

Better Homes. Better Lives. For Everyone.

Kingfisher Responsible Business Report 2023/24



Kingfisher

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 2023 – 31 January 2024 towards our Responsible Business targets.

We also publish a [Performance Data Appendix](#) 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 [Annual Report and Accounts](#).

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About Kingfisher

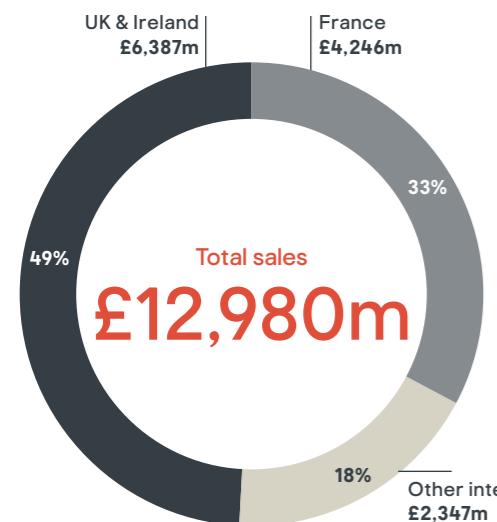
Who we are

Kingfisher is an international home improvement company with over 2,000¹ 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 78,000^{1,2}
colleagues

Over 2,000¹
stores

Over 2,700
suppliers across 58 countries

Where we operate

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



All figures on this page relate to the year ended 31 January 2024.

¹ Turkey joint venture included.

² Total, not full-time equivalent.

³ B&Q 311, Screwfix 922.

⁴ Castorama 95, Brico Dépôt 125, Screwfix 20.

⁵ Our stores in Turkey, Koçtaş, are operated as a 50% joint venture.

Store figure as of 31 December 2023.

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. That's our purpose.

Leading the industry in Responsible Business and energy efficiency is an important part of bringing to life that purpose and is also one of the eight pillars of our 'Powered by Kingfisher' strategy.

Over the past year, we've made good progress with many of our targets. We still have a long journey ahead, with more opportunities to seize and challenges to overcome. We'll continue to be agile and determined to bring about positive change, focusing on the areas where we believe we can deliver the biggest impact.

Being a more inclusive company

We want to break down barriers to employment and progression, so every colleague and prospective colleague has an opportunity to reach their potential at Kingfisher. This year, we've set a new target to support 20,000 colleagues to have completed an apprenticeship, traineeship or formal qualification by 2030.

And we continue to invest in inclusive leadership training as we strive to build a truly inclusive culture. It's important that we

continue to work hard to make our business a place where colleagues feel they belong and can thrive. In 2023, we launched our Group-wide allyship campaign to reinforce our expected behaviours on inclusivity and the difference colleagues can make. Our inclusion score via our Peakon colleague listening survey places us in the top 5% against an all-industry inclusion benchmark.

Helping tackle climate change and becoming Forest Positive

Climate change affects us all and is a global priority. We continue to work towards reaching net zero in our operations by 2040 and, this year, have further reduced carbon emissions across our direct operations to be 62% lower than in 2016/17. Energy efficiency measures in our properties drove emissions down by 19% year-on-year.

We're developing a Scope 3 net zero emissions target which relates to the emissions from our supply chain and customer use of products. We're collaborating with many partners, from manufacturers and suppliers to product designers and industry peers, to reduce our Scope 3 emissions through innovation. We are proud to be a founder member of a task force created by EDRA/GHIN (the global trade bodies for home improvement retailers) to help our sector reduce and measure its Scope 3 emissions. By working together, we can learn from each other and drive down our value chain emissions as fast as possible.

We're continuing to work towards achieving our Forest Positive commitments, minimising our impact on precious natural resources through responsible sourcing practices, and playing our part in protecting at-risk forests, and the people that rely on them. We're proud to see the impact our partnership with the Rainforest Alliance's Forest Allies initiative is making on local forest communities; helping them manage, protect and restore their forests. We're also working with a range of local partners in our markets, such as the Woodland Trust in the UK, to help restore and protect forests and biodiversity systems.

Helping make greener, healthier homes affordable

Customers are at the heart of what we do. We're committed to making it easier for them to make more environmentally conscious choices through our Sustainable Homes Products (SHP) programme and, this year, have launched our consumer-facing green star mark to guide them to lower-impact products. Sustainable Home Products now represent £6.4 billion of sales for our business and 49.4% of our overall Group sales. They also account for 60.1% of our Own Exclusive Brand (OEB) sales.

The rising cost of living and continued high energy prices continue to affect our customers, so, to complement our SHPs, we're offering energy saving services across our banners, providing expert

advice, specialist services and energy efficient products to help customers manage their consumption.

We're also developing circular business models, giving customers the opportunity to buy refurbished goods at discounted prices or have their items repaired. Many of our banners also offer rentals and improved responsible recycling. These initiatives reduce waste and make financial sense to the business. Likewise, our OEB brands are developed with circularity in mind, using replaceable parts, recycled materials and sustainable packaging.

Striving for better homes for everyone in our communities

Our teams are committed to helping those in our communities whose housing needs are greatest. As well as our ongoing partnerships with national charities, our banner Foundations are building relationships with their communities, donating products, time and expertise to local projects. Since 2016/17, we've collectively reached over 3.2 million people.

I would like to thank all the colleagues, customers and partners who've helped us get where we are and I look forward to seeing what we can achieve together over the coming year.

Thierry Garnier
Chief Executive Officer

Responsible Business Highlights 2023/24

Improving gender balance 

39.6%

of management roles currently held by women. 

Learning for Life 

5,017

colleagues have completed an apprenticeship, traineeship or formal qualification. 

Together. Stronger. 

17

Affinity Networks. 

Committed to Net zero by 2040 

for our Scope 1 and 2 emissions, and have Science-Based Targets in place to 2025 for Scope 1, 2 and 3. 

Carbon emissions 

62.0%

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

41.6%

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

Responsibly sourced wood 

96.6%

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 5,323 people across 43 communities. 

Sustainable Home Products 

£6.4bn

of Sustainable Home Products sold.

49.4%

of total Group sales. 

Sustainable packaging 

52%

purchased plastic OEB packaging with minimum 30% recycled content. 

Caring for our communities 

£6.1m

invested in community projects. 

Helping people with housing needs 

3.2m

people have benefited from our community contributions since 2016/17. 

Volunteering Over 

53,000

hours of colleagues' volunteering. 

Our ESG performance

We continue to rank highly in external benchmarks and indices consistently outperforming against sector averages. For the latest information about our ESG performance, visit our [website](#).



MSCI

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

Industry benchmark: The 'AAA' score is achieved by only 9% of companies in the Retail – Consumer Discretionary sector.



Workforce Disclosure Initiative

We received a disclosure score of **88%**.

Industry benchmark: We scored higher than the average consumer discretionary sector of 60% and average disclosure score (all companies) of 62% and average UK company score of 71%.



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 **9.6 (Negligible risk)**.

Industry benchmark: We rank second out of 44 in home improvement retail sub-industry and fourth out of 516 in the wider retailing industry.



FTSE4Good

FTSE4Good

We are listed in this index with a rating of **4.3 out of 5**.

Industry benchmark: We are rated higher than the home improvement average rating of 2.8 out of 5.

Our approach to Responsible Business

Leading the industry in Responsible Business and energy efficiency is one of the eight pillars of our ‘Powered by Kingfisher’ strategy. Responsible Business practices have been a priority for us for over 30 years and they’re integrated into everything we do.

Our four priorities

Our four Responsible Business priorities are our customers, colleagues, communities and the planet. As an international home improvement company, we can use our size and scale to bring about positive change in each of these areas.

We continue to monitor progress against an established set of KPIs and are working hard to meet the ambitious targets we set ourselves four years ago.

These priorities are based on consumer research, findings from our materiality assessment (see page 7) and external frameworks such as the UN Sustainable Development Goals. For more information, see our [Performance Data Appendix](#).

Our Responsible Business Fundamentals

Our four priorities are supported by our Responsible Business Fundamentals. These are the areas we measure and manage to ensure we continue to operate responsibly across our business.

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.

The Chair of the RBC reports on its activities to the Board and the Board and Committee members also review Responsible Business KPIs on a quarterly basis as part of their governance duties. Responsible Business measures are integrated into the Kingfisher Performance Share Plan for our senior leadership team.

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 [Data Appendix](#) and [Responsible Business Databook](#).

Information on our data and target scope and calculations are included in our [Data Collection Methodology](#) and we publish a [Global Reporting Initiative \(GRI\) Index](#) on our website.



Identifying our material issues

We conduct regular materiality assessments to make sure we remain focused on the high impact issues for our business and our stakeholders.

We worked with external experts to conduct a double materiality assessment in 2022. This considered a wide range of ESG topics from both a financial and an impact materiality perspective.

Our methodology

Our assessment included the following stages:

Issue analysis: We used an initial longlist of 21 topics with more than 140 subtopics. These were identified based on our previous materiality process, external standards and peer company approaches and a media scan. Issues and subtopics were reviewed and merged to generate a shortlist of the 17 most material ESG issues, reflecting our business priorities, stakeholder expectations and industry terminology.

Stakeholder engagement: Interviews were conducted with senior internal stakeholders and external stakeholders. Internal stakeholders included senior representation of key business functions, including Finance, People, Legal, Offer and Sourcing, and Commercial teams. External interviews included investors, NGO

advocacy groups, Retail Trade Associations, and suppliers. Surveys were also sent out to a wider group of colleagues at the Group and banners, alongside external stakeholders.

Assessing double materiality: To align with a double materiality approach, survey respondents and interviewees were asked to provide their views on the extent of the impact that Kingfisher could or does have on the issues (Societal and Environmental impact or impact materiality) and the financial impact of the issues on Kingfisher (Business impact or financial materiality).

