Responsible Business Data Collection Methodology

2021/22

Kingfisher

About this document

This document explains our methodology for collecting and calculating data that is reported in our annual Responsible Business Report; additional notes on the scope of our data are included in the Performance Data Appendix of our Responsible Business Report (both are available to download at www.kingfisher.com/responsible-business).

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Our approach to data collection

We have two questionnaires to track progress on sustainability:

1. **Responsible Business 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.**

2. **Responsible Business 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 Responsible Business 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 Responsible Business KPIs and targets.

Assurance

External

DNV provided independent assurance of selected aspects of our 2021/22 data. Their assurance statement is available to download at www.kingfisher.com/responsible-business. The purpose of the audit is to provide limited

assurance over the accuracy, completeness and integrity of the Responsible Business data reported. The statement provides details on the scope of the audit work. The assurance results are formally reported to the Group Responsible Business reporting team and representatives from the responsible Global functions, in order to agree any data amendments.

Internal

We have a comprehensive internal review process of our data. The Head Office review process provides an overall sense check of the data. The process is co-ordinated by sustainability consultancy Bioregional which works alongside in-house and other third-party experts to review data.

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.

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. During 2020, we sold Castorama Russia; we have therefore rebaselined our data from 2016/17 onwards, to exclude all past data from this operating company. The one reporting area where Castorama Russia is still included in previous years is the supplier data as it was not possible to remove from this dataset.

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 data if they fall under this threshold. We indicate any amendments to prior year data in the notes in the Performance Data Appendix of our Responsible Business 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 Responsible Business 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 2021/22 financial year runs from

1 February 2021 to 31 January 2022. All our targets are to 2025/26 and have a 2016/17 baseline unless stated otherwise.

Each year we use our Responsible Business targets questionnaire to monitor progress against our targets. This is completed on an annual basis by relevant Group functions and includes data submitted by the markets which is mostly reported in the detailed performance data tables. In the Performance Data Appendix, we report on our progress during the year and whether we are on track to target (target met/on track/not on track) which we assess using internal interim targets and the updates provided in the sustainability targets questionnaire.

For property-related data (energy and waste), product data and logistics (excluding sea freight), 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
Colleagues: We will be an inclusive company

Target: Improve gender balance to 35% women in senior leadership and 40% women in management by 2025.

Target: Provide five million hours of skills for life learning by 2025.

Employee diversity

Definitions	
	– **Employees contractually employed by Kingfisher:**
	– **Includes:** temporary or fixed-term employees if they are contracted to the business and paid through payroll; employees on parental leave (except for Brico Dépôt France were colleagues on parental leave have been excluded).
	– **Excludes:** all agency, consultancy or third-party staff; employees whose contracted hours are effectively zero for the month e.g. sabbaticals (except for B&Q where colleagues on career breaks/sabbaticals were included).
	– **Management levels:**
	– **Senior management:** the senior management population reflects those executive leaders included in our Alignment Share Plan (see pages 75 to 104 of the Annual Report and Accounts 2021/22 for more detail).
	– **Middle and junior management:** all other managers including heads of units, regional managers and store managers.

Scope	
	– We calculate our diversity data as a % of total employee headcount, using the total number of employees contractually employed by Kingfisher at the end of the financial year.
	– We report on diversity through the Workforce Disclosure Initiative.
	– 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 reflects those executive leaders included in our Alignment Share Plan. The data on Board Directors is collected by Group HR.

Data collection	
	– Data reported covers the 2021/22 financial year.
	– The data is collected from personnel records in each of our markets for middle/junior management. For senior management the data is compiled by Kingfisher Group HR.

Units	
	– % of employees.

Employee turnover

Definitions	– **Voluntary leavers:** 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.
	– **Involuntary leavers:** employees who left the company involuntarily include all redundancies, dismissals and death in service.
Scope	– We report on employee turnover through the Workforce Disclosure Initiative.
	– 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).
Data collection	– Data reported covers the 2021/22 financial year.
	– The data is collected from personnel records in each of our markets.
Units	– Number of employees who left.
	– % employee turnover rate.

Employee training

Definitions	– **Training hours:** number of training hours completed by employees during the financial year. Only when a colleague has completed the entire course are training hours consolidated into the reporting figures; training hours spent on incomplete modules are excluded from the reported figures.
Scope	– Data on employee training includes:
	– Digital training modules.
	– Self-development resources.
	– Physical workshops (internal and external).
	– Virtual learning sessions.
	– External qualifications.
	– Leadership and talent programmes.
	– Work-study contracts are excluded from the reported figures. Figures for 2020/21 have been restated to exclude this data.
Data collection	– Data reported covers the 2021/22 financial year.
	– The data is collected from HR departments in each of our markets using local learning management systems and records.
Units	– Number of training hours completed.

