

Kingfisher Sustainability data collection methodology 2018/19

About this document

This document explains our methodology for collecting and calculating data that is reported in our annual Sustainability Report (available to download at www.kingfisher.com/sustainability). Additional notes on the scope of our data are included in the data appendix of our Sustainability Report.

Our approach to data collection

We have two questionnaires to track progress on sustainability:

- **Sustainability Data Questionnaire** to monitor KPIs and data trends. This is completed on an annual basis by relevant Global functions and includes data from our markets, apart from Sustainable Home Product data, which is collected on a half-yearly basis.
- **Sustainability Targets Questionnaire** to monitor progress against targets. This is completed on an annual basis by relevant Global functions and includes data from our markets.

Data responsibilities and sign off

The Group sustainability reporting team is responsible for submitting the data and ensuring that appropriate processes and controls are in place to monitor and report progress against our sustainability KPIs and targets.

Assurance

External

Deloitte provided independent assurance of selected aspects of our 2018/19 data. Their assurance statement will be available to download at www.kingfisher.com/sustainability once our Sustainability Report has been published in July 2019. The statement also provides details on the scope of the external and internal audit work.

Internal

We have a comprehensive internal review process of our data, which is overseen by Deloitte.

- **Head Office review process:** This provides an overall sense check of the data. The process is co-ordinated by Bioregional who work alongside in-house and other third-party experts to review data.
- **Internal Audit:** As part of the assurance process, the sustainability data is audited internally following the Head Office review. The scope and audit methodology applied by the internal audit team are agreed with Deloitte. The purpose of the audit is to provide limited assurance over the accuracy, completeness and integrity of the sustainability data submitted. The audit results are formally reported to the Group sustainability reporting team and representatives from the responsible Global functions in the presence of Deloitte, where any data amendments are agreed.

Scope of data

We report on an 'operational control' basis, meaning that the data covers Kingfisher's markets where we have the full authority to introduce and implement operating policies.

Data for our joint venture Koçtaş is included in the following areas:

- Data on our people: employee numbers, diversity and accidents;
- Scope 3 Greenhouse Gas (GHG) emissions; category 'Investments'.

In addition, relevant data is collected from our Global Functions, such as Kingfisher IT and Offer & Sourcing. Our third-party sourcing offices in Brazil and India only report data on suppliers and partners, as other areas are out of scope.

Businesses are included in our report if they have been owned for the full financial year, to allow sufficient time to implement data collection processes and systems. In cases where we sell a subsidiary or joint venture, our approach is to exclude its performance in the year of sale and to restate the data from prior years, to enable a comparison of trends over time. In 2017/18, we acquired Praktiker in Romania; data on scope 1 and 2 emissions, and scope 3 emissions from waste, as well as data on our people will therefore be added in our 2018/19 report.

The detailed notes on data scope for each reporting area are presented in 'Our data collection detail' section, page 3.

Methodology

We restate prior year data if we identify any material errors or if we make significant changes to our data collection methodology or reporting criteria. Our materiality threshold is 5%, although we will assess any errors in the full context and, if appropriate, we may restate emissions if they fall under this threshold. We indicate any amendments to prior year data in the notes in the data appendix of our Sustainability Report.

Some KPI sections do not include data from our smaller markets in cases when the reported data is less than 1% of Group totals, and therefore highly immaterial to the reported figures. For relevant KPI sections, we indicate in our Sustainability Report the percentage of Group turnover attributed to the markets that are included in scope for that KPI.

We collect data for the Kingfisher financial year. The 2018/19 financial year runs from 1 February 2018 to 31 January 2019. All our targets have a 2016/17 baseline unless stated otherwise.

For property-related data (energy and waste), we include data for the 12-month calendar year, as financial year data is not available within our data collection timescales. In other situations where data is not available from our suppliers within our data collection timescales, our approach is to make estimates. Estimation methods are dependent on the data type and further details can be found in the 'Our data collection detail' section below.

