

Kingfisher Responsible Business Report 2024/25 Introduction Colleagues Planet Customers Communities Fundamentals Assurance Glossary

# Better Homes. Better Lives. For Everyone.

# At Kingfisher, we believe a better world starts with better homes and we strive to help make that happen.

This Report summarises the actions we've taken during financial year 1 February 2024 – 31 January 2025 towards our Responsible Business targets.

We also publish a <u>Performance Data Appendix</u> which includes details of how our reporting aligns with external frameworks including the United Nations Global Compact, the United Nations Sustainable Development Goals and the Sustainability Accounting Standards Board (SASB), and Responsible Business Databook.

Our disclosure against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and a report by our Responsible Business Committee are included in our <u>Annual Report</u> and Accounts.

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# **About Kingfisher**

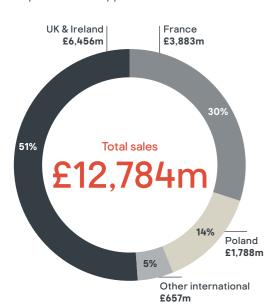
#### Who we are

Kingfisher is an international home improvement company with over 1,9001 stores in eight countries across Europe.

We offer home improvement products and services to consumers and trade professionals through our stores and e-commerce channels.

#### Our purpose

Better Homes. Better Lives. For Everyone. At Kingfisher, we believe a better world starts with better homes and we strive to help make that happen.



Over 76,000<sup>1,2</sup>

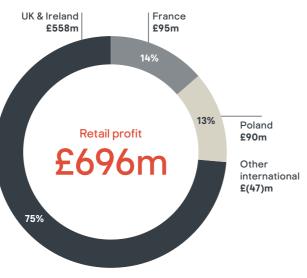
Over 1,900

Over 3,700 suppliers across 70 countries

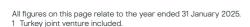


#### Where we operate

across Europe under retail banners including B&Q, Castorama, Brico Dépôt, Screwfix, TradePoint and Koçtaş.



- 18 December 2024.
  - Store figure as of 31 December 2025.



- 2 Total, not full-time equivalent. 3 B&Q 310, Screwfix 952.
- 4 Castorama 94, Brico Dépôt 126, Screwfix 30.

5 Sale expected to complete during first half of 2025/26, as announced on 6 Our banner in Turkey, Koctas, is operated as a 50% joint venture.



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# From our Chief Executive Officer



Better Homes. Better Lives. For Everyone. At Kingfisher we believe a better world starts with better homes and we strive to help make that happen.

We aim to lead the industry in responsible business practices and energy efficiency, and our Responsible Business strategy sets out to maximise our positive impact on the lives of our customers, colleagues, communities and the planet.

We have made strong progress against our Responsible Business priorities this year, helping tackle climate change, while supporting our people and communities and delivering products to help our customers lead more sustainable lives

#### **Reducing our carbon emissions**

This year, we have reduced the carbon footprint from our own operations, exceeding our near-term 1.5°C-aligned science-based Scope 1 and 2 target. We have also reduced our Scope 3 emissions per £million turnover from supply chain and product use by 38.7% since 2017/18.

Looking ahead in our net zero journey, our science-based emissions reduction targets (announced in November 2024) now commit us to interim 2030 milestones as well as a net zero target for Scope 3. Page 14 contains more information on these targets and how we will achieve them. To achieve these

targets, we've been working closely with our suppliers to improve product durability and repairability, while ensuring high quality and accessibility. This, along with our new vendor decarbonisation targets, will help us to further reduce our Scope 3 carbon emissions.

Our new targets demonstrate our continued commitment to reducing our environmental impact, and will be a driving force for all our teams over the coming years.

#### **Providing sustainable products**

We are helping our millions of customers to have a greener, healthier home – one that is energy efficient, comfortable, uses fewer resources and is affordable to run and maintain. In 2024/25, 53% of Group sales and 63% of Own Exclusive Brand (OEB) sales were from our Sustainable Home Products (SHPs), an increase from 49% and 60% last year, respectively. In addition, 10% of Group sales were from products designed to reduce energy and water usage, as we increased our engagement with customers.

We have also continued to roll out our green star product marker to help customers more easily identify and purchase products that have been designed to minimise their impact, either in their product lifetime, or through environmentally-friendly materials and manufacturing methods. To date, our green star marker has been applied to over 10,000 SKUs across the Group, and this is set to increase further this year.

#### **Becoming more inclusive**

We are delivering on our commitment to be a more inclusive company and breaking down barriers to employment and progression, and building skills for life. We remain focused on ensuring our colleagues are engaged and able to realise their full potential. Our Employee Net Promoter Score (eNPS) of 59 improved by two points year-on-year, maintaining our position in the top 5% of worldwide retailers. Since we introduced our new target for 20,000 colleagues to complete an apprenticeship, traineeship or formal qualification by 2030/31, 8,248 colleagues have already achieved this milestone. We have also made further progress on gender representation. with 30.1% women in our senior leadership team (2023/24: 28.6%) and 39.8% in management roles (2023/24: 39.6%).

We have embedded our allyship campaign, 'Together. Stronger.', across all banners, to promote an inclusive and diverse culture. Our Inclusion and Diversity (I&D) Forum has been recognised for this work, being shortlisted for Diversity Team of the Year at the European Diversity Awards 2024.

#### Making an impact in communities

We remain dedicated to creating better homes for everyone in our communities, which is intrinsically linked to our purpose of helping provide better homes and better lives for everyone. Our seven banner Foundations and partnerships with national charities enable us to offer products, time and funds, further amplifying our impact and support for those in need. We were proud to exceed our 2025/26 target, reaching two million people with the greatest housing needs ahead of schedule. For example, in 2024/25, we supported disaster relief efforts by providing emergency provisions in Poland, Romania and Spain.

To us at Kingfisher, being a Responsible Business is about doing the right thing – now and in the future. While we remain focused on delivering our existing targets, we are also developing the next iteration of our Responsible Business strategy and targets for 2030. This evolved strategy will build on our current priorities and the strong foundations we have in place, and help us to continue to use our scale to bring about positive change and deliver our purpose.

I sincerely appreciate the support of our colleagues, customers and partners who have contributed to our success. I look forward to the progress we can make together in the coming year.

Thierry Garnier
Chief Executive Officer

# Responsible Business Highlights 2024/25

**Improving** gender balance

of management roles currently held by women. •

Learning for life

colleagues have completed an apprenticeship, traineeship or formal qualification. •

Together. Stronger.



Committed to

Net zero

by 2040 for our Scope 1 and 2 emissions (our operations);

by 2050 for our Scope 3 emissions (our value chain). •

Reducing carbon emissions



reduction in carbon emissions across our operations since 2016/17. We purchase electricity from zero carbon and renewable sources. •

reduction in intensity of our Scope 3 emissions from the supply chain and customer use of products since 2017/18.

Responsibly sourced wood

of the wood and paper used in our products is responsibly sourced ()

### Becoming **Forest Positive**

Since 2021, we've been a founding member of the Rainforest Alliance's Forest Allies, helping support the livelihoods of people across more than 40 communities. • Sustainable **Home Products** 

of Sustainable Home Products sold.

of total Group sales. •

Sustainable packaging

purchased plastic OEB packaging made with a minimum of 30% recycled content.

Caring for our communities



invested in community projects. •

Volunteering

hours of colleagues' volunteering. •



across the Group working for better homes for everyone in our communities.





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# Our ESG performance

We continue to rank highly in external benchmarks and indices, consistently outperforming against sector averages. For the latest information about our environmental, social and governance (ESG) performance, visit our <u>website</u>.



#### **MSCI**

We rank as a 'Leader', having received the highest-possible 'AAA' score.

Industry benchmark: The 'AAA' score is achieved by only 11% of companies in the Retail – Consumer Discretionary sector.



#### **Workforce Disclosure Initiative**

We received a disclosure score of 90%.

**Industry benchmark**: We scored higher than the average consumer discretionary sector of 65% and average disclosure score (all companies) of 62% and average UK company score of 72%.



#### **CDP Climate Change**

We achieved a leadership score of 'A-'.

**Industry benchmark**: We scored higher than the average discretionary retail score of 'B'.

#### **CDP Forests**

We have continued to maintain a score of 'B'.

**Industry benchmark:** We scored higher than the average discretionary retail score of 'C'.



#### **ISS ESG Corporate Rating**

We achieved a 'C+' rating.

**Industry benchmark:** The rating is supported by our 'Prime' status, which is given to companies that are perceived to be sustainability leaders in their industry.



#### Sustainalytics

We have a risk rating score of 9.3 (Negligible risk).

Industry benchmark: We rank first out of 37 in the home improvement retail sub-industry and fifth out of 450 in the wider retailing industry.



#### FTSE4Good

We are listed in this index with a rating of 4.6 out of 5.

**Industry benchmark:** We are rated higher than the home improvement average rating of 2.6 out of 5.

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Our approach to Responsible Business

We strive to lead the industry in Responsible Business practices and energy efficiency. These practices have been a priority for us for over 30 years and are integrated into everything we do.

Responsible Business is one of eight pillars that make up our strategic plan – 'Powered by Kingfisher' – which aims to maximise the benefits of combining our distinct retail banners with the scale, strength and expertise of the Kingfisher Group.

This strategy ultimately delivers our purpose – Better homes. Better lives. For everyone. At Kingfisher we believe a better world starts with better homes and we strive to make that happen.

#### Our four priorities

We have identified four priority areas where we can maximise our positive impact on the lives of our customers, colleagues, communities and the planet.

These priorities are based on consumer research, findings from our materiality assessment and external frameworks such as the UN Sustainable Development Goals. For more information, see our Performance Data Appendix.

We continue to monitor progress against an established set of KPIs and are working hard to meet the ambitious targets we set ourselves five years ago. We're finalising our 2030 strategy, building on the existing one, to ensure relevance for the future.

# Our Responsible Business Fundamentals

Our four priorities are supported by our Responsible Business Fundamentals. By measuring and managing these key areas, we ensure that our operations remain responsible and sustainable across our business, and we continue to do the right thing.

# Governance of Responsible Business

Our Responsible Business Committee (RBC), a Committee of the Board, is chaired by a non-executive director. It oversees the delivery of our Responsible Business strategy and provides advice and assurance to the Group Executive and the Board on all matters relating to Responsible Business practices. It's also responsible for monitoring performance against our priorities.

We have a three-year Responsible Business Plan for the Group that's reviewed by the Group Executive and the Kingfisher Board of Directors twice a year. Our central Responsible Business team, led by our Director of Responsible Business (reporting directly to our Chief People Officer), develops strategy, targets, governance, reporting and communications on Responsible Business. We also have experts in our Group functions who drive and embed progress on our four priorities and fundamentals.

Responsible Business leads at banners are supported by our central team and experts within Group functions. Responsible Business targets are integrated into banners' three-year plans.

# Reporting standards and disclosure

We align with a number of external disclosure initiatives including the Workforce Disclosure Initiative (WDI), CDP (formerly the Carbon Disclosure Project), the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosure (TCFD) and the Sustainability Accounting Standards Board (SASB) initiatives, frameworks and standards for Multiline and Speciality Retailers and Distributors.

We publish detailed performance data in our <u>Data Appendix</u> and <u>Responsible</u> <u>Business Databook</u>.

Information on our data and target scope and calculations are included in our <u>Data</u> <u>Collection Methodology</u>, and we publish a <u>Global Reporting Initiative (GRI) Index</u> on our website.





### **Colleagues**

We will be a more inclusive company

#### **Our commitment**

We will be a more inclusive company by breaking down barriers to employment and progression, and by building skills for life.

#### **Our targets**

- Improve gender balance to 35% women in senior leadership and 40% women in management by 2025/26.
- Enable more than 20,000 colleagues to complete an apprenticeship, traineeship or formal qualification by 2030/31.

Health and Safety



#### **Planet**

We will help tackle climate change and continue our journey to become Forest Positive

#### Our commitment

We will help tackle climate change by reducing carbon emissions from our business, products and supply chains. We will work towards becoming Forest Positive through our commitment to responsible sourcing and investing in forest protection and restoration projects.

#### Our targets

- Deliver our science-based targets for 2025/26 to reduce Scope 1 and 2 emissions by 37.8% in absolute terms and Scope 3 by 40% per £million of turnover compared with 2016/17 and 2017/18 respectively.
- Reach net zero emissions for our operations (Scope 1 and 2) by the end of 2040/41 and across our value chain (Scope 3) by 2050/51.
- Achieve 100% responsibly sourced wood and paper for our products and catalogues by 2025/26.
- Work towards becoming Forest Positive by 2025/26.



#### **Customers**

We will help make greener, healthier homes affordable

#### Our commitment

We will help millions of customers have a greener, healthier home – one that is energy efficient, comfortable, uses fewer resources and is affordable to run and maintain.

#### **Our target**

 Attain 60% of Group sales from our Sustainable Home Products (SHPs), including 70% of sales for our Own Exclusive Brand (OEB) products by 2025/26.



#### **Communities**

We are striving for better homes for everyone in our communities

#### Our commitment

We will donate our products, expertise and time to help people whose housing needs are greatest in the communities we serve.

#### Our target

 Help more than two million people whose housing needs are greatest by 2025/26.

**Our Responsible Business Fundamentals** 

Responsible sourcing and human rights

Waste and recycling

Ethical conduct

Governance and engagement

Materiality assessment and assurance

# Colleagues

We will be a more inclusive company

We will be a more inclusive company by breaking down barriers to employment and progression, and by building skills for life.

We want every one of our colleagues to feel supported in their work and have ample opportunities to learn, develop and reach their potential. We believe retail is an industry where careers can be built. We strive to create the right conditions for all talent to grow and progress, and we champion diversity at all levels.

#### Our targets

Improve gender balance to 35% women in senior leadership and 40% women in management by 2025/26.

Enable more than 20,000 colleagues to complete an apprenticeship, traineeship or formal qualification by 2030/31.

#### ↑ Our progress in 2024/25

30.1% of senior leaders and 39.8% of managers are women, compared with 28.6% and 39.6% respectively last year.

3,221 colleagues completed apprenticeships, traineeships and formal qualifications across the Group this year. This brings our total to 8,248 colleagues since the introduction of the target last year.

Embedded our allyship campaign, 'Together. Stronger.', across all markets to emphasise the importance of allyship and inclusion.

Introduced our new e-learning platform, LEO, offering colleagues unlimited access to thousands of online courses to support their development.

### **Our Inclusion and Diversity plan**

#### It's important we foster a culture where everyone feels they belong and can thrive.

To progress our Group-wide Inclusion and Diversity (I&D) strategy and action plan, we have I&D leaders and culturally relevant plans in each banner. Our I&D Forum, led by Screwfix CEO John Mewitt, is made up of both senior leadership and colleague voice representatives.

We're continuing to prioritise gender diversity to meet our 2025/26 targets and working towards our ethnicity target in the UK (16% by 2030 across our Group Executive and their direct reports).

For more information on our culture and 2024/25 priorities, see our People and Culture Plan in the Annual Report and Accounts 2024/25.

