



Kingfisher

Kingfisher Group
2022/23 Tax Contribution Report

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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

We believe a better world starts with better homes. We help make better homes accessible for everyone.

Where we operate

Kingfisher operates in eight countries across Europe under retail banners including B&Q, Castorama, Brico Dépôt, Screwfix, TradePoint and Koçtaş.

82,000^{1,2}

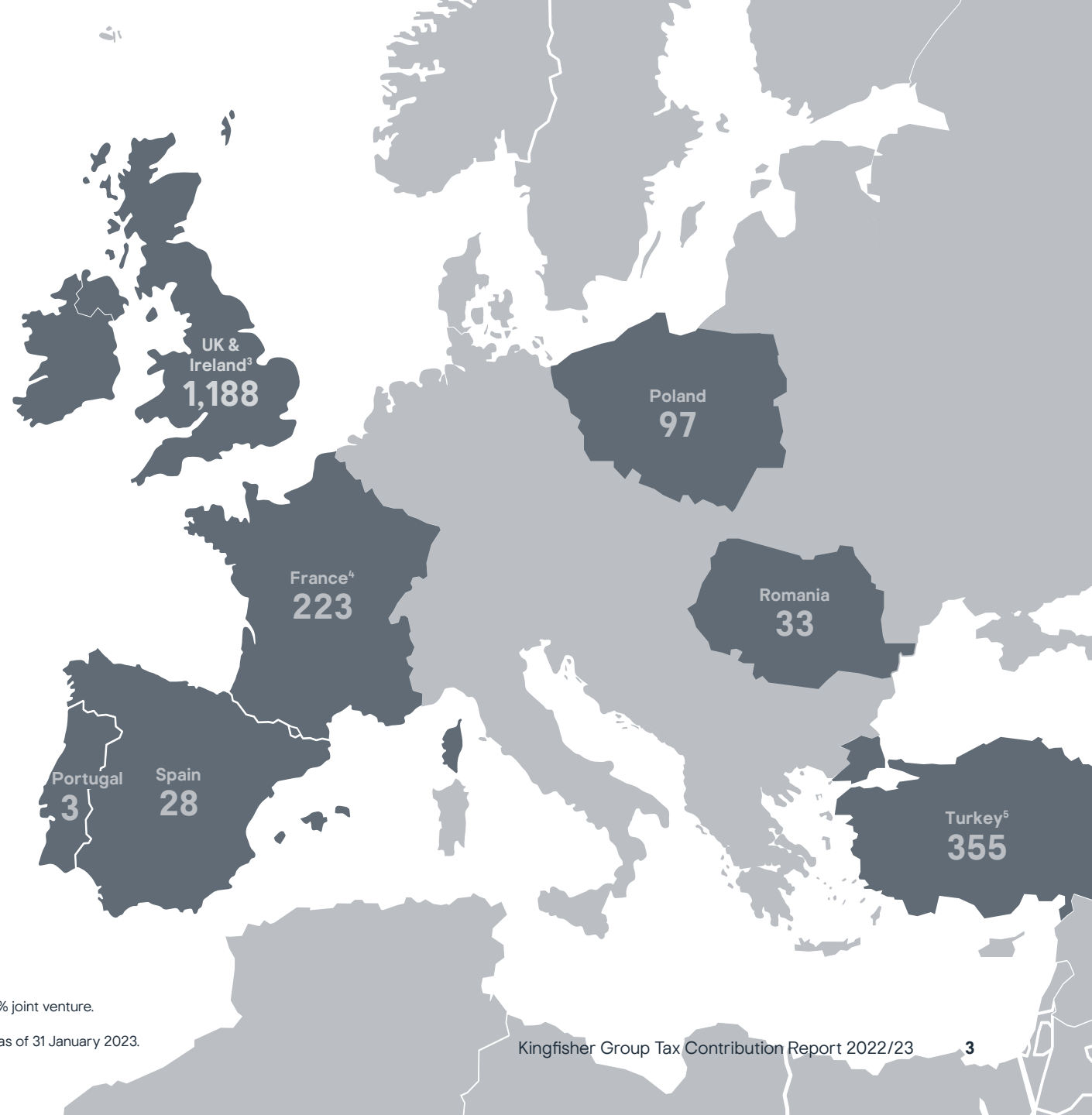
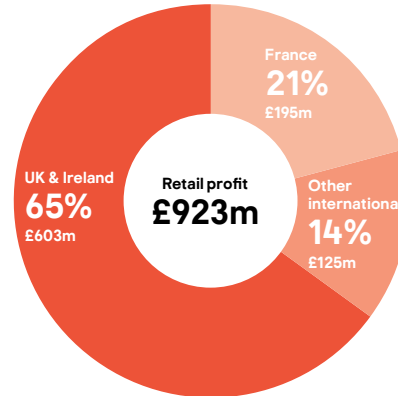
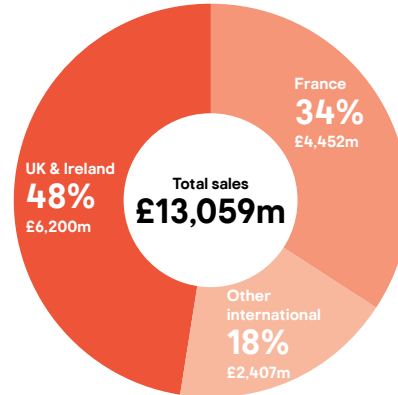
colleagues

