



Methodology

Responsible Business data collection methodology
2020/21



About this document

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

1	About this document
2	Our approach to data collection
3	Our data collection detail
3	Colleagues: We will be a more inclusive company
5	Planet: We will be Forest Positive
7	Planet: We will help tackle climate change
12	Customers: We will help make greener, healthier homes affordable
15	Communities: We will fight to fix bad housing
16	Fundamentals: Employee safety
17	Fundamentals: Responsible sourcing
18	Fundamentals: Waste and recycling

Our approach to data collection

We have two questionnaires to track progress on sustainability:

- **Responsible Business Data Questionnaire** to monitor KPIs and data trends. This is completed on an annual basis by relevant Global functions and includes data from our markets, apart from Sustainable Home Product data, which is collected on a half-yearly basis.
- **Responsible Business Targets Questionnaire** to monitor progress against targets. This is completed on an annual basis by relevant Global functions and includes data from our markets.

Data responsibilities and sign-off

The Group Responsible Business reporting team is responsible for submitting the data and ensuring that appropriate processes and controls are in place to monitor and report progress against our Responsible Business KPIs and targets.

Assurance

External

DNV provided independent assurance of selected aspects of our 2020/21 data. Their assurance statement is available to download

at www.kingfisher.com/responsible-business. The purpose of the audit is to provide limited assurance over the accuracy, completeness and integrity of the Responsible Business data reported. The statement provides details on the scope of the audit work. The assurance results are formally reported to the Group Responsible Business reporting team and representatives from the responsible Global functions, in order to agree any data amendments.

Internal

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

Scope of data

We report on an 'operational control' basis, meaning that the data covers Kingfisher's markets where we have the full authority to introduce and implement operating policies.

In addition, relevant data is collected from our Global functions, such as Kingfisher IT and Offer & Sourcing. Our third-party sourcing offices in Brazil and India only report data on suppliers and partners, as other areas are out of scope.

Businesses are included in our report if they have been owned for the full financial year, to allow sufficient time to implement data collection processes and systems. In cases

where we sell a subsidiary or joint venture, our approach is to exclude its performance in the year of sale and to restate the data from prior years, to enable a comparison of trends over time. During 2020, we sold Castorama Russia; for the 2020/21 reporting year, we have therefore rebaselined our data from 2016/17 onwards, to exclude all past data from this retail banner. The one reporting area where Castorama Russia is still included in previous years is the supplier data as it was not possible to remove from this data set.

The detailed notes on data scope for each reporting area are presented in 'Our data collection detail' section, [page 3](#).

Methodology

We restate prior year data if we identify any material errors or if we make significant changes to our data collection methodology or reporting criteria. Our materiality threshold is 5%, although we will assess any errors in the full context and, if appropriate, we may restate data if it falls under this threshold. We indicate any amendments to prior year data in the notes in the data appendix of our Responsible Business Report.

Some KPI sections do not include data from our smaller markets in cases when the reported data is less than 1% of Group totals, and therefore highly immaterial to the reported figures. For relevant KPI sections, we indicate in our Responsible Business Report the

percentage of Group turnover attributed to the markets that are included in scope for that KPI.

We collect data for the Kingfisher financial year. The 2020/21 financial year runs from 1 February 2019 to 31 January 2020. All our targets are to 2025/26 and have a 2016/17 baseline unless stated otherwise.

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

For property-related data (energy and waste), we include data for the 12-month calendar year, as financial year data is not available within our data collection timescales. In other situations where data is not available from our suppliers within our data collection timescales, our approach is to make estimates. Estimation methods are dependent on the data type, and further details can be found in the 'Our data collection detail' section below.

Our data collection detail

Colleagues: We will be a more inclusive company

Target: Develop an inclusivity action plan for each of our businesses in 2020/21.

Target: Improve gender balance in management in 2020/21, from 2019/20 baseline.

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

Employee diversity

Definitions	<ul style="list-style-type: none"> – Employees contractually employed by Kingfisher: <ul style="list-style-type: none"> • Includes: temporary or fixed-term employees if they are contracted to the business and paid through payroll; employees on parental leave. • Excludes: all agency, consultancy or third-party staff; employees whose contracted hours are effectively zero for the month, e.g. sabbaticals. – Management levels: <ul style="list-style-type: none"> • Senior management: directors and heads of department. • Middle and junior management: all other managers including heads of units, regional managers and store managers.
Scope	<ul style="list-style-type: none"> – We calculate our diversity data as a % of total employee headcount, using the total number of employees contractually employed by Kingfisher at the end of the financial year. – We report on diversity through the Workforce Disclosure Initiative. – Our diversity data covers gender diversity: % of employees that are male and female and % of managers that are male and female; the data on managers covers senior, middle and junior management levels. – Gender diversity at senior management level includes our Board Directors, as well as heads and directors of departments in our markets. The data on Board Directors is collected by Group HR.
Data collection	– The data is collected from personnel records in each of our markets.
Units	– % of employees.