#### Diverse and representative senior leadership and management

We are making solid progress towards achieving our target of 40% women in management by the end of 2025/26 (currently at 39.8%). We continue to focus our work on increasing senior leadership gender diversity, with a 1.5% improvement

In addition to our 2025/26 gender diversity targets, which are tracked for our top c.300 leaders, we also regularly submit progress

#### Gender balance

% of women based on headcount

#### Total workforce

2024/25	43.0%
2023/24	43.3%
2022/23	43.1%

#### Management

2024/25	39.8%
2023/24	39.6%
2022/23	38.9%

#### Senior leadership

2024/25	30.1%
2023/24	28.6%
2022/23	25.8%

39.8% Women in management roles

Colleagues

data to the FTSE Women Leaders Review, which tracks gender diversity of women on boards and in leadership. In 2024 we ranked 44th in the FTSE 100.

We support women across the business to progress their careers and offer accelerated development programmes to those with leadership potential. For example:

- Through our partnership with Diversity in Retail, we've participated in various UK and international development programmes, such as the Aspiring CFO, Global Women Leaders, UK Women Leaders, and Women's Non-Executive Director programmes. These offer cross-company mentorship and reverse mentorship, engaging both senior teams and emerging talent.
- Castorama and Brico Dépôt France run a joint Women Leader programme to help emerging female talent to join senior leadership.

We're constantly reviewing our recruitment processes and career development programmes to ensure we're building a diverse female talent pipeline throughout the business. Initiatives we've introduced include:

 75 members of our Kingfisher Leadership Team attended an inclusive recruitment hiring workshop run by an external party.
 This training will be rolled out to the top 50 hirers in Group functions.

- At B&Q, our people managers attended our in-house equality, inclusivity and diversity workshops to increase buy-in on the importance of leading inclusively.
   We have also refreshed our mandatory 'Licence to hire' training for all colleagues with a hiring role, launched 'Lean in' mentoring circles and introduced 'I Will Elevate' leadership development programmes to support women and ethnically diverse colleagues into leadership roles.
- Screwfix launched a female-focused recruitment campaign, utilising video content across social media platforms to widen the pool of female applicants.
- At Brico Dépôt Iberia we have continued to champion women in construction through our Construimos Mejor programme. This included a flooring skills workshop for around 20 women who were either unemployed or at risk of social exclusion. We also launched Spain's first ever directory of women in construction and DIY.

#### Pay equality

Our latest 2024 <u>UK Gender Pay Report</u> shows some improvement across the Group. The report demonstrates a further reduction in the Kingfisher consolidated hourly mean pay gaps to 7.9% (2023: 9.4%) for all UK colleagues. While the median hourly pay gap has increased to 1.2% (2023: 0.8%), the overall median gap continues to remain low

with a slight increase reflecting changes in the population being assessed.

In France, Brico Dépôt and Castorama scored 94 and 99 out of 100 respectively in the gender equality index in 2024. This regulation requires all organisations with more than 50 employees to calculate and publish their scores on the gender pay gap every year.

# Diversity and Inclusion: Looking beyond gender

In response to the Parker Review's recommendations, and as part of our broader focus on reflecting the customers and communities we serve, we set a target of increasing our ethnic diversity to 16% by 2030 across our most senior UK leadership (Group Executive and their direct reports), with a milestone of 12.5% ethnic diversity to be achieved by 2027 (currently at 6.4%).

While data protection laws prevent us from replicating this target across all our geographies, each market has its own diversity agenda, beyond gender, focusing on areas such as delivering employment opportunities for people with disabilities. For example, in Spain and Portugal, companies have a requirement to meet a minimum percentage of employment for workers with disabilities. Brico Dépôt Iberia continued to support inclusive recruitment through continuous training to mitigate potential unconscious biases.

# Advancing gender parity in Castorama and Brico Dépôt France

Castorama and Brico Dépôt have been working with the impact company Chance to support and assist female colleagues to prepare for managerial positions.

The six-month programme helps colleagues gain better self-awareness, increase self-confidence, define a clear career path and create a detailed action plan to achieve it. To date, 41 female colleagues at Brico Dépôt have attended the programme. Six have since been promoted from department manager to sector manager and one has risen from sector manager to store manager.

Meanwhile, at Castorama, out of the 22 sales associates, customer relations officers, logistics team members and cashiers that attended, eight have subsequently moved into managerial positions.



In Poland, Castorama has employed 159 colleagues with disabilities across its stores and head office and continued to promote representation of colleagues with disabilities through several initiatives including a campaign for disability awareness in July.

# A culture of inclusion that empowers every colleague

We want every colleague to feel a sense of belonging and empowered to be themselves, and we welcome the insights, ideas and experience our diverse colleagues bring. Research has shown that inclusive teams are over 35% more productive.<sup>1</sup>

As well as our UK Colleague Census, regular colleague surveys using the Workday Peakon platform and banner-specific workforce diversity reports, we have a number of initiatives in place to garner colleague feedback. Our colleague networks<sup>2</sup> continued to evolve and mature this year, providing safe spaces for colleagues and driving positive change across the business.

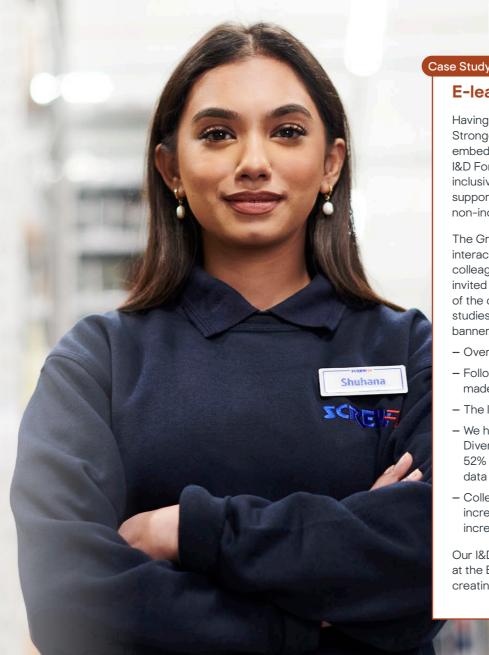
Screwfix's Us Inclusion Network provides a forum for employees to connect, share, learn and collaborate. This year we launched our first employee-led and board-sponsored Inclusion Networks (Gender Network and Race, Culture and Ethnicity Network). We have also continued to see

organic growth of a range of communities focused on creating safe spaces for employees, e.g. Black Colleagues
Community, Men's Health, Menopause
Community.

At B&Q, we created an Active Allyship campaign designing a series of scenarios to include behaviours such as microaggressions, bias, stereotypes and privilege. These were then discussed in teams to encourage difficult conversations. Feedback from colleagues shows that it has helped raise confidence and awareness of how to action allyship. Allies are valued members of all of our Affinity Networks.

In Poland, we've expanded our Quiet Hours initiative which has proved popular with customers and colleagues alike. During these hours music and radio announcements are muted, providing a stimulation-free environment for anyone with neurodiverse auditory sensitivities and/or hearing disabilities.

Our SpeakUp hotline remains in place, allowing colleagues to raise any concerns in confidence. Read more on page 39.



E-learning for Together. Stronger.

Having activated our allyship work, including our 'Together. Stronger.' campaign last year, our focus this year has been to embed it across all banners. The campaign, initiated by the I&D Forum, outlines a clear and consistent set of expected inclusive behaviours as well as training, practical advice and support for colleagues on how to respond to, or escalate, non-inclusive conduct.

The Group-wide campaign was accompanied by an interactive learning module using real-life examples from our colleagues of inclusive and non-inclusive behaviour, which invited colleagues to question how they'd respond. As part of the development of the e-learning, scenarios and case studies could be tailored locally so as to be relevant for each banner. To date:

- Over 90% of colleagues have completed the e-learning.
- Following the e-learning, 33,861 colleagues have actively made an allyship pledge.
- The learning programme has achieved an NPS score of 52.
- We have seen a 40% increase in the completion of our UK Diversity Census³ (2024/25: 77% completion, 2023/24: 52% completion), giving us more detailed demographic data to inform future actions.
- Colleague engagement NPS sentiment for belonging has increased by 4 points and sentiment for 'speak up' has increased by 3 points.

Our I&D Forum was shortlisted for Diversity Team of the Year at the European Diversity Awards 2024 for its work on cocreating the 'Together. Stronger.' campaign.

- 1 Research and Markets. (2022). Diversity and Inclusion (D&I) Global Market Trajectory & Analytics.
- 2 We have 16 Affinity Networks across the Group, including networks focusing on gender diversity, ethnic and cultural diversity, LGBTQ+ community, neurodiversity, working parents, veterans and ability.
- 3 We segment our colleague sentiment by aspects such as ethnicity, disability and sexual orientation, to understand how our colleague experience varies.

## Investing in skills for the future

To create a healthy, robust workforce it's essential we invest in colleagues' futures, equipping them with the skills to grow their careers.

Our approach is that we enable choice, structure and opportunity for our colleagues. Training and development can be used to develop operational skills, improve customer experiences, increase knowledge of our products and services and prepare colleagues for change.

How people shop is constantly evolving, with an increasing focus on digital transactions, for example in our online marketplaces and digital hub stores. To better serve our customers, however they choose to shop, we have targeted training for our retail roles that delivers improved service. In our Trade focused banners, this includes training on building relationships with our Pro customers.

Having met our initial target of providing 5 million hours of skills for life learning, three years ahead of schedule, we introduced a new target last year; by 2030/31, more than 20,000 colleagues will have completed an apprenticeship, traineeship or formal qualification. Over 3,200 colleagues have completed apprenticeships, traineeships and formal qualifications across the Group this year. This brings our total to over 8,200 colleagues since the introduction of the target last year.

This year, we introduced a new learning platform (LEO) offering colleagues unlimited access to digital learning with thousands of flexible courses from over 200 learning providers, including skills development training for those interested in management roles. By the end of 2024/25, over 124,000 training items and over 71,000 total training hours had been completed in LEO since its launch in Q4

# Creating opportunities: apprenticeships

We believe retailers have a responsibility to empower colleagues, and future employees, with skills that will boost our broader economy. Although our 2030/31 target centres around skills and learning, the impact is that we're enabling social mobility by ensuring more of our colleagues have tangibly obtained something that makes them more employable.

We offer apprenticeships in France and this year over 800 have been completed. We also offer over 40 apprenticeship standards across Group functions, B&Q and Screwfix. This ever-expanding list has been designed to ensure existing skills gaps are filled and future needs are accounted for. The target is also instrumental in fostering the development of new store managers and assistant store managers and supervisors within the management talent pipelines. At B&Q, over 200 colleagues have completed

apprenticeships. This year, B&Q has made improvements to its training programmes to make them more accessible to ethnic minorities and those living in socially deprived areas.

Screwfix has two levels of Trade Up apprenticeship. By the end of our Retail Team Leader Level 3 Apprenticeship. apprentices are well-prepared for a leadership role. Level 4 apprentices are equipped with the leadership capabilities needed to take on Branch management roles, with a focus on driving growth and improving profitability. 298 Trade Up apprenticeships have been completed this financial year, with 244 of these colleagues since being promoted into management roles. In total, 639 colleagues have been promoted since completing a Trade Up apprenticeship. The Department for Education has included Screwfix in its Top 100 Apprentice Employers list 2024.

# Developing skills for growth: traineeships and formal qualifications

As well as on-the-job training, we offer a minimum entry qualification programme for joiners or existing colleagues without an English or Maths GCSE or equivalent. This training¹ has proved to be very popular with school leavers and apprentice applicants, who may not have achieved these qualifications previously. Through learning coaches, access pathways

<sup>1</sup> Apprenticeships and traineeships have different structures. Apprenticeships are typically longer and more structured with UK apprentices spending 20% of their employment time in education. Traineeships are often used to gain practical experience and skills.

Case Study

and relevant support they can go on to achieve qualifications up to diploma/ undergraduate level.

We also offer programmes for individuals who are considering a future career with us. For example:

- Castorama France has strengthened its commitment to 'Nos quartiers ont des talents' (NQT or 'Our neighbourhoods have talent') by offering 123 mentorships to young graduates since 2021; 80% of the supported young graduates have found a positive outcome (permanent contract, fixed-term contract, training, internship, and apprenticeship) since the beginning of the partnership.
- In Poland, Castorama runs a three-month paid internship at its HQ, including a week in store, aimed at students and graduates of universities and colleges. 'Bądź jednym z nas!' ('Be one of us') interns support individual departments in daily tasks and project implementation while gaining first-hand experience of our industry. In addition, trainees were given interior design skills in store.
- At Brico Dépôt France and Castorama France, our Booste ta Carrière ('Boost your Career') accelerator programme gives young graduates access to training, individual coaching, and support by a senior management mentor.
   The graduates will also be given the

opportunity to present a collective project linked with retail strategy to the Brico Dépôt executive team.

Kingfisher has partnered with La Fosse
Academy to help build a scalable
and diverse talent pipeline in high
growth areas/high demand IT skills.
To date we have taken on 22 people
from diverse backgrounds, using the
programme to provide opportunities
to underrepresented groups as
well as growing capability in our
technology team.

Building trade skills

Trade skills are in high demand. Kingfisher research shows a lack of skilled tradespeople is set to cost the UK economy £98 billion in missed GDP growth opportunities to 2030.¹ The same research shows that just 2% of tradespeople in the UK are women, something we're committed to addressing by encouraging women to explore careers in trade.

At the beginning of 2025/26 B&Q donated over £1 million through the 'Transfer to Transform' initiative² to help support smaller businesses recruit and train trade apprentices. Along with Trade Point UK, we've launched 'Do the Lift Thing' – a campaign that showcases women trade professionals and is a call to action for more girls and women to choose a trade profession.

Screwfix has partnered with TrAC³ to fund trade apprenticeships to address the significant trade skills gap in the UK. We are currently funding 42 different apprenticeships across a variety of trade skills with an additional 26 apprenticeships funded through TrAC's FutureIn initiative which supports vulnerable and homeless young people into apprenticeships. Two of our trade apprentices attended a Screwfix sponsored event at the House of Commons in November 2024 to raise awareness to an audience of MPs and other interested parties.

The CastoPro Academy, set up in 2023 by Castorama Poland and leading suppliers, is providing in-store learning opportunities to improve professional tradespeople's skills and broaden their knowledge of construction materials and techniques.

<sup>1</sup> Based on our research carried out in partnership with Cebr which can be accessed here.

<sup>2</sup> The UK Government's Transfer to Transform initiative provides a platform for larger businesses to support small and medium sized enterprises by reallocating funding for apprenticeship recruitment and training to smaller organisations. This has helped smaller businesses take on more than 75 new apprentices in a range of trade roles.

<sup>3</sup> TrAC is a not-for-profit flexi job training agency in the construction sector

#### **Engaging our colleagues**

We continue to work on creating a culture that's agile, inclusive, and led by trust, and are encouraged by the feedback we receive. We assess our progress on colleague engagement against the key metrics of our culture through both formal and informal mechanisms, including regular colleague surveys, the Kingfisher Colleague Forum and works councils, colleague networks, social channels and regular town hall meetings.

Over 64,000 colleagues responded to our latest colleague engagement survey. That represents 86% of our workforce and outperforms participation benchmarks for the retail industry. Colleagues shared 256,000 comments, which suggests that they feel comfortable and confident expressing their feedback and ideas.

## Colleague engagement eNPS

2024/25	16	59
2023/24	25	57
2022/23	24	54

• • • • Global retail benchmark (eNPS) median

Colleague engagement is up again this year at 8.6/10, 0.8 above the retail median, and our Employee Net Promoter Score (eNPS) of 59 is also significantly ahead of the global

retail benchmark, placing us in the top 5% of retailers. We saw improvement in both our turnover rate and the time it takes to hire new colleagues in the last year.