Our data collection detail

SAVE MONEY BY SAVING ENERGY AND WATER

Target: Enable a 50% reduction in customer energy use through our products, services and advice

Customer energy

Methodology	<ul style="list-style-type: none">• To assess the impact of household energy improvements, theoretical models were set up using SAP software (Standard Assessment Procedure). This basic building physics programme allows dwellings to be assessed against required energy efficiency levels of a notional UK building of the same dimensions, for Building Regulation Part L compliance purposes.• Three iterations (or product substitutions) were then applied to see what impact intermediate, deep and extreme retrofit scenarios had on energy use. The average whole dwelling energy figures (KWh) from two models (assuming extreme retrofit) amount to a 66% reduction. 50% was chosen as Kingfisher's 2025 target.• Two models were used: a post 1930s 3-bed semi-detached, and a pre-1930s 3-bed mid-terrace.• To report progress against the target, the following approach is taken:<ul style="list-style-type: none">○ Our product sales are analysed to check which energy product categories (e.g. appliances, insulation) are actively being ranged; this produces a yes or no answer;○ For each category with active product lines, a notional percentage energy saving is applied based on the percentage reduction achieved in an average UK house (using methodology above), e.g. 18% for insulation, 10% for appliances.○ The sum of all the notional scores gives the total % reduction for each market;○ Markets' total scores are weighted according to overall sales to produce a group-wide average.
Units	<ul style="list-style-type: none">• % saving on energy consumption (kWh) of typical UK house

Lifetime energy savings from customer use of products

Methodology	<ul style="list-style-type: none"> • We make an estimate of the amount of energy saved by our customers through the use of our energy-using/saving products they have purchased in our stores over the current reporting year. This estimate is made using a model we have developed with sustainability experts Bioregional: <ul style="list-style-type: none"> ○ We report the number of energy-using/saving products sold which meet the energy-saving criteria in our Sustainable Home Product Guidelines. These are broken down into different product types e.g. insulation, energy efficient appliances. Our Sustainable Home Product Guidelines are available to download at www.kingfisher.com/shpguidelines. ○ For each product, the model multiplies the number of products sold by the typical annual energy saving for that type of product, then by the average lifetime of that product. The energy savings are based upon assumptions obtained through research and calculations delivered by Bioregional. The assumptions are based on typical usage patterns in UK homes. ○ We then sum the energy savings for all energy-using/saving products sold during the year. • N.B. In our previous Customer Energy Savings methodology (used until 2016/17) we assumed that all products sold since 2011/12 were still in use and we therefore calculated the cumulative annual savings so far from these products. In reality, some of these products may no longer be used by our customers so we adapted the model in 2017/18. The new reported figure takes into account the average lifetime of different product types to provide the estimated energy saving potential over the products' life. These lifetime energy savings are now reported upfront, in the year the product is sold. As a result of the updates, the previously reported Customer Energy Savings figure up to 2016/17 is no longer comparable. Under the old methodology it would have taken another few years for the full lifetime savings to be included in the reported figure whereas under the new methodology the lifetime savings are included in the year the product is sold.
Units	<ul style="list-style-type: none"> • kWh

Target: Enable a 50% improvement in customer water efficiency through our products, services and advice

Customer water

Methodology	<ul style="list-style-type: none"> • To assess the impact of household water improvements, a bottom-up theoretical model was set up using flow rates and estimated utilisation based on research in UK households and cross-checked with average total household consumption. • Three iterations (or product substitutions) were then applied to see what impact non-best practice, Expect and Exceed scenarios had on water use. These levels are based on the criteria set out in the Sustainable Home Product Guidelines. The average whole dwelling water consumption (m³) reduced by up to 50% with Exceed. • To report progress against the target, the following approach is taken: <ul style="list-style-type: none"> ○ Our product sales are analysed to check which water product categories are being ranged; ○ For each category with active product lines, a notional water saving in a UK house is applied (based on the methodology above); e.g. 13% for low flush toilets, 13% for low flow shower heads; ○ The total score for each market is the sum of the notional savings; ○ Markets' scores are weighted according to overall sales to produce a group-wide figure.
Units	<ul style="list-style-type: none"> • % saving on water consumption (m³) of typical UK house

