

ESG Appendix

Packaging categories

- Packaging refers to packaging and other products within the foodservice, grocery and retail sectors which are facing legislation or consumer pressure.
- We have exercised our judgement to allocate sales to the packaging and non-packaging categories as explained below.
- In future years packaging and products may move between categories and / or may be added or removed (for example, as legislation changes, recyclability improves or if a new line of products is launched).

Category detail and name applied by Bunzl	#	Description	Example products in category
<p>Category detail: Single-use plastic products facing restriction</p> <p>Bunzl name: Consumable plastics facing regulation</p>	1	<p>The single-use plastic products most commonly facing restriction – i.e. outright bans or complete restriction on placing into the market within countries in which we operate – this is the category where we expect to see some volume reduction.</p> <p>We have expanded these specific regulations to all Business Areas where such products are sold. This is to provide consistency, as it can be reasonably expected that legislation will follow to those areas where it does not currently apply.</p>	Including but not limited to: Plastic cutlery Plastic plates, bowls, platters, and lids
<p>Category detail: Single-use plastic products facing regulation (not outright restriction)</p> <p>Bunzl name: Consumable plastics likely to transition</p>	2	<p>Single-use plastic products that have existing measures in place (either legislative in countries we operate or voluntarily by some brands/ businesses we sell to) to control their usage.</p> <p>As the use of these products is not completely restricted (i.e. there are no large-scale outright bans as with category 1) and the products themselves serve a functional purpose, we expect customers to transition away from these products to alternatives including reusable options.</p> <p>We have expanded these specific regulations to all Business Areas where such products are sold to provide consistency.</p>	Including but not limited to: Single-use plastic cups Paper cups and soup containers with plastic lining Lightweight plastic carrier bags
<p>Category detail: Single-use plastic products where plastic is an appropriate material for the job, where alternatives are not commercially available or where substitution could cause unintended environmental consequences</p> <p>Bunzl name: Packaging and products with an important purpose</p>	3	<p>Single-use plastic products where plastic is an appropriate material for the job from a functional perspective, where alternatives do not currently exist at scale or where unmitigated, careless substitution of plastic could lead to significant negative, unintended consequences such as higher carbon emissions, water use and food waste.</p>	Including but not limited to: Plastic food containers Plastic pouches, packets, and wrappers
<p>Category detail: Recyclable, reusable, compostable products, and those made from renewable resources</p> <p>Bunzl name: Packaging and products made from alternative materials</p>	4	<p>These are products that are recyclable or compostable, made from a renewable resource, for example palm leaf or sugar cane, plastic products containing a proportion of recycled content (where these products are also recyclable) and reusable products such as 'bags for life' or refillable coffee cups that are products specifically designed to be used more than once.</p> <p>These represent the alternative solutions our customers typically transition their single-use packaging and products to.</p> <p>National guidance (where it exists) has been used to determine the recyclability of a product.</p> <p>Due to the huge variation in recycling provisions globally we have expanded these criteria to all Business Areas where such products are sold to provide consistency.</p>	Including but not limited to: PET and rPET food containers Cardboard or paperboard containers Compostable plastic cups Reusable cups Alternative materials cutlery Alternative materials plates, bowls, platters, and lids Paper pouches, packets, and wrappers Paper bags Reusable carrier bags

Code of conduct

The Group's business code of conduct is a guide for every employee explaining how they are expected to conduct themselves both from a corporate and individual perspective.

	2019	2020	2021	Comment
Material breaches of code of conduct	0	0	0	No material breaches of our code of conduct were recorded in 2021.
Speak up	8	43	33	In 2021 we received 33 reports through our confidential whistle blowing process, 'Speak Up', none of which related to any issues of material concern. We promoted the service in September 2021 due to a change in supplier and new contact details and have received 13 cases since communicating these details. All reports raised were effectively resolved at a local level.

Suppliers

Bunzl's industry-leading sourcing and auditing function based in Shanghai works in partnership with our Asian suppliers to ensure the highest standards of product quality and to respect human rights and driving broad-based growth through responsible supply chains. Our Group Modern Slavery Statement gives further details on our approach which can be found on the Bunzl plc website.

	2019	2020	2021	Comment
Number of supplier audits and assessments covering environmental and social standards	707	680	754	The number of audits increased due to travel restrictions being relaxed in Asia. We have ceased our relationship with 10 suppliers that did not make sufficient progress to resolve non-acceptable non-conformities.

