



ENVIRONMENT POLICY

Bunzl plc and its subsidiaries ('Bunzl' or 'the Group')

Policy statement

We recognise that the sourcing, consolidation, distribution and use of our products involves the use of natural resources and can create emissions and waste.

We aim to reduce our impact on the environment, including factors contributing to climate change, through a commitment to continual improvement, complying with environmental legislation and regulations in the jurisdictions where Group companies operate to ensure that our major impacts are addressed.

In addition we promote the efficient use of resources and energy in our supply chain as well as in our own operations.

Supply chain

The Supplier code of conduct establishes our expectations for suppliers regarding the environment. The Supplier code of conduct also applies to subcontractors.

We take a risk based approach towards supplier evaluation and auditing. Suppliers who are unable to meet all the requirements will be given the opportunity to comply fully within a period which is deemed appropriate for the circumstances. If a supplier is not making sufficient progress, then this could lead to a suspension or termination of the relationship.

We will respect all legal requirements regarding raw materials and manufacturing processes (e.g. EU timber regulation, REACH) relevant to our product ranges and expect our business to develop and maintain appropriate controls and processes to ensure that they can demonstrate compliance.

We seek only to purchase responsibly sourced wood fibre products and will not knowingly accept from our supply chain paper based products that may contain wood fibre harvested illegally or sourced from protected forest areas.

Operations

In our operations we continually consider and implement activities and management systems to ensure that our major environmental impacts are addressed as follows:

- **Energy.** We continually seek to reduce the amount of fuel used by our fleet by the introduction of energy efficient vehicles, routing systems and improving drivers' skills. Further we strive to reduce the electricity we use for lighting our warehouses by the use of available technologies and where possible appropriate building modifications. We only heat warehouses where necessary due to either regulations and/or cold weather conditions. We also consider the use of renewable energy sources where appropriate to do so.
- **Waste.** We promote reduction of waste through the elimination of packaging and encourage reuse and recycling throughout our operations

Although the water consumption associated with our activities is limited, we also encourage the responsible use of water throughout our operations.

We monitor, audit and report our environmental performance, particularly in relation to our energy and greenhouse gas emissions.

Customers

We provide consolidated deliveries of our products through the use of our extensive warehousing and supply chain infrastructure. This allows us to offer our customers an efficient, one-stop-shop solution, thereby cutting fuel usage and carbon emissions and generating less waste.

We actively review product categories on sustainability aspects and, where appropriate, develop and offer alternative products that are more sustainable such as products with recycled content or made from materials from renewable sources. We will look to partner with customers to identify products/services to minimise waste, e.g. take-back or recycling programmes.

We work with our suppliers and customers to optimise product and packaging design and actively promote the use of products and materials that can be recycled. Sales staff are trained in understanding and demonstrating the benefits of sustainable products and in assisting our customers when making decisions about products and packaging that will help them to achieve their own sustainability goals.

Application of the policy

Each business area is responsible for ensuring that their activities, products and services are consistent with this policy and reflect the circumstances of their businesses including the needs of their customers. This includes training relevant people in understanding the sustainability implications of commercial decisions.

Business areas should:

- carry out periodic audits on compliance with the Group environmental standards and applicable regulatory requirements having established the criteria for selection and prioritisation of locations to be audited;
- establish objectives for improvement of environmental performance and allocation of adequate budgets for achievement of these objectives;
- implement a process to review and report specified environmental performance indicators to the Group in line with agreed deadlines; and
- nominate a representative with the responsibility to coordinate environmental matters related to operations in the relevant business area.

Businesses should:

- implement and maintain management systems and working practices to meet Group and legal requirements and, where appropriate, these management systems should be externally certified, such as ISO 14001;
- communicate our environmental requirements to employees and provide appropriate training;
- understand the risks and opportunities related to the environment and sustainability issues that are applicable to their product categories, market sector and geography and develop effective business strategies to protect or enhance Bunzl's revenue and profitability; and
- Report specified environmental performance indicators in the Group reporting system (BRMS).

Policy ownership and monitoring

The Environment policy and the associated environmental standards are owned by the Director of Group HR. The policy and standards are subject to review and revision on an ongoing basis. A formal review of the policy and the standards will be carried out at a minimum once every three years by the Corporate Responsibility Committee ('CRC').

Compliance with the requirements of the Environment policy and standards is monitored by the CRC. This includes a quarterly review of:

- progress of our supply chain action programmes;
- progress against targets to improve the key environmental performance indicators; and
- business area sustainability programmes.

The Director of Group HR will report to the Board of Bunzl plc any material updates on environmental and sustainability matters. This may include but is not limited to major legislative developments, changes in customer demands and society concerns and reports of our key environmental performance indicators.

21 August 2019