Validation: The draft matrix was reviewed at an internal workshop of senior leaders to ensure it accurately reflected the relative importance of the issues to the business.

Key findings

Climate change remained the highest-impact issue, with sustainable products and forests also receiving a high-impact rating. All three issues were rated high, reflecting increased focus on these topics in the business and externally. Responsible sourcing was also identified as a high-impact issue due to the number of suppliers and global reach of the Kingfisher supply chain.

A number of material ESG issues were changed or consolidated to reflect changing stakeholder expectations and business priorities. ESG issues emerging

from new business models was added as a new topic to reflect the impact of new business offerings in recent years and expansion into new markets.

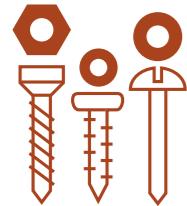
Future plans

We continue to monitor upcoming reporting requirements to evaluate expectations and impacts for Kingfisher. In 2024, we plan to update our double materiality assessment to futureproof our reporting approach, ensuring compliance with upcoming reporting requirements and alignment with the Corporate Sustainability Reporting Directive (CSRD) and standards issued by the International Sustainability Standards Board (ISSB).

Our materiality matrix



Our four priorities



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



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 £m 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.
- Achieve 100% responsibly sourced wood and paper for our products and catalogues by 2025/26.
- Become 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 (SHP), including 70% of sales for our Own Exclusive Brand products (OEB) 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.

Health and Safety

Responsible sourcing and human rights

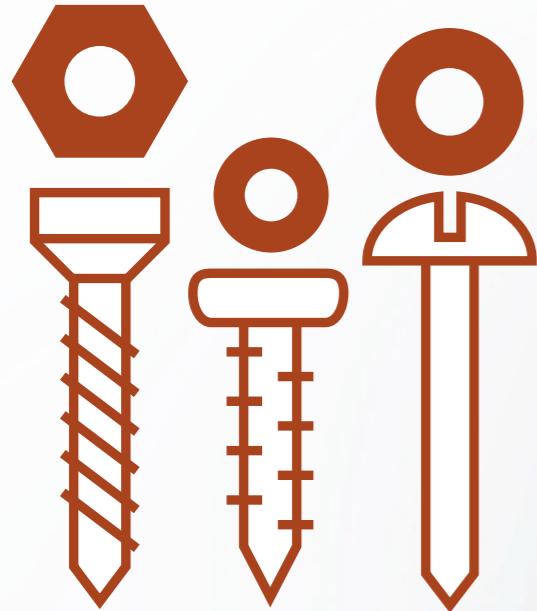
Our Responsible Business Fundamentals*

Waste and recycling

Ethical conduct

Governance and engagement

Materiality assessment and assurance



Colleagues

We will be a more inclusive company



Colleagues overview

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 78,000 colleagues to feel like they belong, are heard, and are supported as they develop themselves and reach their potential. We strive to be a business that attracts all talent and recognises, embraces and celebrates difference.

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 (new target).

↑ Our progress in 2023/24

Significant strides were made in advancing gender balance targets during 2023/24. Notably, 28.6% of senior leaders and 39.6% of managers are now women, up from 25.8% and 38.9% respectively in the previous year.

Exceeded our target of providing five million hours of skills for life learning by 2025/26 ahead of schedule last year, and developed a new target that focuses on the most impactful stages of career development.

Enabled 5,017 colleagues to complete an apprenticeship, traineeship or formal qualification.

Launched a Group-wide allyship campaign, communicating a clear and consistent set of behaviours expected from all colleagues and creating a truly inclusive culture.

Delivering our Inclusion and Diversity plan

Our Group-wide Inclusion and Diversity (I&D) strategy and action plan will help us lead the industry in Responsible Business practices, as set out in our ‘Powered by Kingfisher’ strategy.

With a broader workforce that is 43.3% women, it is important for us to ensure our leaders represent our colleagues. We will do this by promoting equity throughout the organisation, a key feature of our I&D strategy:

1. Diverse and representative senior leadership.
2. Culture of inclusion where everyone can thrive.
3. Diverse customer proposition that differentiates us from our competition.
4. Learning for Life and inclusive youth employment.

Our priorities for the coming year are to further embed and foster active allyship behaviours and drive inclusivity across the business and continue to work towards a workforce more representative of our customer base at all levels.

39.6%
Women in management roles





Our performance in 2023/24

Diverse and representative senior leadership

We are working to diversify our leadership team, by supporting women to progress their careers, and are now on track to meet our goal of 40% of women in management roles by 2025.

To meet our target of 35% of women in senior leadership roles by the end of 2025, we set an interim goal of 28.6% for 2023/24 which we're pleased to say we've achieved. Year-on-year this is a greater increase than in 2021/22 and 2022/23 combined. All banner and Group functions' Boards except two have successfully achieved the net+1 diverse member by 2023 target. Having said that, our 2025 senior leadership target remains a stretch – and a priority.

In addition to our 2025/26 gender diversity targets, which are tracked for our top c.300 leaders, we also regularly submit progress data to the FTSE Women Leaders Review, which tracks gender diversity of the Executive Committee and their direct reports. In 2023, we improved our rank to 44th,¹ seven places higher than our position in 2022.

Gender balance

% of female colleagues based on headcount

Total workforce

| | |
|---------|-----|
| 2023/24 | 43% |
| 2022/23 | 43% |
| 2021/22 | 43% |

Management

| | |
|---------|-----|
| 2023/24 | 40% |
| 2022/23 | 39% |
| 2021/22 | 38% |

Senior leadership

| | |
|---------|-----|
| 2023/24 | 29% |
| 2022/23 | 26% |
| 2021/22 | 25% |

Group Executive

| | |
|---------|-----|
| 2023/24 | 36% |
| 2022/23 | 33% |
| 2021/22 | 23% |

Board of Directors

| | |
|---------|-----|
| 2023/24 | 44% |
| 2022/23 | 44% |
| 2021/22 | 50% |

Commitment to gender diversity: closing the gap

We're taking a number of actions to build a healthy and diverse talent pipeline throughout the business. Critical to this effort is a committed and sustained effort from all leaders and managers who make decisions about talent across the business. These include:

- A continued focus on 50/50 diverse balanced shortlists for all senior hiring. We have proven this makes a significant difference to the chances of us hiring diverse talent. Last year we made 48 senior leadership hires. Of these, 32 (67%) were diverse hires, and of these, 31 (97%) had a balanced diverse shortlist.
- Monthly meetings with the HR Directors from all banners and Group functions to share senior vacancies and discuss talent moves, including surfacing diverse candidates.
- Inclusive recruitment training for all senior leaders, in partnership with the leadership advisory firm Russell Reynolds.
- Targeted support to women identified as having potential for leadership positions. Through our partners YSC Consulting, part of Accenture, we provide talent and potential assessments to explore individuals' strengths and development areas. Based on the outputs of these assessments we're able to craft targeted

development plans and support with coaching.

- Continued colleague listening – this year we conducted a piece of independent research into senior colleague sentiment after observing differences between the sentiment of senior men and women. We completed interviews and focus groups and our Group Executive reviewed the results and discussed them in depth. All banner and Group functions are now taking local action as a result of the insights gained from this work.

In addition to these specific actions, we continue to have thriving colleague and Affinity Networks. Our Neurodiversity Network celebrated its first anniversary this year and our Women's Affinity Network has been revamped and is seeking to grow male ally members. A highlight this year is that our Diversity in Tech Network, which has been pivotal in driving gender representation and inclusion in the field, won two awards at the European Diversity Awards 2023 – Outstanding Employee Network and Women in Tech Best Employer Network.

Pay equality

Our latest 2023 UK Gender Pay Report shows some improvement in gender pay gaps across the Group. The Report demonstrates a reduction in the Kingfisher consolidated hourly pay gaps with the median pay gap decreasing to 0.8%

i Accelerated development programmes for women

Across the group, we facilitate accelerated development opportunities for women with leadership potential. Examples include:

- Speed networking event, held as part of Brico Dépôt Iberia's International Women's Day celebrations. See case study on page 13.
- A female-led development programme created by Castorama and Brico Dépôt France and the start-up organisation Chance aimed at increasing the number of women in management positions. The banners continue to support the diversity of their talent pipeline through their Women in Leadership programme.
- Retail Week's 'Be Inspired' programme and Diversity in Retail development programmes (Women's NED Programme, Women Leaders Programme, Ethnic Senior Leader Programme and Ethnic Future Leader Programme), all of which we use to support high potential diverse talent.



Case Study**Brico Women's Days (Iberia)**

For the third consecutive year, Brico Dépôt Spain and Portugal marked International Women's Day by paying tribute to women and their role in DIY.

We ran a series of events over three days in Madrid aimed at influencers, collaborators, journalists and the public. These included DIY workshops led by a sector influencer, orientation meetings with Brico Dépôt's female spokeswomen, and speed networking for potential employees. Thirty women came to the speed networking event. All were interviewed and one joined our business.

Brico Dépôt Iberia has gained a reputation for its innovative approach to community outreach. Another initiative – Construimos Mejor Programme (supporting LGBTQ+ inclusion in the construction sector) – was recognised with a commendation at the European Diversity Awards in 2023.

Lesson learned

77% of Brico Dépôt Spain and Portugal's Instagram followers are women, a notable 7% increase in the last year. This shows the growing interest of women in DIY and the need to attract them to trade jobs.



(2022: 1.1%) and a mean pay gap to 9.4% (2022: 11.8%) for all UK Group and UK retail banner colleagues. In France, Brico Dépôt and Castorama scored 93 and 94 out of 100 respectively in the gender equality index in 2023. In the same year, the pay gap in Spain has been reduced to 6%, a 3% year-on-year reduction.

Looking beyond gender

We're responding to the Parker Review's updated recommendations to improve the ethnic diversity of senior management teams by 2027. As part of our broader focus on reflecting the customers and communities we serve, we've set a target of doubling our ethnic diversity to 16% by 2030 across our most senior leadership (Group Executive and their direct reports) in the UK, with a milestone of 12.5% ethnic diversity to be achieved by 2027.