Our Inclusion Score, based on the question 'I feel a sense of belonging at Kingfisher', is 56 eNPS, placing us in the top 5% of Peakon's All Industry benchmark.

All banners are increasing their survey activity to a minimum of two all-colleague surveys a year to ensure that, along with broadening their listening strategies, we remain informed and responsive to colleague feedback.

Our Kingfisher Colleague Forum (KCF), hosted by the Group CEO, brings together elected colleague representatives from each market. The forum meets twice a year to discuss topics such as communication, reward and organisational change.

#### Supporting colleague wellbeing

As a responsible employer, we recognise the importance of supporting and keeping safe our most valuable assets – our colleagues. We connect I&D and wellbeing to foster a culture of belonging and highlight the unique challenges some colleagues may face.

We continue to monitor the cost of living in each of our markets and have initiatives in place to appropriately support colleagues including investing in colleague pay to ensure we are aligned to market practice. Through our continuous focus on optimising colleague reward, we saw 2024 Net Promoter Scores (eNPS) for reward rise by 5 points.

We are working to create more openness and dialogue around wellbeing and mental health. Along with providing relevant incountry support for our colleagues, the key initiatives include:

- Our UK Wellness Warriors volunteers who support colleagues facing wellbeing challenges by listening, sharing resources, and offering guidance– hosted quarterly roundtables to share experiences and insights.
- During European Disability Awareness
  Week, France launched their own
  Wellness Warriors, supporting colleagues
  across the remit of disabilities. The
  team hosted a disability awareness
  workshop and a roundtable featuring
  colleague stories.
- We launched a partnership with disability job platform Evenbreak in the UK, France and Poland Group functions. The global disability job platform is run by and for people with lived experience of disability.
   We shared this to mark International Day of People with Disabilities.
- Our Neurodiversity Network continued to go from strength to strength, including running a session supporting parents of neurodivergent children navigating the education system.

 In Iberia, colleagues at Brico Dépôt have access to a health and emotional support helpline, wellbeing workshops and co-funded physiotherapy sessions.

You can read more about Health and Safety on page 36.





# Planet

We will help tackle climate change and continue our journey to become Forest Positive

We will help tackle climate change by reducing carbon emissions from our business. products and supply chains. We will work towards our Forest Positive ambition through our commitment to responsible sourcing and investing in forest protection and restoration.

Building on our progress to date in reducing Scope 1 and 2 carbon emissions, we're proud to have set a net zero target for Scope 3 emissions.

Working towards our Forest Positive ambition, we're continuing to champion responsible sourcing of wood and paper and are working with international organisations and local partners to protect and restore forests and supporting communities.

#### ① Our targets

Reduce Scope 1 and 2 emissions by 37.8% and Scope 3 emissions by 40% per £million of turnover by 2025/26 (compared with 2016/17 and 2017/18 respectively).

Reach net zero emissions for our operations (Scope 1 and 2) by 2040/41 and across our wider value chain (Scope 3) by 2050/51.

Purchase 100% responsibly sourced wood and paper for our products and catalogues by 2025/26.

Work towards becoming Forest Positive by 2025/26.

#### ↑ Our progress in 2024/25

Set new targets for 2030 across Scope 1, 2 and 3 and net zero for Scope 3 by 2050.

Exceeded our 2025/26 science-based targets. reducing our operational emissions (Scope 1 and 2) by 66.0% since 2016/17.

Reduced Scope 3 emissions by 38.7% per £million of turnover since 2017/18.

Sourced 97.9% of the wood and paper used in our products and 100% for our catalogues responsibly.

Continued to invest in six forest projects as a founding member of the Rainforest Alliance Forest Allies initiative. These cover 190,000 ha of community-managed forests and contribute towards the protection of more than 2,500,000 ha of protected areas.

Screwfix and B&Q continued to work with the Woodland Trust, colleagues from Brico Dépôt France planted 3,000 trees in partnership with Reforest'Action and Castorama Poland partnered with UNEP/Grid to restore Polish national parks.

# Climate change and our approach to net zero

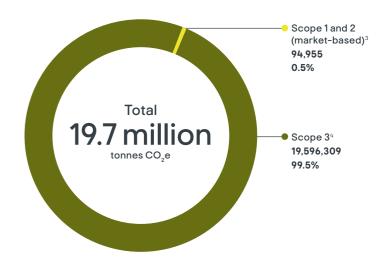
The impact of climate change is impossible to ignore. We are committed to playing our part in reducing greenhouse gas emissions in both our direct operations and our wider value chain.

In 2024, we announced new science-based emissions targets for Scopes 1, 2 and 3 as part of the next phase of our Net Zero Climate Plan.

To further support our efforts in reducing Scope 3 emissions, we have set ambitious new decarbonisation targets with our suppliers. Over the coming years, we will work closely with them to plan and help minimise the carbon footprint of their value chains. Additionally, we will continue to support industry-wide initiatives, such as the EDRA/GHIN<sup>1</sup> Make it Zero Initiative<sup>2</sup>, to drive collective progress.

We have a detailed action plan in place to achieve these targets, building on our strong track record of emissions reduction. Our approach focuses on six core initiatives outlined in our climate plan and presented on page 15. Achieving our net zero target also depends on multiple external factors, including the decarbonisation of electricity grids. progress across the supply chain, and supportive government policies.

The net zero transition also needs to be equitable and inclusive. Kingfisher recognises the importance of a just transition, and we are committed to ensuring that we engage transparently with stakeholders and integrate social considerations into our decision-making Our total carbon footprint 2024/25 tonnes CO<sub>2</sub>e



38.7%

reduction in the intensity of our Scope 3 emissions from the supply chain and customer use of products since 2017/18

<sup>1</sup> European DIY Retail Association (EDRA) and the Global Home Improvement Network (GHIN).

<sup>2</sup> Global Retail Scope 3 Taskforce and the Global Home Improvement Suppliers' Scope 3 Taskforce.

<sup>3</sup> Scope 1: direct GHG emissions from sources that are owned or controlled by Kingfisher plc. Scope 2: indirect GHG emissions from the consumption of purchased electricity, heat and steam

<sup>4</sup> Scope 3: all indirect emissions that occur in the value chain of Kingfisher plc, both upstream and downstream.

Kingfisher Responsible Business Report 2024/25

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## Our journey to net zero, as set out in our climate plan, focuses on six core initiatives:

To keep global warming below 1.5°C and protect our planet, we must aim to achieve net zero emissions by 2050. We've set science-based targets,¹ and here's our plan on how to achieve them.



Net zero for Scope 1 and 2

1 Our targets have been submitted to the SBTi for validation.

2 Against a 2016/17 base year.

68% reduction in Scope 1 and 2 emissions<sup>2</sup>

and 46% reduction in Scope 3 emissions<sup>3</sup>

3 Against a 2017/18 base year.

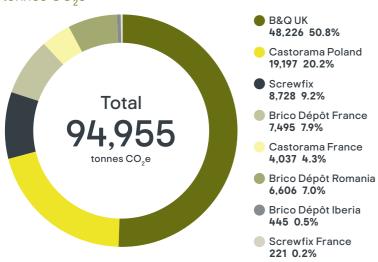
#### Our carbon emissions (Scope 1 and 2 market-based)<sup>1</sup>

thousand tonnes CO<sub>2</sub>e from property and transport



# Carbon footprint by retail banner (Scope 1 and 2 market-based) 2024/25<sup>2</sup>

tonnes CO<sub>2</sub>e



# Progress in our operations (Scopes 1 and 2)

While less than 1% of our emissions fall into Scope 1 and 2, this is a critical area for us to reduce emissions and we are working hard to achieve our 2040 net zero target in our direct operations. Once we've reduced emissions by at least 90% we will neutralise the remaining emissions through the removal of carbon from the atmosphere in line with SBTi requirements.

To reduce our operational emissions, we focus on optimising energy use, securing zero-carbon electricity, switching to electric heating and transitioning to cleaner logistics.

#### Improving energy efficiency

Over the last year, our Group annual energy usage has reduced by 44 GWh, approximately half of which is from gas savings and half from electricity savings. This is largely due to Group-wide initiatives in stores, at distribution centres and within our data centres and IT systems. These include:

- Installation of LED and smart lighting systems across our estate, with 98% of Group sites now equipped.
- Installation of voltage optimisation systems to manage incoming voltage (see <u>case study</u>).

- Site-by-site data analysis on heating controls at over 1,500 stores.
- Modernising IT equipment and decommissioning older devices in our datacentres.

#### **Our property energy use** GWh

2024/25	672	
2023/24	715	
2022/23		830
2016/17 Baseline		



# Zero carbon power and electric heating

To reduce our Scope 2 emissions this year, we are driving renewable energy investments that are now generating 13.5 GWh of electricity per year.

In areas where on-site generation isn't viable, we focus on purchasing electricity from zero-carbon and renewable sources, in parallel with monitoring prices and the availability of renewable energy certificates.

This year we have installed air source heat pumps (ASHPs) in around 70 sites, with around 60 of these in Screwfix and the rest in Brico Dépôt France, Castorama France and B&Q. Nearly 900 of our stores are now heated by ASHPs. This is part of a larger heating system trial, which has also involved converting three B&Q stores from gas to electric heating.

As part of Castorama's estate expansion in Poland, we have rolled out 17 PV installations and 11 size upgrades, adding an overall 2.5 MW of generation capacity.

In 2024/25, 92% of our electricity came from zero-carbon and renewable sources, supported by Renewable Energy Certificates.

<sup>1</sup> We have restated our 2023/24 Scope 1 and baseline figures to reflect a change in our logistics calculation methodology.

<sup>2</sup> The figures may not add up due to rounding.



#### **Cleaner logistics**

We continue to make progress with reducing the carbon impact of our logistics operations. For our own fleet, our banners have implemented alternative fuels over past years, leading to measurable carbon reduction. In the last year we have also shifted from trialling electric vehicles to rolling them out as part of our standard fleet.

B&Q has one of the largest Liquefied Natural Gas (LNG) fleets in the country with over 100 vehicles. More than 65% of our retail logistics network - serving 309 stores - runs on LNG, helping to reduce carbon emissions by over 11,400 tonnes over the past three years. The remainder of our retail logistics fleet now runs on Hydrotreated Vegetable Oil (HVO), having phased out diesel usage in December 2024. We are scaling up the number of electric vans in our home delivery fleet, as well as installing EV infrastructure in five stores to support them. We have trials underway to extend this to more of our store network.

Over 80% of Screwfix's transport fleet runs on low carbon HVO and we have also been trialling electric and Bio-CNG vehicles. In January 2025 we introduced two brand new electric HGV trucks. These vehicles will be used for local trade counter deliveries in the Birmingham, Staffordshire and Derbyshire regions, and stock transfers between the distribution centres. In 2025 we will convert the remaining diesel parts of the Screwfix fleet to low carbon fuels, making

the entire fleet run on non-fossil fuels. We're also working with our third-party transport providers to support them in becoming net zero in the work they do for us.

While we have less operational control over our Scope 3 logistics emissions, we still actively work to reduce these emissions through efficiency measures or removing unnecessary packaging to reduce the weight of products.

At Castorama France, we have reduced our Scope 3 emissions from the transportation of our products by 55% since 2023/24. This involved moving towards more sustainable modes of transport such as barges and trains, reducing the distance travelled, and optimising the loading of trucks. We now have six trucks running on organic compressed natural gas and 13 running on biofuels made from waste.

Like Castorama, at Brico Dépôt France we have exceeded our commitment to FRET21 and ADEME,1 reducing our carbon footprint from the transportation of our products by 10.2% in 2024, representing a reduction of 921 tonnes of greenhouse gas emissions. We have started to use B100<sup>2</sup> to replace diesel and are evaluating increased canal and rail

on routes from a local port to our distribution centres. We also keep working on making our vehicle use as efficient as possible.



use to reduce road deliveries. In Poland, we have trialled one electric HGV

<sup>1</sup> FRET21 is a programme specially designed for shippers to enable them to combine logistics optimisation and improvement of the environmental performance of their transport. ADEME (French Environment and Energy Management Agency) is a public agency under the joint authority of the Ministry of Environment, Energy and the Sea and the Ministry of Higher Education and Research. 2 100% biodiesel derived from vegetable oils or animal fats.

<sup>3</sup> We have restated our 2023/24 Scope 1 and baseline figures to reflect a change in our logistics calculation methodology.

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#### Cutting carbon from our products and supply chain (Scope 3)

Total Scope 3 emissions account for 99.5% of our total greenhouse gas emissions, with our products (including product manufacturing and use by customers) accounting for around 90%. Achieving our goals is dependent on engagement with our suppliers and the wider industry, while also focusing on exploring lowcarbon alternatives and circular economy principles. As founding members of a global collaborative Scope 3 task force, the Make it Zero campaign, initiated by the retail association EDRA/GHIN,1 we are actively working with the industry on developing consistent approaches to supplier engagement, data collection and analysis.

Since 2017/18, we have reduced our absolute Scope 3 emissions from supply chain and product use by 30.4%, and delivered intensity reduction of 38.7%. While we still have a long way to go towards our 2050 net zero goal, this progress puts us in a strong position to meet our 2025/26 target.

Our detailed plan focuses on four key carbon reduction initiatives:

- Designing sustainable products moving to new lower-carbon technology and phasing out fossil fuel-powered ranges, improving the efficiency of our energy using ranges, incorporating lowercarbon materials into product design and enhancing product longevity.

- Partnering with suppliers to drive and monitor upstream carbon reduction supplier manufacturing accounts for around a fifth of our Scope 3 emissions. Engaging suppliers and colleagues is critical to achieving meaningful emissions reductions.
- Helping customers shop more sustainably - expanding our green star product ranges to make it easier for customers to identify products with a lower environmental footprint. For more information on green star products, see our Customers section.
- Refurb and reuse programmes extending the life of our products through initiatives that promote repair and reuse, as well as offering tool and equipment rental services.

These initiatives are closely aligned with our SHP programme, which drives the development of lower-carbon products and services. For examples of how our products and solutions help reduce environmental footprint, see the Customers section.

Around 45% of our Group sales come from our Own Exclusive Brands (OEBs). meaning we are particularly well placed to drive progress to reduce our Scope 3 footprint. For example, we have introduced a range of A-rated kitchen appliances that make it easier for customers to reduce

their footprint through a greater range of highly energy efficient products. We've also introduced low-carbon Turbo Screws made using recycled steel and renewable electricity.

For more information about our approach to climate change and net zero, please read the Task Force on Climate-related Financial Disclosures (TCFD) statement in our Annual Report and Accounts.

#### In 2024 we set ambitious targets with our suppliers:

- Our 100 biggest suppliers by Scope 3 carbon emissions have been asked to develop SBTialigned decarbonisation targets and roadmaps by 2028.
- The next 450 suppliers have until 2030 to do the same.
- The remaining suppliers have until 2030 to set a climate reduction programme.
- To date, over 490 of our suppliers (including over 600 supplier facilities) have joined Manufacture 2030's Low Carbon Manufacturing Programme.<sup>2</sup>



- 1 European DIY Retail Association (EDRA) and the Global Home Improvement Network (GHIN).
- 2 Manufacture 2030's Low Carbon Manufacturing Programme (LCMP) helps our suppliers calculate their baseline carbon footprints (if they haven't done so already) and start developing their decarbonisation plans, i.e. mapping out the actions needed to improve their efficiency and reduce carbon from their manufacturing processes.