Planet: We will be Forest Positive

Target: 100% responsibly sourced wood and paper for our products and catalogues by 2025.

Target: Become Forest Positive by 2025.

Wood and paper in products

Definitions	– **Wood and paper:** goods made from, or containing, timber, wood, wood fibre, or paper (referred to as timber goods).
	– **Responsibly sourced wood and paper:** wood and paper which is from 'proven well-managed forests or recycled sources'. Kingfisher's Forest Positive Responsible Sourcing of Wood and Paper Products: Vendor Guidelines sets out criteria for 'proven well-managed forests or recycled sources'.
Scope	– All products or materials containing wood, timber, paper and wood fibre. This will include all products purchased during the year, including seasonal items.
	– Includes products purchased by all banners.
Data collection	– Data reported covers 11.5 months of the 2021 calendar year (1 January 2021 – 13 December 2021).
	– Data is collected in line with our Forest Positive Policy and Forest Positive Responsible Sourcing of Wood and Paper Products: Vendor Guidelines.
	– Data consolidation process:
	– Purchase data for the 2021/22 financial year was consolidated on a rolling basis from financial and quality management systems by the Offer & Sourcing Wood and Paper team.
	– It was then sent to individual vendors for revalidation.
	– Chain of Custody (CoC) evidence checking:
	– Claims that a product is certified can sometimes prove erroneous, normally due to human error. It is consequently best practice to check a sample of products for the correctness of certification claims on the invoice or delivery note. For this purpose, we drew a random sample of products from the vendor data revalidation. A sample size of

Data collection	greater than 10% of vendors was chosen, as this is in line with good practice.
	– Working with third-party consultants, the Offer & Sourcing Wood and Paper team conducted a sample check of evidence back to source.
	– Kingfisher sampled vendors, checking both higher risk products and also a number of randomly selected vendors.
	– Within those vendors, we aimed to randomly sample a minimum of 10% of EANs purchased in the reporting period and the vendor was asked to provide an invoice or delivery note; with supporting information to include vendor CoC certificate number, product certification claim and vendor and customer name and address.
	– This information and the period of supply was checked for consistency with the claim made by the vendor. If an error was found, Kingfisher amended the wood and paper data (e.g. the vendor CoC and product certification claim) appropriately.

Data collection	– Data limitations:
	– The data validation process relies on manual development of a core wood and paper dataset; identifying likely wood and paper EANs by vendor, category and product description. There is a risk that some wood and paper products could be missed in the EAN identification process. The data also includes EANs (that may not contain wood), but Kingfisher was not able to verify this with the vendor, those classified as non-compliant with policy, KPQ897. We aimed to mitigate by ensuring that all products purchased from wood and paper vendors with high sales figures were considered. Data was further triangulated with comparison to the Quality Management Tool database, careful analysis of operating company online customer websites and the experience of the Offer & Sourcing Wood and Paper team. Kingfisher presents a conservative view of the wood and paper performance.
Units	– Number of SKUs purchased.

Paper used in catalogues (GNFR)

Definitions	– **Responsibly sourced wood and paper:** wood and paper which is from 'proven well-managed forests or recycled sources'. Kingfisher's Forest Positive Policy sets out criteria for 'proven well-managed forests or recycled sources'.
	– **Paper used in catalogues (GNFR):** paper used in catalogues (goods not for resale).
Scope	– All catalogue paper.
Data collection	– Data reported covers the 2021/22 financial year.
	– Data is collected in line with our Forest Positive Policy.
	– Data is collated internally, and certificate validity checked.
	– The purchase of a certified product is confirmed through a check of supplier sales documents for a random sample of certificates.
Units	– Tonnes.

Sustainable materials: Peat

Peat-free bagged growing media

Definitions	– **'Bagged' growing media:** includes bags and containers of compost, mulches, soil improvers and additives, and growing bags.
	– **Responsibly sourced alternative materials to peat:** includes green waste, composted bark, coir, and wood fibre.
Scope	– The target covers 'bagged' growing media.
	– Data is reported for B&Q UK, Castorama France, Brico Dépôt France, Brico Dépôt Romania and Castorama Poland.
	– Data reported covers the 2021 calendar year.
Units	– Litres sold.

Planet: We will help tackle climate change

Target: Achieve our approved science-based carbon reduction target by 2025:
– Reduce scope 1 and 2 emissions from property and transport by 38% in absolute terms by 2025, compared to 2016/17;
– and reduce scope 3 emissions from the supply chain and customer use of products by 40% per £million turnover by 2025, compared to 2017/18.

Target: Reach net-zero emissions for our operations (scope 1 and 2) by the end of 2040.