Greenhouse gas emissions data (Group)

Data for the period 1 October to 30 September	2019 (baseline year)	2020	2021
Scope 1			
Total emissions (tonnes of CO ₂ e)	99,193	90,568	87,125 ^o
Emission intensity (tonnes of CO ₂ e/£m revenue)	10.7	9.5	8.5 ^o
Natural gas usage (m ³)	8,912,413	8,082,813	8,272,123
Fuel usage (ltr)	31,523,097	29,306,537	28,060,702
Scope 2 – Location based			
Emissions (tonnes of CO ₂ e)	29,594	27,421	25,043 ^o
Emission intensity (tonnes of CO ₂ e/£m revenue)	3.2	2.9	2.4 ^o
Electricity usage (MWh)	83,062	80,276	79,057
Scope 2 – Market based			
Emissions (tonnes of CO ₂ e)	29,835	26,183	25,025
Emission intensity (tonnes of CO ₂ e/£m revenue)	3.2	2.7	2.4
Total gross emissions – location based			
Emissions (tonnes of CO ₂ e)	128,787	117,989	112,168 ^o
Emission intensity (tonnes of CO ₂ e/£m revenue)	13.9	12.4	10.9 ^o
Total energy (MWh)	516,775	480,711	470,941

^o Included in the external auditors limited assurance scope. See Data Assurance statement, which is available on our website, www.bunzl.com. The data for previous years was also assured as detailed in the respective Annual Reports.

Scope 1:

Target for 2021: Reduce emission intensity by 6% against 2019 (target excludes any foreign exchange translation effect on revenue).

The 2021 scope 1 carbon emissions intensity of 8.5 tonnes of CO₂e/£m revenue represents a 20% decrease versus 2019, including the effect of foreign exchange rate fluctuation. At constant exchange rates the emissions reduced by 23%.

Reduction of these emissions has been impacted by the continued unusual business circumstances due to the Covid-19 pandemic. The fuel consumption associated with company cars decreased further due to travel restrictions and the requirement for employees to work from home throughout the whole reporting year (October 2020 - September 2021). Fuel for transportation remains our highest source of CO₂e emissions, contributing 80% of Scope 1. Of those emissions relating to transportation, 83% are generated by our fleet of commercial vehicles.

Scope 2:

Target for 2021: Reduce emission intensity by 10% against 2019 (target excludes any foreign exchange translation effect on revenue).

The 2021 scope 2 location based intensity figure of 2.4 tonnes of CO₂e/£m revenue represents a 23% reduction in Scope 2 emissions versus 2019, including the effect of foreign exchange rate fluctuation. At constant exchange rates the reduction in emissions is 26%. These Scope 2 emissions take into account changes to the average country specific emission factors, but do not take into account low carbon electricity purchases (representing approximately 13% of electricity purchased). The remaining improvement in the Scope 2 index has been driven by the continued implementation of energy efficiency improvements such as low energy lighting. In 2021 we completed another 19 LED retrofit projects in North America which will result in savings of 3.1 thousand MWh every year. These savings represent 4% of our Group electricity usage.

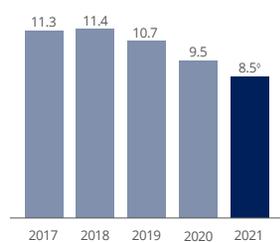
Scope 1 and 2:

Target for 2021: Reduce emission intensity by 6% against 2019 (target excludes any foreign exchange translation effect on revenue numbers).

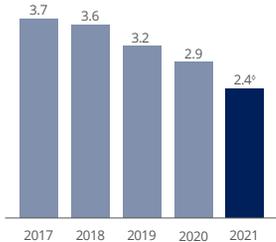
The 2021 combined scope 1 and 2 intensity figure of 10.9 tonnes of CO₂e/£m revenue represents a 21% reduction versus 2019, including the effect of foreign exchange rate fluctuation. At constant exchange rates the reduction in emissions is 24%.

Scope 1 carbon emissions

Tonnes of CO₂ per £m revenue
Measured in accordance with
the Greenhouse Gas Protocol
applying DEFRA conversion factors

**Scope 2 carbon emissions (location based)**

Tonnes of CO₂ per £m revenue
Measured in accordance with
the Greenhouse Gas Protocol
applying DEFRA conversion factors



◇ Included in external auditors' limited assurance scope. See Data Assurance statement which is available on our website, www.bunzl.com. The data for previous years was also assured as detailed in the respective Annual Reports.

Greenhouse gas emissions data (UK)*

Data for the period 1 October to 30 September	2019	2020	2021
Scope 1			
Total emissions (tonnes of CO ₂ e)	17,211	15,261	14,845
Natural gas usage (m ³)	469,573	486,661	419,138
Fuel usage (ltr)	6,271,182	5,606,760	5,572,556
Scope 2			
Emissions (tonnes of CO ₂ e)	2,660	2,847	2,511
Electricity usage (MWh)	10,405	11,140	9,823
Total gross emissions			
Emissions (tonnes of CO ₂ e)	19,871	18,108	17,356
Total energy consumption (MWh)	82,084	75,812	73,815
Emission intensity (tonnes of CO ₂ e/£m revenue)	17.0	14.9	14.6

* Energy usage and carbon emissions disclosed separately to adopt to the requirements of the UK Streamlined Energy and Carbon Reporting ("SECR") policy.

