

# Kingfisher France Limited

## Strategic report

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The Directors, in preparing this Strategic report, have complied with section 414C of the Companies Act 2006.

### Principal activities

Kingfisher France Limited (the "Company") operates as a holding company within the Kingfisher plc group of companies (the "Group").

### Business review

The loss for the year, after taxation, amounted to £1,360,000 (2019/20: profit of £3,671,000). The loss is mainly due to foreign tax suffered.

Net assets at year end were £3,166,635,000 (2019/20:£3,166,312,000). This is predominately composed of investments in subsidiaries.

### Principal risks and uncertainties

The Company is a wholly-owned subsidiary of Kingfisher plc. From the perspective of the Directors, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The review of the business of Kingfisher plc and its subsidiaries, which provide a comprehensive analysis of the main trends and factors likely to affect the development, performance and position of the business, and a description of the principal risks and uncertainties facing the business can be found on pages 40 to 46 of the 2020/21 Kingfisher plc Annual Report and Financial Statements.

We have faced limited disruption to the Group resulting from Brexit and the overall impact on the Company is therefore manageable. We expect that initial issues that have affected wider operations to be resolved over time. The residual risk will be addressed within the Group's initiatives and changes to the Company's processes and system interfaces and, as a result, this is no longer assessed as a separate principal risk.

### Financial risk management

The Company operates as a holding company within the Group, and as such, is exposed to a variety of financial risks, which include interest and foreign exchange risk, liquidity and credit risk.

As part of the Group, these risks are managed centrally by Group Treasury, which has in place a board approved treasury policy and a risk management programme that ensures that the impact of such risks is minimised. Further information on the Group's financial risk management policies can be found in note 25 of the 2020/21 Kingfisher plc Annual Report and Financial Statements.

### Key performance indicators

The Directors manage the Company's operations on a group basis and so the Directors of the Company believe that analysis using key performance indicators for the Company is not necessary for an understanding of the development, performance or position of the business of the Company, other than the above mentioned net assets and (loss) / profit. The Group's development, performance and position is discussed in the 2020/21 Kingfisher plc Annual Report and Financial Statements, which does not form part of this report.

# Kingfisher France Limited

## Strategic report (continued)

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### S.172(1) and stakeholder engagement statement

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with Section 172 (s172) of the Companies Act 2006 (the Act). When making decisions, Directors have regard to the interests of stakeholders relevant to the Company, as a holding company. As well as the likely consequences of any decision in the long term, the desirability of the company maintaining a reputation for high standards of business conduct, and employee interests where appropriate. They also fulfil their responsibilities through Kingfisher's highly developed framework, which includes but is not limited to Kingfisher plc Group policies, business principles and the Kingfisher Code of Conduct.

As is normal for companies that are part of a wider Group of entities, such as Kingfisher France Limited, day-to-day management of the company is delegated to executives who, in turn, engage management in setting, approving, and overseeing execution of the business strategy and related policies. The Board of Kingfisher France Limited reviews financial and operational performance and legal and regulatory compliance pertinent to any decision they are taking.

The purpose of Kingfisher France Limited is primarily to act as a holding company within the Kingfisher Group and the company's key stakeholders are its affiliates in the wider Kingfisher Group in which it operates. While there may be cases where the board judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the Kingfisher Group means that generally our stakeholder engagement best takes place at an operational or Group level. We find that as well as being a more efficient and effective approach, this also helps us achieve a greater positive impact on environmental, social, and other issues than by working as an individual company. Due to the nature of the Company, no decisions were made by the Directors during the reporting period which required them to have regard to the matters set out in s172 of the Act. Please see pages 63 to 69 of the 2020/21 Kingfisher plc Annual Report and Accounts for details of operational and Group-level stakeholder engagement that takes place with the company's stakeholders as well as those of the Kingfisher Group regarding issues to which the Directors must have regard.

During the year, the Kingfisher Group received information to help it understand the interests and views of its key stakeholders and other relevant factors when making decisions. As a result of this, we as Directors of Kingfisher France Limited, have had an overview of engagement with stakeholders, and other relevant factors, which allows us to understand the nature of our stakeholders' concerns, and to comply with our s172 duty to promote success of the company for the benefit of its members as a whole. For examples of how that engagement influenced decisions at a Group level please see pages 63 to 69 of the 2020/21 Kingfisher plc Annual Report and Accounts.

### Future developments

The Directors expect the Company to continue its principal activity as a holding company.

Approved and authorised for issue by the board of directors:

P. Moore  
Director  
28 July 2021