The scope of our target to reduce our carbon footprint covers emissions from property energy use and dedicated delivery fleets as well as emissions from our supply chain and customer use of products. We took the decision in 2018 to calculate our scope 2 emissions (from our indirect consumption of electricity and heat) using a market-based approach which accurately reflects the emission intensity of the electricity we purchase. However, we also report our scope 2 emissions using a location-based approach in our Responsible Business Report.

We report the breakdown of our CO_2e 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). 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. We report on our scope 3 (including waste, investments, non-dedicated delivery fleets, transmission and distribution, and well-to-tank) and our out-of-scope (including emissions from biofuel, biomass and forecourt fuels containing biofuel) CO_2e emissions. Our full carbon footprint is included in the Performance Data Appendix of our Responsible Business Report.

Methodology for calculating CO_2 equivalent (CO_2e) emissions:

– We calculate our carbon emissions using the CO_2e emission factors published annually by the UK Government (DEFRA/BEIS), except where indicated below. The data for 2021/22 is calculated using the '2021 UK Government GHG Conversion Factors for Company Reporting', version 1.0 (expiry 1 June 2022). We record activity data (e.g. electricity consumption, gas consumption) and multiply by the relevant emission factors.
– The CO_2e includes the seven main greenhouse gases that contribute to climate change: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3).

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	– **Floor space:** all areas of the building where we use energy; it includes gross internal area of our buildings and external sales area of stores.
Scope	– 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.
	– Data is reported for properties which were officially open or are operational in the reporting year.
	– We do not currently collect or report data for KIPL, our overseas Sourcing & Offer offices and our UK head office, because emissions aggregated at Group level fall below our materiality threshold of 5%.
	– 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 or closed 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%.
	– We have removed Castorama Russia floor space and energy data from prior years' reporting to ensure figures are comparable.

Scope	– We have added a proxy value for floor space and energy data into 2016/17 and 2017/18 for Praktiker stores acquired in Romania, which we started reporting on in 2018/19, to ensure figures are comparable.
Data collection	– Data reported covers the 2021 calendar year.
	– Our markets record energy data either through Automated Meter Readings (AMRs) or consumption data on invoices.
	– Where data is unavailable, we estimate data according to the following options:
	– Pro-rata calculations for estimating data missing for a short period.
	– Direct comparison: if data is missing for a property, we work out the average energy consumption per m^2 of all similar sites with complete data; then multiply this average by the floor area of the site with missing data. A 'similar site' is a site of the same type e.g. stores or DCs.
	– To report on our scope 2 market-based footprint, we collect data on individual electricity suppliers. This includes evidence linking the operating company to the supplier and the specific tariff (e.g. a contract or invoice). For suppliers providing zero carbon electricity, we ask for a 'guarantee of origin' which states the source of the renewable energy (e.g. solar, wind, hydro).
	– Our Group-level data for floor space is reported in m^2; conversions from ft^2 to m^2 were applied on the UK data.
Units	– Reported floor space (m^2).
	– Energy consumption (kWh).

Details on emission factors used	– **Electricity location-based:** country-specific 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, 2021 edition). Note that the emissions factors for non-UK electricity are in CO_2 only (not CO_2e).
	– **Electricity market-based:** we also publish a market-based scope 2 CO_2 total for which we use a combination of conversion factors according to the data hierarchy (as defined under the WRI/WBCSD GHG Protocol):
	– 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 (AIB). The data for 2021/22 is calculated using the 'European Residual Mixes 2020', Version 1.0, 31 May 2021.
	– 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.
	– **Gas and other fuels:** standard DEFRA/BEIS factors for gas and other fuels we consume (e.g. gas oil, diesel, LPG/propane, biomass) are 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.
	– **District heating:** UK location-based district heating emission factors are used since we do not have country-specific information, which we use for both our location-based and market-based scope 2 emissions totals.

Haulage – dedicated store and home delivery fleet

Definitions
– **Dedicated fleets:** fleets we directly control, including those which are operated on our behalf by a third-party contractor.

– We have dedicated store deliveries in our UK, French and Polish markets.

– We have dedicated home deliveries in our UK (B&Q only) and Polish markets.

Scope
– **Store deliveries:** all outbound journeys for product deliveries from distribution centres and inbound journeys to distribution centres; note this includes return journeys, including backhauling for B&Q, Screwfix and Castorama France. Whilst Brico Dépôt France and Castorama Poland do not currently include backhaul journeys in reporting.

– **Home deliveries:** all outbound journeys for product deliveries from our distribution centres, stores to customer homes and trips made to deliver click & collect orders to stores.

Data collection
– Data reported covers the 2021 calendar year.

– Data for dedicated fleets on fuel use, distance and volume delivered is based on actual data recorded through our logistics monitoring. Distance travelled estimates included for Castorama Poland; this is only for a small number of journeys.