Reduced water consumption from customer use of products

Methodology	<ul style="list-style-type: none"> • We estimate the annual reduction in customer water footprint from the use of our water-using/saving products since 2016/17. This estimate is made using a model we have developed with sustainability experts Bioregional: <ul style="list-style-type: none"> ○ We report the number of water using/saving products sold; ○ For each product, the model multiplies the number of products sold by the typical annual water consumption for that type of product. The water footprint is based upon assumptions obtained through research and calculations delivered by Bioregional. The assumptions are based on typical usage patterns and adjusted according to the country in which they are being used. ○ We then calculate the total footprint for all water using/saving products sold during the year. • The claimed reduction is a m³ reduction from the baseline year (2016/17), e.g. if the footprint in 2016/17 is 10,000 m³, and the footprint for 2017/18 is 8,000 m³, then there is a 2,000 m³ reduction.
Units	<ul style="list-style-type: none"> • m³

Target: Reduce absolute carbon emissions from buildings and transport by 25% from a 2010/11 baseline (2020)

Carbon footprint

The scope of our target to reduce our carbon footprint covers emissions from *property energy use and dedicated delivery fleets*. We consider these as our Scope 1 and 2 emissions. Our Scope 2 emissions have been calculated using a location-based approach. We took the decision in 2018 to no longer report our scope 1 emissions from business travel by road, as this falls under our 5% materiality threshold.

We report the breakdown of our CO₂e emissions in line with the three scopes defined under the WRI/WBCSD GHG Protocol: Scope 1 (direct emissions), Scope 2 (energy indirect emissions) and Scope 3 (other indirect emissions). Although this is not part of our target to reduce our carbon footprint, we report on our Scope 3 (including waste, investments, non-dedicated delivery fleets, transmission & distribution, and well-to-tank) and our out-of-scope (including emissions from biofuel, biomass and forecourt fuels containing biofuel) CO₂e emissions. Note that from 2018/19, we will no longer report our scope 3 emissions from business travel by air and from water consumption as it is below our materiality threshold of 5%. Our full carbon footprint is included in the data appendix of our Sustainability Report.

Methodology for calculating CO₂ equivalent (CO₂e) emissions:

- We calculate our carbon emissions using the CO₂e emission factors published annually by the UK Government (DEFRA/BEIS), except where indicated below. The data for 2018/19 is calculated using the '2018 UK Government GHG Conversion Factors for Company Reporting', version 1.0 (expiry 31 July 2019). We record activity data (e.g. electricity consumption, gas consumption) and multiply by the relevant emission factors.
- The CO₂e includes the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).
- We do not restate CO₂e emissions for past years unless the change in emission factors is material to our data. Our materiality threshold is 5% although we will assess any errors in the full context and if appropriate, we may restate emissions if they fall under this threshold.
- We have progressively extended the scope of our carbon footprint data for logistics and energy, and have indicated where data is unavailable rather than back-calculating data.

Organisational boundary:

- We use an operational control boundary, in line with the operational control approach as defined by the WRI/WBCSD GHG Protocol.
- We include emissions from our wholly-owned subsidiaries. For our Koçtaş joint venture, as we do not have full operational control, we include proportional emissions under Scope 3 (category investments).