Customers

#### Our ambition to become Forest Positive

As a business that relies heavily on wood and paper, we are committed to preserving one of our planet's most important resources - forests. Forests are crucial to the planet's health, absorbing carbon dioxide, providing habitats for diverse wildlife, preventing soil erosion and offering vital resources for human livelihoods.

Our Forest Positive commitment covers three areas of work:

- 1. 100% responsibly sourced wood and paper across our business.
- 2. No deforestation through the other materials we use.
- 3. Protecting and restoring forests and supporting forest communities by investing in credible forest landscape initiatives.

#### Making progress towards 100% responsible wood and paper sourcing

This year, 97.9% of the wood and paper used in our products met our responsible purchasing criteria (2023/24: 96.6%). Our policy requires that all wood and paper must be sourced from well-managed

forests that have been certified to credible standards<sup>1</sup> or from verified recycled sources. 65.9% was FSC®, 30.6% was PEFC™ and 1.5% was from verified recycled sources.

As well as hitting a high level of compliance, we have improved our onboarding practices for new products, so no noncompliant products can be accepted. We're also working with the few remaining non-conforming suppliers to certify or withdraw their products.

#### No deforestation through the other materials we use

We are committed to ensuring there is no deforestation across our supply chain by 2025/26, including no human-induced forest degradation or conversion of natural ecosystems. We are also committed to protecting forest landscapes such as those in High Conservation Value areas (including Intact Forest Landscapes) and High Carbon Stock forests.

Despite only using a relatively small amount of leather in our operations we remain a committed member of the Leather Working Group (LWG) and require all the leather sourced for our products to be from LWG gold-accredited tanneries. We also continue to explore material innovation and leather alternatives for our product ranges.

#### Our responsibly sourced wood and paper

% of SKUs purchased

2024/25 97.9% 2023/24 96.6% 2022/23 94.5%

979%

of the wood and paper used in our products is responsibly sourced

#### **Protecting and restoring** forests and supporting forest communities

Kingfisher is a founding member of the Rainforest Alliance's Forest Allies initiative. Since 2021, we've invested \$1 million to collectively support ongoing projects in six key tropical forest landscapes (Guatemala, Peru, Colombia, Indonesia and Cameroon) which cover some 190,000 hectares of community-managed forests and contribute towards the protection of more than 2.500.000 hectares of protected areas.

Forest Allies smallholder timber project in Java. Indonesia

The Wana Manunggal Lestari Cooperative, a smallholder farmers' cooperative in Indonesia, has been working to improve sustainable forest management with the support of Forest Allies since 2021. Together, they've focused on strengthening social governance and improving market access for local forestfarmer groups.

A key part of this effort involved implementing the FSC® Asia Pacific Regional Forest Stewardship Standard.

In April 2023, the cooperative became the first Social Forestry permit in Indonesia to achieve FSC® certification - a significant step towards securing better market opportunities for smallholder timber producers. Since then, the cooperative has continued expanding its certified area, strengthening local groups, and working to improve long-term access to sustainable markets.



#### Local forest projects

B&Q's partnership with the Woodland Trust continues to focus on habitat restoration and the creation of native woodland, committing £50,000 to the 561-hectare Snaizeholme project in the Yorkshire Dales, with peatland restoration as well as tree planting. In 2024/25, the Woodland Trust planted 150,000 trees across 70-80 hectares and work has begun to restore the peatland, including the addition of natural flood management and improving the habitat for wildlife in the valley. A total of 36 bird species displayed breeding behaviour in Snaizeholme during the past year.

Screwfix continues to support the protection and restoration of a 50-acre ancient woodland, Kingsettle in Dorset. The area has been made more accessible, allowing better woodland management which will create a more diverse woodland structure, helping future proof the landscape, while protecting the historical site.

In October 2024, Castorama Poland joined an environmental initiative aimed at restoring endangered ecosystems in Poland. Coordinated by the United Nations Environment Programme (UNEP/GRID), the programme focuses on protecting and actively supporting Polish forests and wild areas in national parks, nature reserves, and Natura 2000 sites. As part of our commitment to supporting Słowiński and Kampinos National Parks, we have made a

donation to help fund conservation work in both areas. In addition, we organised a volunteer initiative, with 30 colleagues taking part in hands-on efforts at Kampinos National Park.

Brico Dépôt France combines its colleague wellbeing agenda with its commitment to the environment. For every kilometre our colleagues run or cycle in our annual Bricorun we agree to plant trees. This initiative has resulted in over 103,000 trees being planted or preserved in France, Malawi and Peru since the partnership with Reforest'Action began.

#### **Cross-sector collaboration**

Wood and paper are part of our sustainability heritage, and in the 1990s we became a founding member of the Forest Stewardship Council® (FSC®), a membership we still hold. FSC®'s internationally recognised certification system enables businesses and consumers to choose wood, paper and other forest products made with materials that support responsible forestry.

Kingfisher is also a project partner in an initiative focused on understanding the biodiversity impacts of FSC® certification and enhancing the monitoring framework for forest biodiversity. This year concluded phase one of the project, with findings showing that FSC®-certified forests in Brazil, Finland and Sweden likely have better biodiversity outcomes than uncertified

forests. It was concluded that FSC® certification generally benefits biodiversity, but further work is needed to improve data consistency and monitoring.

Kingfisher and World Forest ID¹ continue to work together to advance the use of scientific testing in due diligence and supply chain integrity programmes supporting the requirements of the EU Deforestation Regulation (EUDR). Kingfisher also joined the Alliance for Wood ID Testing, aiming to expand wood ID tools across the industry to combat illegal logging.

#### Preparing for future regulation

Our evolved due diligence platform went live in 2024 in preparation for the EUDR. This platform allows suppliers to input value chain information, back to forest level, giving us more transparency and visibility on what we're sourcing and from where.

<sup>1</sup> World Forest ID is a US-based non-profit working to halt deforestation by increasing the traceability and transparency of forest risk commodity supply chains.

Customers



# Customers

We will help make greener, healthier homes affordable

We will help millions of customers have a greener, healthier home - one that is energy efficient, comfortable, uses fewer resources and is affordable to run and maintain.

We know from our research that our customers want to make sustainable choices but also need guidance to do so. Having been committed to sustainability for over 30 years we are determined to continue to support our customers in making sustainable choices wherever possible.

#### Our target

Attain 60% of Group sales from our Sustainable Home Products (SHPs), including 70% of sales for our Own Exclusive Brand (OEB) products by 2025/26.

#### ↑ Our progress in 2024/25

53.4% of total Group sales came from SHPs that help create greener, healthier homes. SHPs now account for 63.3% of OEB sales.

9.8% of SHP sales were driven by energy saving, energy efficient and water saving

Rolled out our green star mark across all banners, making it easier for customers to navigate and shop for products with a lower impact or that help them save energy or water. There were 10,000 green star SKUs by year-end, and we aim to have 20,000 live by 2025/26.

Improved sustainability performance across many ranges including the use of increased post-consumer recycled plastics, recycled timber and lower embodied carbon materials.

Launched a refurbished product range on diy.com, expanded Screwfix refurb capabilities and grew our rental services in Poland and the UK.

#### **Our Sustainable Home Products**

As we strive to lead the industry in Responsible Business and energy efficiency, it's important we do all we can to help our customers make their homes more sustainable at an affordable price.

Our Sustainable Home Product Guidelines identify our products that aim to help our customers lower their environmental impact. Thousands of products are checked and scored against these criteria using information provided by product specifications, suppliers, and an independent partner, the charity and social enterprise Bioregional. New criteria and products are added each year as part of our ongoing review process. As industry standards advance and expectations shift, some products may no longer meet the SHP criteria where their features have become standard practice or are now covered by regulation. All the criteria are checked by the third party.

The SHP programme drives continuous innovation to lower the environmental impact of the products that customers buy for their homes.

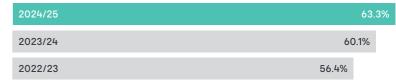
Sales of our SHPs generated £6.7 billion for our business in 2024/25 and now account for 53.4% of our overall Group sales, including 63.3% from OEB sales. This progress puts us on track to achieve our targets by the end of 2025/26.

#### Sustainable Home Products

% of retail sales



#### % of OEB sales



53.4% of our Group sales came from SHPs

To support this, we delivered SHP training to our commercial teams, ensuring they are equipped to drive SHP performance by improving product selection and supplier engagement.

In 2025, we are introducing new ranges, including recycled plastic plant pots and home furnishings, expanding supplier engagement in adopting SHP criteria, and advancing lower-carbon material sourcing.

Our recently launched green star mark has been rolled out to all banners. It helps customers identify a selection of products, to encourage more sustainable choices and drive change in customer behaviour. Each year, we're growing the programme by expanding the number of green star products available to our customers and aim to have 20,000 SKUs live in 2025.

## **Energy-saving products and services**

Helping our customers improve their energy efficiency is a key part of our Responsible Business commitment.

Since 2021, Screwfix has more than tripled the range of air source heat pumps (ASHPs) it offers, with strong growth in sales volumes over the same period. We have also increased the number of refurbished products available at a lower cost on <a href="mailto:screwfix.com">screwfix.com</a> but still with a one year guarantee. More than 5,000 products have been verified to meet green star

criteria, highlighting more sustainable options to the customers. Awareness of green star among Screwfix customers has jumped significantly from 18% in November 2023 to 29% by November 2024.

At Brico Dépôt France we now sell a DIY solar panel which can be installed by customers, making the product more accessible and affordable.

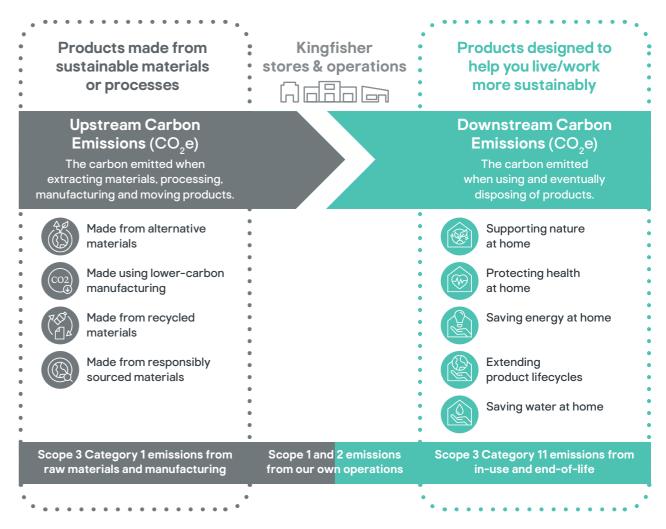
As well as ensuring our customers can access sustainable products, we provide services that reduce their environmental impact at an affordable price and bring their energy costs down too.

Castorama Poland's Clean Air programme, launched in 2023, has been rolled out to 55 stores. We now have 110 energy efficiency experts on hand to help customers reduce their energy consumption. We offer an end-to-end solution, guiding them through the process of applying for the national subsidy scheme to providing advice on our 2,500 energy-saving products, and services, to improve their homes' thermal insulation. We now have a portable pop-up to take our energy efficient solutions to housing fairs.

B&Q continued to offer customers a free, personalised Energy-Saving Service in partnership with the Energy Savings Trust (EST). In February 2024 we launched two in-store Energy-Saving Hubs in collaboration with the Greater Manchester Combined Authority (GMCA). The hubs, located at B&Q's Trafford and Cheetham Hill stores.

#### Reducing Scope 3 emissions through Sustainable Home Products

Sustainable Home Products are essential to our plans to decarbonise. For information on our work to reduce Scope 3 emissions, see our <u>Planet</u> section.



provide in-person support for customers looking to make their homes more energy efficient. More than 7,500 customers received in-person advice, followed by over 3,000 who installed energy-saving measures, with tracked discount vouchers for products like LED bulbs, pipe lagging and loft insulation.

Castorama France offers an end-to-end energy-saving service for customers, from identifying opportunities to budgeting and prioritising work. As well as stocking energy-saving products, they help customers find trusted professionals to carry out the work.

This year 7.2% of our sales came from energy efficient products and services.

# Advancing sustainable solutions for gardens

We've made further progress to remove bagged peat from our ranges this year. While we've achieved this in our UK banners, market challenges have made it harder in other geographies, but we continue to push for progress, and Castorama France has committed to only stock peat-free OEB compost by April 2025.

We continue to work with our horticulture suppliers to reduce or eliminate peat in OEB nursery stock and bedding plants. In 2024, B&Q's OEB bedding plant range was 100% peat free. We've used our testing facility at Springfield to test formulations in 'real life' situations, with the plants our customers are growing.



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### Helping make sustainable homes more accessible and affordable through our Own Exclusive Brands

Through our Own Exclusive Brand (OEB) products, we offer solutions that meet customer needs. They're affordable while delivering on quality, design, innovation and sustainability. These product examples carry our green star mark, making it easier for customers to identify them.



#### Verve peat-free compost

Peat-free compost (Materials, nature): e.g. Castorama France's Verve peat-free compost. This Verve universal potting soil is made of 100% coconut fibre, vegetable compost and bark compost and, crucially, no peat.



#### LAP E27 A60 LED virtual filament light bulb

An A-rated LED light bulb (Energy): e.g. Screwfix's LAP E27 A60 LED virtual filament light bulb. This high-efficiency LED light bulb lasts up to 50,000 hours. Its Class A energy rating means it's the most energy efficient option available as it uses the least amount of energy to produce the same amount of light compared to other bulbs with lower ratings.



#### GoodHome Levanna bathroom tap

A water efficient tap: e.g. Castorama France's GoodHome Levanna bathroom tap. We're improving water efficiency across our ranges to help customers save money, water and energy. This tap has an integrated aerator to save water (less than 6L/min) and cold start technology which saves energy by ensuring only cold water flows when the handle is in the middle position.



#### Form Fitty plastic stackable storage box

Storage box made from recycled plastic: e.g. B&Q's Form Fitty plastic stackable storage box. This range of storage solutions has been made from a minimum of 90% post-consumer waste. This is waste material that a consumer has already used and disposed of.



#### GoodHome Italo Easy Click vinyl flooring

Easy Click vinyl flooring: e.g. GoodHome Italo Easy Click vinyl flooring. This product is green star status as it's Blue Angel certified (Der Blaue Engel, the German Ecolabel), which means it meets specific criteria including low emissions, low pollutant content, and no adverse impact on health in the living environment. In addition, it is made with 25% recycled plastic and comes with a 25-year quarantee.



















Diall

Assurance

We are constantly looking to serve our customers better; offering them lower impact, repairable products and giving them access to more affordable refurbished products and rental offers.

We're guided by circular economy thinking, meeting customers' product and service needs in ways that make business sense, while also reducing our impact on the environment. In the coming years, we'll be building on what we've learned so far.

#### **Design for circularity**

In 2024/25, we continued to integrate features that enhance durability and extend the lifecycle of our products, ensuring that quality and accessibility are maintained without compromise.

Our SHP Guidelines include criteria that prioritise repairability, long warranties and reusability. One example of this is exterior paints where we now consider the durability of the product as this can extend the lifespan of the product once in situ, with a less frequent need to repaint.