We've chosen to focus this target on our UK leadership for now due to legal restrictions on capturing personal data in some of our major geographies, and in recognition of the different definitions of ethnic diversity in each of our operating environments. However, each market is focusing on its own diversity efforts beyond gender that are most appropriate to it. For example, colleagues in France, Poland and Iberia are strongly focused on delivering disability targets. Where relevant, banners are focused on delivering their employment obligation quota for disabled workers:

France (6%), Spain and Portugal (2%), while in Poland, Castorama has employed 133 colleagues with disabilities across its stores and head office.

It's also important that we recognise the opportunities a multigenerational workforce brings to our organisation, while understanding each generation has its own working preferences. The proportion of Gen Z colleagues across our business is increasing and we want to make sure they feel represented. We are therefore adding a Gen Z rep from every banner and Group function to the Kingfisher I&D Forum (which acts as an incubator and megaphone for our I&D work across the Group) to ensure their views are heard.

Castorama France is engaging younger colleagues through a 'Shadow Board' initiative. The last cohort of 14 apprenticeship colleagues (7 from stores, 7 from Head Office) worked together on a task to structure and clarify communication between Head Office and stores. They met over four months to consolidate their ideas into a report which they initially presented to the CEO and then to Castorama's Board.

A culture of inclusion that empowers every colleague

We're committed to becoming a more inclusive and diverse business and a place where everyone can feel empowered to be themselves. We continually learn and

implement improvements using insights from our Affinity Network¹ colleagues, Workday Peakon,² and our UK Census, where we ask colleagues to share more about who they are. In the UK, we segment our colleague sentiment by aspects such as ethnicity, disability and sexual orientation, to understand how our colleague experience varies.

Our colleague census was launched in the UK in 2022, and by the end of 2023/24, we were at 52% completion. This data has inspired us into action. For example, B&Q now publishes a workforce insights report, Group functions launched the Neurodiversity Network, and we've rolled out flexible Bank Holidays. To improve the quality of our insights, we continue to focus on collecting diversity data.

Our SpeakUp hotline remains in place, allowing colleagues to raise a concern in confidence. Read more on page 58.

A diverse customer proposition that differentiates us from our competition

We're committed to offering our customers accessible and inclusive products, services and multichannel experiences. At B&Q, for example, we're improving the accessibility of our stores to support the requirements of more customers with disabilities. We've partnered with AccessAble, who create access guides for all our stores. These give customers the chance to check if their accessibility needs can be met. Customers can find these

Case Study

Together. Stronger.

Our Group-wide allyship campaign, 'Together. Stronger.', was launched by our I&D Forum³ setting out a clear and consistent set of expected inclusive behaviours, and offering training, practical advice and support for colleagues on how to respond to, or escalate, non-inclusive conduct.

The launch included a powerful video featuring colleagues from every banner, speaking about the importance of allyship and inclusion. It was accompanied by an interactive learning module using real-life examples of inclusive and non-inclusive behaviour, which invited colleagues to question how they'd respond. The module introduces the concept of 'calling in' (a non-judgemental approach which involves engaging someone in a deeper discussion) as well as 'calling out' (letting someone know their behaviour is unacceptable).

To support the campaign, our Affinity Networks curated content for a mixed media Allyship Hub, a safe space for colleagues to learn, and anonymously submit questions, about everything from privilege and gender identities to race relations and microaggressions. This shifts the responsibility for educating others from the minority groups to a self-learning model.

To ensure we were aligned as a business in our response to non-inclusive behaviour, we reviewed the policies, processes and practices across the Group, and liaised with Compliance, Employee Relations leads and Legal colleagues, to share best practice on investigations and subsequent actions.



Lesson learned

Our 'Together. Stronger.' campaign is an example of allyship in its truest sense. It was co-created with colleagues from each banner to ensure it is locally and culturally relevant in every market.



¹ We have 17 Affinity Networks across the Group, including networks focusing on gender diversity, ethnic and cultural diversity, LGBTQ+ community, neurodiversity, working parents, veterans and ability.

² Intelligent and automated employee engagement platform for gathering and analysing employee sentiment.

³ Group functions and B&Q in November 2023. Screwfix in December 2023 and France and Poland launched to all colleagues in February 2024.



on the AccessAble website and under 'store info' on [diy.com](#). We've also installed hearing loops on many of our service desks to make sure the one in five adults in the UK with a hearing impairment can enjoy the same clear and helpful service advice as our other customers.

Inclusivity and accessibility are key principles when designing our OEB products and considered throughout the product development process. As a business we want to challenge the perception that home improvement, particularly trade as a career, is only of interest to men. To create a level playing field, our workwear brand, Site, recently launched a range of women's workwear, designed with safety and comfort in mind for female tradespeople. The range launched at the end of 2023 and sold over 23,000 items by March 2024. While still being relatively new, Site womenswear has been receiving an average rating of 4.6 out of 5 on [screwfix.com](#) with improved exposure planned for the future.

Castorama Poland introduced sensory friendly 'silent hours' for two hours, twice a week to help shoppers with hidden disabilities such as autism. During these hours (which were extended to six hours a week in May), no music is played and there are no voice communications in store.

Case Study

Lavender for LGBTQ+

In June 2023, Pride month, the B&Q Foundation – in collaboration with LGBTQ+ Affinity Networks – launched an initiative to donate £2 from every lavender sold at B&Q to support LGBTQ+ charities.

The activity was a huge success, with sales of lavender increasing in June by 81%. Having set a fundraising forecast of £100k, we actually delivered £240k (including a £50k donation from Kingfisher).

So far £115k has been donated to 14 projects, helping over 5,000 people by creating better and safer spaces, improving mental health and wellbeing.



Lesson learned

The campaign showcased the power of collaboration between our LGBTQ+ Affinity Networks and the B&Q Foundation. By aligning efforts and focusing on community support the initiative amplified our message and resulted in much needed fundraising for LGBTQ+ charities.

Investing in the future of retail

It's critical for the future of our business that we invest in developing future leaders who are equipped to handle new challenges, and adjusting to ever-changing market environments.

As we reported in last year's Responsible Business Report, by 2022/23 we had provided 6.6 million hours of skills for life learning since 2019/20, reaching our target of five million hours three years ahead of schedule. This year, our colleagues completed 1.7 million training hours, supporting ongoing professional growth and skill development.

While that is something to be proud of, we aren't stopping here. To make sure our colleagues are equipped with the skills they need for today and tomorrow, we set a new target in 2023/24 – by 2030/31, more than 20,000 colleagues will have completed an apprenticeship, traineeship or formal qualification.

This emphasis on **completion** demonstrates our commitment to retention, progression and equipping colleagues with skills for life.

Creating opportunities: apprenticeships for career development

Developing lifelong skills and fostering a culture of curiosity is at the core of our 'Powered by Kingfisher' strategy. We want to create positive experiences for all our colleagues, that in turn inspire long-lasting loyalty from our customers. By hiring people from diverse backgrounds and age groups, we're building a dynamic team that truly reflects the communities and customers we serve.

- At B&Q, 187 apprentices completed their programmes in 2023/24. Both B&Q and Screwfix have been recognised as Top 100 Apprenticeship Employers.
- At Screwfix, more than 700 colleagues are currently on apprenticeship programmes across areas such as retail management, customer service and HR management, 255 of which completed their programmes in 2023/24. 81% of apprentices who complete programmes are promoted into role.

On the trade side, we're funding 20 trade apprenticeships through an external partnership. These cover apprenticeships in areas such as plumbing, electrical, carpentry and bricklaying to support young people building a career in trade. We also repeated our annual Trade Apprenticeship Competition, with Katie Jones being presented with the coveted award and the career-boosting £10k prize bundle.



Case Study

Certified opportunities in France

Castorama and Brico Dépôt France have joined forces with several major business and management schools and research organisations to offer certified professional development courses to over 2,000 colleagues.

These tailor-made courses allowed 107 store managers at Brico and 122 managers and directors at Castorama to acquire 'Grande Ecole Program' certifications. This is the equivalent of a Master's degree. A further 654 sector heads at Brico and 905 in-store managers at Castorama obtained 'Executive Management' certificates and 431 department managers at Brico acquired 'Management Commercial' certificates. Over the next three years, Castorama plans to offer a programme of training 250 Head Office managers and more than 1,100 supervisors.

Lesson learned

The high completion rates of qualifications through this successful partnership with renowned institutions underscored the importance of collaborating with experts to design high-quality, tailored courses and strategically plan for professional development.



- Collectively, the two banners have 1,450 apprentices. The conversion to recruitment rate is currently 30.2% at Brico Dépôt and 27% at Castorama. These apprentices are firmly embedded in our brands, appearing regularly on our LinkedIn channel.

- Castorama France also continues to run its 'Booste ta Carrière' ('Boost your Career') programme in which 30 apprentices fast-track their leadership skills over two years by exploring key roles in the business. They also benefit from training and individual coaching, and senior management mentoring.

- Brico Dépôt meanwhile operates its 'Nos quartiers ont du talent' ('Our neighbourhoods have talent') initiative, to promote the attractiveness of a career in retail, through which 145 young people were accompanied by 61 mentors, with 58% finding a contract.

Training for tomorrow: developing skills in high-demand areas

There's strong competition for talent in key growth areas, particularly in the fast-moving tech sector.

To ensure we're fit for the future, we offer colleagues access to expertise, technical skills and targeted development opportunities through B&Q's Tech Academy, and Group Tech and Digital learning and development programmes.

We launched B&Q's Digital Academy in November 2023, offering 115 colleagues (62% female, 38% male) access to LinkedIn Learning and new apprenticeships ranging from Data Science and Digital Design to Software Development and Engineering.

