

ONE Kingfisher

sustainability policies

www.kingfisher.com/SustainabilityPolicies



Version	2018 v1, 6 July 2018
Approved by	Group Executive members: Chief Customer Officer (Pierre Woreczek) and Chief Offer and Supply Chain Officer (Arja Taaveniku)

Contents

ENVIRONMENT

Environmental Sustainability Policy	3
Deforestation Policy	4
Wood and Paper Policy.....	5
Sustainable Packaging Materials Policy	6
Chemicals Policy.....	7

ETHICAL

Human Rights Policy.....	8
Ethical Sourcing & Supplier Workplace Ethical and Environmental Assurance (SWEEA) Policy	9
Animal Welfare Policy	9

COMMUNITY

Community Policy	11
Other related documents.....	12

Environmental Sustainability Policy

www.kingfisher.com/SustainabilityPolicy

Policy Vision

We aim to protect the environment and make sustainability an easy choice for our customers.

The Policy

We will ensure our approach to environmental sustainability is in line with key requirements of the environmental management system ISO14001. We therefore commit to regularly assess our environmental impacts and to drive continual improvement by setting goals and targets. We also commit to prevent pollution and comply with all legal obligations on environmental issues.

We are committed to supporting international efforts towards sustainability including the UN Sustainable Development Goals.

We will address key environmental impacts by:

- Promoting sustainable home products and solutions¹ to help customers save resources and money.
- Reducing carbon emissions in line with climate science.
- Procuring key raw materials from sustainable sources and using resources efficiently; also see Wood and Paper Policy (www.kingfisher.com/WoodPolicy).
- Promoting reuse and recycling of materials and work towards zero waste to landfill in our own operations.
- Championing innovation and circular economy solutions to address growing resource scarcity.

In order to achieve our sustainability goals and targets, we will engage our customers, employees, suppliers and other stakeholders.

We will regularly monitor our sustainability performance and seek external assurance of our annual sustainability data. We will report progress to external stakeholders, taking into account reporting standards and guidelines such as the Global Reporting Initiative.

Related documents

- Sustainable Home Product Guidelines
www.kingfisher.com/SHPGuidelines

¹ These are defined in our Sustainable Home Product Guidelines which are updated annually.

Deforestation Policy

www.kingfisher.com/DeforestationPolicy

Policy Vision

As a basic requirement of forest protection, we commit to avoiding the procurement of materials sourced from areas of deforestation and to ensuring the legal status of wood and paper products.

As a means to support sustainable forest management, we require independent 3rd party certification of goods containing wood and / or paper.

To address growing resource scarcity, we aspire to help create more forest than we use, over the long-term, by supporting forest restoration.

The Policy

We will:

- Procure all wood and paper goods as 'responsibly sourced'¹.
- Seek to avoid the procurement of any materials sourced from areas of deforestation by:
 - seeking to use RSPO certified sustainable sources for any palm oil used as a direct ingredient in products (e.g. candles).
 - improving traceability and supply chain controls for leather products in order to identify deforestation links, request alternatives, and promote environmental stewardship².
 - improving supply chain controls for products which may be derived from forests (e.g. rattan, bamboo) to ensure they are from known, legal sources and preferably meet our criteria for 'responsibly sourced' in our Wood and Paper Policy.
- Have a restorative, positive impact on forests by supporting forest restoration initiatives.

Related documents

- Wood and Paper Policy
www.kingfisher.com/WoodPolicy

¹ As set out in Kingfisher's Wood and Paper Policy

² See further details on animal welfare in Kingfisher's Animal Welfare Policy

Wood and Paper Policy

www.kingfisher.com/WoodPolicy

Policy Vision

We support sustainable forest management by procuring all¹ wood and paper goods as 'responsibly sourced' as defined below.

The Policy

We will:

- request and only accept goods containing wood and / or paper which meet our criteria for 'responsibly sourced' (shown below in order of preference):
 - Forest Stewardship Council® (FSC®) certification with FULL Chain of Custody throughout the supply chain².
 - Programme for the Endorsement of Forest Certification (PEFC) certification with FULL Chain of Custody throughout the supply chain² (excluding goods containing wood and / or paper sourced from tropical countries³).
 - verified / certified as recycled or reused (including pre-consumer or post-consumer sources).
 - adhere to a Kingfisher recognised scheme (TFT, WWF GFTN, Rainforest Alliance)⁴.

Note:

- goods which contain tree species classified as '**endangered**' shall be FSC® Certified with FULL Chain of Custody and supported by an appropriate CITES import/export permit.
- goods which contain tree species classified as '**vulnerable**' shall be FSC® Certified with FULL Chain of Custody or adhere to a Kingfisher recognised scheme (TFT, WWF GFTN, Rainforest Alliance)⁴.

