

ANNUAL RESULTS ANNOUNCEMENT

2025 adjusted operating profit in-line with expectations; good progress on actions taken to improve performance; 2026 outlook reiterated

Bunzl plc, the specialist international distribution and services Group, today publishes its annual results for the year ended 31 December 2025.

Financial results	2025	2024	Growth as reported	Growth at constant exchange rates*
Revenue	£11,845.4m	£11,776.4m	0.6%	3.0%
Adjusted operating profit*	£910.3m	£976.1m	(6.7)%	(4.3)%
Adjusted profit before income tax*	£787.1m	£872.9m	(9.8)%	(7.4)%
Adjusted earnings per share* †	179.3p	194.3p	(7.7)%	(5.2)%
Dividend for the year ^Δ	74.1p	73.9p	0.3%	

Statutory results

Operating profit	£735.3m	£799.3m	(8.0)%
Profit before income tax	£620.5m	£673.6m	(7.9)%
Basic earnings per share [†]	141.5p	149.6p	(5.4)%

Highlights include:

- Revenue increased by 3.0% at constant exchange rates*, driven by acquisitions; underlying revenue growth of 0.4%, with 0.9% underlying revenue growth in the second half of the year
- Adjusted operating profit* decreased by 4.3% at constant exchange rates* to £910.3m; operating margin declined by 0.6 percentage points from 8.3% to 7.7%
- The year-on-year decline in the Group's second half operating margin moderated to 0.3 percentage points, from 8.6% in the prior period to 8.3%, with an improved operational performance in our largest business in North America, operating margin stabilisation in Continental Europe, and margin expansion in the UK & Ireland
- Adjusted operating profit over the year includes a £7.8m credit related to prior years' share-based awards^Δ. Excluding this credit, adjusted operating profit was £902.5m and operating margin was 7.6%
- Adjusted earnings per share* decreased by 5.2% at constant exchange rates*
- Strong cash conversion of 95%; free cash flow generation of £579 million, an 8.7% decline; adjusted net debt to EBITDA* of 2.0 times at the end of the year
- 0.3% increase in the total dividend; dividend per share has grown at a 9% CAGR since 2004
- Eight acquisitions announced with committed spend of £132 million; significantly lower level of spend following a strong year in 2024; pipeline remains active and we see an improving outlook for acquisitions in 2026
- £200m share buyback completed during 2025
- 2026 outlook reiterated: moderate revenue growth at constant exchange rates*; operating margin slightly down year-on-year

Commenting on today's results, Frank van Zanten, Chief Executive Officer of Bunzl, said:

"I am pleased with how the Group has responded to what has proven to be a challenging year for Bunzl; our people have shown great agility to be able to deliver on the revised expectations we set out in April 2025. Our 2026 guidance for a more stable profit outlook remains unchanged and provides a foundation from which to deliver long-term profitable growth.

The fundamentals of Bunzl's business model are robust and I am confident in our ability to generate resilient, compounding growth over the medium-term, leveraging our scale advantage, entrepreneurial culture and ability to deploy strong cash generation to further consolidate our fragmented global markets."

* Alternative performance measure (see Note 2)

Δ The Board is recommending a 2025 final dividend of 53.9p per share. Including the 2025 interim dividend per share of 20.2p the total dividend per share of 74.1p represents a 0.3% increase compared to the 2024 total dividend per share.

† After excluding £0.6m of profit for the year attributable to a non-controlling interest within our Nisbets business

Δ Share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 which have been impacted by the Group's performance in 2025

Strategic progress:

- Actions focused on improving performance in our largest business, North America Distribution, included: leadership changes, re-balanced decision-making between central and local teams, cost saving actions, improved branded supplier engagement, and further own brand launches. Actions have driven operational improvement in the second half
- Continental Europe operating margin stabilised in the second half, supported by an enhanced focus on reducing costs to offset inflation, and on new business pipeline management
- Own brand revenue penetration increased to 30% (2024: 28%) and digital orders grew to 76% of orders (2024: 75%[‡])
- Eight acquisitions completed in the year, across seven countries and four market sectors
- We continue to drive operating efficiencies with 36 warehouse consolidations and relocations, including a large consolidation project in France; significant level of activity and ahead of the 19 consolidations and relocations in 2024
- 71% Trust Index score, a measurement achieved as part of the Great Place to Work survey; a strong and pleasing result to maintain, given employee satisfaction supports our continual focus on delivering a high level of customer service

Business area highlights:

	Revenue (£m)		Growth at constant exchange [*]	Underlying revenue growth [*]	Adjusted operating profit* (£m)		Growth at constant exchange [*]	Operating margin [*]	
	2025	2024			2025	2024		2025	2024
North America	6,276.7	6,568.1	(1.2)%	(0.3)%	440.5	515.6	(11.5)%	7.0%	7.9%
Continental Europe	2,442.0	2,377.1	2.5%	0.3%	204.7	210.8	(3.6)%	8.4%	8.9%
UK & Ireland	1,883.6	1,625.8	15.9%	1.4%	153.1	135.1	13.3%	8.1%	8.3%
Rest of the World	1,243.1	1,205.4	9.1%	3.5%	145.3	146.2	5.4%	11.7%	12.1%

- **North America:** Revenue decline at constant exchange rates driven by the disposal of R3 Safety, with underlying revenue broadly flat. Adjusted operating profit impacted by execution challenges in our largest business that primarily services foodservice and grocery customers, in a macroeconomic environment that became more challenging through the year. Despite the backdrop, actions taken to improve performance drove a moderation in the year-on-year margin decline in this business in the second half and delivered better-than-expected new business wins. Offsetting this business' improvement in the second half has been increased demand pressure in other businesses, notably our food processor and convenience store businesses and foodservice and grocery businesses in Mexico. The safety, retail and Canadian businesses within the business area were less negatively impacted in 2025
- **Continental Europe:** Revenue growth driven by acquisitions, with underlying revenue broadly flat. Despite a resilient performance in the Netherlands and moderate growth in Spain over the year, and the benefit of acquisitions, operating margin was primarily impacted by performance in France in the first half, where ongoing price deflation, reflective of post Covid-19 pricing normalisation, and a weak economy continued to be compounded by operating cost inflation, which has been seen since the second half of 2024. Operating margin in the second half of the year across Continental Europe was stable year-on-year, supported by actions taken to improve performance and easier comparatives, with France also delivering a more stable margin
- **UK & Ireland:** Very strong revenue growth, driven by the acquisition of Nisbets and supported by underlying volume growth. A reduction in operating margin was driven by the impact in the first half of consolidating a seasonally lower margin period of Nisbets, which was acquired in May 2024. While our cleaning & hygiene and care businesses were impacted by continued deflation, this was more than offset by a good performance in our foodservice businesses. The improvement in operating margin in the second half was driven by greater than anticipated synergy benefits and an improved performance at Nisbets
- **Rest of the World:** Asia Pacific delivered very strong revenue and profit growth, supported acquisitions and organic performance, with the healthcare sector, which benefited from new business wins, a key driver. Brazil was impacted by challenges in fully passing through currency-related product cost increases in a weaker industrial market, which led to an operating margin reduction. This impacted the Rest of the World operating margin overall, although it remains strong

Outlook

We reiterate our guidance for 2026:

- With economic and geopolitical uncertainties expected to continue, the Group expects moderate revenue growth in 2026, at constant exchange rates*, driven by some underlying revenue growth and a small benefit from announced acquisitions
- Group operating margin* is expected to be slightly down year-on-year compared to 7.6%[^] in 2025
- Other guidance items: net finance expenses of around £125 million; full year effective tax rate of around 26.0%

* Alternative performance measure (see Note 2)

[‡] Excluding acquisitions made in 2024

[^] After excluding an £8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 which have been impacted by the Group's performance in 2025

Enquiries:

Bunzl plc
 Frank van Zanten, Chief Executive Officer
 Richard Howes, Chief Financial Officer
 Sunita Entwisle, Head of Investor Relations and Communications
 Tel: +44 (0)20 7725 5000

Teneo
 Martin Robinson
 Kate Somerville
 Tel: +44 (0)20 7353 4200

Note: A live webcast of today's presentation to analysts will be available on www.bunzl.com, commencing at 9.30 am.

CHAIRMAN'S STATEMENT

Bunzl is proud of its long history of delivering consistent compounding growth; however, 2025 was a challenging year for the Group against a weak end market backdrop. The Board recognises that the Group's operational performance and share price development did not meet expectations. Throughout the year, the Board has maintained rigorous oversight of the business, working closely with management to address the difficulties encountered, particularly in North America. Decisive actions have been taken, including targeted organisational and operational changes, to restore stability and strengthen execution. Progress is being continually monitored by the Board, and we remain firmly focused on safeguarding the long-term resilience of the business model and delivering sustainable value for shareholders.

In 2025, at constant exchange rates, Bunzl delivered revenue growth of 3.0% and an adjusted operating profit decline of 4.3%, despite a positive contribution from acquisitions. Bunzl's performance was strongly impacted by execution issues in our largest business in North America, following a large organisational change, and alongside a difficult macroeconomic backdrop. This was compounded further by global macroeconomic uncertainty, which negatively affected business and consumer sentiment and increased pressure on certain larger end markets. Throughout the year, the Group has been very focused on taking actions to improve performance against this backdrop and, encouragingly, the impact of these actions supported an improved performance in the second half compared to the first half, and the Group achieved the profit guidance it set out in April 2025. Whilst the macroeconomic outlook remains uncertain, I am pleased to see good momentum with business wins towards the end of the year and underlying revenue growth in the second half across the Group. Bunzl has strengthened focus on revenue growth and incremental operating cost opportunities and looking to 2026, expects both to support a continuation of underlying revenue growth and a more stable adjusted operating profit outlook.

Bolt-on acquisitions at attractive multiples, and subsequently strong returns, continue to be a focus for the Group, with significant opportunity remaining to consolidate highly fragmented markets. We completed eight acquisitions over the year, across seven countries and four core sectors, each of which supports Bunzl's strategic development. In 2025, acquisitions enabled us to enter the Chilean healthcare market and establish a physical footprint in Slovakia. After a strong year in 2024, 2025 was a slower year for total spend, with a committed spend of £132 million, reflective of the impact of the macroeconomic environment. Our pipeline remains active, with conversations ongoing with a number of attractive businesses, and we see an improving outlook for acquisitions in 2026.

The attractive fundamentals of the Bunzl business model remain unchanged, with strong customer retention, a value-added and service-led proposition, breadth and depth of supplier relationships, and consistently strong cash generation. Furthermore, the Group remains committed to delivering long-term compounding growth. I have great confidence that the entrepreneurialism of our people, supported by the diversification of our portfolio, and the fundamentally resilient nature of the Group, will continue to deliver long-term growth and shareholder value.

People and culture

Bunzl's most prized 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 the expansion of the external 'Great Place to Work' survey to all businesses in 2024, the Group again sought accreditation in 2025 with 81% of operating companies achieving the certification, compared to 76% in 2024. The Group's Trust Index score of 71% was unchanged from 2024, remaining at a high level and demonstrating that our people continue to find Bunzl a fulfilling place to work and trust the company and its leadership, although business leaders across the Group are focused on building further on this base. Strong employee engagement is key to our proposition, as it supports our delivery of a high level of customer service.

Sustainability

Sustainability has become an essential part of how we support our customers. In 2025, we presented our differentiated sustainability value proposition to more than 300 existing large customers where we see significant potential for growth, as part of our efforts to demonstrate how our sustainability expertise and solutions can support their growth. With a strong focus across the Group on driving organic growth, this demonstrates how the Group is continuously developing its value-added offering to support this key objective. The business has won significant contracts in 2025, supported by Bunzl's sustainability offering. Furthermore, in 2025 we saw a 2 percentage point improvement in our carbon efficiency compared to 2024 and met the target we set out in 2021 for 90% of the Group's spend on products from high risk regions to be sourced from assessed and compliant suppliers.

Shareholder returns

The Board is recommending a final dividend of 53.9p, 0.2% higher than the prior year, resulting in a full year dividend of 74.1p. This represents a 0.3% increase in the total dividend compared to 2024 and is Bunzl's 33rd consecutive year of annual dividend growth, with a CAGR of 9% over this period. The Group's dividend cover reduced slightly to 2.4 times from 2.6 times, with the level of cover supportive of sustainable annual dividend growth. Furthermore, the Group completed a £200 million share buyback programme over the year.

The Group ended the year with adjusted net debt to EBITDA of 2.0 times, the lower end of our target range of 2.0 to 2.5 times. The Group remains very cash generative, and our capital allocation priorities are unchanged. We favour value-accretive bolt-on acquisitions, after investment in the business and our progressive dividend, supported by the attractive valuations and subsequent returns we can achieve. Since 2004, Bunzl has committed £6.2 billion in acquisitions to support a growth strategy that has delivered an annual adjusted earnings per share CAGR of c.9%, and has also returned £3.1 billion to shareholders through dividends and share buybacks.