Over 1,900¹

stores

Over 2,700

suppliers across 63 countries



All figures on this page relate to the year ended 31 January 2023.

- 1 Turkey joint venture included.
- 2 Total, not full-time equivalent.
- 3 B&Q 316. Screwfix 872.

4 Castorama 95. Brico Dépôt 123. Screwfix 5.

5 Our stores in Turkey, Koçtaş are operated as a 50% joint venture. Store figure as of 31 December 2022.

Map figures relate to store numbers in each country as of 31 January 2023.

Foreword by our Chief Financial Officer

I am pleased to introduce Kingfisher's Tax Contribution Report which sets out the taxes borne and collected by jurisdiction for the year ended 31 January 2023. This is the first such report published by the Group, recognising the tax contribution made in each of the jurisdictions in which we operate.

The Group's approach to tax is underpinned by the Kingfisher Code of Conduct, which sets high standards of transparency, honesty and fairness for the company, our employees and the suppliers we work with. The Code mandates ethical work practices and compliance with the law, including a zero-tolerance policy in respect of tax evasion and facilitation.

Our core tax objectives are to pay the right amount of tax at the right time and to comply with all relevant tax legislation in all Group entities. Kingfisher undertakes its activities and pays tax in the countries in which it operates in compliance with local and worldwide tax rules.

These tax objectives are met in accordance with the published Kingfisher Tax Strategy and its Group Tax Standards. The Tax Standards are approved by the Board and document our approach to tax compliance, tax risk management and tax planning.

Whilst our Tax Standards apply across the Group, overall responsibility for tax policy and management of tax risks lies with me as the Chief Financial Officer, and with the Group Tax Director. The importance of the Group's tax responsibilities are also fully recognised by the Board through regular engagement on key tax matters.

With its global footprint, the Group pays and collects a wide range and variety of taxes and the overall tax contribution made by the Group is significant. The taxes are classified as *Taxes borne* which include corporate income taxes, customs duties, property taxes, employer taxes and many other business taxes; and *Taxes collected* on behalf of tax authorities such as employee taxes and value added taxes.

Kingfisher is also a participant in the annual Total Tax Contribution survey undertaken by PwC for the Hundred Group in the UK. In the December 2022 report, Kingfisher's tax contribution was ranked 23rd demonstrating the size of our economic contribution in the UK alone.

