



Remuneration Committee (the “Committee”)
Terms of Reference

Bunzl plc (the “Company”)

1. Membership

- 1.1 The Committee shall comprise at least three members, all of whom shall be independent non-executive directors. The Chair of the Board of the Company (the “Board”) may also serve on the Committee as an additional member if they were considered independent on appointment as Chair of the Board.
- 1.2 Members of the Committee shall be appointed by the Board, on the recommendation of the Company’s Nomination Committee, in consultation with the Chair of the Committee. Appointments shall be for a period of up to three years, which may be extended for additional three-year periods, provided members continue to be independent.
- 1.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, the Director of Group HR and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The Board shall appoint the Committee Chair who shall be an independent non-executive director who should have served on a remuneration committee for at least 12 months prior to their appointment. In the absence of the Committee Chair and/or their appointed delegate, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these Terms of Reference to be appointed to that position by the Board. The Chair of the Board shall not be Chair of the Committee.

2. Secretary

The Director of Group HR, or their appointed delegate, shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

3. Quorum

The quorum necessary for the transaction of business shall be two members.

4. Frequency of meetings

The Committee shall meet at least three times a year and otherwise as required.

5. Notice of meetings

- 5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of the Committee’s members.



- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time. The Committee Chair shall develop and set the Committee's agenda, in consultation with the Secretary of the Committee, the Director of Group HR (if not the Secretary of the Committee) and, if appropriate, management and the Company Secretary.

6. Minutes of meetings

- 6.1 The Secretary of the Committee, or their appointed delegee, shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2 Directors shall declare the existence of any conflicts of interest at the beginning of each meeting and the Secretary of the Committee, or their appointed delegee, shall ensure that said declarations are included in the minutes of the meeting.
- 6.3 Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so.

7. Engagement with shareholders

The Committee Chair, or in their absence an appointed delegee, should attend the Company's Annual General Meeting ("AGM") to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

8. Duties

The Committee shall:

- 8.1 have delegated responsibility for determining the policy for directors' remuneration and setting remuneration and benefits for the Company's Chair and executive directors and senior management¹, in line with the Company's purpose, values and strategy and in furtherance of the long term sustainable success of the Company. The directors' remuneration policy should also give consideration to the Principles and Provisions of the Financial Reporting Council's UK Corporate Governance Code 2024 (the "Code");
- 8.2 oversee the framework or broad policy for remuneration schemes that promote long term shareholding by executive directors and support alignment with long

¹ For the purpose of these Terms of Reference, "senior management" means the first layer of management below Board level, including the Company Secretary.



term shareholder interests. Share awards should be subject to a total vesting and holding period in line with the Code, and there should be a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares;

- 8.3 design remuneration policies and practices to support strategy and promote long term sustainable success, with executive remuneration aligned to the Company's purpose and values, clearly linked to the successful delivery of the Company's long term strategy, and that enable the use of discretion to override formulaic outcomes. Directors' contracts and/or other agreements or documents which cover director remuneration should include malus and clawback provisions that would enable the Company to recover and/or withhold sums or share awards, and specify the circumstances in which it would be appropriate to do so;
- 8.4 when determining the directors' remuneration policy, consider the Code requirements for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture;
- 8.5 ensure that no director or senior manager shall be involved in any decisions as to their own remuneration outcome. The Board itself or, where required by the Articles of Association, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Articles of Association;
- 8.6 in determining the directors' remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Code and associated guidance. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders;
- 8.7 oversee the ongoing appropriateness and relevance of the directors' remuneration policy;
- 8.8 within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive Officer, as appropriate, determine the total individual remuneration package of each executive director, the Company Chair and senior managers including bonuses, incentive payments and share options or other share awards. The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of Company and individual performance, and wider circumstances;
- 8.9 have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company. The Committee should avoid designing pay structures based solely on benchmarking to the market or the advice of remuneration consultants;
- 8.10 review the design of all share incentive plans for approval by the Board and, where



required, shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards for executive directors and senior managers, and the performance targets to be used;

- 8.11 oversee the long term incentive plans for all employees;
- 8.12 ensure that all remuneration paid to the directors is in accordance with the Company's previously approved directors' remuneration policy from time to time and that, subject thereto, all contractual terms on termination, and any payments made, are fair to the individual and the Company; and
- 8.13 work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.

9. Reporting responsibilities

- 9.1 The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken.

The Committee shall:

- 9.2 make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for Board discussion when necessary;
- 9.3 provide a description of its work in the Company's annual report and accounts (the "Annual Report") in line with the requirements of the Code;
- 9.4 ensure that provisions regarding disclosure of information as set out in relevant legislation including the Companies Act 2006, The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, and the Code are fulfilled, and that a report on the directors' remuneration policy and practices is included in the Annual Report and put to shareholders for approval at the AGM as necessary; and
- 9.5 identify any appointed remuneration consultants in the Annual Report alongside a statement about any other connection the remuneration consultants have with the Company or individual directors.

10. Other matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for advice and assistance as required;
- 10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;



- 10.3 give due consideration to all relevant laws and regulations, the provisions of the Code and published guidelines or recommendations regarding the remuneration of company directors and the formation and operation of share incentive plans, the requirements of the Financial Conduct Authority's (the "FCA's") UK Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, and any other applicable rules, as appropriate;
- 10.4 ensure that an annual review of the Committee's performance is carried out and that such review is externally facilitated at least once every three years;
- 10.5 at least annually, review its constitution and these Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;
- 10.6 make available these Terms of Reference; and
- 10.7 describe its work in a distinct section of the Annual Report.

11. Authority

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within these Terms of Reference.

Approved by the Board on 11 December 2024.