Screwfix is Ofsted regulated as an education partner to deliver Trade Up apprenticeship programmes. These, and the Captain's School in Poland and Chance programme in France, equip people with the core skills they need to transition into management roles at different levels.

Engaging our colleagues

We continue to work hard 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 using the Workday Peakon platform, the Kingfisher Colleague Forum and works councils, Colleague networks, social channels and regular town hall meetings.

- Over 67,200 colleagues responded to our latest colleague engagement survey. That represents 87% of our workforce and is up 4% on the previous year. Colleagues shared 282,000 comments, which suggests that they feel comfortable and confident expressing their feedback and ideas.

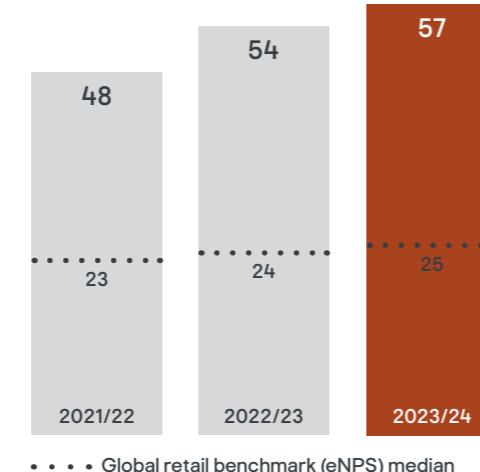
- Colleague engagement is up again this year at 8.5/10, 0.8 above the retail median, and our Employee Net Promoter Score (eNPS) of 57 is also significantly ahead of the global retail benchmark, placing us in the top 5% of retailers. We saw improvement in both our attrition levels and the time it takes to hire new colleagues in the last year.
- Our Inclusion Score, based on the question 'I feel a sense of belonging at Kingfisher', is 52 eNPS, placing us in the top 5% of Peakon's All Industry benchmark.
- Our questions on the Planet and Customer pillars of our Responsible Business strategy, 'Kingfisher is taking the right actions to improve its impact on the environment' and 'I feel confident to recommend Kingfisher's sustainable and environmentally friendly products and services', achieved significant year-on-year improvements, up 11 points and 6 points respectively.
- Our colleagues serve as ambassadors for our Responsible Business agenda, impacting both internal practices and customer interactions. Empowering them and fostering ownership over this agenda is vital. Initiatives like 'Fresque du Climat' and 'The Big Switch!' showcase their enthusiasm for engagement and driving change.

Individual banners have programmes in place to engage colleagues about our Responsible Business initiatives and the reasons behind them.

Each part of the business has an action plan to address any lower-scoring areas from the wider engagement survey and these are reviewed by our Group Executive and Board.

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.

Colleague engagement eNPS



Case Study

Driving change together

We encourage our colleagues to get involved in our initiatives and put forward their own ideas.

Our colleagues at Castorama France and Brico Dépôt France have introduced an interactive, educational way of accelerating understanding of climate change. 'Fresque du Climat' – a neutral and objective tool, based on scientific data – asks workshop participants to link cause and effect and take a global view of climate issues. La Fresque engages people in constructive exchanges leaving them motivated and better equipped to take action.

So far, 10 colleagues at Castorama France and Brico Dépôt France have been trained to run these workshops and 14 workshops have been held since July 2023. More than 280 colleagues have taken part.

Meanwhile, in the UK, more than 3,700 Screwfix colleagues took part in 'The Big Switch!' – making a commitment to make switches at work and home to reduce their carbon footprint. Each time a team member made a switch, such as cycling to work rather than driving, or switching to paperless billing, they ticked it off on a master list. We then added these up to show the collective power of our amazing teams and how much our actions are protecting our planet for future generations.

Following the campaign, the sustainability question included in Screwfix's annual staff survey became the most improved question – up 16 (Net Promoter) points on the previous year.

Lesson learned

Our colleagues are ambassadors for our Responsible Business agenda, influencing both internal practices and customer interactions. Empowering them and fostering ownership over this agenda is vital. Initiatives like 'Fresque du Climat' and 'The Big Switch!' showcase their enthusiasm for engagement and driving change.





Supporting colleague wellbeing

We offer various programmes to support our colleagues' wellbeing, covering themes such as physical, mental, financial and social health.

Castorama Poland held the Castorama Championships in 2023, using sport to build a community of colleagues. Over 2,400 colleagues joined the challenge to collectively win 500,000 points across various sports activities with the incentive being a donation made by Castorama to the Castorama Foundation. In the most active store, 43% of colleagues got involved.

We continue to signpost colleagues to relevant wellbeing resources and benefits that can help support them and their families, such as Screwfix's 'Let's Talk' campaigns and B&Q's monthly wellness focus topics. In December 2023, in partnership with our Employee Assistance Programme (EAP) and the Retail Trust, we trained 14 UK Group functions colleagues across our office sites to be Wellness Warriors to support the wellbeing and mental health of our Group functions UK colleagues.

As a responsible employer, we've continued to monitor the cost of living in each of our markets and have initiatives in place to support colleagues in our stores and head offices. Colleague pay has been addressed through annual salary increases in each of

our markets and responding to changes to the National Minimum Wage or local equivalent.

In the UK, we have extended our Colleague Support Fund, in partnership with the Retail Trust, which supports colleagues experiencing financial difficulties. In Poland, all Castorama colleagues received a one-off anti-inflation support payment. Our focus on optimising colleague reward saw 2023 colleague engagement scores for reward satisfaction rise by 12 points and wellbeing scores increased by 6 points.

We recognise the importance of Health and Safety, ensuring our colleagues, customers and visitors feel safe and are protected from harm. For more information about our approach to Health and Safety, see page [53](#).

About our workforce

In 2023/24, our total workforce was 74,500¹ colleagues (2022/23: 78,000). Our employee turnover rate was 27.6% (2022/23: 35.0%²) including voluntary and involuntary leavers. This is in line with relevant industry benchmarks in the countries where we operate.

¹ Excludes Koçtaş.

² We have restated the 2022/23 turnover figure to reflect additional data received after the reporting period's closure.



Planet

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



Planet overview

Our commitment to protect the environment is taken seriously across our stores, offices, distribution centres and in every aspect of our business.

We are dedicated to reducing carbon emissions from our business, products and supply chains, aiming to reach net zero in our operations (Scope 1 and 2) by 2040. Plans are also under way to set a net zero target for Scope 3 emissions.

We're continuing to work towards our Forest Positive ambition, working with international organisations and local partners to help reverse the damaging effects of deforestation.

Our targets

Reduce Scope 1 and 2 emissions by 37.8% in absolute terms and Scope 3 emissions by 40% per £m of turnover compared with 2016/17 and 2017/18 respectively.

Reach net zero emissions for our operations (Scope 1 and 2) by 2040/41.

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

Become Forest Positive by 2025/26.

↑ Our progress in 2023/24

Delivered significant progress against our Science-Based Targets, reducing our operational emissions by 62.0% since 2016/17, again exceeding our 2025/26 reduction target.

Reduced the intensity of our Scope 3 emissions from the supply chain and customer use of products by 41.6% since 2017/18.

Sourced 96.6% of the wood and paper used in our products from responsible suppliers (2022/23: 94.5%) and 99.9% of catalogue paper.

Continued to invest in six forest projects in key tropical sourcing regions as a founding member of the Rainforest Alliance Forest Allies initiative. These cover over 189,206 hectares and support the livelihoods of 5,323 people across 43 communities.

Expanded our UK partnership with the Woodland Trust, investing in two protection and restoration projects in Snaizeholme, Yorkshire and King Settle, Dorset.

Supported local partnerships in France and Poland, with our colleagues taking part in tree planting initiatives.

Climate change and our approach to net zero

In the year that global warming has exceeded 1.5°C across an entire 12-month period¹, we're more determined than ever to help tackle climate change.

We have been working hard on developing and delivering our climate transition plan to reduce emissions across our direct operations (Scopes 1 and 2) and wider value chain (Scope 3).

Reducing impact in our operations

To avert the worst impacts of climate change and preserve a liveable planet, the Paris Agreement has called on countries, cities, businesses and other institutions to reach net zero emissions by 2050 at the latest. We've committed to reducing Scope 1 and 2 emissions from property and logistics by 37.8% by 2025/26, and reaching net zero by 2040. This means we will reduce absolute emissions by at least 90% against our 2016/17 baseline and neutralise any residual emissions. Our 2040 Scope 1 and 2 net zero target has been prepared in line with the Science-Based Target initiative's (SBTi) Corporate Net Zero Standard. We're working on developing our next set of near-term science-based targets beyond 2025.

Five steps to achieving net zero in our operations

1 Improving energy efficiency

Continued investment in LED lighting, roof cooling systems and building fabric improvements.

2 Securing zero-carbon electricity

Purchasing electricity from zero-carbon sources, supported by Renewable Energy Certificates in all our markets.

3 Electrifying in-store heating

Using air source heat pumps (ASHP) to heat our stores.

4 Decarbonising our vehicles

Investing in hydrotreated vegetable oil (HVO) as an alternative to diesel and testing electric vehicle options.



5 Removing carbon

Once we have 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.



NET ZERO

90% reduction

10% reduction

¹ The Copernicus Climate Change Service combines observations of the climate system with the latest science to develop authoritative, quality-assured information about the past, current and future states of the climate in Europe and worldwide.

Reducing impact in our value chain

We're reducing our Scope 3 emissions from our supply chain and customer use of products, targeting a 40% reduction per £million of turnover by 2025/26, compared with 2017/18. We're also working towards developing a Scope 3 net zero target and supporting KPIs, which we will submit to the SBTi for validation against its Corporate Net Zero Standard.