Governance

Lloyd Pitchford stepped down from the Board at the conclusion of Bunzl'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. Julia Wilson and Daniela Barone Soares were appointed as non-executive directors on 16 December 2024, with Julia succeeding Lloyd as Audit Committee Chair.

CHIEF EXECUTIVE'S REVIEW

Overview

2025 was a challenging year for Bunzl, with execution issues in our largest business, Bunzl North America Distribution, ("Distribution"), related to a new organisational model, amplified by a challenging market backdrop. Globally, our businesses felt the impact of significant macroeconomic uncertainty and the pressure it put on business and consumer sentiment. Trading in our North America business area was further compounded by supply chain disruption related to tariffs, as well as the weighting to sectors such as foodservice and convenience stores that felt a more significant impact from the economic environment. Against this backdrop, we have strengthened our focus on organic revenue growth and incremental operating cost opportunities to support our performance.

Whilst underlying revenue returned to growth, increasing by 0.4% compared to 2024, and the pressure on revenue from deflation abated, our operating margin declined from 8.3% to 7.7%, driven by our Distribution business, and market-driven weakness in some of our other larger businesses. However, we saw a better performance in the second half of the year, with underlying revenue growth of 0.9% and a moderated decline in margin. Operating margin in the second half declined from 8.6% in the prior year period to 8.3%, compared to a decline from 8.0% to 7.0% in the first half. This reduced operating margin decline in the second half was driven by margin growth in our UK & Ireland business, supported by strong Nisbets'

synergies, year-on-year stabilisation of the Continental Europe operating margin, and a moderation of the margin decline in our North America Distribution business. The moderation in margin decline across Distribution and Continental Europe was supported by decisive actions we have taken to improve performance in both business areas, including actions to re-establish local commercial agility in Distribution and to deliver new business wins. I am pleased that we have made progress, as demonstrated by the better-than-expected business wins and improved service levels in the second half of the year in North America.

The Group's progress in the second half was partially limited by further demand weakness in other North America businesses, most notably our food processor and convenience store businesses, as well as our businesses in Mexico and Brazil. However, we continued to see good growth in Asia Pacific, and delivered a resilient performance in the Netherlands and Spain, two large European markets.

While markets remain uncertain, we expect to see continued underlying revenue growth and a more stable profit outlook in 2026, with this expected to be a foundation for future profit growth. Furthermore, we continue to see a significant consolidation opportunity which provides strong growth upside, and with the outlook for acquisitions already improving for 2026, I remain confident in Bunzl's medium-term growth opportunity.

North America update

In North America, financial performance has been impacted by execution challenges related to an operating model change in our Distribution business, which primarily services grocery and foodservice customers. The difficult macroeconomic environment and its impact on end users in the foodservice sector amplified these issues.

The Distribution business is a well-established and scale business, with market-leading positions in its chosen markets, and benefits from a national footprint and good infrastructure, as well as the strength and depth of its supply chain, efficient operations, high service levels and product expertise. In order to strengthen Distribution's platform for longer-term growth, we decided to move from a branch-based operations model with more than 40 general managers overseeing the entirety of their own operations locally, to a sales and operations model, which separates supply chain from sales activities. This change was made to enhance our service and focus on sales development, and was largely implemented by the start of 2024.

Whilst the Distribution business has seen good momentum with business wins with national customers and a significant increase in our underpenetrated own brand levels across both national and local customers since moving to the new model, the business was impacted by a loss of speed and agility servicing local customers, largely foodservice redistributors, due to greater centralisation of processes, which resulted in lost share of wallet with some customers. These issues were amplified by challenging end markets and resulting price pressure from customers, with the business seeing lower than anticipated volumes and own brand conversion. Separately, Distribution was also impacted by the loss of a higher margin product category related to a programme that is no longer available in an existing grocery customer's stores, early in the year. This, combined with higher operational costs in the first half, drove a significant decline in adjusted operating profit.

We took a series of decisive actions earlier in the year to improve performance, including: leadership changes to re-energise our local foodservice teams; cost saving actions which took effect from the second quarter; a re-empowerment of our local teams through greater control on pricing and inventory management; and an increased focus on preferred supplier engagement to reinforce that own brand products are complementary to our extensive range of third party products, alongside further own brand launches.

In the second half of 2025, against a more challenging market, whilst we saw increased pressure outside of the Distribution business in other North America businesses, we delivered a moderation in the Distribution business's year-on-year operating margin decline. Our actions have led to: 1) more motivated teams; 2) improved execution of the new organisational model, with greater agility enabled for our local business; 3) significantly improved service levels and availability of inventory; and 4) growth in own brand penetration over the year as a whole, with further successful own brand

launches, alongside strengthened branded supplier relationships and an increase in joint programmes targeting specific market opportunities. Overall, Distribution saw good success with new business wins towards the end of the year, supported by more robust sales pipeline management and the benefits that the new organisational model provides. The business that has been won includes both national grocery and foodservice customers, and represents new customer relationships, as well as wallet share gains. Looking to 2026 and beyond, the business continues to be committed to delivering benefits from the new organisational model, with a focus on growing revenue and delivering a strong proposition to both larger customers and local customers, and driving long-term profitable growth.

Continental Europe update

In the first half of 2025, our Continental Europe business area continued to be impacted by expected trends already seen in the second half of 2024. The operating environment remained challenging, with France and certain online businesses driving an operating margin decline year-on-year in the first half, offsetting better performance in some other businesses. Actions taken to improve performance were initiated in 2024 and included a strong focus on operating cost initiatives, sourcing opportunities and new business pipeline management. Over the year the business area saw good momentum with larger new business wins and renewals, particularly supported by the strength of our sustainability offering, and well managed operating cost inflation, supported by cost actions taken in 2024. As a result, and alongside easier comparatives, we delivered a stabilisation of year-on-year adjusted operating profit and operating margin across Continental Europe in the second half of the year.

Operating performance

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

Revenue

Group revenue increased by 3.0% to £11,845.4 million, driven by acquisitions. Acquisition-related revenue growth of 3.3% was partially offset by a disposal impact of 0.4%, resulting in 2.9% net acquisition growth. Underlying revenue growth over the period was 0.4%, with moderate growth across Rest of the World and the UK & Ireland largely countered by a very slight decline in North America, and with both volumes and net inflation stable over the year. The Group benefited from a small level of net inflation towards the end of the year, driven by tariff-related price increases in North America, but continued to see deflation in our cleaning & hygiene businesses in France and the UK, despite some moderation through 2025. Underlying revenue growth improved over the year and was stronger in the second half, growing at 0.9% compared to a 0.2% decline in the first half, and was supported by new business wins and underlying growth across all business areas, as well as the small net impact from inflation. Revenue over the year also saw a negative impact from one less trading day of 0.3%. Organic revenue growth, which is not adjusted for the impact of the number of trading days in the year, was 0.1%.

Profit and earnings

Adjusted operating profit for the year was £910.3 million, a decline of 4.3% compared to 2024, and operating margin was 7.7% compared to 8.3% in 2024. This included a £7.8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024, which have been impacted by the Group's performance in 2025. Excluding this one-off credit, adjusted operating profit was £902.5 million and operating margin was 7.6%, compared to 8.3% in 2024. Overall in 2025, operating margins were impacted by: 1) the margin decline seen in our Distribution business, resulting from execution changes against a difficult macroeconomic backdrop; 2) market challenges impacting other businesses in North America and in Brazil in particular; and 3) the impact on our French business in the first half of the year from deflation in our cleaning & hygiene businesses, reflective of a post Covid-19 normalisation of pricing, and a weak economy, alongside operating cost inflation and a relatively fixed cost base. The Group's operating margin decline in the second half of the year moderated from 8.6% in the prior year to 8.3%, compared to the decline from 8.0% to 7.0% in the first half at actual exchange rates.

This moderation in year-on-year decline in the second half was driven by: 1) margin expansion in the UK & Ireland, driven by good performance of the foodservice businesses and supported by strong Nisbets synergies, compared to the impact in the first half from consolidating a seasonally lower margin period of Nisbets, which was acquired in May 2024; 2) stabilisation of the Continental Europe margin, due to the benefit of actions taken and easier prior year comparatives; and 3) actions taken in North America Distribution which resulted in a more moderated margin decline in the second half. North America's margin moderation was offset by increased weakness in some other North America markets, whilst the Group was also impacted by continued market softness in Brazil which began in Q2.

The Group's operating margin performance was driven by a decline in the Group's underlying gross margin, although gross margin overall was unchanged over the year at 28.8% at actual exchange rates as a result of acquisitions. An increase in the operating costs to sales ratio from 20.5% to 21.1%, at actual exchange rates, is largely driven by acquisitions and reflective of their operating business models. Excluding acquisitions, the operating cost to sales ratio was stable, supported by cost initiatives, as well as the share-based payments credit. Operating cost inflation, overall, was at more typical levels over the year, with wage inflation across North America, UK & Ireland and Continental Europe being at normalised levels, which we expect to remain the case in 2026. Property cost inflation, linked to lease renewals, moderated from recent high levels, and fuel and freight inflation was also moderate and supported by the annualisation of prior year contract retendering in North America. We expect overall inflation to remain at these more typical levels in 2026, and the Group remains strongly focused on operational efficiency initiatives such as warehouse consolidations and relocations, as well as digital investments, that can offset inflation.

Reported operating profit was £735.3 million, 5.7% lower than the prior year (8.0% lower at actual exchange rates).

The adjusted net finance expense increased by £20.0 million to £123.2 million, driven by higher net debt during the period. We expect a net finance expense of around £125 million in 2026. The effective tax rate of 26.0% was higher than the 25.5% in 2024 primarily due to the absence of one-off benefits from UK group relief included in 2024. The effective tax rate in 2026 is expected to remain at 26.0%.

Adjusted profit for the year was £582.5 million, a decrease of 8.0%. Adjusted earnings per share were 179.3p, a decrease of 5.2%, and basic earnings per share were 141.5p, a decrease of 2.7%. Over the year the weighted average number of shares reduced by 2.9%, reflective of share buybacks in 2024 and 2025, with the weighted number of ordinary shares in issue in 2025 being 324.6 million, compared to 334.4 million in 2024. The number of ordinary shares in issue, less the shares held in trust, on 31 December 2025 was 321.0 million.

Cash and returns

The Group's cash generation continues to be strong, with 95% cash conversion in 2025, ahead of our 90% target.

Compared to 2024, free cash flow decreased by 8.7% at actual exchange rates, to £578.5 million, due to a decrease in operating profit and an increase in net interest paid. 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 2025 was 2.0 times and compares to 1.8 times at 31 December 2024.

Returns were lower than last year, driven by the Group's operating margin decline, with return on average operating capital of 37.0% (43.2% at 31 December 2024), while return on invested capital was 13.0% (14.8% at 31 December 2024).

Strategy: Organic growth and operational efficiency

We remain committed to delivering growth through our compounding strategy which focuses on organic growth, operational efficiency and acquisitions.

We continue to provide our customers with innovative products and services, and to enhance our value-added proposition, for example, with our sustainability offering. Furthermore, we continue to complement our continual collaboration with our strategic third party branded supplier partners, with the further development of our own brand offering to provide unparalleled choice for our customers. The Group's own brand penetration increased to c.30%, compared to c.28% in 2024, supported by the acquisition of Nisbets. We have increased the proportion of digital sales, which accounted for 76% of orders over the year, compared to 75% in 2024, which excluded acquisitions in 2024.

Pursuing operating efficiencies remains an important part of our strategy to reduce the impact of operating cost inflation. In 2025, we partially offset operating cost inflation through further optimisation of our warehouse footprint with the consolidation of 27 warehouses and the relocation of an additional 9. This included a large consolidation project in France, which will reduce warehouses in our largest business in France from 15 in 2024 to six in 2026, reducing operating costs but also enhancing service levels and speed for customers. It demonstrates the level of activity across the Group to drive operational efficiencies, and compares to 14 warehouse consolidations and 5 relocations in 2024, a more typical annual level for Bunzl. Furthermore, the business continues to look for opportunities to utilise technology to drive efficiency, such as through investments in warehouse automation.

Strategy: acquisitions and disposals

Over 2025, we acquired eight new businesses across seven countries and four sectors, which included our entry into Chilean healthcare, and established a physical presence in Slovakia, enhancing our offering in the region. After a record year in 2024, 2025 was a slower year for acquisition spend, with £132 million committed spend compared to an average over the last five years of c.£460 million. This reflected the impact of the uncertain macroeconomic environment on the timing of acquisitions, despite our active pipeline, as we have seen on some occasions in our history. Typically, M&A activity recovers quickly as uncertainty subsides and confidence improves, and we are having ongoing conversations with a number of attractive businesses. We see an improving outlook for acquisitions in 2026 and expect activity to be ahead of 2025 levels.