Property

Definitions	<ul style="list-style-type: none"> • <i>Floor space</i>: All areas of the building where we use energy; it includes gross internal area of our buildings and external sales area of stores.
Scope	<ul style="list-style-type: none"> • Our property energy data covers energy used in stores, offices and other buildings (e.g. distribution centres or data centres) that are owned or leased by us. • We do not include data for distribution centres which are not owned or leased by us. We also exclude one of our distribution centres in France which is leased by us but is a multi-tenanted site, making it difficult to obtain specific energy consumption data. We expect this to be immaterial to Group level energy consumption. • Our reported floor space is the actual average over the year, taking into account the opening and closing dates of properties. This gives us an accurate picture of our energy intensity for our markets that opened new stores during the year. • We do not currently collect or report on refrigerants, though they are used in a portion of our store portfolio, because emissions fall below our materiality threshold of 5%.
Data collection	<ul style="list-style-type: none"> • Our markets record energy data either through Automated Meter Readings (AMRs) or consumption data on invoices. They make estimates if data is unavailable, based on an appropriate extrapolation approach e.g. actual energy expenditure or usage based on an equivalent sized store.
Units	<ul style="list-style-type: none"> • Reported floor space (m²) • Energy consumption (kWh)
Details on emission factors used	<ul style="list-style-type: none"> • <i>Electricity</i>: country-specific (i.e. location-based) emission factors are used, based on the different energy mixes used to generate electricity in each country. For our UK operations, these are obtained from DEFRA/BEIS. For all our non-UK operations, we obtain the emission factors from the IEA (source: IEA Emissions Factors, 2018 edition). The emissions factors for non-UK electricity are in CO₂ only (not CO₂e). We also publish a market-based Scope 2 CO₂ total since 2015/16, for which we use a combination of conversion factors according to the data hierarchy (as defined under the WRI/WBCSD GHG Protocol): <ul style="list-style-type: none"> ○ Zero or low carbon conversion factors for renewable energy products/tariffs where Guarantees of Origin are available; ○ Supplier-specific residual mix emission rates where available; ○ Supplier-specific overall emission rates where a breakdown of tariff-specific information is not available; ○ National residual mix emission rates, available for European countries from Association of Issuing Bodies. The data for 2018/19 is calculated using the 'European Residual Mixes 2017, Version 1.13, 11 July 2018. ○ Location-based emission rates, for countries outside Europe and for district heating. For electricity, we use the IEA emissions factors; for district heating, we use the DEFRA/BEIS emission factors. • <i>Gas and other fuels</i>: standard DEFRA/BEIS factors for gas and other fuels we consume (e.g. gas oil, diesel, LPG/propane, biomass) used. We use the 'gross' calorific value (higher heating value) for gas and other fuels where there is an option to use 'gross' or 'net' values.

	<ul style="list-style-type: none"> • <i>District heating</i>: UK location-based district heating emission factors are used since we do not have country-specific information. We also calculate location-based transmission and distribution emissions from district heating in our Scope 3 data (see details below). We do not yet have supplier-specific emissions rates for district heating and we have therefore also used the location-based emission factors in our market-based Scope 2 emissions totals.
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Haulage – dedicated fleet

Definitions	<ul style="list-style-type: none"> • <i>Dedicated fleets</i>: fleets we directly control, including those which are operated on our behalf by a third-party contractor.
Scope	<ul style="list-style-type: none"> • Store deliveries: all outbound journeys for product deliveries from distribution centres and inbound journeys to distribution centres. • Home deliveries: all outbound journeys for product deliveries from our distribution centres and stores to customer homes.
Data collection	<ul style="list-style-type: none"> • Data for dedicated fleets on fuel use and volume delivered is based on actual data recorded through our logistics monitoring.
Units	<ul style="list-style-type: none"> • Store deliveries: volume of products delivered (m³), fuel use data (litres), distance travelled (km) • Home deliveries: volume of products delivered (m³), fuel use data (litres), distance travelled (km)
Details on emission factors used	<ul style="list-style-type: none"> • <i>Diesel and petrol</i>: '100% mineral fuel' emission factors used, except in the UK where we use the 'average biofuel blend' emission factors since 2011/12; and in France, where we calculate specific biofuel blends based on the French minimum biofuel targets: 7% in petrol and 7.7% in diesel. • <i>LPG, LNG and biomethane</i>: standard DEFRA/BEIS factors used. • Where fuel use is unknown for haulage, we calculate CO₂e from km travelled, using the DEFRA/BEIS emission factor for 'all HGVs, UK average loading'.