Collaboration with suppliers and the wider industry is the key to achieving Scope 3 goals. As founding members of a global collaborative task force, initiated by the retail association EDRA/GHIN¹ (of which our CEO, Thierry Garnier, is president), we're developing an industry standard on collecting and disclosing Scope 3 emissions data. Effectively measuring and managing these emissions will be crucial in any credible net zero plan. We also continue to promote cross-sector climate action through our support for the British Retail Consortium's Climate Action Roadmap. More detail on our approach to Scope 3 emissions is on page 27.

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](#).

Our progress in 2023/24

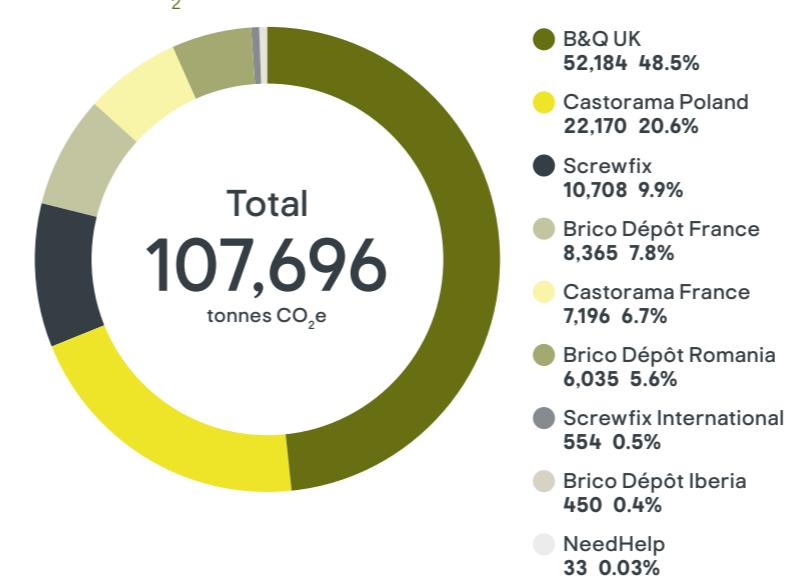
The most significant reduction this year has been in logistics emissions – a 35% decrease on last year, accounting for 65% of the year-on-year reduction in total Scope 1 and 2 emissions. Property Scope 1 emissions are driving the remainder of the year-on-year reduction, decreasing 18% on the prior year. We've now reduced our absolute greenhouse gas emissions from our operations by 62% since 2016/17, against our target of 37.8%. Maintaining this progress puts us in a strong position against our 2040 net zero target.

62.0%
cut in our direct CO₂e
emissions from 2016/17

Our carbon emissions (Scope 1 and 2 market-based) thousand tonnes CO₂e from property and transport

| | |
|------------------|--------------------|
| Target 2025/26 | 176.0 |
| 2023/24 | 107.7 |
| 2022/23 | 138.9 ² |
| 2021/22 | 214.3 |
| 2016/17 Baseline | 283.7 |

Carbon footprint by retail banner (Scope 1 and 2 market-based) 2023/24³



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

² 138.9, restated in 2023 following correction on electricity tariffs in 2022.

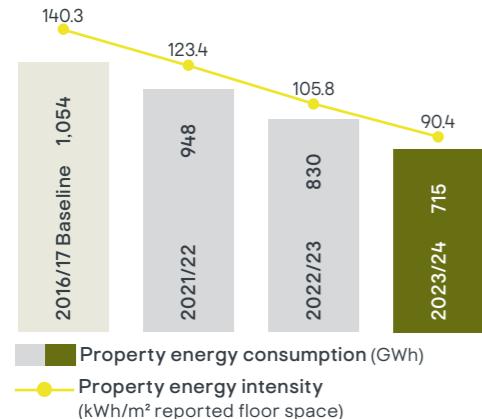
³ The figures may not add up due to rounding.

Our operations: improving energy efficiency in property

Over the last year, our energy usage has reduced by 14%. This is largely due to Group-wide initiatives in stores and distribution centres such as:

- Reduced minimum store temperature to 16°C across all banners, reduced energy use overnight and put in tighter controls on light levels.
- Continued investment in LED lighting. We've installed LED lighting across 91% of our estate.
- Phased conversion to air source heat pumps across all banners. By the end of 2023/24 we had ASHPs at 738 of our sites, which represents 35% of our estate.

Our property energy use and intensity



Banner-specific initiatives

- **Brico Dépôt and Castorama France:** Awarded an LSA La Conso prize for reducing air conditioning consumption by 20-40% thanks to an oystershell-based roof coating that reflects 90% of the sun's rays.
- **Castorama Poland:** Introduced white roofs on new stores to lower heat absorption by reflecting heat. Equipped warehouses with rolling gates and PVC belts, reducing the need for cooling. 90% of Castorama Poland's forklifts are electric. Switching from liquefied petroleum gas (LPG) to electricity reduced emissions by 72%.
- **B&Q:** Conducted a series of energy efficiency trials to find ways to reduce our carbon footprint such as installing light sensors in 17 stores, resulting in an energy saving of 30% and voltage optimisation, saving a further 2% on electricity usage. We are in the process of implementing building fabric improvements, such as reducing in-store temperature settings and, following a successful trial in 2023, rolling out of fast-loading bay doors to all stores over the next few years. This alone would save 10 tonnes of carbon emissions each year. Other trials include door curtains and lobby doors.





Case Study

B&Q Harrogate

Electrification is key to decarbonisation. At B&Q, we've completed a successful trial in our Harrogate store which involved the holistic conversion of the main heating system, outdoor heaters, back-of-house heating and hot water heating to electric.

Efficiency measures were completed first, which included ensuring entrance and exit points had appropriate doors/door controls to minimise heat loss. Heat pumps were also installed in the Harrogate B&Q store as part of the trial to convert heat generation sources to electricity. So far, these measures reduced store carbon emissions by 38 tonnes on average when compared to the previous year.

We are trialling a further three stores in 2024 to continue to learn about the most effective and sustainable way to heat our stores.

Lesson learned

Implementing electrification in our Harrogate store has reduced carbon emissions and improved the customer experience. We're expanding these trials to three more stores in 2024 to refine our approach for broader electrification across all banners by 2025.

Case Study

'Sobriété énergétique' (Energy sobriety) in France

In October 2022, France unveiled its energy sobriety plan, which aims to reduce energy consumption by 10% by 2024 through measures like reducing heating in offices and turning off shop lighting at night. Although the plan is based on voluntary measures rather than legally binding legislation, Brico Dépôt and Castorama stores have responded with a number of initiatives.

We've reduced lighting in the sales area by 50% between 6am and 8pm and turned it off altogether from 8pm to 6am. During the winter, we've kept the sales area temperature at 17°C from 6am to 7.25pm then reduced it to 12°C overnight. In the summer months, we've only run the air conditioning between 6.55am and 7.25pm.

Compared with 2022 figures, our consumption of gas across Castorama stores reduced by 33% and by 23% at Brico Dépôt while our consumption of electricity reduced by 25% and 21% respectively. Our energy management systems at Brico Dépôt and Castorama France are ISO 50001 certified. As a result, we've reduced the carbon footprint of our stores by over 3,000 tonnes during the year.



Lesson learned

Energy saving measures in Castorama and Brico Dépôt stores resulted in notable reduction of gas and electricity consumption, as well as lower carbon emissions. This highlights the business benefits of proactive green initiatives for achieving substantial energy savings.



Securing zero carbon electricity

Our investments in renewable energy are generating 11.9 million kWh per year.

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

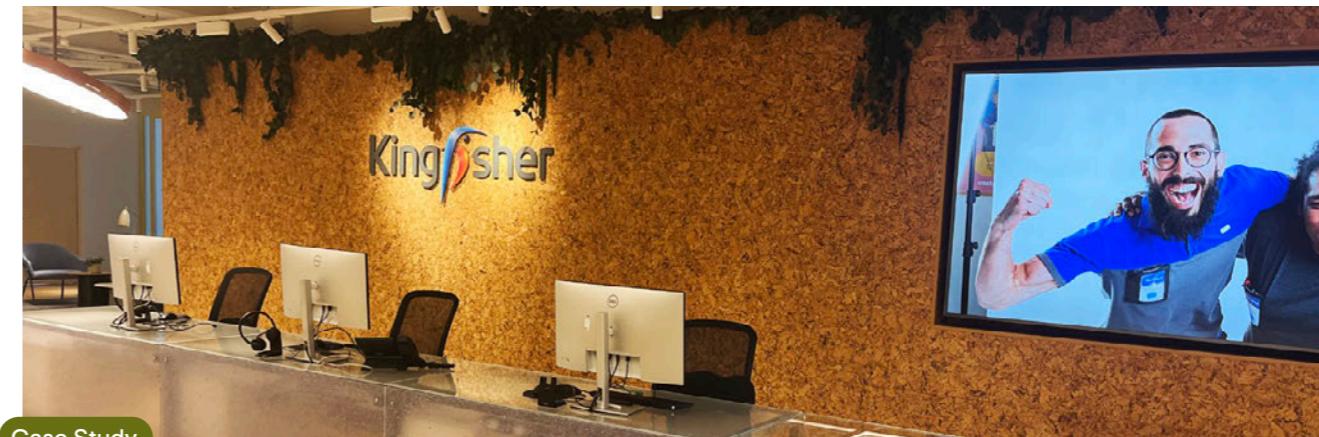
- Castorama Poland: Due to the comparatively high emissions per kWh in Poland we're planning a three-year deployment of Solar PV where viable. In 2023, we produced 2,013 MWh from 58 Castorama sites where solar panels were installed. Also in 2023, Poland bought 100% green energy for all the buildings it owns. This CO₂-free energy is delivered by national provider Energa and is produced by hydroelectric, wind or solar power plants.

- B&Q: We've installed Solar PV at a further three B&Q freehold stores, taking the total to 13 (we have 32 freehold stores overall) and a further 3 stores are planned for 2024.

- Brico Dépôt Romania: This year we've completed two Solar PV trials in Romania, installing 1,141 solar panels with a total capacity of 487 kW.