Bolt-on acquisitions, defined here as acquisitions with an enterprise value below £200 million, at attractive multiples, continue to be a focus for Bunzl, with their year one return on invested capital (defined as adjusted operating profit based on share of ownership to enterprise value) typically well ahead of project Weighted Average Cost of Capital ('WACC'). Since 2020 we have spent an average of c.£300 million per annum on bolt-on deals, with an average committed spend of £25 million for each business.

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.

The table below shows the acquisitions completed in 2025.

Acquisition	Completion	Description
Inpakomed	March 2025	<ul style="list-style-type: none"> • Dutch business specialising in sterile product packaging solutions for use in the medical and forensic markets • Highly complementary to our existing business in the Netherlands • Annualised revenue of £2.5 million in 2025
Quindesur	July 2025	<ul style="list-style-type: none"> • Spanish distributor of foodservice and cleaning & hygiene products, with a strong focus in Southern Spain • Complements our existing businesses and strengthens our regional presence • Annualised revenue of £11.5 million in 2025
Hospitalia	July 2025	<ul style="list-style-type: none"> • One of the largest healthcare distributors in Chile, distributes a wide range of healthcare products, including those used in a surgical setting, to both public and private hospitals • Represents Bunzl's entry into the healthcare sector in Chile • Annualised revenue of £21.2 million in 2025
Solupack	July 2025	<ul style="list-style-type: none"> • Brazilian distributor of own brand packaging solutions to the food industry • Enhances our customer offering alongside our existing businesses • Annualised revenue of £17.9 million in 2025
Guantes Internacionales (Gisa)	August 2025	<ul style="list-style-type: none"> • Leading own brand personal protective equipment distributor based in Mexico, with a strong focus on gloves • Strong cross-selling opportunities with our existing business in the US and Mexico • Annualised revenue of £15.8 million in 2025
Caterline	September 2025	<ul style="list-style-type: none"> • Distributor of commercial catering equipment in Ireland and Northern Ireland • Complements Bunzl's existing catering business • Annualised revenue of £5.6 million in 2025
Anta y Jesus	September 2025	<ul style="list-style-type: none"> • Leading regional distributor of cleaning & hygiene products in the northwest of Spain • Enhances Bunzl's cleaning & hygiene national offering and geographical footprint • Annualised revenue £4.7 million in 2025
Damito	October 2025	<ul style="list-style-type: none"> • Distributor of cleaning & hygiene, personal protective equipment and packaging in Slovakia • Establishes Bunzl's physical presence in Slovakia • Annualised revenue of £13.1 million in 2025

Bunzl continues to regularly review its portfolio of companies, and in January 2025 completed the disposal of our US R3 Safety business, Bunzl's only pure wholesale safety business in the US, which generated revenue of c.£50 million in 2024. Since 2022 the Group has disposed of four businesses with a total annual revenue of c.£250 million and a combined low to mid single digit operating margin. With a portfolio of around 150 operating companies, we continue to review the portfolio on an ongoing basis.

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. After investment in the business and our progressive dividend, we favour value-accretive bolt-on acquisitions, supported by the valuations and subsequent returns we can achieve and have achieved historically, but we will actively review our priorities through the year. In the 21 years from 2004 to 2025, inclusive, Bunzl has committed £6.2 billion in acquisitions to support a growth strategy that has delivered an annual adjusted earnings

per share CAGR between 2004 and 2025 of c.9%, and has returned £3.1 billion to shareholders through dividends and the 2024 and 2025 share buybacks.

In December 2024 Bunzl announced a £200 million share buyback programme for 2025, which commenced at the start of 2025 and was completed by October 2025.

Outlook

With uncertainties relating to the wider macroeconomic and geopolitical landscape expected to continue, the Group continues to expect moderate revenue growth in 2026, at constant exchange rates, driven by some underlying revenue growth and a small benefit from announced acquisitions. Group operating margin is expected to be slightly down year-on-year, compared to 7.6% in 2025 (operating margin prior to the share-based payment credit resulting from the reversal of prior year charges related to awards made in 2023 and 2024).

We expect 2026 revenue to be driven by slight volume growth, supported by actions taken and expected business wins in a challenging market context, alongside a broadly neutral selling price environment. We continue to expect operating cost growth to be driven by more typical levels of inflation and partially offset by cost initiatives, including the annualisation of Nisbets' synergies. We expect a more normalised split of adjusted operating profit between the first half and the second half in 2026. Overall, we expect a more stable adjusted operating profit outlook in 2026, and for this to be the foundation for future profit growth.

BUSINESS AREA REVIEW

North America

53% of revenue and 47% of adjusted operating profit**†

	2025 £m	2024 £m	Growth at constant exchange*	Underlying growth*
Revenue	6,276.7	6,568.1	(1.2)%	(0.3)%
Adjusted operating profit*	440.5	515.6	(11.5)%	
Operating margin*	7.0%	7.9%		

* Alternative performance measure (see Note 2)

† Based on adjusted operating profit and before corporate costs (see Note 3)

In North America, revenue declined by 1.2% to £6,276.7 million with underlying revenue declining by 0.3%. Within underlying revenue, volumes and selling prices were broadly stable, although pricing was a small positive in the second half, driven by tariffs. The 1.2% decline in constant currency revenue was driven by the disposal of R3 Safety, which generated revenue of c.£50 million in 2024. Adjusted operating profit decreased by 11.5%, to £440.5 million with operating margin at 7.0%, down from 7.9% in the prior year. This was driven by underlying margin deterioration in our Distribution business, with execution challenges related to a significant operating model change, alongside difficult end markets and resulting price pressure from customers. Whilst Distribution delivered a moderation of margin decline in the second half, supported by our actions and despite the economic backdrop, this was offset by weaker demand in some other businesses, including foodservice and grocery in Mexico, and food processor and convenience stores.

The division of Distribution which supports US grocers saw slight revenue growth, despite some modest deflation, supported by new business wins. However, operating margin and adjusted operating profit was impacted by the loss of a higher margin category from an ongoing customer early in the year, which supported a programme no longer available in our customer's stores, as well as the mix impact of lower margin new business. Convenience store revenues remained under pressure, impacted by declining customer footfall resulting from soft market conditions and a category loss.

The division of Distribution which services foodservice redistribution customers delivered stable revenue over the year, despite the market backdrop and issues related to its operating model change. After experiencing significant deflation

in 2024 and into the start of 2025, pricing was broadly neutral in 2025, supported by tariff-related price increases in the second half. The team has continued their focus on regaining volumes previously lost from execution issues related to operating model changes. However, the weak backdrop and resulting pressure from customers amplified execution challenges and drove a deterioration in adjusted operating profit.

Our food processor sector revenues increased moderately, with increased volumes and price inflation, although operating margins declined significantly as price increases could not fully offset tariff-related product cost increases given the price-sensitivity of customers. Our businesses serving the agriculture sector delivered stable revenue, but margin declined significantly, driven by increased customer pressure on margins and tariff disruptions.

Our cleaning & hygiene revenues were broadly stable, with flat volumes and a small amount of deflation.

Revenue in our retail supplies sector declined primarily from customer losses, store closures and new business materialising slower than expected. Operating profit also declined, although operating costs were well managed. The business continues to focus on enhancing returns, with strong success to date.

Revenue in our safety sector, excluding the impact of acquisitions and disposals, was slightly higher, supported by price inflation resulting from tariffs, partially offset by lower volumes in the face of an uncertain economic landscape in several end markets. Operating margin declined as a result of operating cost inflation and product mix.

Finally, our businesses in Canada grew moderately, driven by strong volumes, with a minor benefit from an acquisition. Operating margin was slightly lower, driven by higher operating costs.

Continental Europe

21% of revenue and 22% of adjusted operating profit[†]

	2025 £m	2024 £m	Growth at constant exchange*	Underlying growth*
Revenue	2,442.0	2,377.1	2.5%	0.3%
Adjusted operating profit*	204.7	210.8	(3.6)%	
Operating margin*	8.4%	8.9%		

* Alternative performance measure (see Note 2)

† Based on adjusted operating profit and before corporate costs (see Note 3)

Revenue in Continental Europe grew by 2.5% to £2,442.0 million, driven by the benefit of acquisitions. Underlying revenue growth grew 0.3%, driven by slight net inflation. Adjusted operating profit decreased by 3.6% to £204.7 million, with a decline in operating margin from 8.9% to 8.4%. Although we saw resilient performances in the Netherlands and Spain, and a strong performance in Finland, as well as the benefit from acquisitions, the business area's performance was primarily impacted by the performance of France and certain online businesses in the first half of the year, against a challenging operating environment. Importantly, the business area's operating margin stabilised in the second half, driven by improved performance in both France and our online businesses, supported by actions taken and easier year-on-year comparatives, with the macroeconomic backdrop impacting performance from the second half of 2024. This improvement was partially offset by a weaker second half performance in Central and Eastern Europe.

In France, revenue in our cleaning & hygiene businesses declined with the ongoing, albeit slowing, impact of deflation and soft volumes in the first half of the year. Whilst action was taken to reduce operating costs, this did not fully offset the impact of lower sales and margin pressure, leading to margin contraction over the period. A project to consolidate smaller warehouses in our largest business is nearing completion and will deliver a more efficient operating platform with improved service levels to our customers. Revenue in our safety business, whilst flat for the year, increased in the second half, supported by new business wins. Revenue declined in our foodservice businesses with domestic and public sector customers due to a soft market.

Sales in Spain grew strongly, driven by acquisitions and supported by volume growth in our cleaning & hygiene and packaging businesses. This volume growth was supported by business wins, with both new and existing customers, and product range expansion in the packaging business. The region benefitted from the continued success of its bolt-on acquisition strategy with the acquisitions of Anper in June 2024, Cermeron in August 2024, Quindesur in July 2025 and Anta in September 2025.

In the Netherlands, moderate growth alongside good margin management have driven moderate operating profit growth. We continue to make progress with digital tools to support the businesses, including the successful implementation of a Warehouse Management System and the development of an online marketplace solution in our grocery business.

In the Nordics, we have seen good sales and strong profit growth from both our Norwegian catering equipment business and our Finnish cleaning & hygiene business. In Norway we have benefitted from an increased amount of project business and public sector spend, while our Pamark business in Finland saw recent customer wins and margin management support growth. Denmark revenue declined moderately due to volume reduction in our foodservice and retail businesses with 2024 customer losses only partially offset with customer wins.

In Central and Eastern Europe, revenue is down moderately due to soft demand from industrial and retail customers, with competition for volumes also impacting our margin. Our business in Turkey was impacted by competitive margin pressure and a negative impact from hyperinflation.

Our online businesses have seen mixed results with good growth from our German cleaning & hygiene business whilst our Spanish healthcare and Dutch foodservice businesses suffered from reduced traffic and conversion of online marketing activities into revenue.

UK & Ireland

*16% of revenue and 16% of adjusted operating profit***

	2025	2024	Growth at	Underlying
	£m	£m	constant	growth*
			exchange*	
Revenue	1,883.6	1,625.8	15.9%	1.4%
Adjusted operating profit*	153.1	135.1	13.3%	
Operating margin*	8.1%	8.3%		

* Alternative performance measure (see Note 2)

† Based on adjusted operating profit and before corporate costs (see Note 3)

In UK & Ireland, revenue increased by 15.9% to £1,883.6 million, driven by the full year impact of 2024 acquisitions, primarily Nisbets. Underlying revenue grew by 1.4%, driven by volume growth, despite the adverse demand impact the increases in employer's National Insurance rates had on key customer sectors earlier in the year. Encouragingly, improved ordering from existing customers and the incremental gains from new account wins led to a good finish to 2025. The reduction in operating margins from 8.3% to 8.1% was driven by the impact of the consolidation of Nisbets in the first half of the year which, as a catering business, has a seasonally lower margin in the first half, and partially offset by underlying margin growth, driven by a good performance in our foodservice businesses. Margin growth in the second half of the year was strongly supported by synergies delivered through the acquisition of Nisbets, predominantly related to third-party logistics and procurement savings, and including benefits to other UK & Ireland businesses.

Our cleaning & hygiene and care businesses delivered revenue growth as a result of the acquisition of Arrow County, which was acquired in October 2024. The underlying businesses saw further deflation across some key product categories, although this eased over the year, and the most significant operating business within this sector continues to win new customers, driven by a strong sustainability centred value proposition. Although operating margins declined, reflective of selling-price deflation, pricing is expected to be less of a headwind in future periods.

The safety businesses experienced a decline in underlying revenue due to volume reductions with existing customers outweighing the positive contribution from contract wins through the course of the year. There has been further investment in new operationally efficient locations to deliver higher levels of service to customers, and our businesses are well placed to take advantage of recent government announcements relating to infrastructure projects. Our online workwear business saw improved performance as the year progressed with a particularly strong finish to 2025.

