



Responsible Business

Our home, our world

September 2020



Agenda

1. Introduction

- About Kingfisher
- Responsible Business heritage
- Response to COVID-19

2. Responsible Business strategy and performance

3. Governance and risk management

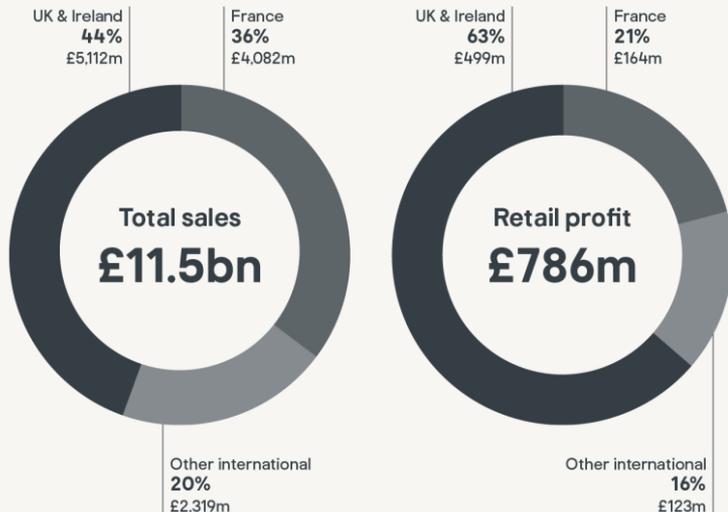


About Kingfisher

Kingfisher plc is a home improvement company with over 1,350 stores in nine countries across Europe.

We employ over 77,000 people and nearly six million customers shop in our stores and through our websites and apps every week.

At Kingfisher, our purpose is to make home improvement accessible to everyone.



1. B&Q UK & Ireland 296, Screwfix UK & Ireland 686.
 2. Castorama 100, Brico Dépôt 121.
 3. Russia was reported as held for sale as part of the FY 19-20 full year results.

Our stores

77,000 † *

Colleagues

1,367*

Stores

3,250

Suppliers from
61 countries



* Turkey joint venture not consolidated.
 † Total, not full-time equivalent.

We have a strong heritage in Responsible Business

1995

Founding partner of the Forest Stewardship Council® (FSC®) to help source responsibly managed wood



2010 & 2011

B&Q awarded the 'Best Green Company' by The Sunday Times



2012

Net Positive strategy launched, committing to a restorative impact by 2050



2018

First net zero energy Screwfix outlet opened in Peterborough; total of 12 net zero stores in the Group in 2020



2020

Powered by Kingfisher strategy launched in June, with Responsible Business as a key strategic priority



1998

First UK retailer to label and cut VOCs in paint



2011

Founding partner to the Ellen MacArthur Foundation, pioneering circular economy approaches



2017

Partnered with the homeless and housing charity Shelter to help people who have experienced homelessness feel safe and secure

Shelter

2019

Set ambitious science-based targets approved by the Science Based Target initiative



Our response to COVID-19

Supporting our communities, colleagues and safely serving customers essential goods

- Home improvement stores classified as essential in the UK, France, Poland and Romania
- Temporarily closed stores to establish safe store operating protocols*
- Readiness for potential future waves of COVID-19
- Boosted home delivery, click and collect capabilities resulting in strong e-commerce growth
- Maintained our policy to pay all suppliers in full and according to contractual payment terms
- Donated over £2.5m of PPE to frontline healthcare workers



*PPE for colleagues, perspex screens at checkout, social distancing navigational markers, card payment only, health and safety training to staff, drive-through click and collect pick-up, reduced trading hours, limiting number of customers in store.



Responsible Business strategy and performance

Industry-leading reporting

We use best practice standards to inform reporting and perform strongly in external benchmarks

Frameworks and standards



External benchmarks

- CDP Climate Change received a rating of A-
- Constituent of Dow Jones Sustainability Indexes since 2010 (world and Europe)
- Listed in FTSE4Good Index with a rating of 4.4 out of 5
- ISS ESG corporate rating of B- ('Prime' status)
- MSCI-ESG rating of AAA for our ability to manage ESG issues
- Received a positive view from Sustainalytics on our ability to manage ESG issues