Employee turnover

Definitions	<ul style="list-style-type: none"> – Voluntary leavers: employees who left the company voluntarily include all employees on fixed contracts which have come to the end of their term; all resignations; and all employees who have left without notice. – Involuntary leavers: employees who left the company involuntarily include all redundancies, dismissals and death in service.
Scope	<ul style="list-style-type: none"> – We report on employee turnover through the Workforce Disclosure Initiative. – Data on our employee turnover rate includes employees who left the company both voluntarily and involuntarily. – We calculate the number of leavers as a % of the total number of employees (using the total headcount average, calculated from monthly data).
Data collection	– The data is collected from personnel records in each of our markets.
Units	<ul style="list-style-type: none"> – Number of employees who left. – % employee turnover rate.

Employee training

- Definitions**
- **Training hours:** number of training hours completed by employees during the financial year.
 - **Training spend:** budget used for employee training programmes during the financial year.
-

- Scope**
- Data on employee training includes:
 - Digital training modules.
 - Self-development resources.
 - Physical workshops (internal and external).
 - Virtual learning sessions.
 - External qualifications.
 - Leadership and talent programmes.
-

- Data collection**
- The data is collected from HR departments in each of our markets using local learning management systems and records.
-

- Units**
- Number of training hours completed.
 - Annual spend on employee training.
-

Planet: We will be Forest Positive

Target: Become Forest Positive by 2025.

Target: Source 100% sustainable wood and paper for our products and catalogues by 2020/21.

Wood and paper in products

Definitions

- **Wood and paper:** goods made from, or containing, timber, wood, wood fibre, or paper (referred to as timber goods).
- **Responsibly sourced wood and paper:** wood and paper which is from 'proven well-managed forests or recycled sources'. [Kingfisher's Wood and Paper Policy](#) sets out criteria for 'proven well-managed forests or recycled sources'.

Scope

- All products or materials containing wood, timber, paper and wood fibre. This will include all products purchased during the year, including seasonal items.
- Includes products purchased by all banners.

Data collection

- Data is collected in line with our [Wood and Paper Policy](#).
- Data consolidation process:
 - Purchase data for the 2020/21 financial year was consolidated on a rolling basis from financial and quality management systems by the Offer & Sourcing Wood and Paper team.
 - It was then sent to individual vendors for revalidation.
- Chain of Custody (CoC) evidence checking:
 - Claims that a product is certified can sometimes prove erroneous, normally due to human error. It is consequently best practice to check a sample of products for the correctness of certification claims on the invoice or delivery note. For this purpose, we drew a random sample of products from the vendor data revalidation. A sample size of greater than 10% of vendors was chosen, as this is in line with good practice.
 - Working with third-party consultants, the Offer & Sourcing Wood and Paper team conducted a sample check of evidence back to source.
 - Kingfisher sampled 87 vendors, checking both higher risk products and also a number of randomly selected vendors.
 - Within those vendors, we aimed to randomly sample a minimum of 10% of EANs purchased in the reporting period and the vendor was asked to provide an invoice or delivery note; with supporting information to include vendor CoC certificate number, product certification claim and vendor and customer name and address.

Data collection (continued)

- This information and the period of supply was checked for consistency with the claim made by the vendor. If an error was found, Kingfisher amended the wood and paper data (e.g. the vendor CoC and product certification claim) appropriately.
- Data limitations:
 - The data validation process relies on manual development of a core wood and paper data set; identifying likely wood and paper EANs by vendor, category and product description. There is a risk that some wood and paper products could be missed in the EAN identification process. The data also includes EANs that may not contain wood, but Kingfisher was not able to verify this with the vendor, those classified as non-compliant with policy KPQ897. We aimed to mitigate by ensuring that all products purchased from wood and paper vendors with high sales figures were considered. Data was further triangulated with comparison to the Quality Management Tool database, careful analysis of operating company online customer websites and the experience of the Offer & Sourcing Wood and Paper team. Kingfisher presents a conservative view of the wood and paper performance.

Units – Number of SKUs purchased and purchase value.

Paper used in catalogues (GNFR)

- Definitions**
- **Responsibly sourced wood and paper:** wood and paper which is from 'proven well-managed forests or recycled sources'. Kingfisher's [Wood and Paper Policy](#) sets out criteria for 'proven well-managed forests or recycled sources'.
 - **Paper used in catalogues (GNFR):** paper used in catalogues (goods not for resale).