Our grocery and non-food retail businesses saw a slight reduction in revenues, driven by lower volumes. Grocery profits were stable, despite a mixed customer picture and consumer sentiment remaining weak. Our non-food packaging business aimed primarily at luxury retailers showed growth despite a difficult global demand picture in its principal markets. Our other packaging businesses experienced lower revenues due to corrugate deflation and temporary issues faced by some leading customers, unrelated to Bunzl's service.

In 2025, our foodservice division delivered strong results, especially in the second half of the year. Sales growth came from the Nisbets and C&C acquisitions as well as solid performances in existing businesses. Robust increases in profit in our legacy operations were driven by revenue growth from pricing adjustments and new account wins, disciplined cost management and synergy benefits related to Nisbets. Nisbets showed improvement in performance during 2025, generating positive sales and operating profit growth in the second half. These results were supported by operational improvements, procurement savings and greater than anticipated synergy benefits.

Our businesses in Ireland experienced strong underlying sales growth helped by some significant customer wins in the retail and foodservice sector, which helped to more than offset the negative impact of product price deflation and challenging market conditions across many sectors. The Caterline business, which was acquired in September 2025, provided strong sales growth and synergy opportunities for the Ireland division.

Rest of the World

10% of revenue and 15% of adjusted operating profit[†]

	2025 £m	2024 £m	Growth at constant exchange*	Underlying growth*
Revenue	1,243.1	1,205.4	9.1%	3.5%
Adjusted operating profit*	145.3	146.2	5.4%	
Operating margin*	11.7%	12.1%		

* Alternative performance measure (see Note 2)

[†]Based on adjusted operating profit and before corporate costs (see Note 3)

In Rest of the World, revenue increased by 9.1% to £1,243.1 million, driven by acquisitions, as well as underlying revenue growth of 3.5%. Adjusted operating profit grew by 5.4% to £145.3 million, with operating margin falling from 12.1% to 11.7%, driven by an operating margin reduction in Brazil. Asia Pacific delivered very strong revenue and profit growth, supported by both acquisitions and organic performance of existing businesses. Latin America achieved strong revenue growth, supported by acquisitions and underlying revenue growth, but operating margin was strongly impacted by Brazil, where currency-related cost increases could not be fully passed on to customers.

In Brazil, our safety businesses delivered modest, price-driven sales growth but operating margins were lower as strong currency-driven cost increases, which began in the second quarter of 2025, could not be fully passed on to customers due to weakening demand in the industrial markets. Our healthcare businesses also grew modestly driven by a greater number of attended surgeries, although the value per surgery fell, impacting margins. After a record year in 2024, our cleaning & hygiene businesses had a more difficult year as an increase in credit risk at some customers reduced sales and pressured operating margins. Finally, our foodservice business grew strongly with the acquisition of Solupack, a specialist own brand packaging solutions provider, while underlying sales were also up slightly albeit at lower margins. Over the course of the year Brazil moved from seeing strong inflation to slight deflation.

In Chile, our safety businesses saw strong growth in sales and operating profits, driven by robust demand in the mining sector and subdued cost inflation. Our foodservice business also saw good sales growth and higher gross margins despite strong competition in the wholesale market. In July 2025 we acquired Hospitalia, our first healthcare business in Chile which has had an encouraging start. Elsewhere, our Mexico safety business had a challenging year with flat sales and lower margins due to US tariffs impacting business confidence. Our safety businesses in Peru and Colombia, on the other hand, experienced strong sales and profit growth as local manufacturing and mining industries proved more resilient.

In Asia Pacific our largest business Bunzl Australia and New Zealand delivered strong growth in the period. The healthcare sector in both aged care and hospitals was the main driver with continued new business wins and category expansion at existing customers. The hospitality sector showed growth in the second half while our specialist cleaning & hygiene businesses contributed solid results focusing on equipment repairs and servicing.

The Australian safety business saw a decline in sales, particularly consumable products in the mining and government sectors. There is increased focus on growing the service revenue and specialisation services.

Our MedTech business and specialist healthcare operations in Australia and New Zealand also delivered good results in both sales and margin despite lower-than-expected spend by government customers in this sector, supported by the acquisitions of Cubro Group and DBM Medical Group. Our continued focus on specialisation has allowed this business to grow with existing customers and target other distribution opportunities.

FINANCIAL REVIEW

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 2.

Currency translation

Currency translation has had an adverse impact on the Group's reported profits, decreasing the reported profit growth rates by between 2% and 3%. This adverse exchange impact to profit is primarily due to the strengthening of sterling against the US dollar, Canadian dollar, Brazilian real and Australian dollar.

Average exchange rates	2025	2024
US\$	1.32	1.28
Euro	1.17	1.18
Canadian\$	1.84	1.75
Brazilian real	7.36	6.89
Australian\$	2.04	1.94

Closing exchange rates	2025	2024
US\$	1.35	1.25
Euro	1.15	1.21
Canadian\$	1.85	1.80
Brazilian real	7.38	7.74
Australian\$	2.02	2.02

Revenue

Revenue increased to £11,845.4 million (2024: £11,776.4 million), an increase of 0.6% at actual exchange rates. At constant exchange rates revenue increased 3.0% driven by acquisitions net of disposals adding 2.9%, and underlying growth of 0.4%, partly offset by one less trading day in 2025 compared to 2024 reducing revenue by 0.3%. Underlying revenue growth was supported by moderate growth across Rest of the World and the UK & Ireland largely countered by a very slight decline in North America, and with both volumes and net inflation stable over the year. We benefited from a small level of net Group inflation towards the end of the year, driven by tariff-related price increases in North America, but continued to see deflation in our cleaning & hygiene business in France and the UK despite some

moderation through 2025. Underlying revenue growth improved over the year and was stronger in the second half, growing at 0.9% compared to a 0.2% decline in the first half of the year, despite tougher comparatives, and was supported by new business wins and underlying growth across all business areas.

Movement in revenue	£m
2024 revenue	11,776.4
Currency translation	(278.8)
Trading day	(31.3)
Underlying growth	46.2
Excess growth in hyperinflationary economies	-
Acquisitions net of disposals	332.9
2025 revenue	11,845.4

Operating profit

Adjusted operating profit was £910.3 million (2024: £976.1 million), a decrease of 4.3% at constant exchange rates and 6.7% at actual exchange rates. This included a £7.8 million share-based payment credit due to the reversal of prior year charges related to awards made in 2023 and 2024 which have been impacted by the Group's performance in 2025. At both constant and actual exchange rates operating margin decreased to 7.7% from 8.3% in 2024. The decline in operating margin to 7.7% was driven by execution issues in our largest operating business, Bunzl Distribution in North America, and market-driven weakness in some of our other business. Excluding the share-based payment credit noted above operating margin was 7.6%.

Movement in adjusted operating profit	£m
2024 adjusted operating profit	976.1
Currency translation	(24.5)
Decrease in hyperinflation accounting adjustments	0.2
2025 decline	(41.5)
2025 adjusted operating profit	910.3

Operating profit was £735.3 million (2024: £799.3 million), a decrease of 5.7% at constant exchange rates and 8.0% at actual exchange rates.

Movement in operating profit	£m
2024 operating profit	799.3
Currency translation	(19.8)
Decrease in hyperinflation accounting adjustments	0.2
Decline in adjusted operating profit	(41.5)
Non-repeat of pension scheme credit	(3.2)
Decrease in amortisation (excluding software) and acquisition related items	0.3
2025 operating profit	735.3

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 £123.2 million, an increase of £21.5 million at constant exchange rates (up £20.0 million at actual exchange rates), mainly due to higher average debt during the year. Net finance expense for the year was £126.7 million including £3.5 million of interest on unwinding of discounting deferred consideration on acquisitions.

Disposal of businesses

The profit on disposal of business in 2025 of £11.9 million relates to the disposal of R3 Safety in North America, which completed on 31 January 2025. The profit on disposal reflects the cash consideration received of £17.6 million and recycling of historical foreign exchange gains of £5.6 million held in the translation reserve within equity offset by the net book value of assets disposed of £10.4 million and transaction costs and provisions of £0.9 million. The loss on disposal of business in 2024 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. 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 £787.1 million (2024: £872.9 million), down 7.4% at constant exchange rates (down 9.8% at actual exchange rates), due to the decline in adjusted operating profit and the increase in adjusted net finance expense. Profit before income tax was £620.5 million (2024: £673.6 million), a decrease of 5.3% at constant exchange rates (down 7.9% at actual exchange rates) due to the decline in operating profit and increase in net finance expenses, partly offset by the gain on disposal of businesses in 2025 compared to the losses on disposal of businesses in 2024.

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 26.0% (2024: 25.5%) and the reported tax rate on statutory profit was 25.9% (2024: 25.6%). The effective tax rate for 2025 is higher than for 2024 primarily due to the absence of one-off benefits from UK group relief included in 2024. The Group's effective tax rate is expected to be 26.0% in 2026.

Earnings per share

Adjusted profit after tax attributable to the Company's equity holders was £581.9 million (2024: £649.9 million), down 8.0% and a decrease of £50.8 million at constant exchange rates (down 10.5% at actual exchange rates), due to a £62.8 million decrease in adjusted profit before income tax, partly offset by a £12.0 million decrease in the tax on adjusted profit before income tax at constant exchange rates. Adjusted profit after tax for the year bears a £6.6 million adverse impact from hyperinflation accounting adjustments (2024: £9.8 million adverse impact).

Profit after tax attributable to the Company's equity holders decreased to £459.2 million (2024: £500.4 million), down 5.6% and a decrease of £27.2 million at constant exchange rates (down 8.2% at actual exchange rates), due to a £34.6 million decrease in profit before income tax, partly offset by a £7.4 million decrease in the tax charge at constant exchange rates. Profit after tax for the year bears a £6.6 million adverse impact from hyperinflation accounting adjustments (2024: £9.8 million adverse impact).

The weighted average number of shares in issue decreased to 324.6 million from 334.4 million in 2024 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 179.3p (2024: 194.3p), a decrease of 5.2% at constant exchange rates (down 7.7% at actual exchange rates). Basic earnings per share attributable to the Company's equity holders were 141.5p (2024: 149.6p), down 2.7% at constant exchange rates (down 5.4% at actual exchange rates).

Movement in adjusted earnings per share	Pence
2024 adjusted earnings per share	194.3
Currency translation	(5.1)
Decrease in adjusted profit before income tax	(14.1)
Decrease in hyperinflation accounting adjustments	0.2
Increase in effective tax rate	(1.3)
Decrease in weighted average number of shares	5.3
2025 adjusted earnings per share	179.3

Movement in basic earnings per share	Pence
2024 basic earnings per share	149.6
Currency translation	(4.1)
Decrease in adjusted profit before income tax	(14.2)
Increase in adjusting items	(3.4)
Change in gain/loss on disposal of businesses	9.7
Decrease in hyperinflation accounting adjustments	0.3
Increase in reported tax rate	(0.6)
Decrease in weighted average number of shares	4.2
2025 basic earnings per share	141.5

Dividends

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

	2025	2024	Growth
Interim dividend (p)	20.2	20.1	0.5%
Final dividend (p)	53.9	53.8	0.2%
Total dividend (p)	74.1	73.9	0.3%
Dividend cover (times)	2.4	2.6	

The Company's practice is to pay a progressive dividend, delivering year-on-year increases. The Board is proposing a 2025 final dividend of 53.9p, an increase of 0.2% on the amount paid in relation to the 2024 final dividend. The 2025 total dividend of 74.1p is 0.3% higher than the 2024 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 2025, Bunzl has sustained 33 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 section. 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 2025 Bunzl plc had sufficient distributable reserves to cover more than six years of dividends at the levels of those delivered in 2025, which is expected to be approximately £240 million.

Acquisitions

The Group completed eight acquisitions during the year ended 31 December 2025, with a total committed spend of £131.8 million. The estimated annualised revenue and adjusted operating profit of the acquisitions completed during the year were £92 million and £16 million, respectively.

A summary of the effect of acquisitions is as follows:

	£m
Fair value of net assets acquired	53.3
Goodwill	50.9
Consideration	104.2
Satisfied by:	
cash consideration	95.6
deferred consideration	8.6
	104.2
Contingent payments relating to retention of former owners	17.4
Net cash acquired	(1.0)
Transaction costs and expenses	11.2
Total committed spend in respect of acquisitions completed in the current year	131.8

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

	£m
Cash consideration	95.6
Net cash acquired	(1.0)
Deferred consideration payments	23.9
Net cash outflow on purchase of businesses	118.5
Cash outflow from acquisition related items*	43.4
Total cash outflow in respect of acquisitions	161.9

* Acquisition related items comprise £12.1 million of transaction costs and expenses paid and £31.3 million of payments relating to retention of former owners.