Our four Responsible Business priorities



Colleagues

We are becoming a more inclusive company



Planet

We will be forest positive and help tackle climate change



Customers

We help make greener, healthier homes affordable



Communities

We will fight to fix bad housing

Underpinned by our Responsible Business fundamentals

Employee safety & wellbeing | Responsible sourcing | Chemicals | Waste & recycling | Governance & ethics

Colleagues: We are becoming a more inclusive company

Colleagues



Targets

- Inclusivity action plan for each of our businesses in 2020/21
- Improve gender balance in management in 2020/21
- Provide five million hours of learning by 2025 through our 'skills for life' programme

Performance

- Developed Group Diversity and Inclusion principles
- 43% of workforce, 35% of managers and 24% of senior managers are women
- Unconscious bias training to 158 managers in the UK, France, Poland, Turkey and China

Investing in apprenticeships

Colleagues – *in action*

- Our apprentice programmes help colleagues to gain new qualifications and learn on the job
- Almost 2,000 colleagues are completing apprenticeships at B&Q, Screwfix, Castorama and Brico Dépôt France



Planet: We will be forest positive and help tackle climate change

Planet



Targets

- Source 100% sustainable wood and paper for our products and catalogues by 2020/21
- Become forest positive by 2025 through reforestation programmes from 2021
- Achieve our approved science-based carbon reduction target by 2025

Performance

- 94% of wood and paper in products sustainably sourced for B&Q and France
- One of only 32 retailers worldwide to have targets accredited by the science-based targets initiative
- 18% reduction in scope 1 and 2 emissions (market-based) since 2016/17

Sourcing timber responsibly for nearly 30 years

Planet – *in action*

1991

Published our first responsible timber policy at B&Q and were a founding member of the WWF 1995+ Group

2004-06

B&Q's sustainable timber policies topped Greenpeace's Garden Furniture League table

2011

At B&Q 100% of our listed products containing timber traced back to responsibly managed sources. The first major UK retailer to achieve this target

2012

Advocated in support of the new EU Timber Regulations through the Timber Retail Coalition

2014

Launched forest projects to help restore forests in China and Poland

2015-18

Supported RSPB and their BirdLife partners to restore an area of over-logged tropical forest on the island of Sumatra

1995

Became a founding partner of the Forest Stewardship Council® (FSC®) to help us source responsibly managed wood

2010

Launched our first projects to help restore forests and woodlands in the UK and Spain

2012

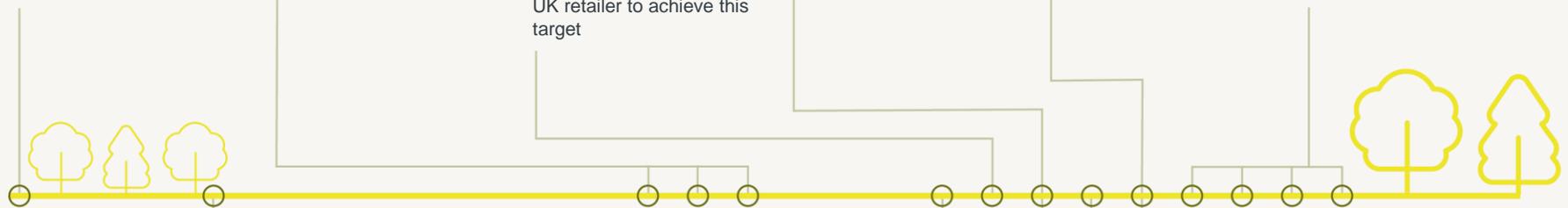
Began collaborating with the FSC® in a wood fibre testing programme to improve traceability

2013

Founding partner to the European Sustainable Tropical Timber Coalition, to establish sources of verified sustainable tropical timber

2014

Founding participant in the CDP Forest Disclosure initiative



We help make greener, healthier homes affordable

Customers



Target

- 50% of sales to be from products that make customers' homes greener and healthier by the end of 2020/21

Performance

- 37% of total group sales
- This generated £4.2 billion of sales for 2019/20

GoodHome Kitchens

Customers – *in action*

- Sustainability is core to our new kitchen range, which includes industry-leading energy efficient appliances, uses 100% FSC[®] and PEFC certified wood and some of our cabinets are made using recycled bottles
- All our kitchen taps are low flow



Communities: We will fight to fix bad housing

Communities



Targets

- Help more than one million people whose housing needs are greatest by 2025
- Provide over 20,000 colleague volunteering hours to support housing and home improvement projects in 2020/21