- Scope**
- All catalogue paper.

- Data collection**
- Data is collected in line with our [Wood and Paper Policy](#).
 - Data is collated internally, and certificate validity checked.
 - The purchase of a certified product is confirmed through a check of supplier sales documents for a random sample of certificates.

- Units**
- Tonnes.
-

Target: Ensure sustainable management and efficient use of key resources by 2025, including peat-free bagged growing media by 2020.

Peat alternative in bagged growing media

- Definitions**
- **'Bagged' growing media:** includes bags and containers of compost, mulches, soil improvers and additives, and growing bags.
 - **Responsibly sourced alternative materials to peat:** includes green waste, composted bark, coir, and wood fibre.

- Scope**
- The target covers 'bagged' growing media.
 - Data is reported for B&Q UK, Castorama France, Brico Dépôt France and Castorama Poland.

- Units**
- Litres sold.
-

Planet: We will help tackle climate change

Target: Achieve our approved science-based carbon reduction target by 2025:

- Reduce scope 1 and 2 emissions from property and transport by 22% in absolute terms by 2025, compared to 2016/17;
- and reduce scope 3 emissions from the supply chain and customer use of products by 40% per £million turnover by 2025, compared to 2017/18.

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

We report the breakdown of our CO₂e emissions in line with the three scopes defined under the WRI/WBCSD GHG Protocol: scope 1 (direct emissions), scope 2 (energy indirect emissions) and scope 3 (other indirect emissions). We have progressively extended the scope of our carbon footprint data for logistics and energy, and have indicated where data is unavailable rather than back-calculating data. We report on our scope 3 (including waste, investments, non-dedicated delivery fleets, transmission & distribution and well-to-tank) and our out-of-scope (including emissions from biofuel, biomass and forecourt fuels containing biofuel) CO₂e emissions. Our full carbon footprint is included in the data appendix of our Responsible Business Report.

Methodology for calculating CO₂ equivalent (CO₂e) emissions:

- We calculate our carbon emissions using the CO₂e emission factors published annually by the UK Government (DEFRA/BEIS), except where indicated below. The data for 2020/21 is calculated using the '2020 UK Government GHG Conversion Factors for Company Reporting', version 1.0 (expiry 1 June 2021). We record activity data (e.g. electricity consumption, gas consumption) and multiply by the relevant emission factors.
- The CO₂e includes the seven main greenhouse gases that contribute to climate change: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Organisational boundary:

- We use an operational control boundary, in line with the operational control approach as defined by the WRI/WBCSD GHG Protocol.
- We include emissions from our wholly-owned subsidiaries. For our Koçtaş joint venture, as we do not have full operational control, we include proportional emissions under scope 3 (category investments).

Property

Definitions

- **Floor space:** all areas of the building where we use energy; it includes gross internal area of our buildings and external sales area of stores.

Scope

- Our property energy data covers energy used in stores, offices and other buildings (e.g. distribution centres or data centres) that are owned or leased by us.
- We do not include data for distribution centres which are not owned or leased by us. We also exclude one of our distribution centres in France which is leased by us but is a multi-tenanted site, making it difficult to obtain specific energy consumption data. We expect this to be immaterial to Group-level energy consumption.
- Data is reported for properties which were officially open or are operational in the reporting year.
- We do not currently collect or report data for KIPL, our overseas Offer & Sourcing offices and our UK head office, because emissions aggregated at Group level fall below our materiality threshold of 5%.
- Our reported floor space is the actual average over the year, taking into account the opening and closing dates of properties. This gives us an accurate picture of our energy intensity for our markets that opened or closed stores during the year.
- We do not currently collect or report on refrigerants, though they are used in a portion of our store portfolio, because emissions fall below our materiality threshold of 5%.
- We have removed Castorama Russia floor space and energy data from prior years reporting to ensure figures are comparable.
- We have added a proxy value for floor space and energy data into 2016/17 and 2017/18 for Praktiker stores acquired in Romania, which we started reporting on in 2018/19, to ensure figures are comparable.

-
- Data collection**
- Our markets record energy data either through Automated Meter Readings (AMRs) or consumption data on invoices.
 - Where data is unavailable, we estimate data according to the following options:
 - Pro-rata calculations for estimating data missing for a short period.
 - Direct comparison: if data is missing for a property, we work out the average energy consumption per m² of all similar sites with complete data; then multiply this average by the floor area of the site with missing data. A 'similar site' is a site of the same type, e.g. stores or distribution centres.
 - To report on our scope 2 market-based footprint, we collect data on individual electricity suppliers. This includes evidence linking the retail banner to the supplier and the specific tariff (e.g. a contract or invoice). For suppliers providing zero carbon electricity, we ask for a 'guarantee of origin' which states the source of the renewable energy (e.g. solar, wind, hydro).
 - Our Group-level data for floor space is reported in m²; conversions from ft² to m² were applied on the UK data.