– Data collection processes vary between markets, with data provided by our logistics operators; data is then collated and compiled at each retail banner level.

– Our Group-level data is reported in kilometres and litres of fuel; conversions from miles to kilometres, and from gallons to litres, were applied on the UK data.

Units
– Fuel use data (litres).

– Distance travelled (km).

Details on emission factors used
– **Diesel and petrol:** '100% mineral fuel' DEFRA/BEIS emission factors used, except in the UK where we use the 'average biofuel blend' emission factors; and in France, where we calculate specific biofuel blends based on the French minimum biofuel targets: 8.6% in petrol and 8% in diesel for 2021.

– **LPG, LNG and biomethane:** DEFRA/BEIS factors used.

– **BioLNG used by B&Q:** biomethane DEFRA/BEIS factor used.

– Where fuel use is unknown for haulage, we calculate CO_2e from km travelled, using the DEFRA/BEIS emission factor for 'all HGVs, UK average loading'.

Scope 3 reporting

Lifetime customer energy use and carbon emissions

Definitions	– **Lifetime customer energy use (LCEU) model:** the model estimates the energy used by customers from energy-using products over the lifetime of those products. This model was developed by sustainability experts Bioregional.
Scope	– All energy-using products (EUPs) and Renewable Energy Systems (RES). Both best practice and non-best practice products are included in the LCEU model.
Methodology	– Bioregional performs a set of calculations to assess the energy and carbon impact of EUPs and RESs in Kingfisher's range, in-use by customers. Examples of products included are lighting, heating appliances (gas and electric), white goods, air conditioning and solar thermal collectors. The LCEU calculation quantifies this energy use, and associated carbon emissions of all energy-using products sold in a given year, over the expected lifetime that customers would use them for.
	– Bioregional has established a set of assumptions from product data, SAP modelling and various studies for the typical energy use and lifetime of Kingfisher EUPs and RESs. These are regularly reviewed and updated where necessary. Using sales data provided by Kingfisher, a lifetime energy use figure is established for each product brick and aggregated across the quantity sold.
	– Checks are made that the brick assigned to a product is the appropriate one and that the correct assumption is being used. In some cases, a manual adjustment is made to exclude a product from the calculation if it is found to not actually be the assigned energy-using product (e.g. in some cases an 'accessory' to an energy-using product might also be assigned to the same brick name).
	– For the assumptions used, a tiered approach is applied in many cases, where the different levels of SHP criteria are linked to energy ratings. For example, an appliance that meets the top energy efficiency class and achieves the 'Exceed' level in SHP would be assigned a lower energy

Methodology	use assumption than one of a lower energy efficiency class that did not meet SHP criteria.
	– From the energy data of the LCEU model, the lifetime emissions of energy-using products sold are calculated as a snapshot of the products sold in the reporting year. This calculation takes into account the carbon intensity of the grid of the country in which it was sold, using publicly reported figures for recent years and extrapolating to expected carbon intensity figures to estimate the carbon emissions from use of the product in future years.
	– Final totals are collated to track the change in energy use and carbon emission against previous years' figures. Analysis is also conducted to identify which products account for the most significant shares of the combined energy use and carbon emissions. This aims to identify opportunities to adjust product ranges and make savings.
Data collection	– Data reported covers the 2021 calendar year.
	– Data on all products is collected by the Offer & Sourcing Sustainability team. This is provided to Bioregional as part of the SHP assessment; energy-using products that have passed the SHP assessment are assigned to the 'Expect' and 'Exceed' assumptions held by Bioregional (i.e. the more energy efficient products). Kingfisher also provides Bioregional with a list of energy-using products not put forward for the SHP assessment, which are assigned an energy use and lifetime assumption on the basis that these are 'non-best practice' products.
	– These energy-using products at the different levels are identified and extracted from the lists provided by Kingfisher and used as the input to the model.
Units	– kWh.

Other scope 3 elements

Purchased goods and services, and capital goods

Definitions	– **GNFR:** goods not for resale.
	– **GFR:** goods for resale (products).
Scope	– **Purchases:** we report cradle-to-gate emissions of purchased goods and services, including capital goods.
	– **Water use:** our water data covers water used in stores and offices that are owned or leased by us.
Data collection	– Spend data is collected for financial year 2021/22.
	– Water use data is collected for calendar year 2021.
	– **Purchases:** spend-based method used.
	– **Water use:** average-data method used.
Units	– Spend (GBP).
	– Water volume (m^3).
Details on emission factors used	– **Purchases:** EEIO emissions factors were used.
	– **Water use:** emissions factor from DEFRA/BEIS for water supply was used.

Upstream transportation and distribution

Definitions	– **Non-dedicated fleets:** distribute products in vehicles which carry goods on behalf of several companies i.e. they do not distribute exclusively for Kingfisher.
Scope	– We report carbon emissions from our non-dedicated fleets for road, canal and rail transport for each banner as well as exports via sea and air arranged by Kingfisher Buying Offices.