Cash flow

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

	2025 £m	2024 £m
Cash generated from operations [†]	1,136.1	1,133.4
Payment of lease liabilities	(232.7)	(216.7)
Net capital expenditure	(68.8)	(37.2)
Operating cash flow [†]	834.6	879.5
Net interest paid excluding interest on lease liabilities	(76.4)	(65.2)
Income tax paid	(179.7)	(180.5)
Free cash flow	578.5	633.8
Dividends paid	(242.2)	(228.6)
Net payments relating to employee share schemes	(40.0)	(14.3)
Net cash inflow before acquisitions, disposals and purchase of own shares	296.3	390.9
Purchase of own shares	(204.8)	(247.9)
Acquisitions [◇]	(161.9)	(678.2)
Disposals	17.0	2.9
Net cash outflow on net debt excluding lease liabilities	(53.4)	(532.3)

[†] Before acquisition related items.

[◇] Including acquisition related items.

The Group's operating cash flow of £834.6 million was £44.9 million lower than in 2024 driven by an increase in net capital expenditure of £31.6 million as we invested in a number of projects particularly in North America, the UK, France and Denmark to improve operational efficiency, and a £16.0 million increase in payment of lease liabilities. The Group's free cash flow of £578.5 million was £55.3 million lower than in 2024, driven by the decrease in operating cash flow of £44.9 million and an increase of £11.2 million in net interest paid excluding interest on lease liabilities. The Group's free cash flow was used to finance dividend payments of £242.2 million in respect of 2024 (2024: £228.6 million in respect of 2023), purchase of own shares of £204.8 million (2024: £247.9 million) and net payments of £40.0 million (2024: net

payments of £14.3 million) relating to employee share schemes, and partially finance an acquisition cash outflow of £161.9 million (2024: £678.2 million). Purchase of own shares of £204.8 million comprises the £200 million 2025 share buyback programme, £3.3 million relating to outstanding payments from the 2024 share buyback programme, stamp duty of £1.3 million and transaction costs of £0.2 million. Cash conversion (being the ratio of operating cash flow as a percentage of lease adjusted operating profit) was 95% (2024: 93%).

	2025 £m	2024 £m
Operating cash flow	834.6	879.5
Adjusted operating profit	910.3	976.1
Add back depreciation of right-of-use assets	197.8	186.1
Deduct payment of lease liabilities	(232.7)	(216.7)
Lease adjusted operating profit	875.4	945.5
Cash conversion	95%	93%

Net debt

	2025 £m	2024 £m
Net debt excluding lease liabilities	(1,663.9)	(1,611.4)
Total deferred and contingent consideration – on and off balance sheet	(278.9)	(375.4)
Adjusted net debt	(1,942.8)	(1,986.8)
Lease liabilities	(742.5)	(754.1)
Adjusted net debt including lease liabilities	(2,685.3)	(2,740.9)
Adjusted net debt to EBITDA	2.0x	1.8x
Adjusted net debt including lease liabilities to EBITDA	2.2x	2.1x

Net debt excluding lease liabilities increased by £52.5 million during the year to £1,663.9 million (2024: £1,611.4 million), due to a net cash outflow of £53.4 million and a non-cash increase in debt of £7.8 million, partly offset by an £8.7 million decrease due to currency translation.

Adjusted net debt decreased by £44.0 million during the year to £1,942.8 million (2024: £1,986.8 million) due to a £96.5 million decrease in total deferred and contingent consideration, partly offset by the £52.5 million increase in net debt excluding lease liabilities.

Balance sheet

Summary balance sheet at 31 December:

	2025 £m	2024 £m
Intangible assets	3,618.1	3,683.8
Right-of-use assets	682.1	697.6
Property, plant and equipment	231.1	213.3
Working capital	1,288.1	1,210.2
Net assets held for sale	-	10.0
Deferred consideration	(225.7)	(258.2)
Other net liabilities	(411.9)	(420.3)
Net pension surplus	17.4	19.8
Net debt excluding lease liabilities	(1,663.9)	(1,611.4)
Lease liabilities	(742.5)	(754.1)
Equity	2,792.8	2,790.7
Return on average operating capital	37.0%	43.2%
Return on invested capital	13.0%	14.8%

Return on average operating capital decreased to 37.0% from 43.2% in 2024 and Return on invested capital decreased to 13.0% compared to 14.8% in 2024 due to lower adjusted operating profit in the underlying businesses.

Intangible assets decreased by £65.7 million to £3,618.1 million due to an amortisation charge of £164.5 million, an impairment charge of £10.7 million, and a decrease from currency translation of £15.9 million, partly offset by intangible assets arising on acquisitions in the year of £104.3 million, a net increase from hyperinflation adjustments of £5.2 million and software additions of £15.9 million.

Right-of-use assets decreased by £15.5 million to £682.1 million due to a depreciation charge of £197.8 million and a decrease from currency translation of £9.5 million, partly offset by additional right-of-use assets from new leases during the year of £157.0 million, an increase from remeasurement adjustments of £29.6 million and an increase from acquisitions of £5.2 million.

Working capital increased from the prior year end by £77.9 million to £1,288.1 million mainly due to payment of commitments of £53.3 million under the share buyback programme recognised at 31 December 2024, an increase of £15.5 million from acquisitions and an underlying increase of £30.5 million as shown in the cash flow statement, partly offset by a decrease from currency translation of £20.7 million.

Deferred consideration decreased by £32.5 million to £225.7 million due to deferred consideration and retention payments of £43.8 million, a net credit from adjustments to previously estimated earn outs of £45.5 million, partly offset by charges relating to the retention of former owners of £40.9 million, £8.6 million of deferred consideration recognised on current year acquisitions, interest on unwinding of discounting of £3.5 million and an increase from currency translation of £3.8 million. Off balance sheet expected future payments, which are contingent on the continued retention of former owners of businesses acquired, decreased by £64.0 million to £53.2 million due to a £40.9 million decrease from retention of former owners which was recognised on the balance sheet during the year, a reduction to previously estimated contingent consideration of £28.3 million and unwinding of discounting of £3.5 million, partly offset by £7.9 million of contingent consideration for current year acquisitions and an increase from foreign exchange of £0.8 million. Total deferred and contingent consideration both on and off balance sheet at 31 December 2025 was £278.9 million (2024: £375.4 million).

The Group's net pension surplus of £17.4 million at 31 December 2025 has decreased by £2.4 million from the net pension surplus of £19.8 million at 31 December 2024, largely due to actuarial losses of £3.7 million.

Within net debt excluding lease liabilities, cash and cash equivalents have decreased by £892.8 million and bank overdrafts have decreased by £775.3 million following a focus on reducing the gross balances within the Group's cash-pooling arrangement.

Shareholders' equity increased by £2.1 million during the year to £2,792.8 million. Own shares purchased for cancellation during the year of £151.5 million includes the £200 million 2025 share buyback programme which was completed during the year, £1.3 million of stamp duty and £0.2 million of transaction costs less £50.0 million committed at 31 December 2024.

Movement in shareholders' equity	£m
Shareholders' equity at 31 December 2024	2,790.7
Currency (net of tax)	(36.7)
Profit for the year	459.8
Dividends	(242.2)
Own shares purchased for cancellation	(151.5)
Hyperinflation accounting adjustments	11.2
Actuarial loss on pension schemes (net of tax)	(2.8)
Share based payments (net of tax)	(0.4)
Employee share schemes (net of tax)	(35.3)
Shareholders' equity at 31 December 2025	2,792.8

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 2025 all covenants were complied with, with Covenant net debt to EBITDA of 1.8 times as at 31 December 2025 (31 December 2024: 1.5 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 2025, the Group issued under the terms of its Euro Medium Term Note ('EMTN') programme a £250 million senior unsecured bond maturing in 2031 and a £250 million senior unsecured bond maturing in 2036. The bonds issued extend the maturity profile of the Group's debt portfolio. At 31 December 2025 the nominal value of senior bonds outstanding was £1,334.8 million (2024: £1,113.2 million) with maturities ranging from 2030 to 2036. At 31

December 2025 the nominal value of USPPs outstanding was £579.2 million (2024: £798.6 million) with maturities ranging from 2026 to 2032. At 31 December 2025 the available committed bank facilities totalled £1,250.0 million (2024: £933.5 million) of which none (2024: none) was drawn down. During 2025, the Group refinanced all of its existing committed bank facilities with a syndicated bank facility of £950 million and bilateral bank facilities of £300 million, with a maturity of 2030.

The Group has a €1 billion euro-commercial paper programme and a \$1 billion US commercial paper programme, under which it can issue short term notes. At 31 December 2025, the nominal value of commercial paper in issue was £87.0 million (2024: £144.6 million) 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 2027 of approximately £116.3 million relating to maturing USPPs.

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 severe but plausible downside scenario. Further details are set out in Note 1.

Consolidated income statement
for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Revenue	3	11,845.4	11,776.4
Operating profit	3	735.3	799.3
Finance income	4	54.6	72.6
Finance expense	4	(181.3)	(178.0)
Disposal of businesses	9	11.9	(20.3)
Profit before income tax		620.5	673.6
Income tax	5	(160.7)	(172.6)
Profit for the year		459.8	501.0
Profit is attributable to:			
Company's equity holders		459.2	500.4
Non-controlling interests		0.6	0.6
Profit for the year		459.8	501.0
Earnings per share attributable to the Company's equity holders			
Basic	7	141.5p	149.6p
Diluted	7	140.9p	148.7p
Dividend per share	6	74.1p	73.9p
Alternative performance measures†			
Operating profit	3	735.3	799.3
Adjusted for:			
Amortisation excluding software	3	151.5	148.3
Acquisition related items through operating profit		23.5	31.7
Non-recurring pension scheme credit	3	-	(3.2)
Adjusted operating profit		910.3	976.1
Finance income	4	54.6	72.6
Adjusted finance expense	4	(177.8)	(175.8)
Adjusted profit before income tax		787.1	872.9
Tax on adjusted profit	5	(204.6)	(222.4)
Adjusted profit for the year		582.5	650.5
Adjusted profit is attributable to:			
Company's equity holders		581.9	649.9
Non-controlling interests		0.6	0.6
Adjusted profit for the year		582.5	650.5
Adjusted earnings per share attributable to the Company's equity holders	7	179.3p	194.3p

† See Note 2 for further details of the alternative performance measures.

Consolidated statement of comprehensive income
for the year ended 31 December 2025

	2025 £m	2024 £m
Profit for the year	459.8	501.0
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Actuarial loss on defined benefit pension schemes	(3.7)	(35.1)
Tax on items that will not be reclassified to profit or loss	0.9	8.2
Total items that will not be reclassified to profit or loss	(2.8)	(26.9)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation differences on foreign operations	(31.8)	(193.3)
Reclassification from translation reserve to income statement on disposal of foreign operations	(5.6)	18.7
(Loss)/gain recognised in cash flow hedge reserve	(6.9)	6.3
Gain taken to equity as a result of effective net investment hedges	5.2	20.3
Tax on items that may be reclassified to profit or loss	1.8	(1.7)
Total items that may be reclassified subsequently to profit or loss	(37.3)	(149.7)
Other comprehensive expense for the year	(40.1)	(176.6)
Total comprehensive income	419.7	324.4
Total comprehensive income is attributable to:		
Company's equity holders	419.2	323.8
Non-controlling interests	0.5	0.6
Total comprehensive income	419.7	324.4

Consolidated balance sheet
at 31 December 2025

	Notes	2025 £m	2024 £m
Assets			
Property, plant and equipment		231.1	213.3
Right-of-use assets	10	682.1	697.6
Intangible assets	11	3,618.1	3,683.8
Defined benefit pension assets		34.2	35.8
Derivative financial assets		6.1	-
Deferred tax assets		21.9	14.1
Total non-current assets		4,593.5	4,644.6
Inventories		1,682.6	1,760.9
Trade and other receivables		1,729.4	1,634.1
Income tax receivable		15.8	13.0
Derivative financial assets		10.8	28.0
Cash and cash equivalents	14	540.1	1,432.9
Assets classified as held for sale		-	15.7
Total current assets		3,978.7	4,884.6
Total assets		8,572.2	9,529.2
Equity			
Share capital		104.2	106.4
Share premium		215.5	212.1
Translation reserve		(356.6)	(324.6)
Other reserves		22.0	24.3
Retained earnings		2,803.9	2,769.2
Total equity attributable to the Company's equity holders		2,789.0	2,787.4
Non-controlling interests		3.8	3.3
Total equity		2,792.8	2,790.7
Liabilities			
Interest bearing loans and borrowings	14	1,736.5	1,361.7
Defined benefit pension liabilities		16.8	16.0
Other payables		240.2	255.4
Provisions		55.4	49.7
Lease liabilities	13	555.5	573.7
Derivative financial liabilities		62.9	82.8
Deferred tax liabilities		258.7	263.3
Total non-current liabilities		2,926.0	2,602.6
Bank overdrafts	14	212.6	987.9
Interest bearing loans and borrowings	14	203.8	619.2
Trade and other payables		2,108.4	2,206.1
Income tax payable		77.6	63.7
Provisions		57.5	57.1
Lease liabilities	13	187.0	180.4
Derivative financial liabilities		6.5	15.8
Liabilities relating to assets classified as held for sale		-	5.7
Total current liabilities		2,853.4	4,135.9
Total liabilities		5,779.4	6,738.5
Total equity and liabilities		8,572.2	9,529.2