-
- Units**
- Reported floor space (m²).
 - Energy consumption (kWh).
-

Details on emission factors used

- **Electricity location-based:** country-specific emission factors are used, based on the different energy mixes used to generate electricity in each country. For our UK operations, these are obtained from DEFRA/BEIS. For all our non-UK operations, we obtain the emission factors from the IEA (source: IEA Emissions Factors, 2020 edition). Note that the emissions factors for non-UK electricity are in CO₂ only (not CO₂e).
 - **Electricity market-based:** we also publish a market-based scope 2 CO₂ total for which we use a combination of conversion factors according to the data hierarchy (as defined under the WRI/WBCSD GHG Protocol):
 - Zero or low carbon conversion factors for renewable energy products/ tariffs where Guarantees of Origin are available.
 - Supplier-specific residual mix emission rates where available.
 - Supplier-specific overall emission rates where a breakdown of tariff-specific information is not available.
 - National residual mix emission rates, available for European countries from Association of Issuing Bodies. The data for 2020/21 is calculated using the 'European Residual Mixes 2019', Version 1.1, 8 September 2020.
 - Location-based emission rates, for countries outside Europe and for district heating. For electricity, we use the IEA emissions factors; for district heating, we use the DEFRA/BEIS emission factors.
 - **Gas and other fuels:** standard DEFRA/BEIS factors for gas and other fuels we consume (e.g. gas oil, diesel, LPG/propane, biomass) are used. We use the 'gross' calorific value (higher heating value) for gas and other fuels where there is an option to use 'gross' or 'net' values.
 - **District heating:** UK location-based district heating emission factors are used since we do not have country-specific information, which we use for both our location-based and market-based scope 2 emissions totals.
-

Haulage – dedicated store and home delivery fleet

Definitions	<ul style="list-style-type: none"> – Dedicated fleets: fleets we directly control, including those which are operated on our behalf by a third-party contractor. <ul style="list-style-type: none"> • We have dedicated store deliveries in our UK, French and Polish markets. • We have dedicated home deliveries in our UK (B&Q only) and Polish markets.
Scope	<ul style="list-style-type: none"> – Store deliveries: all outbound journeys for product deliveries from distribution centres and inbound journeys to distribution centres; note this includes return journeys, including backhauling. – Home deliveries: all outbound journeys for product deliveries from our distribution centres, stores to customer homes and trips made to deliver click & collect orders to stores.
Data collection	<ul style="list-style-type: none"> – Data for dedicated fleets on fuel use, distance and volume delivered is based on actual data recorded through our logistics monitoring. – Data collection processes vary between markets, with data provided by our logistics operators; data is then collated and compiled at each retail banner level. – Our Group-level data is reported in kilometres and litres of fuel; conversions from miles to kilometres, and from gallons to litres, were applied on the UK data.
Units	<ul style="list-style-type: none"> – Fuel use data (litres). – Distance travelled (km).
Details on emission factors used	<ul style="list-style-type: none"> – Diesel and petrol: '100% mineral fuel' emission factors used, except in the UK where we use the 'average biofuel blend' emission factors; and in France, where we calculate specific biofuel blends based on the French minimum biofuel targets: 7.9% in petrol and 7.9% in diesel for 2019. – LPG, LNG and biomethane: DEFRA/BEIS factors used. – BioLNG used by B&Q: biomethane DEFRA/BEIS factor used. – Where fuel use is unknown for haulage, we calculate CO₂e from km travelled, using the DEFRA/BEIS emission factor for 'all HGVs, UK average loading'.

