

## Key information

1. **Policy owner** – Bruno Silveira, Group Head of Compliance
2. **Policy status** – mandatory for all Kingfisher Colleagues.
3. **Policy adopted** – by Group Head of Compliance
4. **Policy validation** – by Group Ethics and Compliance Committee on 26 November 2021
5. **Policy questions** – Bruno Silveira/ Legal & Compliance/ [bruno.silveira@kingfisher.com](mailto:bruno.silveira@kingfisher.com)

## Policy vision

At Kingfisher, we are committed to maintaining an open culture with the highest standards of honesty and accountability. We take a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

Definitions of *italicised* words are set out in the Definitions section later in this Policy.

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## The policy

The UK Criminal Finances Act 2017 makes it a criminal offence for a company like Kingfisher to fail to prevent one of its employees, agents or contractors, or a Third Party (acting for or on its

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behalf) from helping a taxpayer (which could be an individual or a business) to evade tax.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion is a crime in the UK and many other countries. It involves deliberate and dishonest conduct, intended to ensure tax which is correctly payable is not paid.

There is no minimum value threshold to tax evasion. Even if there are reasons to think a particular form of tax evasion is considered relatively normal or socially acceptable, it is still tax evasion.

Kingfisher Colleagues, including directors, contractors, and agents, and Third Parties working for or on behalf of Kingfisher, must not facilitate tax evasion.

Anybody covered by this Policy must immediately notify their [Local Compliance Officer](#) or the Group Head of Compliance ([codeofconduct@kingfisher.com](mailto:codeofconduct@kingfisher.com)) if: (i) they know of or suspect tax evasion or the facilitation of tax evasion; and (ii) they see an opportunity for facilitation of tax evasion, so that the opportunity can be closed or otherwise addressed.

The UK Criminal Finances Act has some geographic limitations. However, this Policy applies throughout the world, and to tax imposed under the laws of any country (whether the UK or otherwise).

Failure to adhere to this Policy will result in an investigation and could lead to disciplinary action up to and including dismissal.

## The process

This Policy applies to all Kingfisher Colleagues and Third-Parties and sets out our zero-tolerance approach to tax evasion and the facilitation of tax evasion.

### 1. Ownership and Accountability

The Group Head of Compliance has overall responsibility for this Policy. However, it is the responsibility of each Kingfisher Colleague and Third Party to comply with this Policy and ensure that it is applied.

### 2. Group Minimum Standards

Unless the applicable laws of a jurisdiction in which a Kingfisher Group Entity operates impose more stringent requirements (in which case, those more stringent requirements will apply), the following standards should, at all times, be complied with throughout the Kingfisher Group when conducting business, including but not limited to sourcing Good for Resale and Goods Not For

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Resale and engaging in financing activities, construction and charity.

A dispensation may be sought from the Kingfisher Group Head of Compliance should the minimum standards set out herein be considered illegal or otherwise inapplicable in a certain jurisdiction where Kingfisher operates.

### 3. Facilitation of Tax Evasion

We do not tolerate, permit or allow any Kingfisher Colleague or Third Party to engage in the facilitation of tax evasion or tax fraud anywhere in the world.

You must not:

- (a) Participate in any activity that may be regarded as tax evasion or the facilitation of tax evasion, anywhere in the world;
- (b) Enter into any arrangement with any Colleague or Third Party that may lead to the diversion of any tax away from the relevant authorities;
- (c) Help or encourage any Kingfisher Entity, Colleague or Third Party to commit a tax evasion offence anywhere in the world;
- (d) Fail to report promptly any request or demand from any Third Party to help them to commit a tax evasion offence or to perform, or not perform, an action which would result in their evading tax.

You must:

- (a) Promptly raise any concerns you may have in relation to tax evasion or the facilitation of tax evasion;
- (b) Ensure that, when negotiating a new or renewing an existing Third Party agreement, the agreement includes provisions approved by the Legal and Compliance team where the Third Party agrees to comply with all applicable laws.