Consolidated statement of changes in equity
for the year ended 31 December 2025

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves [◊] £m	Retained earnings [†] £m	Total attributable to the Company's equity holders £m	Non-Controlling Interest £m	Total equity £m
At 1 January 2025	106.4	212.1	(324.6)	24.3	2,769.2	2,787.4	3.3	2,790.7
Profit for the year					459.2	459.2	0.6	459.8
Actuarial losses on defined benefit pension schemes					(3.7)	(3.7)	-	(3.7)
Foreign currency translation differences on foreign operations			(31.7)			(31.7)	(0.1)	(31.8)
Reclassification from translation reserve to income statement on disposal of foreign operations			(5.6)			(5.6)	-	(5.6)
Gain taken to equity as a result of effective net investment hedges			5.2			5.2	-	5.2
Loss recognised in cash flow hedge reserve				(6.9)		(6.9)	-	(6.9)
Income tax (charge)/credit on other comprehensive income			0.1	1.7	0.9	2.7	-	2.7
Total comprehensive income			(32.0)	(5.2)	456.4	419.2	0.5	419.7
2024 interim dividend					(66.7)	(66.7)	-	(66.7)
2024 final dividend					(175.5)	(175.5)	-	(175.5)
Movement from cash flow hedge reserve to inventory (net of tax)				0.6		0.6	-	0.6
Hyperinflation accounting adjustments ¹					11.2	11.2	-	11.2
Issue of share capital	0.1	3.4				3.5	-	3.5
Own shares purchased for cancellation					(151.5)	(151.5)	-	(151.5)
Own shares cancelled	(2.3)			2.3		-	-	-
Employee trust shares					(38.8)	(38.8)	-	(38.8)
Share based payments (net of tax)					(0.4)	(0.4)	-	(0.4)
At 31 December 2025	104.2	215.5	(356.6)	22.0	2,803.9	2,789.0	3.8	2,792.8

	Share capital £m	Share premium £m	Translation reserve £m	Other reserves [◊] £m	Retained earnings [†] £m	Total attributable to the Company's equity holders £m	Non-Controlling Interest £m	Total equity £m
At 1 January 2024	108.6	205.2	(170.2)	16.7	2,806.0	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 income			(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					(301.2)	(301.2)	-	(301.2)
Own shares cancelled	(2.3)			2.3		-	-	-
Employee trust shares					(16.6)	(16.6)	-	(16.6)
Share based payments (net of tax)					19.0	19.0	-	19.0
At 31 December 2024	106.4	212.1	(324.6)	24.3	2,769.2	2,787.4	3.3	2,790.7

¹ IAS 29 'Financial Reporting in Hyperinflationary Economies' remains applicable for the Group's businesses with a functional currency of the Turkish lira. 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.

[◊] Other reserves comprise merger reserve of £2.5m (2024: £2.5m), capital redemption reserve of £20.7m (2024: £18.4m) and a negative cash flow hedge reserve of £1.2m (2024: positive £3.4m).

[†] Retained earnings comprise earnings of £2,870.2m (2024: £2,832.5m), offset by own shares of £66.3m (2024: £63.3m).

Consolidated cash flow statement
for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Cash flow from operating activities			
Profit before income tax		620.5	673.6
Adjusted for:			
net finance expense	4	126.7	105.4
amortisation excluding software		151.5	148.3
acquisition related items through operating profit	3	23.5	31.7
non-recurring pension scheme credit		-	(3.2)
disposal of businesses	9	(11.9)	20.3
Adjusted operating profit		910.3	976.1
Adjustments:			
depreciation and software amortisation	16	253.2	235.8
other non-cash items	16	3.1	18.6
working capital movement	16	(30.5)	(97.1)
Cash generated from operations before acquisition related items		1,136.1	1,133.4
Cash outflow from acquisition related items	8	(43.4)	(42.0)
Income tax paid		(179.7)	(180.5)
Cash inflow from operating activities		913.0	910.9
Cash flow from investing activities			
Interest received		50.9	61.4
Purchase of property, plant and equipment and software		(71.5)	(54.4)
Sale of property, plant and equipment and software		2.7	17.2
Purchase of businesses net of cash acquired	8	(118.5)	(636.2)
Disposal of businesses net of cash disposed	9	17.0	2.9
Cash outflow from investing activities		(119.4)	(609.1)
Cash flow from financing activities			
Interest paid excluding interest on lease liabilities		(127.3)	(126.6)
Dividends paid		(242.2)	(228.6)
Increase in borrowings		495.4	561.7
Repayment of borrowings		(559.2)	(132.9)
Receipts on settlement of foreign exchange contracts		8.9	24.2
Payment of lease liabilities – principal	13	(192.1)	(178.2)
Payment of lease liabilities – interest	13	(40.6)	(38.5)
Proceeds from issue of ordinary shares to settle share options		3.5	7.0
Proceeds from exercise of market purchase share options		2.8	53.7
Purchase of own shares		(204.8)	(247.9)
Purchase of employee trust shares		(46.3)	(75.0)
Cash outflow from financing activities		(901.9)	(381.1)
Decrease in cash, cash equivalents and overdrafts		(108.3)	(79.3)
Cash, cash equivalents and overdrafts at start of year		445.0	551.9
Decrease in cash, cash equivalents and overdrafts		(108.3)	(79.3)
Currency translation		(9.2)	(27.6)
Cash, cash equivalents and overdrafts at end of year	14	327.5	445.0

Consolidated cash flow statement (continued)
for the year ended 31 December 2025

Alternative performance measures[†]	Notes	2025 £m	2024 £m
Cash generated from operations before acquisition related items		1,136.1	1,133.4
Purchase of property, plant and equipment and software		(71.5)	(54.4)
Sale of property, plant and equipment and software		2.7	17.2
Payments of lease liabilities	13	(232.7)	(216.7)
Operating cash flow		834.6	879.5
Adjusted operating profit		910.3	976.1
Add back depreciation of right-of-use assets	10	197.8	186.1
Deduct payment of lease liabilities	13	(232.7)	(216.7)
Lease adjusted operating profit		875.4	945.5
Cash conversion (operating cash flow as a percentage of lease adjusted operating profit)		95%	93%
Operating cash flow		834.6	879.5
Net interest paid excluding interest on lease liabilities		(76.4)	(65.2)
Income tax paid		(179.7)	(180.5)
Free cash flow		578.5	633.8

[†] See Note 2 for further details of the alternative performance measures.

Notes

1. Basis of preparation and accounting policies

a) Basis of accounting

The Group's condensed consolidated financial statements for the year ended 31 December 2025 have been approved by the Board of directors of Bunzl plc, and derived from the audited Group consolidated financial statements for the year ended 31 December 2025, 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 audited Group 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.

Bunzl plc's 2025 Annual Report will be published in March 2026. The financial information set out herein does not constitute the Company's statutory accounts for the year ended 31 December 2025 but is derived from those accounts and the accompanying directors' report. Statutory accounts for 2025 will be delivered to the Registrar of Companies following the Company's Annual General Meeting which will be held on 22 April 2026. The auditors have reported on those accounts; their report was unqualified and did not contain statements under section 498 sections (2) and (3) of the Companies Act 2006.

The comparative figures for the year ended 31 December 2024 are not the Company's statutory accounts for the financial year but are derived from those accounts which have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain statements under section 498 sections (2) and (3) of the Companies Act 2006.

(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 2027 starting with a base case projection derived from the Group's 2026 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 80% (cash conversion in 2025 was 95% and in 2024 was 93%).

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. In order for a breach of covenants to occur during the 18 month period to the end of June 2027 the Group would need to experience a reduction in EBITDA of over 45% 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 2025

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, 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. The movement in the publicly available official price index for the year ended 31 December 2025 was an increase of 31% (2024: increase of 44%) in Turkey.

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 2025, this resulted in an increase in goodwill of £5.2m (2024: £7.5m). The impacts on other non-monetary assets and liabilities were immaterial. The impact to retained earnings during the year was a gain of £11.2m (2024: gain of £17.1m).

1. Basis of preparation and accounting policies (continued)

The total impact to the Consolidated income statement during the year was a charge of £6.6m (2024: £9.8m) to profit after tax from hyperinflation accounting adjustments, comprising a £6.8m adverse impact (2024: £9.9m adverse impact) on adjusted profit before tax and a decreased tax charge of £0.2m (2024: £0.1m 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 2026 and beyond to have a material impact on its consolidated results or financial position.

2. 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
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 7)
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 7)
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)

2. Alternative performance measures (continued)

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)
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 12)
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 14)
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 2025 so that they can be compared without the distorting impact of changes caused by foreign exchange translation. The principal exchange rates used for 2025 and 2024 can be found in the Financial Review.

There have been no new alternative performance measures during the period and all alternative performance measures have been calculated consistently with the methods applied in the consolidated financial statements for the year ended 31 December 2024.

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 comprises deferred consideration payments 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 includes 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 2025 there were no non-recurring pension scheme charges. 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. Disposal of businesses in the year ended 31 December 2025 relates to the profit on disposal of R3 Safety in North America on 31 January 2025. Disposal of businesses in the year ended 31 December 2024 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.

2. Alternative performance measures (continued)

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.

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 2025

	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Adjusting items			Statutory measures £m	
				Non-recurring pension scheme credit £m	Disposal of businesses £m			
Adjusted operating profit	910.3	(151.5)	(23.5)	-		735.3	Operating profit	
Finance income	54.6					54.6	Finance income	
Adjusted finance expense	(177.8)		(3.5)			(181.3)	Finance expense	
Disposal of businesses	-				11.9	11.9	Disposal of businesses	
Adjusted profit before income tax	787.1	(151.5)	(27.0)	-	11.9	620.5	Profit before income tax	
Tax on adjusted profit	(204.6)	39.5	5.7	-	(1.3)	(160.7)	Income tax	
Adjusted profit for the year	582.5	(112.0)	(21.3)	-	10.6	459.8	Profit for the year	
Adjusted earnings per share attributable to the Company's equity holders	179.3p	(34.5)p	(6.6)p	-	3.3p	141.5p	Basic earnings per share attributable to the Company's equity holders	

Year ended 31 December 2024

	Alternative performance measures £m	Amortisation excluding software £m	Acquisition related items £m	Adjusting items			Statutory measures £m	
				Non-recurring pension scheme credit £m	Disposal of businesses £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	

3. 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 2025

	North America £m	Continental Europe £m	UK & Ireland £m	Rest of the World £m	Corporate £m	Total £m
Revenue	6,276.7	2,442.0	1,883.6	1,243.1		11,845.4
Adjusted operating profit/(loss)	440.5	204.7	153.1	145.3	(33.3)	910.3
Amortisation excluding software	(51.9)	(44.8)	(26.3)	(28.5)		(151.5)
Acquisition related items through operating profit	(3.1)	(18.4)	10.6	(12.6)		(23.5)
Non-recurring pension scheme credit	-	-	-	-	-	-
Operating profit/(loss)	385.5	141.5	137.4	104.2	(33.3)	735.3
Finance income						54.6
Finance expense						(181.3)
Disposal of businesses						11.9
Profit before income tax						620.5
Adjusted profit before income tax						787.1
Income tax						(160.7)
Profit for the year						459.8
Operating margin	7.0%	8.4%	8.1%	11.7%		7.7%
Return on average operating capital	40.5%	34.5%	40.5%	35.5%		37.0%
Purchase of property, plant and equipment	19.7	17.6	11.9	6.3	0.1	55.6
Depreciation of property, plant and equipment	11.2	12.5	12.0	6.5	0.2	42.4
Additions to right-of-use assets	59.0	55.5	31.2	11.3	-	157.0
Depreciation of right-of-use assets	88.2	45.8	42.2	20.9	0.7	197.8
Purchase of software	3.1	5.6	6.1	1.0	0.1	15.9
Software amortisation	3.8	5.1	2.5	1.2	0.4	13.0

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

3. Segment analysis (continued)

	2025 £m	2024 £m
Acquisition related items		
Deferred consideration relating to the retention of former owners of businesses acquired	47.1	45.5
Transaction costs and expenses	11.2	25.9
Adjustments to previously estimated earn outs and minority options	(45.5)	(42.0)
	12.8	29.4
Customer relationships impairment charges (Note 11)	10.7	2.3
	23.5	31.7

4. Finance income/(expense)

	2025 £m	2024 £m
Interest on cash and cash equivalents	29.6	46.7
Interest income from foreign exchange contracts	21.6	19.9
Net interest income on defined benefit pension schemes in surplus	2.0	3.1
Interest related to income tax	0.4	1.8
Other finance income	1.0	1.1
Finance income	54.6	72.6
Interest on loans and overdrafts	(119.3)	(122.4)
Lease interest expense	(40.6)	(38.5)
Interest expense from foreign exchange contracts	(12.9)	(6.1)
Net interest expense on defined benefit pension schemes in deficit	(0.8)	(0.7)
Fair value (loss)/gain on US private placement notes and senior bonds in a hedge relationship	(26.5)	3.9
Fair value gain/(loss) on interest rate swaps in a hedge relationship	25.9	(4.1)
Foreign exchange loss on intercompany funding	(12.7)	(35.5)
Foreign exchange gain on external debt and foreign exchange forward contracts	12.4	34.8
Interest related to income tax	-	(1.4)
Monetary loss from hyperinflation accounting ¹	(2.3)	(3.6)
Other finance expense	(1.0)	(2.2)
Adjusted finance expense	(177.8)	(175.8)
Interest on unwinding of discounting on deferred consideration	(3.5)	(2.2)
Finance expense	(181.3)	(178.0)
Net finance expense	(126.7)	(105.4)

¹See 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.