Product circularity is embedded into our SHP programme across three main circularity attributes: made from alternative materials (e.g. bamboo instead of plastic, linen in place of cotton), made from recycled materials (e.g. tools made from

recycled polystyrene plant trays) and made from responsibly sourced materials (e.g. incorporating biobased raw materials).

#### Making recycling easier

Maximising recycling is important, and it helps to keep waste out of landfill, out of incineration and out of the natural environment. While kerbside collections already help customers, we have introduced recycling facilities at many of our stores to help customers make more sustainable choices.

B&Q has placed plant pot recycling stations in more than 100 stores. Material gathered is recycled and made into a new Blacksmith Planter pot range sold online and in store. In December 2024 we trialled a Christmas tree take-back scheme in five stores. The trial aimed to understand the process and customer appetite for returning used trees.

In France, Castorama France and Brico Dépôt have a take-back scheme in which customers can bring back anything bought from themselves, or any other DIY outlet, for recycling. This includes paint and furniture. At Brico Dépôt France we have Anti-Gaspillage (anti-waste) corners in stores, selling repacked products. or those with damaged packaging, at reduced prices.

More detail on our work to increase recycled content in packaging is on page 27.

#### Keeping products in use for longer

It's both frustrating and expensive for customers to deal with broken or faulty products - and their disposal is damaging to our planet. That's why our SHP Guidelines include criteria for extending product life covering reuse, durability, repairability and easier recycling.

In order of priority, we focus on 'reduce, reuse, recycle'. Reducing waste is about us sourcing quality products that are designed to last and offering repair services as well as giving customers the choice to buy refurbished, second-hand products.

In October 2024, B&Q launched 'Refurbed by B&Q', exclusively available on div.com. Customer returns are processed by B&Q technicians to ensure they meet 'like new' standards, supporting a circular economy and offering customers great value.

As part of its sustainability strategy, 'Let's Fix Tomorrow, Today', Screwfix has expanded its product refurbishment operation, in partnership with iForce, to cover appliances, higher value non-electrical products and water-using products (e.g. taps, showers and pressure washers), increasing the range from 500 to over 2,000. Over 100,000 products are refurbished and sold every year and their review scores consistently average higher than those of new products. Screwfix offers a free Collect and Repair service for faulty or broken power tools and electrical outdoor items, which extends to a range of around 3,000 products.

At the UK Green Business Awards in June, Screwfix UK was recognised as 'Retailer of the Year' for its efforts to slash environmental impacts and promote greener products and behaviours.

In Poland, Castorama expanded its pilot rental programme to most of its stores following positive customer feedback. See case study.

In 2024/25, our SHP with 'Extending product lifecycles' attribute generated £1.7 billion of sales for the business.

#### Case Study

#### CastoRent (Castorama Poland)

This year Castorama Poland expanded its CastoRent service to a further 77 stores (now 100 in total). Rental contributes to lower-carbon emissions and reduced electronic waste and promotes sharing economy principles.

Customers can hire 52 different products (65% of which are OEB) including electric alternatives for combustion power tools, e.g. cordless chainsaws, electric hedge trimmers.

The service has many benefits to the business. It allows us to respond to customers' needs for small, one-time use, builds awareness of our OEB products, lets customers test our products before purchase, creates a reason to visit our store and increases sales of complementary products (such as sandpaper or protective clothing).

This year we've rented out 36,000 items with a net sales worth of £546.000 in 2024/25.

### **Packaging**

# Reduce, Reuse and Recycle remain our main strategic priorities for our OEB packaging.

We know that reducing packaging is something that matters to both our DIY and our trade customers. In 2024/25 we continued to prioritise our efforts to minimise packaging and the use of plastics, ensuring long-term business sustainability.

As we continue to make progress against our packaging targets, our priorities remain the same:

- Reducing any unnecessary packaging materials.
- Ensuring our cardboard and fibrebased packaging is sustainably and responsibly sourced.
- When plastic use is unavoidable, only use recyclable plastics with a minimum of 30% recycled content.

Better visibility of our packaging materials helps us identify potential improvement opportunities. We now have packaging data for 93.4% of our products and we are aiming for close to 100%.

#### Reducing plastic usage

Our approach is to only use plastic when it's unavoidable and serving a necessary purpose that paper cannot. We have reduced the plastic packaging in our supply chain by 10.2% this year on a true 'like-for-like' basis – a decrease of 1.040 tonnes.

For some products, plastic may currently be the best solution. When plastic is necessary, we specify plastic that is easy to recycle and contains a minimum of 30% recycled content, reducing the demand for virgin plastic.

We are also continuing our efforts to remove Expanded Polystyrene (EPS), Polyvinyl Chloride (PVC) and other difficult to recycle plastics from our packaging, eliminating them entirely or switching to paper-based alternatives wherever possible. We have successfully removed the EPS from our GoodHome Eklips wardrobe range and replaced it with responsibly sourced, paperbased honeycomb board, while maintaining sufficient product protection. This project alone has saved over 90 tonnes of difficult to recycle EPS from entering our supply chain in 2024. We will continue to explore viable paper-based alternatives for the remaining EPS packaging. However, finding a solution that protects larger products without greatly increasing packaging size - and causing supply chain inefficiencies - remains a challenge for the industry.

# Sourcing sustainable fibre-based packaging

As we continue to focus on the removal of unnecessary single-use plastics, we are seeing our paper and board consumption increase, which means we need to ensure we are continuing to improve the percentage of sustainably sourced paper- and wood-based packaging we use. With our specification being FSC®/PEFC™ and/or a minimum of

50% verified recycled content for all new fibre-based packaging, we are continuing to see improvement in this area against the previous year and are currently 82.0% compliant.

Using our comprehensive packaging database, we are identifying any historic, non-compliant fibre-based packaging too, and ensuring our suppliers then shift to sourcing compliant materials.

# Progress against our OEB packaging ambitions

Ahead of the UK Extended Producer
Responsibility Regulations coming into force, our UK banners have been focused on more sustainable packaging. At Screwfix we have been gathering packaging data from branded goods suppliers for around 50,000 products. This information has then been cross-referenced against our own packaging policy (which goes beyond regulation) and, where gaps exist, we have asked suppliers to be compliant to our requirements.

Screwfix has also installed a new packaging machine this year that precisely measures refurbished products – and new products with damaged packaging – before being repackaged in recycled cardboard. Up to 25,000 items a year can be repackaged for re-sale which reduces waste products.

At B&Q, we have introduced Sustainable Packaging Guidelines with the goal to reduce the amount of packaging we place on the UK market by 20% by 2030.

# Our 2024 progress against OEB packaging ambitions

- Plastic packaging to contain a minimum of 30% recycled content. 60.1% of plastic packaging contained a minimum of 30% recycled content (2023: 51.6%).
- Remove all EPS, PVC and other non-recyclable plastics. 94.9% of all plastics were compliant (2023: 92.2%).
- 5% reduction of all plastic packaging by weight, yearon-year. 10.2% plastic weight reduction on a 'like-for-like' basis (2023: 3.7%).
- All paper and board packaging to be sustainably sourced.
   82.0% of paper and board purchased was sustainably sourced (2023: 81.9%).



## Our approach to managing chemicals

We follow the principles set out in our Chemicals Policy, and we continue to evolve our approach to achieve key principles of chemical sustainability.

For Chemical Products, we rely on information provided by formulators based within the UK and/or EU supply chains. For Solid Object Products¹ we are adopting a risk-based approach informed by the scientific expertise of various third-party experts.

Our Restricted Substances List (RSL) goes beyond legal requirements and supports sustainable chemistry. We aim to make the RSL accessible to all suppliers and use it to set requirements aligned with SHP and green star programme qualifications. To date, 1,233 products meet the requirements of our RSL document and therefore have qualified for SHP status through our sealants and adhesives criteria.

RSL compliance checks are also included in tenders. In 2024/25, questionnaires were issued with seven tenders, covering 3,096 potential SKUs.

By the end of 2024, 98% of OEB products with chrome finish were manufactured without the use of Chromium VI, and we are working towards 100%. We're exploring the use of Chrome III and other potentially less harmful plating technologies as responsible

substitutes. Key substances we also aim to phase out include per- and polyfluoroalkyl substances (PFAS), phthalates, and flame retardants.

During the year, we enhanced supplier transparency on product formulations, enabling us to identify substances of concern to human health or the environment and explore alternative substitutes.

We have also expanded and consolidated chemical criteria in the SHP Guidelines to include criteria for Solid Objects Products.

We delivered four training sessions directly to our suppliers at the beginning of 2024/25 covering topics such as Kingfisher's requirements for chemical usage, chemical regulations and PFAS. As the training discussed upcoming PFAS regulations, it instigated conversations with suppliers about their usage.

Beyond our internal work, we remain active members of ChemSec and Change Chemistry, both of which focus on the promotion of more sustainable chemistry.



<sup>1</sup> A product comprised of one or multiple REACH 'articles' (e.g. hand tools, furniture, clothing, household appliances, etc.).



# Communities

We are striving for better homes for everyone in our communities

We will donate our products, expertise and time to help people whose housing needs are greatest in the communities we serve.

The effects of poor housing and homelessness can be wide reaching, affecting people's health, mental wellbeing, education, employment and life expectancy.

As an international home improvement company, we believe we have a responsibility to help. We've therefore made a commitment to give our time, products and financial contributions to those most in need. This is a team effort, with colleagues and customers coming together to raise funds, allowing us to get involved with projects and charities related to poor housing and homelessness as well as relief efforts to support those displaced by emergencies, and volunteer time to local initiatives.

#### Our target

Exceeded our 2025/26 target to help more than two million people whose housing needs are greatest ahead of schedule.

#### ↑ Our progress in 2024/25

Invested £6.0 million in our communities with an additional £2.7 million raised by our colleagues and customers.

Reached over one million people this year through community projects.

Enabled 5,642 colleagues to contribute over 58,000 hours to community support.

Supported disaster relief efforts across our geographies, including responses to floods in Spain and Poland.

Continued our strategic partnerships with national charities in the UK, France and Romania. Added new charity partners in the UK (Habitat for Humanity), France (Les Restos du Cœur) and Iberia (HOGAR SÍ).

#### Our areas of focus

Our commitment to strive for better homes for everyone in our communities is an important part of how we bring our purpose to life, giving colleagues and customers the opportunity to make a positive impact for those affected by natural disasters, homelessness and unfit housing.

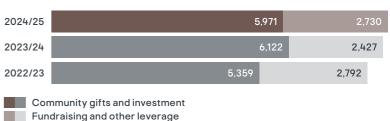
Since 2016/17, we have reached over four million people and supported more than 1,000 organisations through our seven banner Foundations. While we celebrate these achievements, we remain mindful of challenges like rising living costs, conflicts and natural disasters. By engaging with our banners, charity partners and NGOs, we have refined our focus to three key areas:

- Fix homes
- Share DIY skills
- Provide emergency support

Our next step is to learn from our successes and work with our Foundations on delivering projects that align with these priorities.

#### **Community investment**

£ thousands



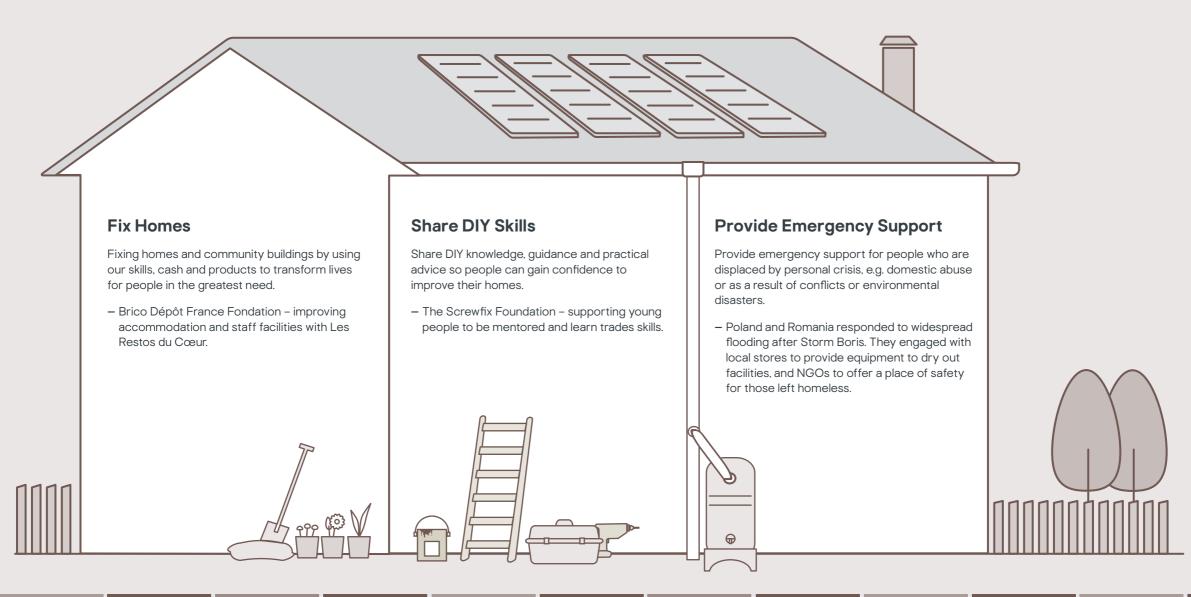
£8.7 million

invested in our communities through cash, product donations and fundraising

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### **Our mission**

#### Striving for better homes for everyone in our communities































### Our Foundations and charity partners

Our banners have their own charitable Foundations which enable them to connect with and understand the needs of their local communities and respond by offering products, time and cash. Many also have partnerships with national charities. Responding to natural disasters is a collaborative effort between Kingfisher and banners to arrange practical and financial support.

#### Charity partners

#### **Kingfisher Group**

At Kingfisher we believe that a better world starts with better homes. We strive to make this happen through our community network of banner Foundations, our Group charity partnerships and our colleagues impacting communities in company time.

Over the next two years Kingfisher will be funding the transformation of unused spaces into homes for vulnerable groups, and providing upcycled, affordable furniture for households in need through a new partnership with Habitat for Humanity Great Britain.

#### B&Q

B&Q Foundation supports registered charities with grants to improve homes and community spaces for those who need it most.

This year B&Q colleagues and customers raised £1.1 million for Shelter and its partner charities Shelter Cymru, Housing Rights and Focus Ireland.

#### **Brico Dépôt France**

Brico Dépôt Fondation for housing exists to allow as many people as possible to have the means to improve their homes. The Fondation signed a new strategic partnership with Les Restos du Cœur.

#### Brico Dépôt Iberia

Brico Dépôt Iberia Fundacíon helps improve the homes and community spaces of people in need in Spain and Portugal. The Fundacion signed its first partnership with HOGAR SÍ, supporting the maintenance of homes for people experiencing homelessness. As well as a financial donation, we will be supporting the charity through volunteering.

#### Charity partners

#### Castorama France

Castorama France Fondation contributes to the fight against poor housing. In its first four years it has donated more than 1.5 million euros to support 103 associations throughout France.

The Foundation continues to support the Fondation pour le Logement des Défavorisés and the Bricobus, an initiative of the Compagnons Bâtisseurs.

#### Castorama Poland

Castorama Poland Foundation helps local communities improve their housing conditions and transforms shared homes for children and young people living in residential facilities

In 2024 we completed 80 projects, including the renovation of 50 homes and one primary school, and 9,000 hours of volunteering took place.