Scope 3 elements

Haulage – non-dedicated fleets (road & rail; sea & air freight)

Definitions	<ul style="list-style-type: none"> • <i>Non-dedicated fleets</i>: distribute products in vehicles which carry goods on behalf of several companies i.e. they do not distribute exclusively for Kingfisher.
Scope	<ul style="list-style-type: none"> • We report carbon emissions from our non-dedicated fleets for road and rail transport as well as exports via sea and air arranged by Kingfisher Buying Offices.
Units	<ul style="list-style-type: none"> • Road: volume of products delivered (m³), fuel use data (e.g. kg, litres), and distance travelled (km) • Rail: tonne km • Sea freight: TRU km and kgCO₂/TEU km • Air freight: tonne km

Details on emission factors used	<ul style="list-style-type: none"> • <i>Rail transport</i>: UK rail freight emission factors from DEFRA/BEIS used since country-specific information is not available. • <i>Sea and air transport for buying office exports</i>: emission factors for sea freight (DEFRA/BEIS 'average container ship') and air freight (DEFRA/BEIS 'short haul, to/from UK' and 'long haul, to/from UK') used. For haulage air transport we use the DEFRA/BEIS conversion factors which include an 8% uplift factor and a 90% increase due to radiative forcing.
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Other Scope 3 emissions: waste, investments, transmission & distribution and well-to-tank

Details on emission factors used	<ul style="list-style-type: none"> • <i>Waste</i>: emissions from waste are calculated using different emission factors for waste to landfill, incineration and recycling. Since the factors only cover transport to the combustion facility, the same factor is used for incineration with energy recovery and incineration without energy recovery. We have reported these carbon emissions since 2013/14, which was the first year we collected a more detailed breakdown of our waste by landfill and incineration. • <i>Investments</i>: proportional Scope 1 and 2 emissions from any investments, where we have at least a 50% share included. • <i>Transmission and distribution</i>: <ul style="list-style-type: none"> ○ <i>Electricity transmission and distribution</i>: country-specific (i.e. location-based) emission factors used. ○ <i>District heating transmission and distribution</i>: UK location-based district heating emission factors used, since country-specific information is not available. • <i>Well-to-tank</i>: <ul style="list-style-type: none"> ○ <i>Electricity well-to-tank</i>: country-specific (i.e. location-based) emission factors used. Data reported going back to 2005/06, using annually updated emission factors. ○ <i>District heating well-to-tank</i>: UK location-based district heating emission factors used, since country-specific information is not available. Data reported going back to 2005/06, using annually updated emission factors. ○ <i>Gas and other fuels well-to-tank</i>: country-specific (i.e. location-based) emission factors used. We use the 2013 emission factor for gas and other fuels for all years up to 2013/14 (since annual emission factors have only been provided from 2012).
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LIVE SMARTER BY GETTING MORE FROM LESS, RE-USING OR USING LONGER

Target: 20 products or services that help customers get more from less, reuse or use longer

Methodology	<ul style="list-style-type: none"> • Bioregional developed a bespoke circular value chains assessment methodology for Kingfisher to be able to report against this target. The assessment includes a scoring guide with criteria for all elements of the value chain – from cradle to end-of-life – across the following six areas: <ul style="list-style-type: none"> ○ <i>Safe materials</i>: Materials should be safe for both humans and nature; ○ <i>Sustainable materials</i>: Materials should be chosen for their circularity benefits; ○ <i>Utility & function</i>: For circularity, increasing product lifetime and the amount it is used is important. The product should serve a genuine need and be designed to enable multiple lives through reuse; ○ <i>Energy & carbon</i>: Fossil fuel energy is a finite resource and pollutes the atmosphere. Circular systems require renewable, clean energy; ○ <i>Water stewardship</i>: Water is a finite resource. The product should not negatively impact on the natural cycle of water, maintaining constant levels and quality; ○ <i>Ethical responsibility</i>: For continuous circular production, people involved need to be treated fairly and work conditions must be appropriate and safe. • The criteria explore how circular the product and value chain are and is scored to four levels: Fail, Bronze, Silver and Gold. Bioregional undertakes the assessment of proposed products/services, engaging with Kingfisher stakeholders and Tier 1 suppliers to acquire the necessary information. Products scoring bronze level and above will count towards our target. • Products put forward for assessment must be widely available to customers and not in pilot phase.
Units	<ul style="list-style-type: none"> • Number of products/services