5. Income tax

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% (2024: 25.0%). Although the Group is subject to the global minimum tax regime known as Pillar 2, 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:

	2025 £m	2024 £m
Profit before income tax	620.5	673.6
Weighted average rate	25.6%	25.1%
Tax charge at weighted average rate	158.7	168.9
Effects of:		
non-deductible expenditure	7.1	9.7
impact of intercompany finance	1.0	1.4
change in tax rates	0.1	(0.4)
inflation: tax and accounting impacts	1.2	1.3
adjustments in respect of prior years	(7.2)	(7.9)
other current year items	(0.2)	(0.4)
Income tax on profit	160.7	172.6

In assessing the underlying performance of the Group, management uses adjusted profit before income tax. The tax effect of the adjusting items (see Note 2) 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.

	2025 £m	2024 £m
Income tax on profit	160.7	172.6
Tax associated with adjusting items	43.9	49.8
Tax on adjusted profit	204.6	222.4
Profit before income tax	620.5	673.6
Adjusting items (Note 2)	166.6	199.3
Adjusted profit before income tax	787.1	872.9
Reported tax rate	25.9%	25.6%
Effective tax rate	26.0%	25.5%

6. Dividends

Total dividends for the years in which they are recognised are:

	2025 £m	2024 £m
2023 interim		61.0
2023 final		167.6
2024 interim	66.7	
2024 final	175.5	
Total	242.2	228.6

Total dividends per share for the year to which they relate are:

	Per share	
	2025	2024
Interim	20.2p	20.1p
Final	53.9p	53.8p
Total	74.1p	73.9p

The 2025 interim dividend of 20.2p per share was paid on 5 January 2026 and comprised £64.8m of cash. The 2025 final dividend of 53.9p per share will be paid on 2 July 2026 to shareholders on the register at the close of business on 22 May 2026. The 2025 final dividend will comprise approximately £173m of cash.

7. Earnings per share

	2025 £m	2024 £m
Profit for the year attributable to the Company's equity holders	459.2	500.4
Adjusted for:		
amortisation excluding software	151.5	148.3
acquisition related items	27.0	33.9
(profit)/loss on disposal of businesses	(11.9)	20.3
non-recurring pension scheme credit	-	(3.2)
tax credit on adjusting items	(43.9)	(49.8)
Adjusted profit for the year attributable to the Company's equity holders	581.9	649.9
	2025	2024
Basic weighted average number of ordinary shares in issue (million)	324.6	334.4
Dilutive effect of employee share plans (million)	1.4	2.1
Diluted weighted average number of ordinary shares (million)	326.0	336.5
Basic earnings per share attributable to the Company's equity holders	141.5p	149.6p
Adjustment	37.8p	44.7p
Adjusted earnings per share attributable to the Company's equity holders	179.3p	194.3p
Diluted basic earnings per share attributable to the Company's equity holders	140.9p	148.7p
Adjustment	37.6p	44.4p
Adjusted diluted earnings per share attributable to the Company's equity holders	178.5p	193.1p

8. Acquisitions

2025

Summary details of the businesses acquired during the year ended 31 December 2025 are shown in the table below:

Business	Sector	Country	Acquisition date 2025	Percentage of share capital acquired	Annualised revenue £m
Inpakomed	Healthcare	Netherlands	31 March	100%	2.5
Quindesur	Foodservice and Cleaning & Hygiene	Spain	1 July	100%	11.5
Hospitalia	Healthcare	Chile	8 July	100%	21.2
Solupack	Foodservice	Brazil	31 July	70%	17.9
Guantes Internacionales	Safety	Mexico	1 August	100%	15.8
Caterline	Foodservice	Ireland	10 September	100%	5.6
Anta y Jesús	Cleaning & Hygiene	Spain	30 September	100%	4.7
Damito s.r.o	Cleaning & Hygiene	Slovakia	31 October	80%	13.1
Completed acquisitions					92.3

8. Acquisitions (continued)

There were no individually significant acquisitions in 2025. The acquisition of Nisbets in 2024 was considered to be individually significant due to its impact on intangible assets. The acquisition is therefore separately disclosed in the table below. A summary of the effect of acquisitions in 2025 and 2024 is shown below:

	Total 2025 £m	Nisbets £m	Other £m	Total 2024 £m
Customer and supplier relationships	49.5	124.6	160.0	284.6
Brands	3.9	78.3	5.0	83.3
Property, plant and equipment and software	5.9	62.5	9.2	71.7
Right-of-use asset	5.2	55.7	17.3	73.0
Inventories	11.3	77.0	34.7	111.7
Trade and other receivables	29.2	59.6	71.9	131.5
Trade and other payables	(13.1)	(103.0)	(37.4)	(140.4)
Net cash	1.0	43.4	16.5	59.9
External debt	-	(5.6)	(0.7)	(6.3)
Provisions	(13.2)	(10.5)	(22.3)	(32.8)
Lease liabilities	(5.2)	(55.7)	(18.0)	(73.7)
Income tax payable and deferred tax liabilities	(21.2)	(45.8)	(65.4)	(111.2)
Fair value of net assets acquired	53.3	280.5	170.8	451.3
Less non-controlling interests	-	(2.7)	-	(2.7)
Goodwill	50.9	187.5	170.3	357.8
Consideration	104.2	465.3	341.1	806.4
Satisfied by:				
cash consideration	95.6	377.6	297.6	675.2
deferred consideration	8.6	87.7	43.5	131.2
	104.2	465.3	341.1	806.4
Contingent payments relating to the retention of former owners	17.4	42.1	50.7	92.8
Interest relating to discounting of deferred consideration	-	15.1	2.2	17.3
Net cash acquired	(1.0)	(43.4)	(16.5)	(59.9)
Transaction costs and expenses	11.2	12.4	13.5	25.9
Total committed spend in respect of acquisitions completed in the current period	131.8	491.5	391.0	882.5

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

	Total 2025 £m	Nisbets £m	Other £m	Total 2024 £m
Cash consideration	95.6	377.6	297.6	675.2
Net cash acquired	(1.0)	(43.4)	(16.5)	(59.9)
Deferred consideration payments	23.9	-	20.9	20.9
Net cash outflow on purchase of businesses	118.5	334.2	302.0	636.2
Transaction costs and expenses paid	12.1	11.0	14.6	25.6
Payments relating to retention of former owners	31.3	-	16.4	16.4
Cash outflow from acquisition related items	43.4	11.0	31.0	42.0
Total cash outflow in respect of acquisitions	161.9	345.2	333.0	678.2

Acquisitions completed in the year ended 31 December 2025 contributed £37.4m (2024: £398.3m) to the Group's revenue, £6.9m (2024: £34.8m) to the Group's adjusted operating profit and £5.8m (2024: £20.1m) to the Group's operating profit for the year ended 31 December 2025.

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:

	2025 £m	2024 £m
Revenue	92.3	744.2
Adjusted operating profit	16.0	72.0

8. Acquisitions (continued)

Deferred consideration

The table below gives further details of the Group's deferred consideration liabilities:

	2025 £m	2024 £m
Minority options - acquisition of non-controlling interests	127.8	158.4
Earn outs	33.6	33.7
Deferred consideration held at fair value	161.4	192.1
Minority options - retention payments of former owners	44.4	50.3
Other	19.9	15.8
Total deferred consideration	225.7	258.2
Current	29.4	43.6
Non-current	196.3	214.6
Total deferred consideration	225.7	258.2
Expected future payments which are contingent on the continued retention of former owners of businesses acquired not yet recognised on balance sheet	53.2	117.2
Total deferred and contingent consideration – on and off balance sheet	278.9	375.4

The maturity profile of total deferred and contingent consideration is set out in the table below.

	2025 £m	2024 £m
Within one year	31.4	44.2
After one year but within two years	81.7	19.3
After two years but within five years	165.8	301.3
After five years	-	10.6
	278.9	375.4

2024

Summary details of the businesses acquired or agreed to be 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	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 Implantas	Healthcare	Brazil	03 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	01 December	100%	20.7
Others*					12.5
Acquisitions agreed and completed in the year					744.2

*Others includes two acquisitions agreed in 2024.

9. Disposal of businesses

The Group completed the disposal of R3 Safety in North America on 31 January 2025. Disposal of businesses 2024 related 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.

The profit/loss on disposal of businesses comprised:

	2025	2024
	£m	£m
Profit/(loss) on disposal of businesses		
Cash consideration received	17.6	4.4
Net assets disposed	(10.4)	(6.0)
Recycling of historical foreign exchange gains/(losses)	5.6	(18.7)
Transaction costs and provisions	(0.9)	-
Profit/(loss) on disposal of businesses	11.9	(20.3)

The net cash inflow in the year in respect of disposal of business comprised:

	2025	2024
	£m	£m
Cash flow from disposal of businesses		
Cash consideration received	17.6	4.4
Cash and cash equivalents disposed	-	(1.5)
Transaction costs paid	(0.6)	-
Net cash inflow	17.0	2.9

10. Right-of-use assets

2025	Property £m	Motor Vehicles £m	Equipment £m	Total £m
Net book value at beginning of year	577.7	83.9	36.0	697.6
Acquisitions (Note 8)	4.8	0.4	-	5.2
Additions	102.2	39.2	15.6	157.0
Depreciation charge in the year	(151.0)	(34.0)	(12.8)	(197.8)
Remeasurement adjustments	30.4	(0.8)	-	29.6
Currency translation	(7.6)	(0.5)	(1.4)	(9.5)
Net book value as at 31 December 2025	556.5	88.2	37.4	682.1

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 8)	69.8	2.9	0.3	73.0
Disposal of businesses	(0.2)	(0.1)	(0.1)	(0.4)
Transferred to assets held for sale	(1.5)	-	-	(1.5)
Additions	97.9	44.4	19.0	161.3
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 as at 31 December 2024	577.7	83.9	36.0	697.6

11. Intangible assets

	Customer and supplier					Total £m
	Goodwill £m	relationships £m	Brands £m	Technology £m	Software £m	
2025						
Cost						
Beginning of year	2,297.8	2,653.5	130.6	8.8	130.1	5,220.8
Acquisitions (Note 8)	50.9	49.5	3.9	-	-	104.3
Disposal of businesses	-	(13.0)	-	-	-	(13.0)
Adjustment for hyperinflation accounting ¹	5.2	-	-	-	-	5.2
Additions					15.9	15.9
Disposals					(5.9)	(5.9)
Currency translation	(7.3)	(5.6)	(1.4)	0.5	1.3	(12.5)
End of year	2,346.6	2,684.4	133.1	9.3	141.4	5,314.8
Accumulated amortisation and impairment						
Beginning of year	11.7	1,417.7	14.2	3.5	89.9	1,537.0
Amortisation charge in year		140.4	9.3	1.8	13.0	164.5
Impairment charge in year		10.7				10.7
Disposal of businesses		(13.0)			-	(13.0)
Disposals					(5.9)	(5.9)
Currency translation	(0.3)	3.0	(0.4)	0.2	0.9	3.4
End of year	11.4	1,558.8	23.1	5.5	97.9	1,696.7
Net book value at 31 December 2025	2,335.2	1,125.6	110.0	3.8	43.5	3,618.1
2024						
	Customer and supplier					
	Goodwill £m	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 8)	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 year		139.4	7.1	1.8	11.9	160.2
Impairment charge in 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

¹See Note 1 for further details.

Goodwill, customer 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 8.

Based on our impairment testing, the Group has recognised an impairment charge of £10.7m relating to the customer relationships asset of a safety business within the Rest of Continental Europe cash generating unit in Continental

Europe (2024: £2.3m relating to the customer relationships intangible asset of a foodservice business within the Benelux and Germany cash generating unit in Continental Europe).