Data collection	– Non-dedicated road and rail transport, as well as air freight, are reported for calendar year 2021.
	– Sea freight is reported for financial year 2021/22.
	– **Road:** banner level process with Group consolidation. Banners use several data sources, including figures provided directly by carriers, alongside internal web systems.
	– **Rail:** banner level process with Group consolidation. Data is sourced from suppliers using rail shipment information; a formula is used to calculate tonne km (total weight x distance travelled). Rail distance is provided by the carrier.
	– **Canal:** French banners also report deliveries via canal.
	– **Sea:** buying office (Group level) process. For some routes TEU/km is provided by the sea freight carriers. Remaining amounts are calculated by multiplying the number of TEUs per journey by the km for that journey, using TEU and average distance data provided by carriers. Sea freight carbon emission factors ($kgCO_2$/TEU km) come from a variety of sources. Some carriers are able to provide factors in the required units ($kgCO_2$/TEU km), while some carriers provide carbon data in another format (such as total carbon emissions or a carbon factor in other units) and the required factor is then calculated by Kingfisher. Some carriers are not able to provide any data on carbon emissions. As the methodology of determining carbon emissions is not consistent across all carriers and routes, total emissions due to sea freight is estimated based on the data available. In 2021, for carriers which had poor data availability, we used other carriers with the most accurate and applicable information as a proxy to calculate the average emissions factor. This included MSC, Maersk, and Evergreen. For Bellore, as a Non Vessel Owning Common Carrier, the shipping companies that fulfil their shipments were averaged to get the CO_2 rate, which included Maersk, MSC and ONE.
	– **Air:** buying office (Group level) process. Source is Airway invoices from suppliers and average distance is taken from website source (www.timeanddate.com).

Units	– **Road:** volume of products delivered (m^3), fuel use data (e.g. kg, litres), and distance travelled (km).
	– **Rail:** tonne km.
	– **Canal:** tonne km (France only).
	– **Sea freight:** twenty-foot equivalent unit (TEU) km and $kgCO_2$/TEU km.
	– **Air freight:** tonne km.
Details on emission factors used	– **Diesel and petrol:** '100% mineral fuel' DEFRA/BEIS emission factors used, except in the UK where we use the 'average biofuel blend' emission factors; and in France, where we calculate specific biofuel blends based on the French minimum biofuel targets: 8.6% in petrol and 8% in diesel for 2021.
	– **LNG:** DEFRA/BEIS factors used.
	– Where fuel use is unknown for haulage, we calculate CO_2e from km travelled or tonne.km using the DEFRA/BEIS emission factor for 'all HGVs, UK average loading'.
	– **Rail transport:** UK rail freight emission factors from DEFRA/BEIS used since country-specific information is not available.
	– **Canal:** DEFRA/BEIS factor for Rail – Freight train used as a proxy as no mode specific information is available.
	– **Sea and air transport for buying office exports:** 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.

Transmission and distribution, and well-to-tank

Scope	– All emissions from fuel and energy-related activities.
Data collection	– Fuel and energy use data is collected for calendar year 2021.
Details on emission factors used	– **Transmission and distribution:**
	– Standard DEFRA/BEIS factors used.
	– **Electricity transmission and distribution:** country-specific (i.e. location-based) emission factors used.
	– **District heating transmission and distribution:** UK location-based district heating emission factors used, since country-specific information is not available.
	– **Well-to-tank:**
	– Standard DEFRA/BEIS factors used.
	– **Electricity well-to-tank:** country-specific (i.e. location-based) emission factors used.
	– **District heating well-to-tank:** UK location-based district heating emission factors used, since country-specific information is not available.
	– **Gas and other fuels well-to-tank:** country-specific (i.e. location-based) emission factors used.

Waste generated in operations

Scope	– Our reporting includes emissions from day-to-day operational waste and from water treatment.
Data collection	– Data reported covers the calendar year 2021. – Average-data method used.
Units	– Waste weight (tonnes). – Water volume (m^3).
Details on emission factors used	– **Operational waste:** emissions from waste are calculated using different emission factors for waste to landfill, incineration and recycling from DEFRA/BEIS. 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. – **Water treatment:** the emissions factor from DEFRA/BEIS for water treatment was used.

Business travel

Scope	– Our reporting includes all emissions from business travel by our employees.
Data collection	– Data reported covers the financial year 2021/22. – **Air travel:** distance-based method used. – **Other travel:** spend-based method used.
Units	– Distance travelled (miles). – Spend (GBP).
Details on emission factors used	– **Air travel:** 2021 DEFRA/BEIS transport emissions factors for domestic, short haul and long haul flights were used. Where available, factors took into account the flight class used and radiative forcing. – **Other travel:** EEIO emissions factors were used.