Target: Ensure sustainable management and efficient use of key resources (2025) including 100% responsibly sourced wood and paper and peat-free bagged growing media (2020)

Paper used in catalogues (GNFR)

Definitions	<ul style="list-style-type: none"> • <i>Responsibly sourced wood and paper</i>: wood and paper which is from 'proven well-managed forests or recycled sources'. Kingfisher's Wood and Paper Policy sets out criteria for 'proven well-managed forests or recycled sources'. • <i>Paper used in catalogues (GNFR)</i>: paper used in catalogues (goods not for resale).
Scope	<ul style="list-style-type: none"> • Responsibly sourced criteria for non-tropical countries (sources in order of preference): <ul style="list-style-type: none"> ○ FSC certification (with a full chain of custody throughout the supply chain). ○ PEFC certification (with a full chain of custody throughout the supply chain). ○ Timber goods which contain verified /certified reused or recycled content from pre-consumer and post-consumer sources. ○ Suppliers and supply chains that have a Memorandum of Understanding with a recognised Kingfisher partner as part of an independent verification scheme to demonstrate progress towards FSC certification in a time bound and monitored commitment. We currently accept The Forest Trust (TFT) projects, WWF GFTN, and Rainforest Alliance. • Responsibly sourced criteria for tree species classified as 'endangered' species: <ul style="list-style-type: none"> ○ FSC certification (with a full chain of custody and supported by an appropriate CITES import/export permit). • Responsibly sourced criteria for tree species classified as 'vulnerable' species: <ul style="list-style-type: none"> ○ FSC certification (with a full chain of custody and supported by an appropriate CITES import/export permit). ○ Suppliers and supply chains that have a Memorandum of Understanding with a recognised Kingfisher partner as part of an independent verification scheme to demonstrate progress towards FSC certification in a time bound and monitored commitment. We currently accept TFT projects, WWF GFTN, and Rainforest Alliance.
Data collection	<ul style="list-style-type: none"> • Data is collected in line with our Kingfisher's Wood and Paper Policy. • Data is collated internally, and certificate validity checked. • Data is then reviewed by an external consultant to assess data quality and completeness. The purchase of certified product is confirmed through a check of supplier sales documents for a random sample of certificates.
Units	<ul style="list-style-type: none"> • Paper used in catalogues (GNFR): Tonnes

100% responsibly sourced peat

Definitions	<ul style="list-style-type: none"> • <i>'Bagged' growing media</i>: includes bags and containers of compost, mulches, soil improvers and additives, and growing bags. • Examples of responsibly sourced alternative materials to peat: includes green waste, bark, coir, and wood fibre.
Scope	<ul style="list-style-type: none"> • The target covers 'bagged' growing media. • Data is reported for B&Q UK only.
Units	<ul style="list-style-type: none"> • Litres

Target: Zero waste to landfill (2020) and 90% of waste recycled (2025)

Waste data

Definitions	<ul style="list-style-type: none"> • <i>Operational waste</i>: day-to-day operational waste, excluding customer waste and waste from major construction and refurbishment projects. • Waste data is split into the following categories: waste disposed to landfill, waste disposed to incineration (with and without energy recovery), and recycled waste. • Recycled waste is split by material – cardboard or paper, wood, plastic, metal, rubble and other (e.g. WEEE, hazardous waste).
Scope	<ul style="list-style-type: none"> • Operational waste data is collected for stores, offices and other buildings e.g. distribution centres. We only collect data for other buildings in cases where we manage the waste contract. Our German market (Screwfix Germany) is excluded from waste reporting based on the size of operations. • Our operations in the UK backhaul waste to distribution centres for recycling. This data therefore covers both store and distribution centre waste. • Customer waste and waste from major construction and refurbishment projects is excluded as the disposal is the responsibility of the customer/ contractor.
Data collection	<ul style="list-style-type: none"> • Most markets collect data on store waste from national or regional contractors. Where actual measurements are not available, the data is generally estimated from the number of waste collections multiplied by average bin weight. • In cases where our waste contractors do not provide a breakdown of the waste disposed by destination (landfill or incineration), we have taken a prudent approach and assumed the waste goes to landfill.
Units	<ul style="list-style-type: none"> • Tonnes