12. Working capital

	2025 £m	2024 £m
Inventories	1,682.6	1,760.9
Trade and other receivables	1,729.4	1,634.1
Trade and other payables – current	(2,108.4)	(2,206.1)
(Deduct)/add back net non-trading related receivables and payables	(15.5)	21.3
	1,288.1	1,210.2

See Note 16 for the cash flow impact of movements in working capital which exclude the impact from foreign exchange movements, acquisitions and the disposal of businesses.

13. 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 10.

	2025 £m	2024 £m
Movement in lease liabilities		
Beginning of year	754.1	664.5
Acquisitions (Note 8)	5.2	73.7
Disposal of businesses (Note 9)	-	(0.4)
Transferred to liabilities held for sale	-	(1.6)
New leases	157.0	161.3
Interest charge in the year	40.6	38.5
Payment of lease liabilities	(232.7)	(216.7)
Remeasurement adjustments	29.3	50.4
Currency translation	(11.0)	(15.6)
End of year	742.5	754.1
Ageing of lease liabilities:		
Current lease liabilities	187.0	180.4
Non-current lease liabilities	555.5	573.7
End of year	742.5	754.1

14. Cash, cash equivalents and overdrafts and net debt

	2025 £m	2024 £m
Cash at bank and in hand	472.8	1,369.1
Money market funds	67.3	63.8
Cash and cash equivalents	540.1	1,432.9
Bank overdrafts	(212.6)	(987.9)
Cash, cash equivalents and overdrafts	327.5	445.0
Interest bearing loans and borrowings - current liabilities	(203.8)	(619.2)
Interest bearing loans and borrowings - non-current liabilities	(1,736.5)	(1,361.7)
Derivatives managing the interest rate risk and currency profile of the debt	(51.1)	(75.5)
Net debt excluding lease liabilities	(1,663.9)	(1,611.4)
Lease liabilities (Note 13)	(742.5)	(754.1)
Net debt including lease liabilities	(2,406.4)	(2,365.5)

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:

	2025 £m	2024 £m
Cash at bank and in hand net of amounts in the cash pool	280.6	406.9
Money market funds	67.3	63.8
Bank overdrafts net of amounts in the cash pool	(20.4)	(25.7)
Cash, cash equivalents and overdrafts	327.5	445.0

15. Movement in net debt

2025	Cash, cash equivalents and overdrafts £m	Interest bearing loans and borrowings £m	Derivatives £m	Net debt £m
Beginning of year excluding lease liabilities	445.0	(1,980.9)	(75.5)	(1,611.4)
Cash flow excluding movements in other components of net debt	73.9	-	-	73.9
Interest paid excluding interest on lease liabilities	(127.3)	-	-	(127.3)
Increase in borrowings	495.4	(495.4)	-	-
Repayment of borrowings	(559.2)	559.2	-	-
Receipts on settlement of foreign exchange contracts	8.9	-	(8.9)	-
Net cash outflow	(108.3)	63.8	(8.9)	(53.4)
Non-cash movement in debt	-	(33.9)	26.1	(7.8)
Realised gains on foreign exchange contracts	-	-	8.9	8.9
Currency translation	(9.2)	10.7	(1.7)	(0.2)
End of year excluding lease liabilities	327.5	(1,940.3)	(51.1)	(1,663.9)
Lease liabilities	-	(742.5)	-	(742.5)
End of year including lease liabilities	327.5	(2,682.8)	(51.1)	(2,406.4)

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 inflow/(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 gains 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	-	(754.1)	-	(754.1)
End of year including lease liabilities	445.0	(2,735.0)	(75.5)	(2,365.5)

16. 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.

	2025	2024
	£m	£m
Depreciation and software amortisation		
Depreciation of right-of-use assets	197.8	186.1
Other depreciation and software amortisation	55.4	49.7
	253.2	235.8

	2025	2024
	£m	£m
Other non-cash items		
Share based payments	3.5	17.2
Provisions	(6.6)	0.6
Retirement benefit obligations	0.1	1.1
Hyperinflation accounting adjustments	4.4	6.0
Other	1.7	(6.3)
	3.1	18.6

	2025	2024
	£m	£m
Working capital movement		
Decrease/(increase) in inventories	48.4	(94.3)
(Increase)/decrease in trade and other receivables	(72.0)	0.7
Decrease in trade and other payables	(6.9)	(3.5)
	(30.5)	(97.1)

17. 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 'Related Party Disclosures'. There have been no transactions with those related parties during the year ended 31 December 2025 that have materially affected the financial position or performance of the Group during this period. All transactions with subsidiaries are eliminated on consolidation.

Principal risks and uncertainties

The Group operates in six core market sectors in 33 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 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:

- A Organic growth
- B Acquisition growth
- C Operating model improvements
- D Sustainability

New principal risk

Following the impact in 2025 associated with the change programme in the Group's largest business in North America, the Group has included an additional principal risk relating to major change programme execution. The business primarily services foodservice and grocery customers and its operating performance during the course of a major change programme has materially impacted the Group's results in 2025. Subsequently, a series of actions were taken to improve performance (i.e. leadership changes to focus on commercial agility and operational excellence, empowering the local management and delivering margin benefits through further own brand launches, in addition to accelerating cost saving initiatives).

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 during the year 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 33 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 countries 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 2025
Strategic risks			
<p>1. Competitive pressures Revenue and profits are reduced as the Group loses a customer or lowers prices due to competitive pressures</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A</p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 has a layered governance structure that includes strategic planning and budget reviews, retrospective commercial analysis, digital KPI reporting, forecasting, and regular CFO updates to the Board ensuring early identification and effective response to the flagged risks. 	<ul style="list-style-type: none"> Execution challenges related to a change in the operating model of our largest operating company, Bunzl North America Distribution, alongside a challenging macroeconomic environment resulted in wallet share loss within its foodservice customer base. The business has been focused on actions to improve performance and has seen business wins in the second half of 2025. Continental Europe has strengthened its focus on new business pipeline management and delivery of incremental cost savings against a challenging macroeconomic backdrop. 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.
<p>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</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A</p>	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> In 2025, 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 2025, provisions relating to the Group's credit exposure from customers remained broadly unchanged.

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 2025
Strategic risks (cont.)			
<p>3. Product cost deflation Revenue and profits are reduced due to the Group's need to pass on cost price reductions</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, C</p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The pricing impact was broadly stable across the Group over 2025, although some businesses continued to be impacted by deflation, such as our cleaning & hygiene businesses in France, reflective of a post Covid-19 normalisation of pricing, and a weak economy.

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 2025
Strategic risks (cont.)			
<p>4. Cost inflation Profits are reduced due to the Group's inability to pass on product or operating cost increases</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, C</p>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The Group experienced significant product cost inflation in recent years. Selling prices to customers were continually evaluated and updated 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, overall, was more typical over the year, with wage inflation across the US, UK & Ireland and Continental Europe being at normalised levels, which we expect to remain the case in 2026. • Property cost inflation, linked to lease renewals, moderated from recent high levels and fuel and freight inflation was moderate and supported by the annualisation of prior year contract retendering in North America. • Operating cost growth was partially supported by cost actions taken, such as restructuring projects and warehouse consolidations and relocations.

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 2025
Strategic risks (cont.)			
<p>5. Inability to make further acquisitions Profit growth is reduced from the Group's inability to acquire new companies</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>B</p>	<ul style="list-style-type: none"> Acquisitions are a key component of the Group's growth strategy and one of the key sources of the Group's competitive advantage, having completed 237 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The acquisition pipeline is closely monitored with continued research of any available opportunities for investment. During 2025, the Group's committed acquisition spend was £132 million and the pipeline remains active.
<p>6. Unsuccessful acquisition Profits are reduced, including by an impairment charge, due to an unsuccessful acquisition or acquisition integration</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, B</p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. Defined delegation of authority limits provide robust oversight of all acquisition thresholds and associated requirements. 	<ul style="list-style-type: none"> The acquisition pipeline is reviewed by 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 2025, the Board reviewed the principal acquisitions made in 2023 and noted that in aggregate they outperformed acquisition case expectations.

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 2025
Strategic risks (cont.)			
<p>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</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, D</p>	<ul style="list-style-type: none"> • 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. • 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. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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 introduction of new EPR rules place higher financial and operational obligations on businesses for the end-of-life management of packaging, creating strong incentives to move away from non-recyclable or hard-to-recycle materials. As compliance costs rise and reporting requirements become more stringent, customers are increasingly prioritising solutions that minimise liability under EPR frameworks. This shift is re-focusing attention on our alternative material ranges (including own brand) and reinforcing the importance of proactive engagement through our sustainability tools and advisory services. • 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.

			<ul style="list-style-type: none"> The Group continued to expand and introduce new ranges of own brand products made from alternative materials.
--	--	--	---

Operational risks			
<p>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</p> <p>Risk owner: CIO</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, C</p>	<ul style="list-style-type: none"> 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, AI initiatives, 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, data loss, reputational damage and loss of customers and/or a fine under applicable data protection legislation. 	<ul style="list-style-type: none"> Concurrent with the Group's IT investments, the Group is continuing to improve information security policies and controls to improve its ability to govern, monitor, prevent, detect and respond to cyber threats. There is a global Information Security Programme which applies a risk-based framework of mandatory and enhanced controls tailored to each business. There is a central team for strategy and governance, supported by embedded Information Security professionals across business areas aligned to the Bunzl operating model. 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. 	<ul style="list-style-type: none"> 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.
<p>9. Major change programme execution Revenue and profits are reduced due to unsuccessful execution of a major change programme</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: New Risk</p> <p>Included in viability statement: Yes</p> <p>A, C</p>	<ul style="list-style-type: none"> If a major change programme is not delivered in line with expectations, a business unit or group of business units may suffer service interruptions, cost overruns, or efficiency losses. This can adversely affect customer and supplier confidence and Group profitability, especially if the issue occurs in a material business. Bunzl has a limited number of individual businesses that are material at the Group level. 	<ul style="list-style-type: none"> All major change initiatives are regularly reviewed by the business area heads in conjunction with the Group CEO. Steering committees are established to monitor progress of major change programmes. Business area reviews, including people with relevant experience from across the Group, provide the first line of defence. 	<ul style="list-style-type: none"> During 2025, this risk was elevated and added as a new principal risk, reflecting the issues associated with the change programme in the Group's largest business in North America, which primarily services foodservice and grocery customers. In the Group's largest business in North America, a series of actions were taken to improve performance (e.g. leadership changes to focus on commercial agility and operational excellence, empowering the local management and delivering margin benefits through further own brand launches, in addition to accelerating cost saving initiatives).

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 2025
Financial risks			
<p>10. Availability of funding Insufficient liquidity in financial markets leading to insolvency</p> <p>Risk owner: CFO</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, B, C</p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Group arranges a mixture of borrowings from different sources. The Group 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. 	<ul style="list-style-type: none"> During 2025, the Group refinanced c.£930 million of bilateral revolving credit facilities with £1,250 million of new revolving credit facilities maturing in 2030 (comprising a £950 million syndicated facility and £300 million of bilateral facilities). The Group also launched a US commercial paper programme alongside its existing euro-commercial paper programme which diversifies short term funding sources. The Group refinanced c.£470 million of maturing long term debt with two £250 million Eurobonds in the capital markets, with maturities in 2031 and 2036.
<p>11. Climate change risk Change in temperature and climate conditions that causes business disruption and economic loss for the Group</p> <p>Risk owner: CEO and business area heads</p> <p>Change to risk level: No change</p> <p>Included in viability statement: Yes</p> <p>A, C, D</p>	<ul style="list-style-type: none"> Certain markets and regions are 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. 	<ul style="list-style-type: none"> 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 wildfires in Australia. Setting emissions reduction targets and tracking progress through our Climate Change Committee 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'. 	<ul style="list-style-type: none"> 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 selected the NGFS model (Phase 4) for its versatility in evaluating both transition and physical risks. We 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 updated our financial impact assessment, which has led us to the conclusion that there was no material change to our risk level. In 2025, we considered the output of the comprehensive exercise completed in the prior year and concluded that there was no change to our risk assessment, which is expressed as a percentage of PBITA and is therefore not impacted by changes in absolute PBITA forecasts.

Forward-looking statements

This announcement 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.

Responsibility statements

This responsibilities statement has been prepared in connection with the Group's consolidated financial statements, extracts of which are included within this announcement.

The Annual Report, which includes the financial statements, complies with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority in respect of the requirement to produce an annual financial report.

Each of the directors, whose names and functions are set out in the 2025 Annual Report, confirm that, to the best of their knowledge:

the Group financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards and International Financial Reporting Standards issued by the 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, 'Reduced Disclosure Framework', give a true and fair view of the assets, liabilities, financial position and profit 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 they face.

On behalf of the Board

Frank van Zanten
Chief Executive Officer
2 March 2026

Richard Howes
Chief Financial Officer