#### Screwfix

The Screwfix Foundation has reached a significant milestone having raised £15 million and supported 1.5 million people in local communities since 2013.

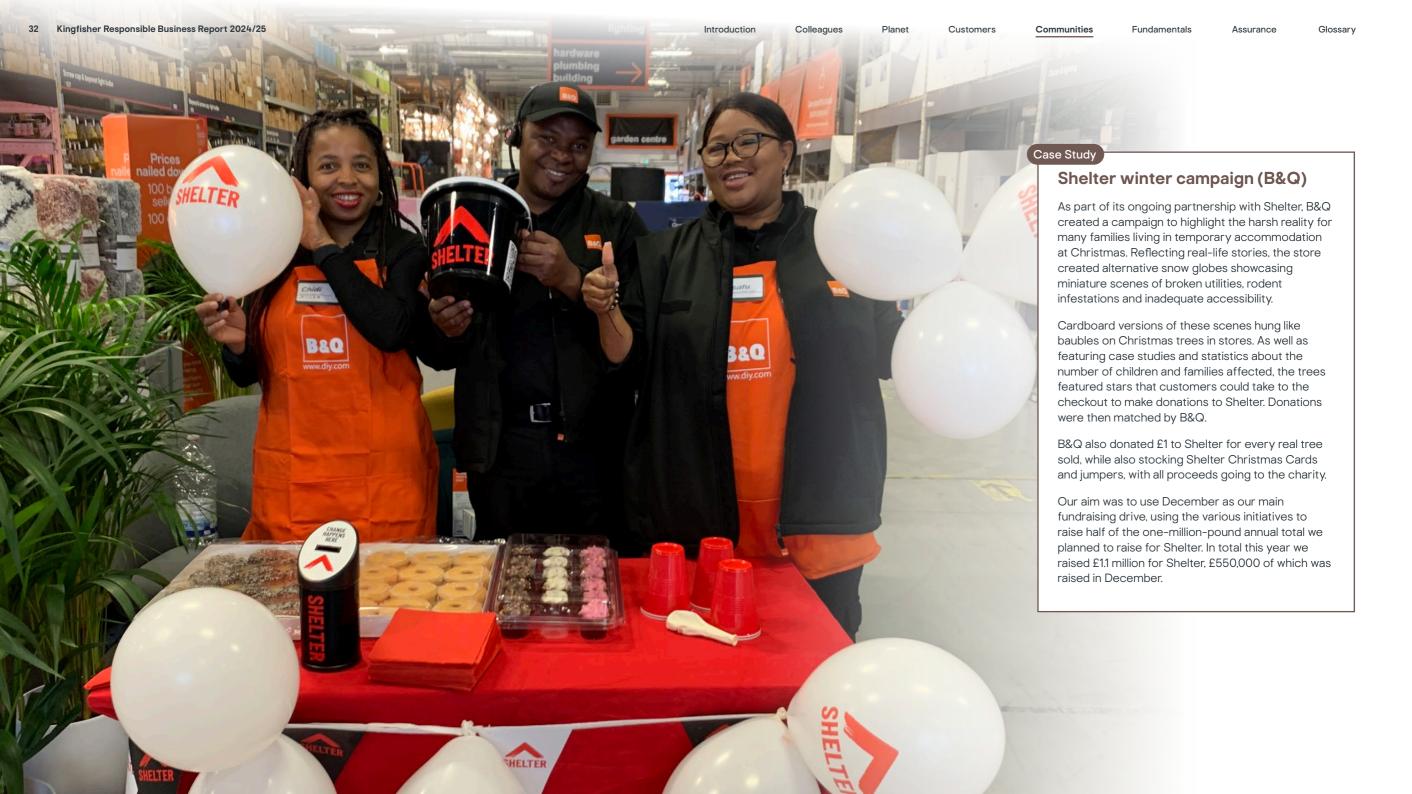
In 2024 the Screwfix Foundation partnered with Volunteer It Yourself (VIY) to further support local communities across the UK. To date the Foundation has supported two large projects, in Dagenham and Nottingham.

#### Brico Dépôt Romania

The Foundation signed Brico Dépôt Romania's Foundation's grant programme which centres on improving living conditions and increasing the quality and safety of disadvantaged communities in Romania.

This year the Foundation provided a donation to support the construction of four houses for families living in old, overcrowded, unfit homes. In partnership with Habitat for Humanity, 32 of our colleagues also volunteered their time to help with the build.





There are many projects taking place across the Group which focus on fixing and improving spaces:

- Brico Dépôt France Fondation is partnering with Les Restos du Cœur to support the development and maintenance of day shelters and restaurants, providing meals and hygiene facilities for homeless people, allowing them a warm place to have meals, and access to hygiene facilities.
- The Screwfix Foundation and Volunteer It Yourself (VIY) will support Outreach Homes by improving one of its semiindependent accommodation buildings in Dagenham, including refurbishing new kitchens and bathrooms, re-painting, and installing new flooring.
- Through its partnership with the Fondation pour le Logement des Défavorisés, Castorama Foundation France supports the Boutiques Solidarité programme, a daycare network for which Castorama has also carried out local volunteering projects.
- B&Q's Community Reuse Programme, run in partnership with social impact provider Neighbourly, allows us to donate unsellable materials and products to local community groups. This year we donated 136,651 items to over 1540 causes.

#### **Sharing DIY skills**

Across the Group, colleagues have been sharing their DIY skills with their local communities, enabling individuals and charitable organisations to improve their homes.

- Castorama Poland has been working with children, sharing DIY skills and preparing them for the future. Nearly 50,000 children attended Majsterkowo workshops across 104 stores. We also organised 20 open events with local partners.
- B&Q continues to fund nine Shelter DIY Skills Advisers through its partnership with Shelter. They help people across the country gain fundamental DIY skills to improve their homes. In 2024/25, they supported 1,000 people.
- The Bricobus (DIY vehicles) continue to visit communities across France to help the most isolated people carry out home improvement work. The Castorama Foundation has contributed to the deployment of 31 Bricobus since the partnership began in 2021.

#### **Emergency support**

The Group responded to emergencies both globally and locally, such as climate change-related disasters - floods, wildfires, and storm damage - that have affected our operations in Poland, Romania, Portugal, Spain and the UK.

On a practical front, when storm damage or flooding has impacted local communities, colleagues have supported the clean-up efforts, by volunteering at stores, offering customer car parking to emergency services, and providing cleaning products. pumps, buckets and spades. B&Q has a relationship with the British Red Cross and responds, when called upon, to requests for help.

We also responded to emergency efforts after Hurricane Beryl caused extensive damage in Grenada and when Cyclone Chido ravaged the French colony of Mayotte.



#### Habitat for Humanity Great Britain partnership launch

In 2025 Kingfisher teamed up with Habitat for Humanity Great Britain to launch a transformative charity partnership aimed at addressing housing poverty and promoting sustainability. The collaboration focuses on providing safe, secure and well-equipped housing for vulnerable communities in the UK.

Through upcycling workshops where volunteers repurpose unwanted items into functional furnishings, we will help reduce waste and support low-income households. The partnership also includes employee engagement activities, such as quarterly webinars and the Gingerbread House Challenge, fostering a sense of community and shared purpose. By combining resources and expertise, Kingfisher and Habitat for Humanity are making an impact on the lives of those in need, while advancing the circular economy and contributing to climate change mitigation.

#### ntroduction

### Volunteering and fundraising

We encourage colleagues to get involved where they can through volunteering. From the feedback we have received. it has strengthened their sense of connection and belonging to Kingfisher and within their local community.

This year B&Q evolved its Community Days programme, giving every store the opportunity to complete a volunteering project for a local charity. As well as colleagues donating their time and DIY skills, B&Q donated £1,000 worth of products from our stores to every project. 46% of the 300 charities we supported had already benefited from the B&Q Foundation or had been part of our Community Reuse Programme. This year, for the first time, colleagues were able to put forward charities they wanted to support within five miles of their store.

In Poland, colleagues are helping one community project per store per year. Over 8,500 volunteering hours were given this year to individuals and charity organisations. Projects included adapting a bathroom for a person with disabilities, renovating a kitchen in a centre for people experiencing difficult life situations and creating a garden for a children's home.

Colleagues in Romania, Poland and Iberia have gone to areas affected by flooding to alleviate the impact with practical support.

Fundraising continues to be a key activity so we're able to support our local communities.

- Over £490,000 was raised in one night at B&Q's first ever Vendor Conference & Charity Gala Dinner. The money will go towards the B&Q Foundation's work to help more charities create better spaces for people in need in our communities.
- Throughout the year the Screwfix Foundation has raised funds through annual raffles, fundraising fortnights and Screwfix colleagues going the extra mile with sponsored walks, runs and more. Other fundraising initiatives include the famous Screwfix Christmas Jumper and in 2024 the new festive Beanie raising a total of over £74.000.
- In a campaign that caught the imagination of the press, Brico Dépôt France sold 'ugly' Christmas jumpers in aid of its Foundation. This led to 80% of the jumpers selling in just a few days and the Foundation raising nearly 3,000 euros.
- Castorama France sold Christmas trees in aid of its Foundation while Brico Dépôt Iberia raised funds through the sale of slippers to support survivors of the floods in Valencia.

#### Total number of hours volunteered by our colleagues

number of hours

2024/25		58,076
2023/24		53,854
2022/23	35,036	



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# Our Responsible Business Fundamentals

Our 'Responsible Business
Fundamentals' reflect the core
values that guide us in doing the
right thing and help ensure we
continue to operate responsibly.
We have policies in each of these
areas to ensure we take a consistent
approach across our business.

Details about our cyber security and data protection processes are included in our <u>Performance Data Appendix</u>.

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# Health and Safety at work

# Ensuring the health and safety of all of our colleagues in the workplace is integral to our success.

Our approach to health and safety is led at Group level by our Chief People Office, supported by the Group Head of Health and Safety. Across our banners, each CEO holds ultimate responsibility for health and safety within their operations, working alongside dedicated health and safety teams to embed a strong safety culture throughout the business.

Every banner operates a Health and Safety Committee that plays a critical role in overseeing the banner performance, monitoring compliance and the outcomes of audits and investigations, and ensuring that safety remains integral to business decision-making.

To strengthen alignment and raise standards across the Group, the Heads of Health and Safety for each banner, together with Group Health and Safety, form the Health and Safety Professional Family Network, a dedicated leadership community focused on collaboration, co-creation and consistent sharing of best practice and key learnings. This network plays a pivotal role driving a unified approach to health and safety across all of our operations. By connecting our banners in this way, we foster a culture of continuous improvement, encouraging

open reporting, driving accountability and strengthening safety performance at every level of our business.

### Standards and reporting

Our Group Health and Safety function oversees performance across the Group and establishes policies and standards that are then transposed at banner level to ensure alignment with local regulations, and a consistent approach to risk management and colleague wellbeing.

In 2024, our Health and Safety management and reporting system, Eco Online, became embedded across the Group, bringing greater visibility to our performance. This system brings consistency to reporting across the Group, and going forward, it will support more targeted, data-driven actions to improve health and safety outcomes.

# Assessing, preventing and mitigating risk

Each banner's Health and Safety Committee monitors and responds to incidents, carrying out investigations and risk assessments where applicable. Relevant updates, information and learning are shared with the banner's Risk Board. Banners also continue to focus on safety culture, driving engagement and awareness of safety risk. This is done through campaigns, briefings and alerts, and sharing lessons learnt as a key aspect of risk mitigation.

### Our performance in 2024/25

Our total employee injury incident rate was 9,688 (2023/24: 9,438). Performance remained broadly in line with the previous year, with a year-on-year increase of 2.7%. There were no employee work-related fatalities.

We remain focused on strengthening our health and safety practices. With improved data visibility, we will use insights to inform more targeted and effective actions.

Employee total injury incident rate number of 'all work-related' accidents per 100,000 full-time equivalent employees

2024/25	9,688
2023/24	9,438
2022/23	10,034



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# Responsible sourcing and human rights

We respect, protect and promote the human rights of our colleagues, workers across our supply chain and others impacted by our business activities.

We work with over 2,700 suppliers across the world to bring our customers great products at great prices, without compromising on our ethical standards.

Our Human Rights Policy states our commitment to respect human rights and to implement due diligence procedures to avoid infringing on the rights of others. The Policy aligns with international agreements and guidelines! Our Supply Chain Workplace Standards set out minimum standards on labour and environmental practices that our suppliers must abide by.<sup>2</sup> You can read our policies at kingfisher.com/ResponsibleBusinessPolicies.

# Due diligence and risk assessment

We adopt a risk-based approach, prioritising the most significant human rights and modern slavery risks. Our due diligence processes mitigate and address human rights risks within our business and supply chains, and we collaborate with a broad range of stakeholders to raise standards. The due diligence includes ethical risk identification and assessment processes,

ethical audits with follow-up corrective action plans as necessary, supplier training and engagement, and collaboration with human rights experts such as Slave-Free Alliance.

We continue to utilise the Saliency Assessment conducted in 2020, as the identified salient issues remain relevant to our business, operations and global supply chains. We have identified 10 salient human rights risks across our business and supply chains, as defined by the UN Guiding Principles Reporting Framework. These are: modern slavery, child/underage labour, freedom of association/collective bargaining. health and safety, wages/working hours, land rights, depletion of natural resources, impact of climate change, air, water and land pollution and discrimination. We have identified a low risk of modern slavery occurring in our business operations.

# **Ethical sourcing approach**

Our ethical audit programme is focused on directly sourced products, including Tier 1 and Tier 2 suppliers for OEB and non-OEB products. International Brands<sup>3</sup> suppliers, and our joint venture, franchise, wholesale and marketplace partners, must commit to implementing their own ethical compliance programmes in accordance with the law and our company policies.

All our OEB suppliers and our non-OEB suppliers above a spend threshold of

£50,000 must disclose all the production sites supplying us with finished goods. For non-OEB suppliers below the spend threshold, we follow a letter of conformity approach, except for production sites deemed high risk.

This is an ongoing process, and we continue to work with our supplier partners to ensure their production site information remains aligned with our Responsible Business policies. In 2024/25:

- 82% of suppliers were compliant with our policy requirement of holding an active membership with one of our nominated ethical audit platforms<sup>4</sup> (2023/24: 71%).
- For OEB suppliers, 95% were compliant, (2023/24: 92%).
- 79% of non-OEB suppliers were compliant with our policies (2023/24: 67%).

Through our suppliers, we worked with over 5,500 known production sites to manufacture our GFR. Production sites are categorised as either low or high risk, based on our Ethical Risk Matrix, which considers factors like human rights risks linked to geopolitical issues and product categories prone to labour exploitation. High-risk sites must share a valid ethical audit completed in the previous two years for review. In 2024/25, 85% of high-risk sites completed an audit in the past two years. See more detail on 2024/25 performance in our Data Appendix, pages 34 and 35.

During the year we increased the number of audits conducted at high-risk production sites, a direct result of the increased visibility. Ethical audits review production site performance, identify any instances of non-conformance with our standards and set a Corrective Action Plan to address non-conformances identified within a timescale. Sites are required to implement any corrective actions accordingly and report progress to their auditor. When a business-critical issue<sup>5</sup> is identified, we require suppliers to act immediately, taking multiple steps to ensure the welfare of workers. 127 sites were identified with business-critical issues and 81 sites had their non-conformances verified as closed out within the year. We continue to monitor and work in collaboration with production sites to address outstanding issues, through our ongoing audit programme.

