Group’s purchasing departments and the quality assurance/quality control department based in China audits key suppliers throughout Asia. The top 50% of suppliers by value of Bunzl spend are made aware of the Group’s CR aspirations.</p>

These risks are seen to be outweighed by a variety of opportunities that arise as a consequence of CR and its impact on the business environment as previously outlined in this report.