Scope 3 reporting

Lifetime customer energy use and carbon emissions	
Definitions	<ul style="list-style-type: none"> – Lifetime customer energy use (LCEU) model: the model estimates the energy used by customers from energy-using products over the lifetime of those products. This model was developed by sustainability experts Bioregional.
Scope	<ul style="list-style-type: none"> – All energy-using products (EUPs) and Renewable Energy Systems (RESs). Both best practice and non-best practice products are included in the LCEU model.
Methodology	<ul style="list-style-type: none"> – Bioregional performs a set of calculations to assess the energy and carbon impact of EUPs and RESs in Kingfisher's range, in use by customers. Examples of products included are lighting, heating appliances (gas and electric), white goods, air conditioning, solar thermal collectors. The LCEU calculation quantifies this energy use, and associated carbon emissions of all EUPs sold in a given year, over the expected lifetime that customers would use them for. – Bioregional has established a set of assumptions from product data, SAP modelling and various studies for the typical energy use and lifetime of Kingfisher EUPs and RESs. These are regularly reviewed and updated where necessary. Using sales data provided by Kingfisher, a lifetime energy use figure is established for each product brick and aggregated across the quantity sold. – Checks are made that the brick assigned to a product is the appropriate one and that the correct assumption is being used. In some cases, a manual adjustment is made to exclude a product from the calculation if it is found to not actually be the assigned EUP (for example in some cases an 'accessory' to an EUP might also be assigned to the same brick name). – For the assumptions used, a tiered approach is applied in many cases, where the different levels of Sustainable Home Products (SHP) criteria are linked to energy ratings. For example, an appliance that meets the top energy efficiency class and achieves the 'Exceed' level in SHP would be assigned a lower energy use assumption than one of a lower energy efficiency class that did not meet SHP criteria. – From the energy data of the LCEU model, the lifetime emissions of EUPs sold are calculated as a snapshot of the products sold in the reporting year. This calculation takes into account the carbon intensity of the grid of the country in which it was sold, using publicly reported figures for recent years and extrapolating to expected carbon intensity figures to estimate the carbon emissions from use of the product in future years.

Scope 3 reporting (continued)

Lifetime customer energy use and carbon emissions

- Methodology (continued)**
- Final totals are collated to track the change in energy use and carbon emission against previous years' figures. Analysis is also conducted to identify which products account for the most significant shares of the combined energy use and carbon emissions. This aims to identify opportunities to adjust product ranges and make savings.
 - An update was made to the 2019/20 LCEU figure; this was to more accurately capture estimated energy use from non-best practice lighting products. This had the effect of increasing the total figure compared to that previously reported.

- Data collection**
- Data on all products is collected by the Offer & Sourcing Sustainability team. This is provided to Bioregional as part of the SHP assessment; EUPs that have passed the SHP assessment are assigned to the 'Expect' and 'Exceed' assumptions held by Bioregional (i.e. the more energy efficient products). Kingfisher also provides Bioregional with a list of EUPs not put forward for the SHP assessment, which are assigned an energy use and lifetime assumption on the basis that these are 'non-best practice' products.
 - These EUPs at the different levels are identified and extracted from the lists provided by Kingfisher and used as the input to the model.

- Units**
- kWh.
 - CO₂e emissions.

Other scope 3 elements

Haulage – third-party non-dedicated fleet deliveries from distribution centres to stores (road and rail; sea and air freight)

- Definitions**
- **Non-dedicated fleets:** distribute products in vehicles which carry goods on behalf of several companies, i.e. they do not distribute exclusively for Kingfisher.

- Scope**
- We report carbon emissions from our non-dedicated fleets for road and rail transport for each banner as well as exports via sea and air arranged by Kingfisher Buying Offices.

- Data collection**
- **Road:** banner level process with Group consolidation. Banners use several data sources, including figures provided directly by carriers, alongside internal web systems. Please note for the French banners a new process for sourcing data has been established this year which means figures are not directly comparable to last year.
 - **Rail:** banner level process with Group consolidation. Data is sourced from suppliers using rail shipment information; a formula is used to calculate tonne km (total weight x distance travelled). Rail distance is provided by the carrier.
 - **Sea:** buying office (Group level) process. For some routes TEU/km is provided by the sea freight carriers. Remaining amounts are calculated by multiplying the number of TEUs per journey by the km for that journey, using TEU and average distance data provided by carriers. Carbon emission factors (kgCO₂/TEU km) come from a variety of sources. Some carriers are able to provide factors in the required units (kgCO₂/TEU km), while some carriers provide carbon data in another format (such as total carbon emissions or a carbon factor in other units) and the required factor is then calculated by Kingfisher. Some carriers are not able to provide any data on carbon emissions. As the methodology of determining carbon emissions is not consistent across all carriers and routes, total emissions due to sea freight are estimated based on the data available.
 - **Air:** buying office (Group level) process. Source is Airway invoices from suppliers and average distance is taken from website source (www.timeanddate.com).