CREATE A HEALTHIER HOME AND CONNECT WITH NATURE

Target: 20% of sales enable customers to create safer, healthier homes and connect with nature

Sustainable Home Products

Definitions	<ul style="list-style-type: none">• <i>Safer, healthier homes</i>: products that allow customers to live a healthier life at home by reducing exposure to pollutants, enabling more independent living and protecting homes from climate change impacts• <i>Connect with nature</i>: products that encourage customers to get outdoors, produce their own food and support wildlife in their gardens
Scope	<ul style="list-style-type: none">• Products must comply with our Sustainable Home Product Guidelines, which have been developed with sustainability experts Bioregional, and are updated annually. A summary is available to download at www.kingfisher.com/shpguidelines.• Includes sales from products submitted in Sustainable Home Products reporting under the categories 'Health & Wellbeing' and 'Connect to Nature'.• This includes products that meet the criteria of 'Expect', 'Exceed' and 'Excite' levels.
Data Collection	<ul style="list-style-type: none">• Data is collected as part of the Sustainable Home Products reporting. New products nominated by Offer & Sourcing Sustainability team are reviewed by Bioregional to check they meet the criteria in our Sustainable Home Product Guidelines.
Units	<ul style="list-style-type: none">• £ sales (excluding VAT)

BE PART OF A COMMUNITY THAT HELPS MILLIONS MORE PEOPLE IMPROVE THEIR HOME

Target: Help millions more people tackle poor and unfit housing through strategic partnerships and local action in all our markets

We aim to evaluate and measure the impact of our community contributions, including charitable donations and in-kind support, as well as the quality of relationships and co-working between Kingfisher and our charity partners. This helps us develop our programmes, maximising the positive benefits achieved for each £1 invested, and to communicate our progress. However, measuring and quantifying social impact is complex and there is limited agreement among stakeholders on the best approach. We will continue to explore different methodologies and develop our approach as we define our Communities strategy.

We ask our charity partners to complete evaluations against the specific objectives agreed for each project. These are included in the partnership agreements for each project to account for any funding or other in-kind contributions we provide.

Inputs

Definitions	<i>Inputs</i> : covers how and why the company contributes to the community. Kingfisher uses the definitions for company contributions provided in the London Benchmarking Group (LBG) guidelines for corporate community investment.
Scope	<ul style="list-style-type: none"> Kingfisher's company contribution includes value of cash donations, employee time, gifts in kind and management costs. Any money raised via fundraising (from customers or employees) is not counted. Contributions are only included if they align with our community strategy i.e., they help people have a home they feel good about. Excludes donations to companies and private individuals who are employees or customers.
Units	<ul style="list-style-type: none"> £ invested

Outputs

Definitions	<ul style="list-style-type: none"> <i>Outputs</i>: covers community outputs, employee involvement and leverage (donations by employees and customers). Kingfisher uses the definitions for community outputs, employee involvement and leverage provided in the London Benchmarking Group (LBG) guidelines for corporate community investment.
Scope	<ul style="list-style-type: none"> <i>Community output</i> includes number of people and organisation benefited from company contributions. <i>Employee involvement</i> includes the number of employees participating in community activities in paid working time as well as the hours contributed by the employees <i>Leverage</i> includes employee contributions through payroll giving and other employee contributions, contributions from customers and other organisations.

Units	<ul style="list-style-type: none"> • <i>Community output</i>: number of people, number of organisations • <i>Employee involvement</i>: number of employees, number of hours • <i>Leverage</i>: £ donated
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Target: Ensure suppliers meet our ethical and environmental standards (2020) and establish strategic community programmes to achieve positive change in key sourcing regions (2025)