Any potential instances of modern slavery or child labour identified via ethical audits are considered business critical – the most serious breach of our standards. We take immediate action to resolve such cases, working with suppliers to ensure they understand our requirements, the corrective actions needed, and how to implement them. More information on page 13 to 15 of our Modern Slavery Statement.

Ethical audits alone may not address the root causes of non-compliance with our policies. We are initiating the programmes that encourage wider positive change within our

supply chains. These programmes focus on proactively addressing the identified salient human rights issues and seek to mitigate modern slavery risks, build supplier capacity, and enable direct engagement with workers in our supply base. We have also established an ethical sourcing approach for Goods Not for Resale (GNFR), see our Modern Slavery Statement pages 17 to 18.

### Stakeholder engagement

We have an ongoing supplier engagement programme and provide training to help suppliers build their knowledge and understanding of human rights issues and how to develop their approach to managing and mitigating human rights and modern slavery risks. We maintain a regular training programme across the Group to ensure colleagues understand modern slavery risks and how to report concerns. Read more about our work to develop and implement our programmes in our Modern Slavery Statement, pages 20 and 22.

# Preparing for the Future

In preparation for the EU Corporate Sustainability Due Diligence Directive (CSDDD), we conducted a readiness assessment, and its findings will inform our roadmap ahead of the 2028 reporting. For more information, please see pages 7 to 8 of our Modern Slavery Statement.

<sup>1</sup> 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 Organization's Declaration on Fundamental Principles and Rights at Work, the Children's Rights and Business Principles, and UN conventions on the elimination of discrimination.

<sup>2</sup> These reflect the requirements of the Ethical Trading Initiative (ETI) Base Code and International Labour Organisation (ILO) fundamental Conventions on worker rights

<sup>3</sup> International Brands are widely recognised brands generally operating across more than one market. Selected suppliers that classified as an 'International Branded supplier' are invited to submit a signed letter of conformance.

<sup>4</sup> Compliance to policy requirements mean suppliers have an active membership to one of our nominated audit platforms: Sedex or amfori BSCI, or an EcoVadis certificate scoring over 50, dated within the past 12 months.

<sup>5</sup> Business critical applies to situations that pose the most serious risk to people and our planet, like child labour and circumstances where workers or the environment are in imminent danger.

Customers

# Eliminating waste and increasing recycling

Our ambition is to eliminate waste to landfill and reach 90% recycling. We'll achieve this by preventing waste from being generated or by turning it into a useful resource by finding innovative ways to redesign, reuse and recycle.

Keeping materials out of landfill and in use for as long as possible is good for our business and the planet.

The quality and availability of waste and recycling infrastructure varies significantly across Europe. That is why our banners work with local contractors, often more than one, to manage waste.

In the UK, France and Poland our waste reduction and recycling commitments are embedded into contracts with local waste management providers. We meet with them regularly to review progress, and, in France, we issue monthly waste scorecards for stores to encourage improvements.

We're continuing our 'Community Reuse' programme at B&Q, working with the award-winning giving platform Neighbourly. This allows us to donate unsellable materials and products to participating charities and community groups. Last year we donated over 136.873 items to more than 1.500 local good causes.

Banners are also preventing products from becoming waste and keeping them in use by offering repair and refurbishment services. See more on page 26.

### **Enhancing recycling practices**

Castorama Poland continues to run a twice-yearly 'flowers for e-waste' campaign - inviting customers to drop off their electrical waste in exchange for a free pot plant. In 2024 a total 1,100 tonnes of electronic waste was collected and 750.000 plants donated. Since the campaign began, Castorama has collected 5,963 tonnes of electronic waste.

In France, Castorama and Brico Dépôt stores have tipping trailers to collect recycling such as bathtubs, rubble and other building materials.

See more details about in-store recycling on page 26.

#### How we did in 2024/25

Overall, our business activities generated 162,985 tonnes of waste during the year (2023/24: 174,343 tonnes). This 7% reduction was due to improvements across several of our banners. Screwfix saw a reduction in waste due to ongoing work on its packaging policy, our French banners improved recovery rates, and Castorama Poland launched Zero Waste to Landfills (see case study).

# Waste recycling and disposal 2024/25





### Case Study

# Zero Waste to Landfills -Castorama Poland

Castorama Poland has strengthened its Zero Waste to Landfills programme by improving waste segregation processes in stores and offices. We now manage 11 types of waste in stores and 5 at our headquarters.

A key focus is construction waste, where we introduced separation of clean and dirty debris - leading to 730 tonnes of recyclable clean debris collected in 2024.

The programme engaged over 4,500 employees across 42 stores. In 2025, the programme will be rolled out to all stores across the country.

90.0% waste diverted from

landfill in 2024/25

# **Ethical conduct**

We're committed to high ethical standards in all aspects of our business. We put in place clear policies and robust processes to ensure every colleague understands their responsibilities and applies our ethical standards.

# Setting the tone with our Code of Conduct

Our Code of Conduct sets out our approach to doing business and the ethical standards we expect everyone working with us to meet. It promotes a culture of transparency, honesty and fairness.

The Code covers numerous areas including sustainability and ethical behaviour, antibribery and corruption, and conflicts of interest, among others.

It applies to all Kingfisher colleagues, contractors and third parties, and is embedded into our procurement processes and supplier contracts. When we acquire new businesses or enter into new partnerships, we embed our Code of Conduct and related Responsible Business policies into partnership agreements.

You can read our Code of Conduct on our website.

# Annual training for colleagues

Everyone in the business is required to complete our Code of Conduct training annually. This covers the key principles of the Code and how to raise ethical concerns. Different modules are available for store and office colleagues, tailored to the specific integrity risks they may encounter.

In 2024, 92% of colleagues completed Code of Conduct training. Colleagues in sensitive areas of the business or higher-risk roles, such as procurement and legal, complete additional training on fair competition and market abuse regulations.

# Oversight from the top

Our Board-level Group Ethics and Compliance Committee meets every quarter to review our ethical compliance processes, and to discuss any investigations and sensitive whistleblowing reports.

Kingfisher also has local Ethics and Compliance Committees for Group functions and each banner, to embed our standards at the local level and review compliance trends, as well as local Audit Committees that review more general risks.

Our Internal Audit function provides additional assurance on compliance to key aspects of the Code, using a risk-based approach to plan their work. The Audit Committee of the Board of Directors receives regular updates on the outcomes of our whistleblowing channel and sensitive investigations, and our Board of Directors receives regular updates on our overall Group Compliance Programme.

# Clear whistleblowing procedures

All colleagues are encouraged to report actual or potential breaches of our Code, and our Whistleblowing Policy and procedures set out that they can do so securely and without fear of retaliation.

Our independent and confidential whistleblowing hotline, SpeakUp, is available to all employees, suppliers, contractors and third parties. We launched a new communication campaign in November 2024 to keep awareness of our reporting channels high among our colleagues.

All reports to SpeakUp are reviewed and, where necessary, investigated. The outcomes are reported to the relevant Local Ethics and Compliance Committee. Every banner has SpeakUp Champions responsible for reviewing and investigating cases locally. More serious or sensitive cases are reviewed by the Group Compliance team. The Group Executive, Audit Committee and the Board receive SpeakUp reports twice a year.

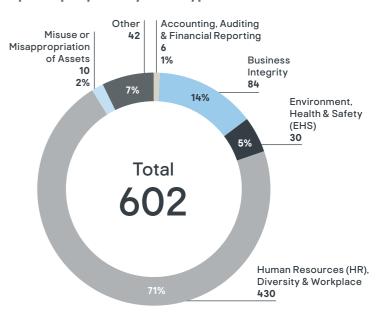
The number of SpeakUp reports has increased in the last few years, which reflects our efforts to raise awareness about our hotline. In 2024/25, we received 602 reports via our SpeakUp hotline.

The types and number of reports we receive varies by country. We compare our data with regional benchmarks to provide more meaningful insight into trends and performance.



In 2024, the question 'I feel able to speak up and raise concerns without fear of consequences' – which we asked in our annual engagement survey – received an eNPS (Employee Net Promoter Score) of 58, showing an increase of 3 points since 2023.

### SpeakUp reports by issue type 2024/25



# Governance and risk management

We've integrated Responsible Business practices into our governance and management structures, allowing us to make progress towards our goals and targets while ensuring accountability in our decision-making.

# Board-level and executive oversight

Our Board-level Responsible Business Committee (RBC) champions the Responsible Business agenda and ensures it is integrated into our governance and is always robust, transparent and accountable. The Committee provides advice and assurance to the Group Executive on all matters relating to Responsible Business practices and the Chair of the RBC also reports on its activities to the Board. The Board and Committee members review Responsible Business KPIs on a quarterly basis as part of their governance duties. A basket of environmental, social and governance (ESG) measures forms part of our Directors' Performance Share Plan (PSP), and this is reviewed and approved by our Remuneration Committee.

The Audit Committee has responsibility for overseeing compliance with mandatory sustainability-related reporting requirements, receiving regular updates from management. They also approve

external disclosures such as our Task Force on Climate-related Financial Disclosures (TCFD) report.

Our Group Climate Committee is chaired by our Chief Executive Officer and meets quarterly with relevant management to review the Company's approach to meeting its climate commitments and assessing climate-related risks and opportunities.

The ESG Reporting and Climate Disclosure Steering Group, composed of Group function directors, monitors mandatory ESG reporting and climate-related disclosures and meets a minimum of six times a year. Internal Audit also undertakes audits of the ESG landscape as part of its annual plan.

Read more about the governance in our Annual Report and Accounts 2024/25.

# **Responsible Business policies**

Our policies guide our approach and help us to adopt consistent standards across our markets. For transparency, we publish key policies on our website. See <u>kingfisher.</u> com/ResponsibleBusinessPolicies.

We review our policies annually and update them when necessary. In 2024/25, updates to our policies were approved by our Group Executive.

Key updates in 2024/25 included our new emissions reduction targets, updating our approach to align with our refreshed community strategy to reflect the diversity of our projects, and clarifying our position with regard to wood and paper sourcing requirements with which our third-party marketplace vendors must comply.

# Risk management

Identification and management of sustainability risks are incorporated into our strategic risk assessment processes, which are explained in our <u>Annual Report and Accounts 2024/25</u>.

Climate change continues to be one of our principal risks. To help us develop our approach to climate risks and opportunities, we conducted scenario analysis annually. The results are summarised in our disclosure against the recommendations of the Task Force on Climate-related Financial Disclosures in our Annual Report and Accounts 2024/25.

Our internal Responsible Business risk register is used to monitor risks relating to climate change, health and safety, reporting and regulatory compliance and delivery of targets over the short-, medium- and long-term.

# Tax management

The information about Kingfisher's approach to tax management and further details on tax contribution can be found in the <u>Annual Report and Accounts 2024/25</u> and separate <u>Tax Report</u>.



QUE VOLEN!

# **Engaging our stakeholders**

# Engaging our stakeholders is an intrinsic part of delivering our Responsible Business strategy.

Our main stakeholders include our customers, investors, colleagues, suppliers and regulators as well as NGOs, the media and other organisations working on sustainability and business issues.

#### Customers

We engage with our customers on Responsible Business through continuous retail and trade surveys, via our websites and in-store communications, and through our charity partnerships and fundraising campaigns. Research into customer views on sustainability topics has informed the development of many of our targets.

# Colleagues

We engage with colleagues formally and informally through a variety of internal channels and social communication tools, surveys, virtual town halls, Q&As and regular Board and individual director visits to our offices and stores. The results from our latest colleague survey are summarised on page 13. The Kingfisher Colleague Forum (KCF) is a joint forum of management and employee representatives which meets twice a year. We also have an Inclusion and Diversity (I&D) Forum, see page 8, which focused

on embedding our 'Together. Stronger.' allyship campaign to support in driving a culture of inclusivity and belonging.

Our Responsible Business network brings together colleagues from across the business to share ideas and best practices. All colleagues in any role are welcome to join. The network met three times in 2024/25.

#### Investors

Our Responsible Business and Investor Relations (IR) teams collaborate closely to communicate our approach to environmental, social and governance (ESG) risks and performance to investors, including via investor meetings, our Annual Report, Responsible Business Report, Final Results announcement and benchmarks and indices.

Our ESG presentation for investors is published on our website. We engaged with 13 investors and analysts on ESG topics in 2024/25, including organising a dedicated ESG investor roadshow engaging directly with Kingfisher's top shareholders (covering around 19% of the Company's share register at the time of engagement).

We won the 'Best communication of sustainability - Mid Cap' category of the IR Society Best Practice Awards 2024. This was our third time winning the award for this category, demonstrating our effective approach in communicating with investors

on material ESG issues and long-term value creation.

# Regulators

We engage with the governments and regulators in each of our key markets and with the EU, both directly and through our trade associations. In 2024/25, these discussions included engagement following elections in the UK, France and the EU, and home energy efficiency government support in the UK, France and Poland. Our approach to public policy engagement is explained on page 42.

# **Suppliers**

We collaborate with suppliers on Responsible Business issues, including our approach to ethical sourcing and human rights, our Code of Conduct and the impact of the rapidly changing external landscape on climate priorities. See page 37.

In 2024/25 our annual supplier engagement survey of approximately 2,000 Own Exclusive Brand (OEB) and branded vendors had a response rate of 65%, a 3% increase compared to 2023/24.

As part of the Company's net zero 2030 targets we introduced vendor decarbonisation targets to support our vendors' progress towards decarbonisation, including sharing training and expertise.

# NGOs and industry partners

businesses and specialist organisations to learn from their insights and address Responsible Business challenges. Examples are included on pages 20 and 31-34.

More information on stakeholder engagement is available in the Annual



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# **Public policy**

We interact with regulators and government officials in our markets and at EU level. We give our views on proposed legislation and policies that will impact our business and the retail sector.

We also engage on sustainability topics, supporting measures that incentivise sustainable business practice and encourage investment in sustainable innovation.

### Our approach and standards

Our Director of Corporate Affairs manages our public policy activities, reporting to our Chief People Officer. The Board of Directors reviews the key aspects of our public policy activity at least twice a year.

All our public policy work must meet the ethical standards set out in our Code of Conduct and our Group Corporate Affairs Policy and reflect our public sustainability commitments. We're registered on the EU Transparency Register of lobbying activities and in the markets where registers are used. In line with EU and UK corporate governance best practice and as stated in our Code of Conduct, it is our policy not to make donations directly to political parties or politicians.

We follow government guidelines in relation to employing former public officials (the 'revolving door').

# Working with lobbying companies

We work with external lobbying companies, which are all members of recognised self-regulatory organisations such as the Association of Professional Political Consultants in the UK and the European Public Affairs Consultancies' Association (EPACA) in the EU, and are governed by their codes of conduct. The lobbying companies we use in the EU are listed on the EU Transparency Register.

# Which trade associations do we work with?

Sometimes we engage with policymakers via trade associations and industry groups. This can increase the impact of our policy messages. Relationships with trade associations in the UK. Ireland. France and Brussels are overseen by our Group Director of Corporate Affairs. and in other markets, by the relevant local CEO. We want to make sure that our trade associations are aligned with our position on climate change and regularly engage with them on this issue. This has included engaging with the British Retail Consortium (BRC) on the development of its Climate Change Roadmap and with the European DIY Retailers Association (EDRA) on their Scope 3 initiative across retailers and suppliers.