Other scope 3 elements (continued)

Haulage – third-party non-dedicated fleet deliveries from distribution centres to stores (road and rail; sea and air freight)

Units	<ul style="list-style-type: none"> – Road: volume of products delivered (m³), fuel use data (e.g. kg, litres), and distance travelled (km). – Rail: tonne km. – Sea freight: twenty-foot equivalent unit (TEU) km and kgCO₂/TEU km. – Air freight: tonne km.
Details on emission factors used	<ul style="list-style-type: none"> – Rail transport: UK rail freight emission factors from DEFRA/BEIS used since country-specific information is not available. – Sea and air transport for buying office exports: emission factors for sea freight (DEFRA/BEIS 'average container ship') and air freight (DEFRA/BEIS 'short haul, to/from UK' and 'long haul, to/from UK') used. For haulage air transport we use the DEFRA/BEIS conversion factors which include an 8% uplift factor and a 90% increase due to radiative forcing.

Other scope 3 emissions: waste, investments, transmission & distribution and well-to-tank

Details on emission factors used	<ul style="list-style-type: none"> – Waste: emissions from waste are calculated using different emission factors for waste to landfill, incineration and recycling from DEFRA/BEIS. Since the factors only cover transport to the combustion facility, the same factor is used for incineration with energy recovery and incineration without energy recovery. – Investments: proportional scope 1 and 2 emissions from any investments, where we have at least a 50% share included. – Transmission and distribution: <ul style="list-style-type: none"> • Standard DEFRA/BEIS factors used. • Electricity transmission and distribution: country-specific (i.e. location-based) emission factors used. • District heating transmission and distribution: UK location-based district heating emission factors used, since country-specific information is not available. – Well-to-tank: <ul style="list-style-type: none"> • Standard DEFRA/BEIS factors used. • Electricity well-to-tank: country-specific (i.e. location-based) emission factors used. • District heating well-to-tank: UK location-based district heating emission factors used, since country-specific information is not available. • Gas and other fuels well-to-tank: country-specific (i.e. location-based) emission factors used.
---	--

Customers: We will help make greener, healthier homes affordable

Target: 50% of sales to be from our Sustainable Home Products by the end of 2020/21.

Sustainable Home Products

Definitions

– Sustainable Home Products:

- **'Expect'** comprises products that have a sustainable feature and/or benefit.
- **'Exceed'** comprises products that can make a more significant difference to the sustainability of our customers' homes and/or the wider environment.
- **'Excite'** comprises sustainable innovation that has the potential to achieve significant change. The number of 'Excite' projects is small and may not be defined for every principle.
- Products are classified into six Sustainable Home Product (SHP) categories: Connect to Nature, Health & Wellbeing, Live Smarter, Save Energy, Save Water and Sustainable Materials.

Scope

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

Data collection

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

Units

- £ sales (excluding VAT).

Lifetime energy savings from customer use of products

- Methodology**
- We make an estimate of the amount of energy saved by our customers through the use of energy-using and energy-saving products they have purchased in our stores over the reporting year. This estimate is made using a model we developed with sustainability experts Bioregional:
 - We report the number of energy-using and energy-saving products sold which meet the energy-saving criteria in our Sustainable Home Product guidelines. These are broken down into different product types, e.g. insulation, energy efficient appliances. Our Sustainable Home Product guidelines are available to download from www.kingfisher.com/shpguidelines.
 - For each product, the model multiplies the number of products sold by the typical annual energy saving for that type of product, then by the average lifetime of that product. The energy savings are based upon assumptions obtained through research and calculations delivered by Bioregional. The assumptions are based on typical usage patterns in UK homes.
 - We then sum the energy savings for all energy-using and energy-saving products sold during the year.
 - The reported figure takes into account the average lifetime of different product types to provide the estimated energy saving potential over the products' life. These lifetime energy savings are reported upfront, in the year the product is sold.

Data collection – Data on all products is collected by the Offer & Sourcing Sustainability team.

Units – kWh.

Safer, healthier homes and connect with nature

- Definitions**
- **Safer, healthier homes:** products that allow customers to live a healthier life at home by reducing exposure to pollutants, enabling more independent living and protecting homes from climate change impacts; these include products in the Sustainable Home Products category 'Health & Wellbeing'.
 - **Connect with nature:** products that encourage customers to get outdoors, produce their own food and support wildlife in their gardens; these include products in the Sustainable Home Products category 'Connect to Nature'.

- Scope**
- Products must comply with our Sustainable Home Product guidelines, which have been developed with sustainability experts Bioregional, and are updated annually. A summary is available to download at www.kingfisher.com/shpguidelines.
 - We include sales from products that meet the criteria of 'Expect', 'Exceed' and 'Excite' levels, which are submitted in Sustainable Home Products reporting under the categories 'Health & Wellbeing' and 'Connect to Nature'.

Data collection – Data is collected as part of the Sustainable Home Products reporting. New products nominated by the Offer & Sourcing Sustainability team are reviewed by Bioregional to check whether they meet the criteria in our Sustainable Home Product guidelines.

Units – £ sales (excluding VAT).