The following situations are some non-exhaustive questions you should ask yourself that may indicate whether you should flag a facilitation of tax evasion risk:

- Is there anything unusual about the way in which any Colleague, acting for or on behalf of Kingfisher, is conducting their relationship with a Third Party?
- Are there unusual or overly complex payment methods or arrangements?

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- Does documentation provided by a Third Party appear to include false or misleading information?
- Has a Third Party provided goods or services from one location but then invoiced for those goods or services from another location, potentially a low tax country?

The best defence against tax evasion and facilitation of tax evasion remains continuous vigilance and the adoption of a common-sense approach.

### 5. Books and Records

All financial transactions must be properly and fairly recorded. Any payments must be justified by accompanying contract, invoice and receipt. Invoices and receipts must reflect the true nature of the financial transaction. All books and records will be open to inspection by the Board of Directors, auditors, internal auditors and any other party entitled to do so. There must be no "off book" or secret accounts, and no documents may be created which do not fairly and accurately reflect the transactions to which they relate.

No payment should be made where there is no proper contract, invoice, or receipt.

### 7. Due Diligence on Third Parties

Kingfisher Colleagues onboarding new **Goods Not for Resale (GNFR)** suppliers or other Third Parties should adhere to the procedures outlined in the Integrity Due Diligence Policy for GNFR vendors (the [Vendor Engagement Assessment](#)).

Kingfisher Colleagues onboarding new **Goods for Resale (GFR)** suppliers or other Third Parties (particularly but not limited to high risk countries), or Colleagues intending to enter into any other type of business transaction in these markets, should adhere to the procedures outlined in the Integrity Due Diligence Policy for GFR vendors ([Integrity Assessment](#)) prior to any formal engagement.

Any tax evasion concerns involving Third Parties should be treated as red flags. If red flags are identified, you may be asked to obtain appropriate written assurances from the relevant Third Party.

### 8. Dispensations and exceptions

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Dispensations and exceptions to this Policy may be sought from the Kingfisher Group Head of Compliance.

### 9. Proven Violations

Proven violations of provisions of the law, as well as Group Policies, may lead to severe disciplinary actions taken against the offending Kingfisher Colleague or Third Party. Such action could involve:

- (a) a formal reprimand
- (b) suspension
- (c) legal proceedings; and/or
- (d) termination of employment or Third Party contracts.

### Bringing our policies to life

We all have a part to play in implementing this Policy and upholding Kingfisher's commitment to conduct the Group's business in a responsible and transparent manner.

Everyone within the Kingfisher Group is required to comply with this Policy.

You should be aware that breaches of this policy may result in an investigation that could lead to disciplinary action, up to and including dismissal. Depending on the circumstances, such breaches may also constitute a civil and/or criminal offence.

### Support and questions

If you have any questions about this Policy, or if you are uncertain how to apply or follow the process you can email [codeofconduct@kingfisher.com](mailto:codeofconduct@kingfisher.com).

### Definitions

For the purposes of this Policy:

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"**Kingfisher Colleagues**" or "**Colleagues**" means all persons working for a Kingfisher Entity or on its behalf in any capacity, including employees at all levels, directors, officers, contractors, agency workers, seconded workers, volunteers, and interns.

"**Kingfisher Entity**" or "**Entity**" means all companies that are part of the Kingfisher Group, including Banners and Group Functions.

"**Tax**" means all forms of taxation including but not limited to corporation tax, income tax, VAT, national insurance contributions and duties.

"**Tax Evasion**" means deliberate and dishonest conduct, intended to ensure that tax which is correctly payable is not paid.

"**Third Party**" means all suppliers, vendors, service providers, intermediaries, agents, business partners, external consultants, charities, advisors or entities contracted or proposed to be contracted or engaged by Kingfisher.

"**Facilitation of Tax Evasion**" means deliberately and dishonestly inciting, encouraging, assisting in or enabling any tax evasion offence to be committed or being knowingly involved in tax evasion. Tax evasion facilitation is a criminal offence.

### Related documents

- [Kingfisher Code of Conduct](#)
- [Whistleblowing Policy](#)
- Integrity Due Diligence Policy