- Screwfix: We've installed over 600 air source heat pumps (ASHP) across our trade counters and contact centre so far and will continue to install ASHP at

new stores as well as retrofitting existing stores. ASHPs replace the need for fossil fuel gas or oil heating with heating powered by 95% renewable electricity. Nine Screwfix stores, our Head Office, Business Centre and most of our distribution centres also have solar panels installed. These generate enough electricity to allow our trade counters to be run off the grid for a period of time. These could generate enough electricity to cover approximately 60% of the total energy demand of the trade counters.



Case Study

One Paddington Square

In 2023, Kingfisher moved its corporate headquarters to One Paddington Square.

A clear demonstration of our commitment to carbon reduction, our new home prioritises energy efficiency by using electric heat pumps – along with a host of other features such as a double-skinned façade. We were involved in the design process from early on and proactively included our contractor's sustainability team throughout the project. Blinds within the double-skin façade open and close automatically to optimise solar gain, while smart features such as daylight controls improve energy efficiency further.

The initial goal was to achieve a 10% reduction from a baseline in embodied carbon. Embodied carbon is defined as the greenhouse gas emissions associated with raw material extraction, manufacturing and processing, transportation and installation of all building materials. This project achieved a previously unseen 78% reduction from the baseline. That's 521 tonnes CO₂e avoided¹ or the equivalent of 100 homes' electricity use for one year¹ or 8,600 trees seedlings grown for 10 years¹.

Lesson learned

Early involvement in design and collaboration with sustainability experts in construction and architecture played a crucial role in achieving significant reductions in embodied carbon emissions, surpassing our initial goals and demonstrating a strong commitment to environmental responsibility.

Decarbonising vehicles in our operations

Each banner's transition plan to reach net zero includes fleet optimisation.

B&Q: At B&Q we operate over 100 liquid natural gas trucks, making ours one of the largest fleets of its kind in the UK. Our LNG fleet saves 6,800 tonnes of carbon emissions per year compared to equivalent diesel usage. We're also trialling electric vans and trucks in our Home Delivery fleet to further cut our vehicle carbon emissions by up to 160 tonnes per year. 36% of logistics emissions reduction was due to B&Q's reduction in sales and loads dispatched, and fleet replacement to more efficient vehicles.

Castorama France: We have six trucks running on organic compressed natural gas (CNG) and are planning to test biofuels made from waste. We're also starting to use biofuels and multimodal transport for long-distance journeys.

Reducing transport emissions

We've been working hard to transition away from road to intermodal transport, with colleagues in France looking to source European or domestic suppliers who can deliver to stores via rail and/or canal.

Castorama France: In 2022, we made a commitment with Fret21 and ADEME¹

to reduce our carbon emissions by at least 5% by 2024. As a result of various initiatives deployed by the supply chain teams, we've exceeded this goal, achieving a 16% reduction. These initiatives include: reducing the number of kilometres travelled by our carriers (saving 1,800 tonnes of CO₂ per year), favouring more sustainable transport (saving the use of more than 1,400 trucks and more than 300 tonnes of CO₂ per year), optimising the loading of trucks, and using alternative fuels. Through the MagicPallet pallet exchange platform, which allows the community to exchange, sell or buy pallets, we have saved nearly 500,000 kg of CO₂ not emitted by vacuum transport.

Castorama Poland: We've saved 2,085 tonnes of CO₂ in one year by transporting 96% of our containers from ports to distribution centres by train rather than road. By making efficiencies in truck filling, consolidating deliveries, and optimising our delivery schedules we've reduced our mileage by 305,604 km, used 1,306 fewer vehicles and saved 228 tonnes of CO₂ from transport to stores.

Brico Dépôt: Colleagues in Romania and Iberia are also looking into more effective trailer fill to make delivery routes as efficient as possible.

Case Study

Screwfix Hydrotreated Vegetable Oil (HVO)

Replacing fossil fuel diesel with plant-based HVO reduces a journey's carbon emissions by up to 90%. HVO from the right sources (ours is from renewable sources verified through REDII and Zemo Assurance) not only significantly reduces carbon emissions, it reduces tailpipe particulate emissions therefore minimising air quality impacts too.

Following a successful trial at our Litchfield distribution centre in 2022, we were able to test and confirm the functional operation of HVO, supplier reliability and a small increase in miles per gallon over diesel. We've now expanded HVO to a second distribution centre in Stafford.

As of March 2023, 85% of Screwfix's delivery fleet is run on renewable HVO, a year-on-year increase of 35%. Switching from diesel to HVO has led to a 56% reduction in diesel emissions for Screwfix.

We received a Highly Commended award at the British Retail Consortium Climate Showcase for 'Reducing Emissions in Transport in Logistics'.

Lesson learned

Using the size of our business for good by trialling new technology, then scaling initiatives after successful pilots, supports the development of alternative fuels for the wider market.



¹ 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.

GoodHome Iriya connected heaters
– automated heaters that anticipate
the user's needs based on their habits
and helps them to reduce energy
consumption.



Our value chain: our approach to Scope 3 product emissions

We've reduced the intensity of our emissions from the supply chain and customer use of products by 41.6% since 2017/18, exceeding our 2025 target. We're continuing to make progress in the three areas that affect the carbon footprint of our products:

1. Improving the energy efficiency of products and developing alternatives to products linked to high carbon emissions.
2. Working with our suppliers to tackle manufacturing emissions.
3. Using fewer and different materials.

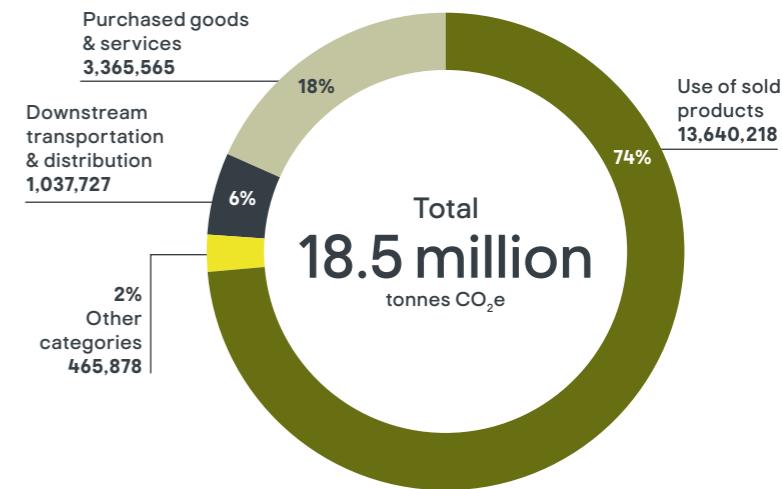
Upgrading energy efficiency of our products

Our data shows that around 74% of our emissions are associated with the energy used by our customers to power products such as light bulbs and electrical heating. In 2023/24, we reduced our overall emissions from customer use of our energy using products by 12% compared to 2022/23.

In 2023, we updated our [Sustainable Home Product Guidelines](#), introducing stricter energy efficiency criteria. For example, we tightened our criteria to only accept LED lighting with an energy rating of F or better.

Our Scope 3 emissions 2023/24

tonnes CO₂e (%)



41.6%
reduction in the intensity of
our emissions from the supply
chain and customer use of
products since 2017/18

We took the same approach with kitchen appliances where we were able to standardise our criteria (there are many different rating scales used by vendors) and assess different types of appliances under the same logic. The biggest change we made was in ovens, where we moved our acceptance criteria from A to A+.

Working with our suppliers to tackle manufacturing emissions

We can't achieve net zero without our suppliers. In 2023/24, we've expanded our work with our suppliers and are working with Manufacture 2030. 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. To date, over 400 of our suppliers (including over 500 supplier facilities) have joined Manufacture 2030's LCMP.

We're also having discussions with large strategic suppliers to find ways to align their decarbonisation programmes with Kingfisher's and agree ways we can support one another. At B&Q, we hosted a supplier event to engage with suppliers on key topics of importance for delivering SHP sales, carbon reduction and packaging improvements. In addition, we continue

to engage with Goods Not For Resale (GNFR) suppliers on emissions through the EcoVadis assessment process.

Using fewer and different materials

This year, we've set up strategic material working groups for some of the more carbon-intensive materials used in our products, such as aluminium, steel and ceramics. These groups are working closely with our sourcing teams and spending time with suppliers, to understand the challenges they face and identify ways of reducing their environmental footprints.

Ceramic firing is a carbon-intensive process, so during our visits to tile factories in Turkey, we explored certification options for suppliers to reduce environmental footprint including the use of the EU Ecolabel. This ecolabel, which has criteria around firing, covers every stage of production, starting from procurement of the raw material. It encourages energy efficiency, waste minimisation and sustainable production.

GoodHome White Matt Metro Ceramic Indoor Wall Tile, made in Turkey using lower carbon manufacturing.



Our journey to become Forest Positive

Forests are a vital part of our global ecosystem, playing a crucial role in protecting biodiversity, combating climate change and supporting local communities. As a retailer with wood and paper in many of our products, we are focusing our efforts towards achieving our Forest Positive commitment, which 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

We're committed to the responsible sourcing of wood and paper and are making good progress to achieving our target of 100% responsibly sourced wood and paper across our business by 2025. Our Forest Positive Policy states that all wood and paper must be sourced from well-managed forests that have been certified to credible

certification standards such as FSC® or PEFC™, or from verified recycled sources. This year, 96.6% of the wood and paper used in our products met our responsible purchasing criteria (2022/23: 94.5%) and 99.9% of our catalogue paper. 72.2% was FSC®, 26.7% was PEFC™ and 1.1% was from verified recycled sources.

To meet responsibly sourced wood and paper targets, B&Q has proactively addressed challenges in partnership with suppliers. For example, we've worked with Saint Gobain to ensure the paper faces of its plasterboard are certified, making us the first large-scale plasterboard supplier in the UK to provide this.