We may terminate our relationship with trade associations if they don't meet our standards.

## Our memberships include:

- EU: EDRA/GHIN (the European DIY Retail Association home and the Global Home Improvement Network) and Euro Commerce.
- UK: The British Retail Consortium (BRC), the GC100 - the Association of General Counsel and Company Secretaries working in FTSE 100 Companies, Green Alliance and Aldersgate Group.
- France: The French Association of Private Businesses (AFEP), France Commerce and the French Federation of DIY Retailers (FMB).
- Ireland: Irish Business and Employers Confederation (IBEC) and Retail Excellence Ireland.
- Poland: The Polish Confederation of Private Employers (Lewiatan) and the Polish Organisation of Commerce & Distribution (POHID).
- Portugal: Portuguese Association of Retail Companies (APED).
- Spain: Association of Distributors of Hardware and DIY (ADFB).
- Turkey: Chain Stores Association (KMD) and Turkish Industry and Business Association (TÜSİAD).



# Which issues did we prioritise in 2024/25?

- Domestic energy efficiency: In the UK, we're calling for stronger retrofit incentives and working to ensure the proposed Warm Homes Plan meets customer needs. In France, we're engaging with government to simplify renovation subsidies.
- Trade careers: We're advocating for better promotion of trade careers in the UK and have shared recommendations with Skills England and the DfE to boost apprenticeships.
- Deforestation: We continued engaging with the EU on implementing the Deforestation Regulation.
- UK business rates: We remain active in calling for reform of the business rates system to support shops across the UK.
- ESG reporting: We're working with European trade bodies to advocate for simpler reporting rules, while also monitoring future UK standards.

# **Assurance statement**

Independent Limited Assurance Report to the Directors of Kingfisher plc

Kingfisher plc ("Kingfisher") commissioned DNV Business Assurance Services UK Limited ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in their Responsible Business Report 2024/25 and the Performance Data Appendix 2024/25 (together the "Report") for the reporting year ended 31st January 2025.

## **Our Conclusion**

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

#### **Our Observations**

Our observations and areas for improvement will be raised in a separate report to Kingfisher's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

- Carbon footprint Scope 1 GHG emissions: We noted that Kingfisher did not report on Scope 1 GHG emissions from refrigerants and from company cars, in line with previous years. This is transparently captured in the Criteria and not seen as material to Kingfisher's business. However, we recommend that Kingfisher starts collecting primary data across all its banners to ensure those emissions sources can be included in its future Scope 1 reporting for completeness and to align with good practice.
- Community investment: We found that volunteer time and management costs used to calculate community investment are often estimated by the banners. We recommend that the banners implement and document new processes to collect primary data over the course of the reporting period. This will reduce reliance on estimates and enhance the accuracy of community investment data.
- Ethical sourcing approach: We noted that Kingfisher has made significant progress in the number of 'high inherent risk production sites that have completed an audit at some stage in the past two years' – achieving percentage increases of 19.9% for OEB sites and 53.8% for Non-OEB sites from 2023 to 2024. This reflects the overall increase in

site disclosure realised by Kingfisher teams, notably through increased resources within banners and the creation of guidance and training materials. Whilst we have noted this positive progress in 2024/25, we recommend that Kingfisher continues to develop its strategic roadmap with time-bound objectives to further increase supply chain visibility.

#### **Selected Information**

The scope and boundary of our work is restricted to selected 2024/25 key performance data included within the Report (the "Selected Information"), listed in the Appendix to this Independent Limited Assurance Report.

#### Colleagues

- Gender diversity

#### Planet: Climate change

- Property portfolio carbon intensity
- Carbon emissions from direct haulage (dedicated fleet deliveries)
- Carbon footprint Scope 1, 2 and selected Scope 3 GHG emissions
- Energy use and intensity

#### **Planet: Forest Positive**

 Responsibly sourced wood and paper in products

#### Customer

- Sustainable Home Products sales

#### Communities

- Community investment

#### **Responsible Business Fundamentals**

Ethical sourcing approach

#### **Progress Against Targets**

Progress against targets with the exclusion of the below targets:

- Training and apprenticeship
- Responsibly sourced catalogue paper
- Forest Positive status
- People supported in communities

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used Kingfisher's Responsible Business Data Collection Methodology 2024/25 (the "Criteria"), which can be found <a href="https://example.com/here.">https://example.com/here.</a>

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Kingfisher's website for the current reporting period or for previous periods.

#### Standard and Level of Assurance

We performed a limited assurance engagement of specified data and information using the 'Greenhouse Protocol – A Corporate Accounting and Reporting Standard' (revised 2015) and international assurance best practice including the International Standard on Assurance

Engagements (ISAE) 3000 - 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board. To ensure consistency in our assurance process, we conducted our work in accordance with DNV's assurance methodology, Verisustain™, applying only the pertinent sections of the protocol relevant to the specific purpose of the activity. This methodology ensures compliance with ethical requirements and mandates planning and execution of the assurance engagement to obtain the desired level of assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and are shorter in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed.

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#### **Disclaimers**

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not conducted an assessment of the reporting organisation's overall adherence to reporting principles or the preparation of the Report. Therefore, no conclusions should be drawn regarding the reporting organisation's compliance with reporting principles or the quality of the overall Report. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.

#### **Basis of Our Conclusion**

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting remote interviews with Kingfisher's Management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Remote meetings with teams from two retail banners, Brico Dépôt (Iberia) and Screwfix (United Kingdom), to review processes and systems for preparing retail banner level data consolidated at Group level. We were free to select retail banners and they were chosen on the basis of materiality and frequency of audit visit over the past five years;
- Remote meetings with Head Office personnel to review processes and systems for preparing and consolidating Group level data;

- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing whether Kingfisher followed its stated process in the Criteria to determine progress towards selected targets in scope;
- Assessing the appropriateness of the Criteria for the Selected Information;
- Reviewing that the evidence, measurements and their scope provided to us by Kingfisher for the Selected Information is prepared in line with the Criteria; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

In performing these activities, we came across the following limitation to the scope of the agreed assurance engagement:

For community investment, we were not able to conduct remote meetings with Screwfix (United Kingdom) due to the data and the data owner not being available at the time of the banner level testing. Instead, we conducted remote meetings with and tested the data for Castorama (France). Community investment data for Screwfix (United Kingdom) was subsequently consolidated with the Group level data and we reviewed the Group level data consolidation.

We found a limited number of nonmaterial errors in the Selected Information and these were corrected prior to inclusion in the Report.



#### For and on behalf of DNV Business Assurance Services UK Limited

London, UK 26 June 2025

#### Digitally signed by Shuhaib Maudarbaccus

Shuhaib Maudarbaccus Lead Verifier DNV Business Assurance Services UK Limited

#### Digitally signed by Paul O'Hanlon

Paul O'Hanlon Technical Reviewer DNV Business Assurance Services UK Limited

# DNV Supply Chain and Product Assurance

DNV Business Assurance Services UK Limited is part of DNV – Supply Chain and Product Assurance, a global provider of certification, verification, assessment and training services, enabling customers and stakeholders to make critical decisions with confidence.

#### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV holds other contracts with Kingfisher none of which is in conflict with the scope of this work in the reporting period that could compromise the independence or impartiality of our work. Our multidisciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

#### Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by Kingfisher to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of Kingfisher's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or coresponsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

# Responsibilities of the Directors of Kingfisher and DNV

The Directors of Kingfisher have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to Kingfisher in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. Our Independent Limited Assurance Report represents our independent conclusion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Limited Assurance Report.

# Appendix: Selected Information

The scope and boundary of our work is restricted to the Selected Information, listed below.

Pillar	Area	Indicator	Reported Value	Unit
Colleagues	Gender diversity	Gender diversity - Senior management		
		Board - men (headcount)	50	%
		Board - women (headcount)	50	%
		Senior leadership total - men (headcount)	70	%
		Senior leadership total - women (headcount)	30	%
		Gender diversity - All employees		
		Total employees - men (headcount)	57	%
		Total employees - women (headcount)	43	%
		Management total - men (headcount)	60	%
		Management total - women (headcount)	40	%
Planet -	Carbon footprint – intensity	Property market-based footprint relative to floor space	7.8	kg CO <sub>2</sub> e/m <sup>2</sup> reported floor space
Climate Change		Scope 1 and 2 market-based carbon footprint relative to floor space	11.8	kg CO <sub>2</sub> e/m² reported floor space
	Absolute carbon footprint	Scope 1 GHG emissions		
	(Scope 1 and 2 GHG emissions)	Property: gas and other fuels	51,384	tonnes CO <sub>2</sub> e
		Haulage: dedicated fleet deliveries	32,197	tonnes CO <sub>2</sub> e
		Scope 2 GHG emissions		
		Property: purchased electricity and heat (market-based)	11,374	tonnes CO <sub>2</sub> e
		Carbon footprint – Totals (Property and Logistics)		
		Scope 1 GHG emissions total	83,581	tonnes CO <sub>2</sub> e
		Scope 2 GHG emissions total (market-based)	11,374	tonnes CO <sub>2</sub> e
		Scope 1 and 2 GHG emissions total (market-based)	94,955	tonnes CO <sub>2</sub> e
	Energy use – Energy consumption	Total energy consumption	871	GWh
		Total energy intensity	108	kWh/m² reported floor space
	Haulage: dedicated fleet deliveries	Scope 1 GHG emissions from haulage	32,197	tonnes CO <sub>2</sub> e
	Scope 3 GHG emissions – Category 1.1	Purchased goods and services - Purchases and procurement (GFR)	3,305,152	tonnes CO <sub>2</sub> e
	Scope 3 GHG emissions – Category 11.1	Use of sold products - Energy using products	13,845,023	tonnes CO <sub>2</sub> e

Pillar	Area	Indicator	Reported Value	Unit
	Responsibly sourced wood and paper in products	Total wood and paper (all banners)	32,794	number of SKUs purchased
		Responsibly sourced wood and paper (all banners)	32,119	number of SKUs purchased
		Responsibly sourced wood and paper (all banners)	98	% of SKUs purchased
Customers	Sustainable Home Product sales	All Sustainable Home Products	6,723.5	sales £ million
		All Sustainable Home Products	53.4	% of retail sales
Communities	Community investment	Total community investment	5,971	£ thousand
		Fundraising and other leverage	2,730	£ thousand
Responsible	Ethical sourcing approach	Total number of suppliers	2,715	number
Business		Total number of declared production sites supplying us with finished goods	5,551	number
Fundamentals		High inherent risk production sites that have completed an audit at some stage in the past two years	2,619	number
		Number of sites that have had at least one business-critical non-conformance or equivalent in the past two years	127	number
		Total number of declared production sites compliant to our policy	4,034	number

	Pillar	Target	Kingfisher Summary
Progress against targets	Colleagues	Improve gender balance to 35% women in senior leadership and 40% women in management by 2025/26.	We've now reached 30.1% women in senior leadership (2023/24: 28.6%) and 39.8% in management (2023/24: 39.6%).
	Planet – Climate Change	Deliver our science-based targets for 2025/26 to reduce Scope 1 and 2 emissions by 37.8% in absolute terms and Scope 3 by 40% per £million of turnover compared with 2016/17 and	We have reduced absolute Scope 1 and 2 (market-based) GHG emissions by 66.0% since 2016/17 (2023/24: 63.6%). We're currently exceeding our target.
		2017/18 respectively.	We have reduced our Scope 3 GHG emissions intensity from the supply chain and customer use of products by 38.7% since 2017/18 (2023/24: 41.6%), reflecting a slower rate of reduction, but we remain on track to achieve our 2025/26 target.
		Reach net zero emissions for our operations (Scope 1 and 2) by the end of 2040/41.	Achieving our Scope 1 and 2 science-based target is the first step towards net zero emissions for our operations. Our interim target for 2024/25 was to reduce Scope 1 and 2 GHG emissions to 185,108 tCO $_2$ e – a 33.8% reduction from the 2016/17 baseline – and we exceeded this by reducing emissions to 94,955 tCO $_2$ e.
	Planet - Forest Positive	Achieve 100% responsibly sourced wood and paper for our products and catalogues by 2025/26.	97.9% of wood and paper in our products was responsibly sourced (2023/24: 96.6%).
	Customers	Attain 60% of Group sales from our Sustainable Home Products (SHPs), including 70% of sales for our Own Exclusive Brand (OEB) products by 2025/26.	In 2024/25, 53.4% of our total Group sales came from SHPs (2023/24: 49.4%). For our OEB ranges, the figure is 63.3% (2023/24: 60.1%).

# Glossary

#### Apprenticeship standards

Formal, employer-designed training frameworks in the UK that outline the knowledge, skills and behaviours (KSBs) required for a specific occupation.

#### Community project reach

The number of people in communities where our Foundations have funded projects.

#### Conversion of natural ecosystems

Change of a natural ecosystem to another land use or profound change in a natural ecosystem's species composition, structure or function.

#### Gender equality index

A tool to measure the progress of gender equality in the EU.

### **High Carbon Stock forests**

Natural forest areas that contain a high concentration of carbon stored in their vegetation and soils.

### High conservation value areas

A biological, social or cultural value of outstanding significance or critical importance.

#### Intact forest landscapes

Large areas of unbroken, naturallyoccurring forests and treeless ecosystems that show no signs of significant human activity or habitat fragmentation, as detected by remote sensing.

#### Intensity of Scope 3 emissions

Tonnes of CO<sub>2</sub>e per £million of turnover.

#### Just transition

Greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.

#### Location-based emissions

A method to quantify Scope 2 GHG emissions based on average energy generation emission factors for defined geographic locations, including local, subnational or national boundaries.

#### Market-based emissions

A method to quantify the Scope 2 GHG emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own.

### Neutralising residual emissions

Companies shall remove carbon from the atmosphere and permanently store it to counterbalance the impact of any unabated emissions that remain once companies have achieved their long-term science-based target, and for subsequent years thereafter.

#### Operational emissions

The greenhouse gas emissions associated with our own operations. For the full scope of our reporting boundaries see the <u>Data Collection Methodology</u>.

#### **PFAS**

Per- and polyfluoroalkyl substances.

#### **REACH**

Registration, Evaluation, Authorisation and Restriction of Chemicals – an EU regulation, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals.

### Scope 1 emissions

Direct greenhouse gas emissions from sources that are owned or controlled by Kingfisher plc.

# Scope 2 emissions

Indirect GHG emissions from the consumption of purchased electricity, heat and steam.

### Scope 3 emissions

All indirect emissions that occur in the value chain of Kingfisher plc, both upstream and downstream.

#### Solid object products

A product comprised of one or multiple REACH 'articles' (e.g. hand tools, furniture, clothing, household appliances, etc.).

#### Value chain

The full lifecycle of a product, including both upstream and downstream emissions.

#### Zero-carbon energy

Electrical energy produced from resources that generate no carbon emissions.

#### Read more

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

Annual Report and Accounts: kingfisher.com/annualreport

Our Performance Data Appendix: kingfisher.com/dataappendix

Our Responsible Business Data Collection Methodology: kingfisher.com/datamethodology

Our Responsible Business GRI Index: kingfisher.com/GRI-index

Our Responsible Business Databook: kingfisher.com/databook

Our Sustainable Home Product Guidelines: kingfisher.com/shpguidelines

Our Modern Slavery Act Statement: 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