¹ This policy applies to all Goods for Resale (GFR), all Goods Not For Resale (GNFR), all packaging and all construction goods made from, or containing timber, wood, wood fibre or paper that are sold and/or used in connection with Kingfisher's business activities.

² Full chain of custody is required for all goods for resale and catalogue paper. It is our preference for other goods not for resale and construction goods.

³ PEFC is not accepted for goods containing wood and / or paper sourced from tropical countries.

⁴ These are sources from 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. The current schemes accepted by Kingfisher are: TFT, WWF GFTN, Rainforest Alliance.

Sustainable Packaging Materials Policy

www.kingfisher.com/PackagingPolicy

Policy Vision

We aim to minimise the amount of packaging we use and, where packaging is unavoidable, to maximise use of reusable and recyclable materials in line with circular economy principles.

The Policy

We will:

- Maximise the use of verifiable reused and / or recycled content wherever possible.
- Make it easy for customers to reuse or recycle packaging by maximising the use of reusable and / or recyclable materials wherever possible and ensure packaging materials are easily separable and appropriately labelled.
- Use packaging materials which represents a low risk to human health and the environment in line with our Chemicals Policy (www.kingfisher.com/ChemicalsPolicy)
- Ensure packaging is traceable, at a minimum, to the packaging production location and meets the requirements of our Ethical Sourcing Policy (www.kingfisher.com/EthicalSourcingPolicy).
- Ensure all cardboard and wood packaging meets the requirements of our Wood and Paper Policy (www.kingfisher.com/WoodPolicy).
- Maintain and regularly update our sustainability specifications for specific packaging materials and printing (included in our packaging requirements for suppliers).

Chemicals Policy

www.kingfisher.com/ChemicalsPolicy

Policy Vision

Through the responsible use of chemicals in our products and supply chain, we aim to protect our colleagues, customers and supplier's workers in factories.

The Policy

We will go beyond regulatory requirements by controlling chemicals used in our own and exclusive brand products and supply chain – focussing on three key areas:

- **Transparency:** We will work towards increasing transparency of chemicals used in our products and supply chain.
 - We will adopt a risk based approach – identifying products and manufacturing processes that are potentially high risk.
 - For high risk products, we will require suppliers to provide a Bill of Substances¹.
 - For high risk manufacturing processes, we will engage with suppliers to gain transparency of the chemicals used to make products².
- **Chemicals management:** We will take a proactive approach to control chemicals used in our products and supply chain.
 - We will develop positions on unregulated substances, addressing risks through measures such as phasing out or substituting chemicals in products and manufacturing processes.
 - We will support factories we work with to improve chemical management practices.
- **Innovation:** We will promote innovation in sustainable chemistry.
 - We will enable our customers to create healthy homes and gardens by promoting use of sustainable chemistry solutions in our products and manufacturing processes.

¹ If vendors do not already have a Bill of Substances, they will be required to supply a Bill of Materials (BOM) to our nominated 3rd party, for conversion into a Bill of Substances.

² Note: Kingfisher supports the use of recycled materials. However, for safety reasons, we require transparency of the source of any recycled plastic raw material. For pre-consumer waste, if recycled by the same manufacturer, the chemical content should already be known and ensure it does not contain hazardous substances. For post-consumer waste, full transparency on the source and previous use is required.

Human Rights Policy

www.kingfisher.com/HumanRightsPolicy

Policy Vision

We are committed to respect and uphold the human rights (basic rights and freedoms) of every individual affected by our business activities including our customers, employees, workers in our supply chain, and local communities.

We aim to ensure our approach to human rights is in line with international agreements and guidelines including the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights (which includes the Universal Declaration of Human Rights), the UN Global Compact, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Children's Rights and Business Principles and UN conventions on the elimination of discrimination.

The Policy

We will respect human rights and will implement due diligence to avoid infringing on the rights of others including:

- regularly review modern slavery and human rights risks associated with our business, including new business acquisitions and existing operations.
- implement controls to mitigate risks, including supply chain risks (see our Ethical Sourcing Policy for our approach to ethical sourcing).
- promote respect for human rights in our Code of Conduct, Supply Chain Workplace Standards, and other company policies where relevant.
- provide a confidential whistleblowing service to enable anyone to report to us any concerns about human rights abuses.
- fully investigate any alleged breaches of human rights.
- promote access to remedy for any victims of human rights abuses connected to our operations.