Employee commuting

Scope	– We report on emissions from transportation of our employees between their homes and worksites.
Data collection	– Data reported covers the financial year 2021/22. – Average-data method used.
Units	– Distance travelled (miles).
Details on emission factors used	– 2021 DEFRA/BEIS transport emissions factors for average car, average motorbike, regular taxi and for public transport (bus, train and tube) were used.

Leased assets

Definitions	– **Upstream leased assets:** assets leased by us. – **Downstream leased assets:** assets owned by us and leased to other entities.
Scope	– We report on scope 1 and 2 emissions from upstream and downstream leased assets which are not included in our scope 1 and 2 reporting.
Data collection	– Data reported covers the 2021 calendar year. – Market-specific average-data method used.
Units	– Reported floorspace (m^2).
Details on emission factors used	– See <u>Property</u> for detail.

Downstream transport and distribution

Scope	– We report on emissions from customer travel to our stores, including click & collect.
Data collection	– Data reported covers the financial year 2021/22. – Distance-based method used.
Units	– Distance travelled (miles).
Details on emission factors used	– 2021 DEFRA/BEIS transport emissions factors for average car, average van and for public transport (bus, train and tube) were used.

Investments

Scope	– Our reporting includes proportional scope 1 and 2 emissions from any investments where we have at least a 50% share included.
Data collection	– Data reported covers the 2021 calendar year. – Investment-specific method used.
Units	– Energy use (kWh).
Details on emission factors used	– See Property for detail.

End of life treatment of sold products

Scope	– We report on emissions from the end of life treatment of sold products for product packaging and our largest product categories, including electrical items, paint and cement.
Data collection	– Data reported covers the 2021 calendar year.
Units	– Weight (tonnes).
Details on emission factors used	– Emissions from waste are calculated using different emission factors for waste to landfill, incineration and recycling from DEFRA/BEIS. 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.

Customers: We will help make greener, healthier homes affordable

Target: 60% of Group sales to be from our Sustainable Home Products by 2025, including 70% of sales for own exclusive brand products (OEB).

Sustainable Home Products

Definitions
– **Sustainable Home Products:**
  – **'Sustainable B'** comprises products that have a sustainable feature and/or benefit.
  – **'Sustainable A'** comprises products that can make a more significant difference to the sustainability of our customers' homes and/or the wider environment.
  – **Products are classified into two main Sustainable Home Product categories:** products made for sustainability (addressing alternative materials, lower carbon manufacture, recycled and responsibly sourced materials), and products for sustainable living (those that Build Biodiversity, Protect Health, and Save Energy, Resources and Water).

Scope
– We report sales of products and services with sustainability credentials, including Sustainable A and B products, except for wood and paper product data which is reported as purchased.
– Compliance with the Kingfisher Forest Positive Policy is also checked as part of the assessment of Sustainable Home Products.
– Products must comply with our Sustainable Home Product Guidelines, which have been developed with sustainability experts Bioregional, and are updated annually to reflect market and technological development. A summary is available to download at www.kingfisher.com/shpguidelines. The Guidelines set out detailed criteria for specific types of products (there are currently over 100 product types covered).
– Low sales products (with sales value <£1000) are not analysed as part of the SHP assessment.
– We have removed Castorama Russia sales data from prior years' reporting to ensure figures are comparable.

Data collection
– Data reported covers the 2021 calendar year.
– Product data is collated internally by Kingfisher, which includes their expected SHP status (in terms of the principle, level and attribute), and product information that could be used to demonstrate that SHP criteria is met (e.g. VOC level in a paint, energy rating, materials used).
– Data relating to the wood and paper certifications held for different products and from different vendors is also collated to enable assessment of whether a particular product can be linked to full chain of custody certification that is accepted by Kingfisher under its wood and paper policy.
– New products nominated by the Offer & Sourcing Sustainability team are reviewed by Bioregional to check they meet the criteria in our Sustainable Home Product Guidelines, with products split by 'leading category' (e.g. Tools & Hardware, Outdoor, Services, Kitchens).
– Bioregional check the SHP status and keep a log of products' status, and reasons for passing the assessment.
– In some cases, more information is required from either Kingfisher or product vendors to determine the SHP status. A querying process takes place with the relevant Kingfisher product lead to confirm the final SHP status of products.
– Checking of wood and paper products takes place – where applicable, wood and paper products must be able to be linked to a compliant chain of custody certification to achieve SHP status (even if other principles have been met).
– Once all queries are resolved and all products have been assigned a pass/fail status, final data is collated.
– Total sales for items that have been classified as Sustainable Home Products are calculated.
– A percentage of Sustainable Home Products sales out of total retail sales, based on turnover, is determined.