Our reported environmental data includes all businesses that are subsidiaries of the Group for financial reporting purposes, except for recent acquisitions where there has been insufficient opportunity for the businesses to adopt our reporting guidelines. The revenue from these businesses is not included when calculating the indexed emissions. The reported data covers 99.3% of the Group by revenue.

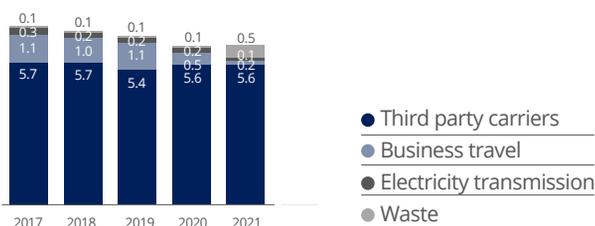
Bunzl has a Group-wide approach to recording, measuring and reporting energy and climate change data. Business Areas are responsible for data input and monitoring progress against targets and providing commentary on significant variances and on the implementation of projects aimed at improving EHS performance. All data is reported in the Group's central EHS reporting and consolidation system. More details can be found in the Group reporting guidelines on our website (<https://www.bunzl.com/sustainability/reports-and-progress.aspx>).

Scope 3:

Our reporting comprises emissions from third party carriers, business flights, waste and electricity transmission losses. The bar graph shows that third party carriers produce the largest proportion of our reported Scope 3 emissions. These emissions arise due to some of our businesses not having their own fleet and, in addition, all our businesses, irrespective of whether they have their own fleet, will distribute a proportion of goods by third party carriers where it is more efficient and cost-effective to do so. In 2022, we will undertake a screening of our scope 3 emissions sources and estimate the quantity of emissions from other scope 3 sources.

Scope 3 carbon emissions

Tonnes of CO₂e per £m revenue



12 months to 30 September

The increase in the CO₂ emissions associated with waste generation in 2021 due to the application of a new CO₂ emission factor

Waste

The amount of waste generated in our facilities in 2021 is approximately 22,000 tonnes which is approximately 4% lower compared to last year, mainly due to increased reporting accuracy. The recycling rates strongly depend on the locally available waste recycling options. In 2021, the recycling rate remained stable at approximately 50% of the generated waste. This excludes any post-disposal waste treatment and recycling carried out by waste handlers. The reported waste data covers approximately 95% of the Group by revenue.

To improve consistency and accuracy of waste reporting and management, we have carried out projects to consolidate waste contractors in UK and Australia. Accurate waste measurement remains challenging in geographies with less advanced waste management infrastructures.

Water

Direct water usage is not a significant environmental impact for our business as it is principally confined to staff hygiene and workplace cleaning. Our estimated water usage is 175,000 m³ of water per year. The usage is higher than last year due to increased number of FTEs in the group and increased operational hours at some of our sites. As we do not manufacture any of the goods we sell, water discharges, apart from internal sanitation, are limited to rainwater run-off from the yards of our locations.

Environmental management system certification

We have developed an internal EHS management system standard that is based on ISO 14001 and ISO 45001. Some parts of the business, mainly in UK & Ireland, Asia Pacific and Continental Europe, have elected to become formally certified. These businesses cover approximately 22% of the Group's operations (measured by revenue).

Health & safety

Health & safety indicators	2017	2018	2019	2020	2021
Average number of incidents per month per 100,000 employees	81	95	96	85	86°
Average number of days lost per month per 100,000 employees	1,890	2,370	3,110	3,040	2,615°
Fatalities	0	1	0	0	0

° Included in the external auditors' limited assurance scope see Data Assurance statement which is available on our website, www.bunzl.com. The data for previous years was also assured as detailed in the respective Annual Reports.

Targets for 2021:

Reduce the Group accident incidence rate by 5% from 2019. Reduce the Group accident severity rate by 5% from 2019.

The 2021 group accident incidence rate of 86 represents a 10% improvement versus 2019. The 2021 group accident severity rate of 2,615 represents a 16% improvement versus 2019.

Despite the continued challenging conditions due to the Covid-19 pandemic, we have continued the work to minimise our health and safety risks, particularly relating to the operation of our warehouses and vehicles, such as manual handling, falling, slipping and tripping and impact with equipment which remain the highest causes of accidents. We have taken several steps to embed a more pro-active safety culture in Bunzl. Across the Group we are now internally reporting on leading indicators such as near misses, safety meetings, safety observations and inspections. We are rolling out behavioural safety observation programmes, aimed at facilitating discussions with employees about safe and unsafe work practices. In France, where we have the highest incidence and severity rate in the Group, the roll out of the safety observation programme resulted in a 23% reduction of lost time accidents in 2021.