Related documents:

- Ethical Sourcing and Supply Chain Ethical and Environmental Assurance (SWEEA) Policy
www.kingfisher.com/EthicalSourcingPolicy
- Code of Conduct
www.kingfisher.com/CodeofConduct
- Supply Chain Workplace Standards
www.kingfisher.com/SCWorkplaceStandards

Ethical Sourcing & Supplier Workplace Ethical and Environmental Assurance (SWEEA) Policy

www.kingfisher.com/EthicalSourcingPolicy

Policy Vision

We are committed to promoting the ethical, environmental and health and safety practices we set within our own business in our supply chain.

The Policy

We will:

- source from suppliers that share our commitment to respect human rights and the environment by requiring them to comply with our Supply Chain Workplace Standards.
- use Sedex – supplier ethical data exchange (www.sedexglobal.com) – to promote sharing of supply chain information, including ethical risks and audits.
- identify high risk suppliers / sites that require ethical audit (as a minimum, the risk assessment covers all production sites of finished goods to Kingfisher).
- require high risk suppliers / sites to have a Sedex members ethical trade audit (SMETA) or equivalent¹ - which is less than two years old - and act on non-conformances.
- take decisive and swift action in the event that business critical failings are identified.
- collaborate with suppliers to improve standards over time.
- progressively extend our risk assessment and audit programme to incorporate our wider supply chain.
- develop strategic community programmes in our key sourcing regions.

Related documents

- Supply Chain Workplace Standards
www.kingfisher.com/SCWorkplaceStandards
- Ethical Sourcing and Supplier Workplace Ethical & Environmental Assurance (SWEEA) Policy Guidelines
www.kingfisher.com/SWEEAGuidelines
- Supplier guidance note on how to register on Sedex
www.kingfisher.com/SedexGuidance

¹ We require a SMETA 4 pillar audit. However, we will also accept audits already conducted by suppliers if they use an equivalent standard. These currently include Kingfisher CSR audit, BSCI – Business Social Compliance Initiative (grade C or above), SA8000 – Social Accountability 8000, FFC – Fair Factories Clearing House, FLA – Fair Labour Association, ICTI – International Council for Toy Industries, Intertek Workplace Conditions Assessment (WCA) Report. This list is regularly reviewed and updated.

Animal Welfare Policy

www.kingfisher.com/AnimalWelfarePolicy

Policy Vision

We seek to promote animal welfare in line with the 'five freedoms' for animal husbandry¹.

The Policy

We will:

- develop and promote products for gardens that enable customers to connect with nature and support wildlife conservation.
- not commission or carry out animal testing of finished products².
- not use fur in our products.
- seek to promote animal welfare for animal-derived products (e.g. leather, feather and down) and food sourced for our canteens and store café's. We will specify to suppliers that any leather products should only be made from cow, buffalo, sheep, goat or pig that are bred for meat production.

¹ Developed by the UK Farm Animal Welfare Council, and set out in the World Organisation for Animal Health (OIE) guiding principles on animal welfare (see <http://www.oie.int/en/animal-welfare/animal-welfare-at-a-glance/>).

² Although Kingfisher does not itself commission or carry out animal testing, it should be noted that some testing of ingredients / products may be carried out in our extended supply chain, in order to meet regulatory requirements, which is outside of our control.

Community Policy

www.kingfisher.com/CommunityPolicy

Policy Vision

To be part of a community that helps millions more people improve their home.

The Policy

We believe that everyone should have a home they can feel good about. Yet for people living in difficult circumstances a good home can seem impossible.

By working together as One Kingfisher, we will build partnerships with charitable organisations to tackle poor and unfit housing across our territories. This means:

- We will align all of our charitable actions and activities to focus on our core purpose of good homes and home improvement, to tackle poor and unfit housing across our markets.
- We will support our partnerships and community activities with cash giving, employee time and in-kind contributions.
- We will only work with registered charities who can help us achieve our purpose and vision.
- Our community actions will deliver maximum return on investment, create positive, sustainable change and deliver a measurable positive impact to the business.
- We will work together with our designated Emergency Partner, The Red Cross, for all our national and international emergency support and emergency fundraising activities.
- We will measure and report on our community activities in line with the Sustainability team reporting structures and LBG guidelines (www.lbg-online.net).
- We will conduct due diligence on all prospective strategic partners.
- We will not support charity or community initiatives relating to:
 - Political parties or causes
 - Religious organisations whose principal aim is to propagate a particular faith or belief
 - Personal appeals by, or on behalf of individuals.

Other related documents

Code of Conduct

www.kingfisher.com/CodeofConduct



Sustainable Home Product Guidelines

www.kingfisher.com/SHPGuidelines



Supply Chain Workplace Standards

www.kingfisher.com/SCWorkplaceStandards