Units
– £ sales (excluding VAT).
– % of retail sales (turnover).

Lifetime energy savings from customer use of products

Methodology	– We make an estimate of the amount of energy saved by our customers through the use of energy-using and energy-saving products they have purchased in our stores over the reporting year. This estimate is made using a model we developed with sustainability experts Bioregional:
	– We report the number of energy-using and energy-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 from 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 and energy-saving products sold during the year.
	– The 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 reported upfront, in the year the product is sold.
Data collection	– Data reported covers the 2021 calendar year.
	– Data on all products is collected by the Offer & Sourcing Sustainability team.
Units	– kWh.

Safer, healthier homes and connect with nature

Definitions	– **Safer, healthier homes:** 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; these include products in the Sustainable Home Products category 'Health & Wellbeing'.
	– **Connect with nature:** products that encourage customers to get outdoors, produce their own food and support wildlife in their gardens; these include products in the Sustainable Home Products category 'Connect to Nature'.
Scope	– 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.
	– We include sales from products that meet the criteria of 'Expect', 'Exceed' and 'Excite' levels, which are submitted in Sustainable Home Products reporting under the categories 'Health & Wellbeing' and 'Connect to Nature'.
Data collection	– Data reported covers the 2021 calendar year.
	– Data is collected as part of the Sustainable Home Products reporting. New products nominated by the Offer & Sourcing Sustainability team are reviewed by Bioregional to check whether they meet the criteria in our Sustainable Home Product Guidelines.
Units	– £ sales (excluding VAT).

Communities: We will fight to fix bad housing

Target: Help more than two million people whose housing needs are greatest by 2025.

Target: New volunteering target will be launched for 2022/23 reporting.

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. 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.

Community investment – how we contribute

Definitions	– **Inputs:** covers how and why the company contributes to the community. Kingfisher uses the definitions for company contributions provided in the Business for Societal Impact (B4SI) Guidance for corporate community investment. Contributions include charitable gifts, community investment and commercial initiatives in the community.
Scope	– 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. we will fight to fix bad housing and living conditions. This includes through improving shelters for the homeless and improving existing housing. Donations to humanitarian organisations such as Red Cross and UNHCR are also included following humanitarian crisis events.
	– Excludes donations to companies and private individuals who are employees or customers.

Data collection	– Data reported covers the 2021/22 financial year.
	– Data contributors from the different banners track community activities throughout the financial year using the B4SI reporting template.
	– Banner level data contributors then submit this data and the Group Community team complete initial checks, followed by Bioregional's verification checks.
	– All data is submitted in local currency and converted to Pound sterling (£) using Kingfisher's average FX rates for the relevant financial year.
Units	– £ invested.

Community investment – value of employee and customer giving

Definitions	– **Outputs:** 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 Business for Societal Impact (B4SI) Guidance for corporate community investment.
Scope	– Contributions are only included if they align with our community strategy i.e. we will fight to fix bad housing and living conditions. This includes through improving shelters for the homeless and improving existing housing. Donations to humanitarian organisations such as Red Cross and UNHCR are also included following humanitarian crisis events.
	– **Community output** includes number of people and organisation benefited from company contributions. Figures on the number of people who have benefited is sourced from the beneficiary organisations; they are asked to report this in accordance with the B4SI guidelines.
	– **Employee involvement** includes the number of employees participating in community activities in paid working time as well as the hours contributed by the employees.
	– **Leverage** includes employee contributions through payroll giving and other employee contributions, and contributions from customers and other organisations.
Data collection	– Data reported covers the 2021/22 financial year.
	– Data contributors from the different markets track community activities throughout the financial year using the B4SI reporting template.
	– Banner level data contributors then submit this data and the Group Community team complete initial checks, followed by Bioregional's verification checks.
	– All data is submitted in local currency and converted to Pound sterling (£) using Kingfisher's average FX rates for the relevant financial year.

Units	– **Community output:** number of people, number of organisations.
	– **Employee involvement:** number of employees, number of hours.
	– **Leverage:** £ donated.

Fundamentals: Employee safety

Employee accidents

Definitions	– **Accidents:** 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.
	– **Work days lost:** these are captured as calendar days, in line with statutory requirements.
Scope	– We collect data on the following categories of work-related accidents:
	– 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	– Data reported covers the 2021/22 financial year.
	– Our markets maintain accident record books at each site to record data, as required by legislation.
	– All markets except France report into the online Kingfisher Intelex Incident Reporting system:
	– 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.
	– France keep their own accidents register, which they send to the Group Health & Safety team.
Units	– Number of accidents.
	– Number of accidents per 100,000 full-time equivalent employees.