Target: Achieve transparency of harmful chemicals in key supply chains, phase out the highest priority hazardous and high-risk chemicals of concern and introduce five green substances by 2025.

Chemicals in key supply chains and supplier training

- Definitions**
- **Transparency:** written declaration of the intentional presence of chemical substances supplied by vendor and their supply chains. At a minimum this data includes chemical name, CAS number and function in the individual products (SKUs). Detailed definitions in line with industry best practices described by the GC3.
 - **Harmful chemicals:** Kingfisher's top families of chemical substances that have the most significant hazard endpoints for consumers, factory workers and the environment as further defined in Kingfisher's 'Sustainable Chemicals Roadmap'.
 - **Key supply chains:** from production processes of Kingfisher's highest volume materials and product types that represent at least 20% of sales.
 - **Phase out:** from finished products at levels below 200 ppm or lower those harmful chemicals.
 - **Highest priority:** harmful chemicals, as described above, with globally available and commercially viable safer alternatives.
 - **Green substances:** chemical substances or materials that maximise efficiency and minimise health and environmental hazards throughout the chemical production process.
-

- Scope**
- Data is based on active suppliers as at the end of the financial year.
 - Covers training workshops, scope of reporting will be expanded in future years.
 - Qualifying training workshops must cover sustainable chemicals management for a minimum of one hour and have been organised by Kingfisher.
-

- Data collection**
- Data is collected by the Offer & Sourcing Chemicals team that maintain a list of suppliers that have participated in training workshops covering sustainable chemicals management, including the training date and topic.
-

- Units**
- Number of suppliers.
-

Communities: We will fight to fix bad housing

Target: Help more than one million people whose housing needs are greatest by 2025, from 2016/17 baseline.

Target: Provide over 20,000 colleague volunteering hours to support housing and home improvement projects in 2020/21.

We aim to evaluate and measure the impact of our community contributions, including charitable donations and in-kind support, as well as the quality of relationships and co-working between Kingfisher and our charity partners. This helps us develop our programmes, maximising the positive benefits achieved

for each £1 invested, and to communicate our progress. We ask our charity partners to complete evaluations against the specific objectives agreed for each project. These are included in the partnership agreements for each project to account for any funding or other in-kind contributions we provide.

Community investment – how we contribute

Definitions – **Inputs:** covers how and why the company contributes to the community. Kingfisher uses the definitions for company contributions provided in the [London Benchmarking Group \(LBG\) guidelines](#) for corporate community investment.

Scope – Kingfisher's company contribution includes value of cash donations, employee time, gifts in kind and management costs. Any money raised via fundraising (from customers or employees) is not counted.
– Contributions are only included if they align with our community strategy, i.e. they help people have a home they feel good about.
– Excludes donations to companies and private individuals who are employees or customers.
– In 2019/20, no data for Iberia was reported.

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

Units – £ invested.

Community investment – value of employee and customer giving

Definitions – **Outputs:** covers community outputs, employee involvement and leverage (donations by employees and customers). Kingfisher uses the definitions for community outputs, employee involvement and leverage provided in the [London Benchmarking Group \(LBG\) guidelines](#) for corporate community investment.

Scope – Contributions are only included if they align with our community strategy, i.e. they help people have a home they feel good about.
– **Community output** includes number of people and organisation benefited from company contributions. Figures on the number of people who have benefited is sourced from the beneficiary organisations; they are asked to report this in accordance with the LBG guidelines.
– **Employee involvement** includes the number of employees participating in community activities in paid working time as well as the hours contributed by the employees.
– **Leverage** includes employee contributions through payroll giving and other employee contributions, and contributions from customers and other organisations.

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

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

Fundamentals: Employee safety

Employee accidents

- Definitions**
- **Accidents:** regulatory definitions and mandatory accident reporting requirements vary significantly between the countries in which we operate, resulting in, for example, differences in classification of major accidents and sign-off time. We therefore focus on a reduction in total number of accidents rather than focussing on major and over-three-day lost-time accidents.
 - **Work days lost:** these are captured as calendar days, in line with statutory requirements.
-

- Scope**
- We collect data on the following categories of work-related accidents:
 - Total number of employee accidents/injuries.
 - Total number of work days lost as a result of all work-related employee accidents.
 - There are some significant variations in accident rates across the Group. This is partly due to differences in legislation, mandatory accident reporting requirements, and health & safety cultures across countries.
-

- Data collection**
- Our markets maintain accident record books at each site to record data, as required by legislation.
 - All markets except France report into the online Kingfisher Intelix Incident Reporting system:
 - Markets complete an Intelix online form to report an incident.
 - This form includes an initial severity question where it states if the incident is 'low', 'medium' or 'high'. Where a form is submitted as high severity, Intelix triggers alert within Kingfisher for immediate assistance.
 - Group then exports an annual report of all incidents for annual reporting purposes.
 - France keep their own accidents register, which they send to the Group Health & Safety team.
-

- Units**
- Number of accidents.
 - Number of accidents per 100,000 full-time equivalent employees.
-

Fundamentals: Responsible sourcing

Target: Ensure suppliers meet our ethical and environmental standards by 2020 and establish strategic community programmes to achieve positive change in key sourcing regions by 2025.