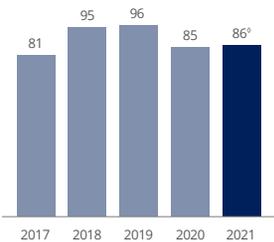
Target for 2022:

Reduce the Group accident incidence rate by 5% from 2021

Reduce the Group accident severity rate by 5% from 2021

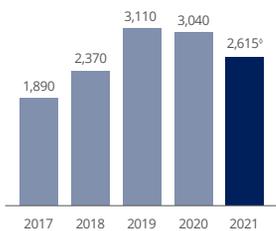
Incidence rate

Average number of incidents per month per 100,000 employees



Severity rate

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



12 months to 30 September

° Included in the external auditors' limited assurance scope. See Data Assurance statement which is available on our website, www.bunzl.com. The data for previous years was also assured as detailed in the respective Annual Reports.

Employees

Engaging with our employees with clear communications and the provision of learning and development opportunities

	Performance			What we said we would do in 2021	What we did	What we plan to do in 2022
	2019	2020	2021			
Employee turnover: Voluntary	15.4%	12.2%	17.3%	Review quarterly at the Executive Committee to ensure we understand and where appropriate address reasons for unintended voluntary turnover.	Continued to listen to employees who leave and share this data at Executive Committee level. Offered greater flexibility in working arrangements when possible.	Build on the strong engagement results and focus on the employee experience. Ensure employees continue to feel safe at work. Establish models of hybrid working.
Gender diversity: Women at senior management level	14%	16%	19%	Monitor progress of high potential females in network groups to track career development.	Increased focus on high potential females through regional and global monitoring. High potential females have been offered mentors; targeted development solutions.	Encourage more women into leadership roles though focussed and targeted activities and a continuation of leadership development initiatives.
Employee engagement index score	–	88%	86%	Run a Global engagement survey and where necessary local surveys to better understand trends and drivers of engagement.	Conducted two regional surveys in Latin America and Continental Europe focussed on understanding employees opinions regarding Diversity & Inclusion. Deployed a Global survey for all employees with an 80% response rate.	Ensure employees are involved in conversations to develop plans based on their local survey results. Run tailored local surveys to focus on specific areas to be improved or understood in more depth.

Senior management (%) and employees			Total workforce (%) and employees			Average number of employees (%)		Total workforce age profile (%)	
Males	81%	374	Males	63%	13,243	North America	39%	Under 30	15%
Females	19%*	88	Females	37%	7,778	Continental Europe	26%	30–39	24%
						UK & Ireland	19%	40–54	39%
						Rest of the World	16%	Over 55	22%

* 27.3% of the Executive Committee's direct reports are female (6 employees)

Source: HR from September 2021 (those employees eligible to receive grants of executive share options)	Source: HR from BRMS	Source: Note 24 on page 199	Source: HR from BRMS
---	-------------------------	--------------------------------	-------------------------

Charitable contributions

	2019	2020	2021
Charity donations (£000s)	669	2,271	1,271

Bunzl's operations are international but our strength lies in the local nature of our businesses. We support the communities where our employees live and work and encourage fundraising activities championed by our businesses and their employees locally. During the Covid-19 pandemic, many of our businesses supported initiatives in our local communities when it mattered most, meaning our charitable donations were higher in 2020 when compared to other years.

In 2019, we realigned our corporate charity programme to focus on environmental projects related to recycling, litter prevention, clean-up and waste management infrastructure. During 2021 we continued to support activities in these three areas:

- charitable projects that encourage packaging reuse and recycling, and work to educate consumers;
- litter clean-up and prevention initiatives operating in our markets, giving our employees the opportunity to get involved; and
- projects that build new waste management infrastructure and develop recycling skills in some of the world's poorest places, often in areas where plastic leakage to the natural environment is highest.

In addition to some of the projects referenced throughout this report (see page 49) we have funded a number of other environmental initiatives:

- we have continued our partnership with the UK-based charity Sea-Changers and our 'coastal fountain' fund for the provision of water bottle refill fountains at some of the UK's busiest beaches continued during 2021. We now have 10 fountains installed across the country.
- our overseas initiatives included developing a new plastics recycling unit in Douala, Cameroon employing 30 vulnerable people from the community to collect, sort and process plastic waste into valuable products and continuing our successful project in Mangalore, India where we have supported informal waste-collectors with the resources and skills to work with dignity and are launching a new scholarship programme for local children.

Group wide, Bunzl donated a total of £1,271,000 to charitable causes during 2021. This does not include amounts donated by Bunzl in matching funds raised by employees for local charities.