Performance

- Over 355,000 people have benefited from our donations since 2016/17
- Our employees spent over 19,600 working hours volunteering in their local communities in 2019/20

Working with strategic partners

Communities – *in action*

- We are working in partnership with leading national and local housing charities to fight to fix bad housing, including Shelter in the UK, Casa Iona in Romania and Fondation Abbé Pierre in France



Our Responsible Business fundamentals (1/2)

The areas we must address to ensure we are a responsible business

Fundamentals

Performance

Wellbeing and safety



- Health and safety within banners supported by Group health and safety management system, training and accident reporting system
- No work-related fatalities
- Using our Wellness Framework, we aim to support colleagues to look after their mental, physical, social and financial health

Responsible sourcing



- 68% high-risk production sites had an ethical audit over the last two years
- To help strengthen our approach to modern slavery we have partnered with NGO Slave Free Alliance. During 2020 they will review our policies and implementation procedures and make recommendations for improvement
- Project underway to identify and address our salient human rights issues

Our Responsible Business fundamentals (2/2)

The areas we must address to ensure we are a responsible business

Fundamentals

Performance

Chemicals



- Working to phase out chemicals of concern ahead of regulation, exploring potential of green chemistry as a safer alternative
- Improving quality of customers' indoor air by switching to low-VOC and water-based paints across our entire GoodHome own-brand range

Waste and recycling



- 82% of waste diverted from landfill, 67% of waste recycled
- Introducing take-back and recycling schemes in stores, such as old plastic plant pots for recycling, in all our B&Q stores

Data protection and security

We have robust processes and controls to protect data and our business operations

Our policies and standards

- IT policies and control frameworks based on the international standard ISO 27001, comply with the GDPR
- Include Group Information Security Policy, Data Protection Policy and Acceptable Use Policy, supported by a suite of more detailed standards
- IT processes are regularly tested to confirm that they meet standards

Training colleagues

- In 2019/20, over 42,000 colleagues completed training on data protection and GDPR



Governance and risk management



Strengthening how we manage Responsible Business

Responsible Business Committee

- Our new Responsible Business Committee (RBC) reports to the Board
- Meeting twice a year, the RBC will lead and oversee delivery of how we operate as a responsible business, helping to ensure Kingfisher remains committed to our four priority areas

Company bonus ESG measures

- In 2020, we have included Responsible Business targets as part of the annual bonus scheme
- This will help ensure that Kingfisher is committed to our four priority areas of Colleagues, Planet, Customers and Communities

Risk management

Our most significant risks are included in our sustainability risk register

Our key risks relate to:

- Sustainability regulation
- Supply chain ethical and environmental impacts
- Chemicals' use
- Modern slavery and human rights' risks
- Climate change risks
- Resource costs and scarcity

Sustainability policies:

- Significant updates to our policies are approved by our Group Executive
- We made minor updates to our policies on animal welfare, deforestation, environmental sustainability, ethical sourcing, packaging, and wood and paper during 2019/20
- We publish key policies on our website

These risks have informed what we consider to be our most material sustainability risks – see 'material issues' in the appendix.

From our Chief Executive Officer

“Through refocusing our efforts on our four key priorities of Colleagues, Planet, Customers and Communities, we have set ourselves challenging targets and will work together with our 77,000 colleagues, our partners and our millions of customers to really increase our impact.

A changing world needs all of us to step up, and we will. I look forward to reporting back to you on our progress against these measures in 2021.”

Thierry Garnier, Chief Executive Officer, Kingfisher plc



Appendix

A man with a beard, wearing a dark t-shirt and brown work pants, is focused on cutting a piece of wood with a hand saw. He is wearing grey work gloves with the 'afte' logo. The saw blade is silver and features a logo and some text. The workshop background is filled with various tools hanging on the wall, including a level, a square, and a hammer, and a window on the right side.

Read more

Our Responsible Business website
www.kingfisher.com/responsible-business

Annual Report and Accounts
www.kingfisher.com/annualreport

Our Responsible Business Report
www.kingfisher.com/responsible-business

Our performance data appendix
www.kingfisher.com/dataappendix

Our data collection methodology
www.kingfisher.com/datamethodology

Our Sustainable Home Product guidelines
www.kingfisher.com/shpguidelines

Contacts

investorenquiries@kingfisher.com

sustainability@kingfisher.com