Supplier assessments and site grades

Definitions	<ul style="list-style-type: none"> – Total number of known suppliers: all known active suppliers that Kingfisher sourced from as at the end of the financial year. – Total number of known production sites: known active finished goods production sites that Kingfisher sourced from as at the end of the financial year. 	Data collection	<ul style="list-style-type: none"> – Data is collected on suppliers and finished goods production sites that have been active during the financial year. – Data is extracted from individual buying offices' systems, collated and compiled at Group level. – We allocate grades based on the results of the most recent ethical audit that has been carried out in the past two years. – We use the Sedex audit grade classifications to develop our own internal grading. The grades are based on the number of non-conformances identified during the audit: <ul style="list-style-type: none"> • grade 1 (no non-conformances). During the data collection process we updated our internal grading to reflect current working practice to no non-conformance issues in the most recent audit (previously: for at least two consecutive workplace audits); • grade 2 (some observations); • grade 3 (minor non-conformances); • grade 4 (1-3 major non-conformances); • grade 5 (4 or more major non-conformances or 1-3 critical non-conformances); and • business critical (business critical non-conformances or 4 or more critical non-conformances).
Scope	<ul style="list-style-type: none"> – Production site audit criteria: <ul style="list-style-type: none"> • Audits must be conducted in line with Kingfisher's Ethical Sourcing and Supplier Workplace Ethical and Environmental Assurance (SWEEA) Policy. • Audits must be a full initial, full follow-up or a periodic audit. Data does not include partial audits. • Audits must be no more than two years old. – Our SWEEA policy provides details of how we will implement our Ethical Sourcing Policy Statement and monitor compliance with our ethical and environmental requirements. 	Units	<ul style="list-style-type: none"> – Number of known suppliers and production sites. – Number of audits. – Number of site audit grades.

Fundamentals: Waste and recycling

Target: Zero waste to landfill by 2020 and 90% of waste recycled by 2025.

Landfill and recycled waste

Definitions

- **Operational waste:** day-to-day operational waste, excluding customer waste and waste from major construction and refurbishment projects.
- **Recycled waste:** includes the following materials split – cardboard or paper, wood, plastic, metal, rubble and other (e.g. WEEE, hazardous waste).

Scope

- Waste data is split into the following categories: waste disposed to landfill, waste disposed to incineration (with and without energy recovery), and recycled waste.
- Operational waste data is collected for stores, offices and other buildings where we manage the waste contract, e.g. distribution centres. Our operations in the UK backhaul waste to distribution centres for recycling. This data therefore covers both store and distribution centre waste.
- Customer waste and waste from major construction and refurbishment projects is excluded as the disposal is the responsibility of the customer/contractor. We only include customer returns as waste if the products are disposed through standard waste routes. Products resold or returned to the vendor are not included.
- Waste recycled only includes materials that are sent to a contractor for recycling; materials that are reused or sent back to the supplier, e.g. pallets, are not included. However, data handlers do monitor wooden pallets that are recycled under a separate measure for wood recycled.

Data collection

- Markets collect data on store waste from national or regional contractors. This data is split by location, month, as well as waste type and disposal method. Waste categorisation between hazardous and non-hazardous waste follows local legislation in our markets.
- Where actual measurements are not available, the data is estimated as follows:
 - Note that most data is derived from accurate weight measurements, and while we are aware that there are some cases where estimations might be made, these are for very small tonnages.
 - Estimation using the UK Government's conversion factors for different materials, e.g. 1 m³ paper/card = 0.21 tonnes.
- In cases where our waste contractors do not provide a breakdown of the waste disposed by destination (landfill or incineration), we have taken a prudent approach and assumed the waste goes to landfill.

Units – Tonnes.

Read more

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

Annual Report and Accounts
www.kingfisher.com/annualreport

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

Our Performance Data Appendix
www.kingfisher.com/dataappendix

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

Contacts

What do you think about our performance?
We'd love to hear your views on Responsible Business
at Kingfisher at responsiblebusiness@kingfisher.com

Kingfisher



castorama



SCREWFIX