Assessments and training

Definitions	<ul style="list-style-type: none"> • <i>Production site audit criteria</i>: <ul style="list-style-type: none"> ○ Audits must be conducted in line with Kingfisher Ethical Sourcing and Supplier Workplace Ethical and Environmental Assurance (SWEEA) Policy. However, whilst we transition to the new approach outlined in the SWEEA policy, we also accept audits conducted against previous Kingfisher audit guidelines (Kingfisher Buying Offices’ ethical and environmental audit methodology, which stipulates that audits should include an assessment against the Kingfisher Supply Chain Workplace Standards and the previous Kingfisher Supplier Workplace Ethical and Environmental Assurance (SWEEA) Policy Standard). ○ Audits must be no more than two years old. • Our SWEEA policy provides details of how we will implement our Ethical Sourcing Policy Statement and monitor compliance with our ethical and environmental requirements.
Scope	<ul style="list-style-type: none"> • <i>Total number of suppliers</i>: covers all active Goods For Resale (GFR) suppliers that Kingfisher has sourced from during the past financial year. • <i>Total number of production sites</i>: covers active finished goods production sites that Kingfisher has sourced from during the past financial year.
Data collection	<ul style="list-style-type: none"> • Data is collected on suppliers and finished goods production sites that have been active during the financial year.
Units	<ul style="list-style-type: none"> • Number of suppliers and productions sites • Number of audits

Non-financial KPIs

Employee accidents

Definitions	<ul style="list-style-type: none"> • <i>Accidents</i>: Regulatory definitions and mandatory accident reporting requirements vary significantly between the countries in which we operate, resulting in, for example, differences in classification of major accidents and sign-off time. We therefore focus on a reduction in total number of accidents rather than focussing on major and over three day lost-time accidents. • <i>Work days lost</i>: These are captured as calendar days, in line with statutory requirements.
Scope	<ul style="list-style-type: none"> • We collect data on the following categories of work-related accidents: <ul style="list-style-type: none"> ○ Total number of employee accidents/injuries; ○ Total number of work days lost as a result of all work-related employee accidents. • There are some significant variations in accident rates across the Group. This is partly due to differences in legislation, mandatory accident reporting requirements, and health & safety cultures across countries.
Data collection	<ul style="list-style-type: none"> • Our markets maintain accident record books at each site to record data, as required by legislation. • Data is reported by Group Health & Safety into the online Kingfisher Intelex Incident Reporting system: <ul style="list-style-type: none"> ○ Markets complete an Intelex online form to report an incident. ○ This form includes an initial severity question where it states if the incident is 'low', 'medium' or 'high'. Where a form is submitted as high severity, Intelex triggers alerts within Kingfisher for immediate assistance. ○ Group then exports an annual report of all incidents for annual reporting purposes.
Units	<ul style="list-style-type: none"> • Number of accidents per 100,000 full-time equivalent employees

Employee diversity

Scope	<ul style="list-style-type: none"> • We calculate our diversity data as a % of total employee headcount (using the total employee headcount at the end of the financial year). Until 2017/18 we calculated our diversity data as a % of total full time equivalent (FTE), which was inconsistent with the way the business was reporting total number of employees (headcount). Therefore, to align it with the employee numbers reporting, we have now changed the diversity calculation to a % of total employee headcount as of 2018/19. • Our diversity data covers gender diversity: % of employees that are male and female and % of managers that are male and female (the data on managers covers senior, and middle and junior management levels). • Gender diversity at senior management level includes our Board Directors, as well as heads and directors of departments at the market level. The data on Board Directors is collected by Group HR.
Data collection	<ul style="list-style-type: none"> • The data is monitored from personnel records in each of our markets.
Units	<ul style="list-style-type: none"> • % of employees

Employee turnover

Definitions	<ul style="list-style-type: none">• <i>Voluntary leavers</i>: Employees who left the company voluntarily include all employees on fixed contracts which have come to the end of their term; all resignations; and all employees who have left without notice.• <i>Involuntary leavers</i>: Employees who left the company involuntarily include all redundancies, dismissals and death in service.
Scope	<ul style="list-style-type: none">• Data on our employee turnover rate includes employees who left the company both voluntarily and involuntarily.• We calculate the number of leavers as a % of the total number of employees (using the total headcount average, calculated from monthly data).
Units	<ul style="list-style-type: none">• Number of employees who left• % employee turnover rate