Fundamentals: Responsible sourcing

Supplier assessments and site grades

Definitions – **Total number of known suppliers:** known active suppliers that Kingfisher sourced from as at the end of the reporting period.

– **Total number of known production sites:** known active finished goods production sites that Kingfisher sourced from as at the end of the reporting period.

– **OEB / Non-OEB / International Brand:**

– Own Exclusive Brand (OEB) refers to Kingfisher branded products.

– Non-Own Exclusive Brand (Non-OEB) refers to locally sourced products that are not carrying a Kingfisher brand.

– International Brands refers to a small number of suppliers who are considered by Kingfisher an International Brand with different requirement to local and own brand suppliers. Kingfisher sets this classification.

– **Policy compliant:** policy compliant suppliers and production sites are compliant with our Human Rights Policy, and therefore our Supply Chain Workplace Standards. Our policy requires our OEB and Non-OEB suppliers and production sites to register on Sedex Members Ethical Trade Audit (SMETA) and amfori Business Social Compliance Initiative (BSCI) platforms. Those suppliers registered on Sedex are required to have completed the Self-Assessment Questionnaire to 100% and if they are classified as high-risk, they are required to complete an ethical audit. International branded policy compliant suppliers and production sites will have demonstrated they meet our expectations regarding processes and procedures.

– **Non-compliance:** refers to an issue identified at audit that does not meet legal requirements.

– **Non-conformance:** refers to an issue identified at audit that does not meet our policy requirements.

Scope – Data is only reported for suppliers with confirmed purchase orders, stock received. Distributors are not included in scope.

– Production site audit criteria:

– Audits must be conducted in line with Ethical Sourcing: Vendor Guidelines.

– Audits must be a full initial, full follow-up or a periodic audit. Data does not include partial audits.

Scope – Audits must be no more than two years old.

– Our Ethical Sourcing Vendor Guidelines provides details of how we will implement our Human Rights Policy and monitor compliance with our ethical and environmental requirements.

Data collection – Data reported covers 11.5 months of the 2021 calendar year (1 January 2021 – 13 December 2021).

– Data is collected on suppliers and finished goods production sites that have been active during the reporting period.

– Data is gathered from Sedex and BSCI platforms.

– Data is extracted from individual buying offices' systems, collated and compiled at Group level.

– We allocate grades based on the results of the most recent ethical audit that has been carried out in the past two years.

– **Data limitations:**

– The data validation process relies on manual development of a core data set to identify distributors. There is a risk that some of our production sites may have a lapsed Sedex membership and could be missed during the identification process, leading to incomplete data reporting.

– Kingfisher relies on suppliers to disclose the production sites supplying Kingfisher products. The number of production sites disclosed in our report is based on currently available data which Kingfisher strives to continuously improve by engaging with our banners, buying offices and supply chain partners.

Units Breakdown by OEB, Non-OEB and International Brands:

– Number of known suppliers and productions sites.

– Number of high-risk production sites.

– Number of policy compliant suppliers and production sites.

– Number of site audits.

Fundamentals: Waste and recycling

Landfill and recycled waste

Definitions	– **Operational waste:** day-to-day operational waste, excluding customer waste and waste from major construction and refurbishment projects.
	– **Recycled waste:** includes the following materials split – cardboard or paper, wood, plastic, metal, rubble and other (e.g. WEEE, hazardous waste).
Scope	– Waste data is split into the following categories: waste disposed to landfill, waste disposed to incineration (with and without energy recovery), and recycled waste.
	– Operational waste data is collected for stores, offices and other buildings where we manage the waste contract e.g. distribution centres. 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. We only include customer returns as waste if the products are disposed through standard waste routes. Products resold or returned to the supplier are not included.
	– Waste recycled only includes materials that are sent to a contractor for recycling; materials that are reused or sent back to the supplier e.g. pallets, are not included. However, data handlers do monitor wooden pallets that are recycled under a separate measure for wood recycled.

Data collection	– Data reported covers the 2021 calendar year.
	– Markets collect data on store waste from national or regional contractors. This data is split by location, month, as well as waste type and disposal method. Waste categorisation between hazardous and non-hazardous waste follows local legislation in our markets.
	– Where actual measurements are not available, the data is estimated as follows:
	– Note that most data is derived from accurate weight measurements, and while we are aware that there are some cases where estimations might be made, these are for very small tonnages.
	– Estimation using the UK government's conversion factors for different materials e.g. 1 m^3 paper/card = 0.21 tonnes.
	– 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	– Tonnes.

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-report

Our Performance Data Appendix
www.kingfisher.com/dataappendix

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

Our Modern Slavery Act Statement
www.kingfisher.com/Modern-Slavery

Contacts

What do you think about our performance?

We'd love to hear your views on
Responsible Business at Kingfisher at
responsiblebusiness@kingfisher.com