No deforestation through the other materials we use

Although not found in a significant number of our products, we still require that other forest-based materials we use come from responsibly managed sources which do not contribute to deforestation. This includes bark, bamboo, coir (within compost), cork, rattan, rubber, willow, soy, palm oil and leather.

To improve data collection and responsible standards, we're engaging with our suppliers on improved guidelines including specific certification and data requirements where applicable.

Responsible sourcing of leather

Our sourcing volumes of leather are low, and mainly found in safety footwear, but we're nonetheless resolute about sourcing this material responsibly. We remain a committed member of the Leather Working Group (LWG) and require all of the leather sourced for our OEB products to be LWG certified. We also continue to explore material innovation and leather alternatives for our product ranges.

Our responsibly sourced wood and paper

% of SKUs purchased

| | |
|---------|-------|
| 2023/24 | 96.6% |
| 2022/23 | 94.5% |
| 2021/22 | 87.2% |

96.6%

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



Case Study

Protecting Cameroon's Forests

Cameroon is a vital part of the Congo Basin's forest ecosystem, which is home to some of the world's richest biodiversity. Over 70% of people living in southern Cameroon depend on natural resources for their livelihoods while its sacred forests serve as cherished spaces for traditional rites and rituals.

Forest Allies is helping forest communities in Mintom and Bana to develop thriving local enterprises and sustainable forest management plans to preserve these sacred, biodiverse and critical areas as they face increasing pressure from large-scale rubber, palm oil and cocoa farming operations.

The projects, which cover over 1,000 hectares of forest and involve almost 750 community members, aim to reduce tropical deforestation, and enhance restoration. Forest Allies' work with communities ensures they're generating higher incomes around forest conservation than from conversion linked to agriculture. For example, by linking local cocoa farmers with a cocoa tree nursery, local experts are working to improve the resiliency of the native variety of cocoa trees. 20,000 plants were distributed to members.

Lesson learned

Forest Allies is unique in bringing together local forest communities, civil societies and global companies, like Kingfisher, to implement on-the-ground programmes. While it comes with challenges, it helps address the urgent threat of locally driven deforestation and degradation.



Protecting and restoring forests and supporting forest communities

Kingfisher is a founding member of the Rainforest Alliance's Forest Allies initiative – a community of practice focused on protecting, restoring and enabling the responsible management of tropical forests.

Specifically, we've invested US\$750,000 to date to support six forest projects 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. As we enter our third year of the partnership, we're proud of our role in supporting local forest communities in managing, protecting and restoring their forests. Impact includes:

1. Scaling up successful forest restoration models in Guatemala.
2. Developing a sustainable forest model in Colombia.
3. Partnering with Indigenous communities in Peru.
4. Developing a roadmap for sustainable rubber in Indonesia.
5. Connecting forest communities with key markets in Indonesia.
6. Fostering community forest management in Cameroon.

Local forest projects

After a successful first year, B&Q and Screwfix have extended their partnership with the Woodland Trust.

B&Q's partnership continues to focus on habitat restoration and creating new woodland at the Snaizeholme project in the Yorkshire Dales, committing £50,000 and another year of support until 2025. The Woodland Trust has planted 300,000 trees to date including the introduction of montane species. Peatland restoration will soon begin and from our colleagues who have visited, it's clear the work on site is already starting to show the positive impact on this landscape, including the return of, and increase in, local wildlife.

Screwfix, which had previously joined forces with B&Q to support habitat restoration and woodland creation in Snaizeholme, is continuing its work with the Woodland Trust at a new site for a further two years with £100,000 to support the protection and restoration of an ancient woodland closer to its head office. The 50-acre woodland, Kingsettle in Dorset, will be made more accessible allowing better woodland management which will create a more diverse woodland structure, helping futureproof the landscape, while protecting the historical site.

Castorama has invested in Poland's State Forests to restore over eight hectares of forest to a healthier condition. In April

2023, a team of 120 Castorama Poland and Kingfisher colleagues took part in the afforestation of a Polish State Forest site, planting 7,000 pine seedlings.

Brico Dépôt France engages colleagues by linking reforestation to an annual running and cycling challenge in partnership with Reforest'Action. For every kilometre our athletes run or cycle, we agree to plant 30 trees. In 2023, we planted 5,210 trees, which allowed us to pass the symbolic bar of 100,000 trees being planted in France and Peru since the Brico Run 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). FSC's internationally recognised certification system now covers more than 160 million hectares of forest and enables businesses and consumers to choose wood, paper and other forest products made with materials that support responsible forestry.

To support the due diligence requirements of the EUDR, Kingfisher has joined a Private Sector Working Group, run by World Forest ID, formed by an international group of organisations including FSC and Kew Royal Botanic Gardens, each bringing expertise in forestry, traceability and biological sciences to create a new global standard in species and origin verification. World Forest

ID uses scientific analysis to test a product's origin based on its physical properties. They've created a detailed library of geo-referenced plant samples from around the world, which can be used to test if products originate from where they claim. With such accurate, indisputable data, they're making it possible for retailers to sell responsibly sourced products in good faith and for governments to prosecute criminal behaviour.

Kingfisher and World Forest ID have been working closely together throughout 2023/24, on advancing and mainstreaming the use of scientific testing in due diligence and supply chain integrity programmes.

Kingfisher is a project partner of the initiative which is working towards the understanding of the biodiversity impacts of FSC certification and enhancing the monitoring framework for forest biodiversity. Eighty per cent of global terrestrial biodiversity is found in the world's forests and FSC certification of forests benefits biodiversity by protecting rare and threatened species and their habitats. However, data about this impact is not readily available. During COP 15, FSC announced the launch of an initiative to fast-track Biodiversity Assessments in FSC-certified forests, further demonstrating the value of forest biodiversity and contributing to the delivery of the post-2020 Global Biodiversity Framework.

Preparing for future regulation

In June 2023, the EU Deforestation Regulation (EUDR) replaced the current EU Timber Regulation (EUTR), requiring companies to comply by December 2024. This regulation mandates due diligence to ensure sourced products are not linked to deforested or degraded land.

We're continuing to work towards our responsible sourcing target, while making ongoing improvements to data collection. In 2022, we updated our data collection template to align with our understanding of the EUDR requirements. We've also conducted a vendor readiness survey to see how well they understand EUDR requirements. This will help us plan how we work with and train our vendors.

Community Member Spotlight

Zeh Ondoh is one of the 40 women that compose the Cooperative of Non-Timber Forest Products Operators of Mintom (SCOOPS EXPNL).

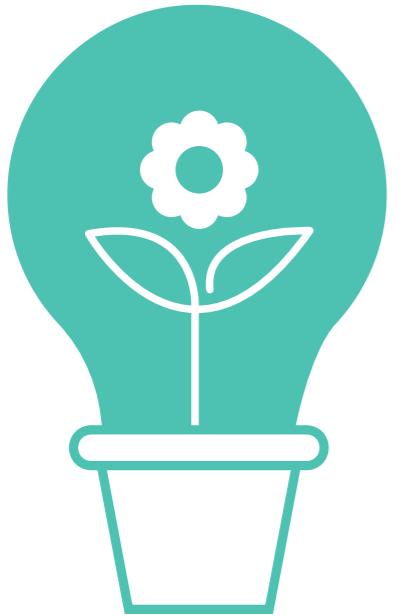
The 55-year-old has benefited from the support of the Rainforest Alliance and has used the guidance and knowledge acquired to grow 50 wild mango trees as well as groundnuts and cassava on her 1.5ha farm.

Through her participation:

- the cooperation has set up a nursery of 10,000 fruit and forest tree seedlings; and
- she has received training in vegetative propagation techniques and sustainable agriculture, learning how to produce fruit trees, like avocado and citrus, in a short time and get better-quality fruit.



© Rainforest Alliance



Customers

We will help make greener,
healthier homes affordable



Customers overview

We are committed to 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.

Sustainability has been at the heart of Kingfisher for over 30 years, and we know it's important to our customers. This year we've made it easier for customers to choose products that can help reduce environmental impact. We've introduced a green star mark in store and online, across our banners. The green star mark is a customer-facing signpost to complement our internally focused Sustainable Home Products (SHP) Programme.

Sustainability remains a key design principle of our OEBs and we continue to focus on innovations that answer customers' practical problems while reducing their environmental impact and bills.

Our target

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

↑ Our progress in 2023/24

Achieved 49.4% of total Group sales from SHP that help create greener, healthier homes (2022/23: 46.8%). SHP now accounts for 60.1% of OEB sales (2022/23: 56.4%).

Reached 10.1% of Group sales from products meeting the SHP standards for Saving Energy at Home or Saving Water at Home.

Introduced our green star mark online and in stores to make it easier for customers to identify and purchase products with a lower impact on the environment.

Improved sustainability performance across several ranges including the launch of MamaTerra, a new range of natural gardening products, and workwear meeting the Global Recycled Standard.

Increased our use of recycled plastic and alternative materials in products and packaging.

Progressing our Sustainable Home Products

As a major home improvement retailer, we have a responsibility to help our customers create more sustainable homes.

The Sustainable Home Product Guidelines identify our products that aim to help our customers the most. Our research has shown that our customers are increasingly interested in sustainability and want to waste fewer resources, help nature, and for their homes to be healthy and safe places to live.

It's important that we're open and transparent about the sustainability credentials of our products. All the criteria in our SHP Guidelines are checked every year by an independent partner, the charity and social enterprise Bioregional, and no criteria or product is included without its agreement. The reporting process is subject to the same audit process as all measures in Kingfisher's Responsible Business strategy.

Thousands of branded and own label products are checked and scored against these criteria by Kingfisher's product sustainability team using information provided by product specifications, third-party schemes and the suppliers themselves. At each review of SHP, new criteria and products are added, while some are changed or even removed if they are no longer meeting the standards required. For example, we have voluntarily removed G-rated LED light bulbs from SHP, ahead of the market.