Bernard Bot
Chief Financial Officer
Kingfisher plc



Tax Contribution by Country in 2022/23

	TOTAL TAX CONTRIBUTION (£m)				Number of employees ¹¹	ACTIVITY IN COUNTRY		
	Corporation tax paid (£m) ⁸	Taxes borne ⁹	Taxes collected ¹⁰	Total tax contributed		Retail stores	Group sourcing activities	Head office location
China	2.4	4.9	3.6	8.5	141		🌐	
France ¹	82.0	374.9	647.2	1,022.1	19,273	🛒	🌐	
Guernsey ²	0.2	0.4	0.2	0.6	43	🛒		
Hong Kong	1.4	1.5	0.0	1.5	179		🌐	
Ireland	2.4	8.4	29.7	38.1	693	🛒		
Isle of Man ³	0.4	0.5	0.2	0.7	63	🛒		
Jersey ²	1.0	1.1	1.0	2.1	48	🛒		
Poland	22.9	81.5	190.3	271.8	12,672	🛒	🌐	
Portugal	0.1	0.9	9.7	10.6	237	🛒		
Romania ⁴	0.0	4.3	33.8	38.1	2,542	🛒	🌐	
Spain ⁵	(1.4)	15.2	32.4	47.6	1,540	🛒		
Turkey ⁶	0.7	0.7	0.3	1.0	31		🌐	
United Kingdom ⁷	51.6	301.0	586.5	887.5	26,336	🛒	🌐	🏠

Footnotes:

- 1 France – Corporate income tax paid of £82.0m includes a one-off payment of £34.3m to settle a historic liability.
- 2 Guernsey and Jersey – B&Q has retail stores on both Guernsey and Jersey. The corporation tax paid is payable on the taxable profits of the stores at a rate of 20%. The Guernsey corporation tax paid includes a refund in respect of a previous period.
- 3 Isle of Man – B&Q and Screwfix each have a retail store on the Isle of Man and are liable to corporation tax at a rate of 10%, subject to certain thresholds.
- 4 Romania – Corporation Tax paid for the year is £nil due to accounting and taxable losses.
- 5 Spain – Corporation tax paid of £(1.4m) relates to a refund from the tax authority for amounts previously overpaid.
- 6 Turkey – the taxes paid in respect of the joint venture interest in Koctas have been excluded.
- 7 United Kingdom – the Kingfisher companies which operate in the UK have been able to benefit in the year from the super-deduction relief, which provides a 130% up-front deduction for qualifying fixed asset investments. This has the effect of reducing the corporation tax paid in the period. This timing benefit will unwind as the underlying assets are written down for accounting purposes.
- 8, 9, 10, 11 Please refer to page 6 for definitions of these columns.



Supplementary notes

Corporation tax paid

Corporation tax paid includes withholding taxes paid in the year, recognised in the country where the tax has ultimately been suffered.

Corporation tax paid vs Corporation tax charge

Corporation tax paid can be different to income statement tax charges due to a number of reasons.

Tax payments are based on the legislation and requirements of the individual territories in which those taxes are due. In some cases, a territory may require a company to make instalment payments towards the estimated liability throughout the course of the financial year to which that tax relates, such as the UK.

In other territories tax payments may be based on the liabilities calculated in a previous financial year, with balancing top-up payments/ receipts due in the subsequent financial year. The corporation tax paid figure for the year may also include settlements of historic positions with tax authorities, where the recognition of the associated liability has been recorded in a previous year.

It can also be the case that a territory records no corporation tax payment for the year. This may be because the company has recorded accounting and taxable losses, upon which there is no tax to pay. A country may also show no tax to pay for the year due to the effect of timing differences, the meaning of which is described below.

Income statement tax charges however are calculated on an accruals basis, linked to the profits of the associated period. A tax charge is typically comprised of two elements. Firstly, the tax liability that is expected to be due on the taxable profits of the same period. This is known as current tax. The second element is deferred tax, which represents the difference between accounting profits and taxable profits for a given year attributable to timing differences. These are generally items that are included in the financial statements in one year but may be brought into account for tax in a different period. Income statement tax charges may also include prior year adjustments relating to previous periods.

Taxes borne and Taxes collected

Taxes borne represents taxes levied on the Group which are a cost to Kingfisher and affect our results. They principally include corporate income tax, employer social security contributions and taxes on occupation of property, among others.

Taxes collected represents taxes collected by the Group on behalf of the companies / individuals that ultimately bear the tax, but are paid to tax authorities by Kingfisher. This principally includes employee income tax and employee social security administered through the payroll, and value added taxes charged to our customers. Taxes collected are generated by the Group's business activity and are part of our indirect contribution to tax revenues.

Currency translation

All tax payments made in foreign currencies have been converted to GBP at the average exchange rate for the year.

Number of employees

Represents the full time equivalent (FTE) as at 31 January 2023.



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B&Q

castorama -

**BRICO
DEPOT**

SCREWFIX

TRADE
POINT

koçtaş