Reviewing SHP Guidelines

In the latest update of our SHP Guidelines, released in 2023, not only were we more stringent, but we raised the bar for inclusion, focusing on products that offer substantial advantages over other alternatives available in the market. The updated SHP Guidelines are available on our [website](#).

SHP and Scope 3

Sustainable Home Products integrate with our ambition to address climate change through reducing carbon emissions embodied in our products and emitted when our customers use and dispose of our products. The SHP Guidelines include a framework of nine attributes, based on what a product is made from, how it has been made, what the product does when used by customers and what happens to the product at the end of its life.

The programme addresses:

- upstream Scope 3 emissions by reducing the carbon footprint from extracting materials and manufacturing; and
- downstream Scope 3 emissions by enabling our customers to emit less carbon when using products and services, as well as addressing the carbon emissions from product disposal.

For more information on Scope 3, see our Planet section.

Sustainable Home Products



Sustainable Home Products performance

Sales of our SHP generated £6.4 billion for our business in 2023/24 and now account for 49.4% of our overall Group sales, including 60.1% from OEB sales.

This progress puts us on track to achieve our target of 60% of Group sales to be from our SHP, including 70% of sales for our OEB, by the end of 2025/26.

Our recently launched green star mark is helping customers identify a selection of SHP, to encourage more sustainable choices and drive change in customer behaviour. We're growing the programme by expanding the number of green star products available to our customers and aim to have 12,000 SKUs live in 2024/25.

49.4%

of our Group sales came from SHPs

Sustainable Home Products % of retail sales

| | |
|---------|-------|
| 2023/24 | 49.4% |
| 2022/23 | 46.8% |
| 2021/22 | 44.1% |

Own Exclusive Brand Products % of OEB sales

| | |
|---------|-------|
| 2023/24 | 60.1% |
| 2022/23 | 56.4% |
| 2021/22 | 54.7% |

Case Study

Green star

We know the effect home improvement projects can have on the environment and understand how confusing it can be for our customers to navigate and shop for products that help them reduce their impact, e.g. save water and energy.

That's why we launched our green star mark across the Group in 2023. We want to empower our customers with better information and greater visibility of the options available. Products that feature the green star (in store and online) are either made from reduced impact materials or processes, or they're designed to help people reduce their impact. Each mark is accompanied by a simple explanation as to why they justify their green star.

Green star products – both OEB and supplier products – are assessed against a set of criteria and are internally reviewed and externally certified before receiving the mark. As with SHPs, all criteria are checked by Bioregional, a charity and social enterprise, every year and no criteria are included without its agreement.

We're growing the programme by expanding the number of green star products available to our customers and aim to have 12,000 SKUs live in 2024/25.

Lesson learned

The green star mark guides customers to products that can help lower their environmental impact. Ongoing development emphasises the need for continuous improvement to meet evolving demands and environmental standards.



Energy saving services for customers

Energy efficient homes use less energy to heat, cool and run appliances and electronics, saving homeowners money. Importantly, they also place fewer demands on power plants, most of which burn fossil fuels that release greenhouse gases and contribute to air pollution. To complement our energy efficient SHPs, we're offering services to make it easier for customers to create greener, healthier homes.

At B&Q, we've partnered with the Energy Savings Trust (EST) to offer customers a free, personalised Energy Saving Service. We begin by carrying out a home energy assessment, using EST data on their property's age, construction and EPC rating, as well as a phone interview to understand their current energy usage. From these insights, we create a customised action plan, including B&Q products, recommended partners and installation services, and advice on how to reduce energy bills and carbon emissions. In 2023/24, customers attended 319 appointments. Our recommendations identified potential savings that could improve their energy efficiency ratings by an average 1.6 bands.

In France, the EIB Group (European Investment Bank, EIB, and European Investment Fund, EIF) and BNP Paribas have joined forces to provide interest-free loans to homeowners so they can improve the energy efficiency of their homes. To

support customers in undertaking this work, our Castorama France stores have curated everything customers need for energy efficiency improvements under one roof, offering products that manage energy consumption, insulate from cold and heat, provide high-performance at low energy and allow customers to create their own energy – all of which are easy to install. We also have dedicated energy experts and specialist partners to support customers with advice and help them complete their 'Clean Air' loan requests. As well as providing 4,000 hours of staff training, we host practical courses for customers, helping them save energy quickly and easily, and more technical courses on thermal insulation of walls or attic insulation.

Brico Dépôt France has partnered with energy efficiency experts Ynergie to provide an end-to-end energy saving service for customers. The market is worth €20bn in France. It's a growing market, and Brico Dépôt France already generates 11% of its turnover from it. Customers told us about the obstacles they faced, including costs, complexity and fears around fraud, so we focused on finding a solution that was simple, fast and efficient. Ynergie conducts an audit, takes care of administration and uses its network of certified tradespeople to carry out any work. It uses state aid to keep costs low. C. 4,000 leads have been generated in the first year of the partnership, 80% of which are looking for a complete energy renovation at an average cost of €50,000.



Case Study

Castorama Poland: 'Clean Air' programme

Poland's 'Clean Air' programme is a national subsidy scheme, supported by the European Union, to incentivise homeowners to replace inefficient heat sources with more modern gas boilers, heat pumps or electric heating systems. Its aim is to improve the thermal insulation and to reduce energy consumption and sources of air pollution in single-family houses aged 10 years or more.

To support customers in taking advantage of this subsidy, we conducted research asking the target audience what help they needed. From their feedback, we created our Clean Air Programme, launched in November 2023, and subsequently rolled out across stores in 2024.

It offers an end-to-end solution combining in-store energy efficiency experts, who are on hand to guide customers through the entire process, as well as affordable energy products and services to purchase.

Over the next four years, Castorama aims to support as many customers as possible in improving the energy efficiency of their homes, making a significant contribution to the country's decarbonisation process.

Lesson learned

To make a positive contribution to Poland's transition to a more energy efficient, decarbonised future, the programme focuses on simplifying processes and removing obstacles. With our help, more customers can benefit.

Advancing sustainable solutions

Historically, gardeners and nurseries have relied on peat-based compost to support the healthy growth of their plants. However, extracting peat destroys valuable ecosystems that store carbon, prevent flooding and provide a home for diverse wildlife. For those reasons, peat is a material on our watch list.

We've been working to remove peat from our products for many years, researching more sustainable alternatives and supporting regulation to phase peat out of gardening. In 2023/24, for the first full year, B&Q has been 100% peat free in all bagged growing media. While peat-free removal is commonplace in some markets, like the UK, other markets have further to go to achieve this. Despite market challenges, all our banners are working hard to reduce the amount of peat-based compost we sell, and we have a goal to remove it in its entirety by 2025.

We're proud to have our exclusive garden research facility, Springfields in Hampshire, dedicated solely to our OEB ranges. Here, we partner with nurseries to test seeds using different compost mixtures, leading to significant strides in reducing peat in our bedding plants.

We continue to work towards hitting the 2025 peat-free goal across all European banners.



Sustainable Home Products and Own Exclusive Brands

Our OEB ranges drive our ambition to make better homes accessible to everyone and provide a strong point of differentiation for our banners.

They are designed to sit alongside local and international brands, offering customers value for money and catering to the full scope of their home improvement needs.

Ranges are developed by our in-house design team to be sustainable, affordable and innovative. Product development starts with understanding how our customers live in their homes and the challenges they face when taking on a home improvement project. We then use design and engineering to solve these problems through our product offering.

This year we opened a new OEB user-testing lab at our product design and engineering office in Lille, France. This will allow us to test and finesse products and respond to customer feedback, using samples, prototypes or 3D files with VR tools. In China, the Kingfisher product design team established the Shenzhen 'Water Technology Centre' to provide a dedicated area for product development and innovation activities related to water. The team is currently working on projects aimed at water conservation, such as recycling water from basins or showers.

Our focus in 2023/24 was to continue to develop innovative OEB ranges through a customer project lens – further embedding sustainability credentials at the core of OEB proposition – and establish OEB as the most affordable solution for customers. We had some notable key growth areas including:

- **Tiling:** lower carbon manufacture through ISO17889-1 and Turkish eco-label.
- **Storage:** opaque, grey and light grey storage boxes made from post-consumer waste recycled plastic (PCR).
- **GoodHome bathroom taps:** with integrated aerator to save water.
- **Site trousers and shorts:** polyester fibres are 100% PCR waste.

Looking forward, our plan is to continue delivering solutions for our customers to help simplify their home improvement projects, extend our ranges to offer more choice and to continue designing OEB specifically to cater for general home improvement and trade needs.

We'll continue to use the Kingfisher SHP Programme to find alternative materials to produce products that are made to last, at an accessible price. Longevity is a key focus of the SHP Programme with criteria referencing repairability, long warranties and reusability, to ensure making more

sustainable choices doesn't have to come at a higher price or lower quality.

This is expected to support continued profitable sales growth over the longer term.

Case Study

MamaTerra by Verve

At B&Q, we're committed to help build a better world for our customers, colleagues and communities.

A recent example of bringing this to life is the launch of our organic product range. Our Verve botanists responded by creating the first complete range of gardening solutions using ingredients sourced from nature. The MamaTerra range, launched in June 2023 at B&Q, uses all-natural ingredients, like hand-harvested seaweed, and they're enriched with organic fertilisers and beneficial bacteria. Designed to work with nature, the products use the concept of no-dig gardening whereby you spread compost on the surface annually and allow worms, bacteria and soil fungi to break it down naturally.

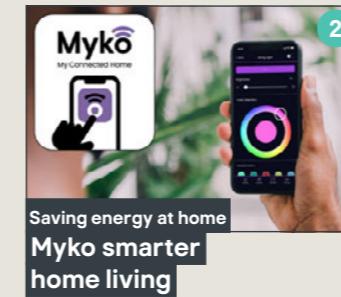
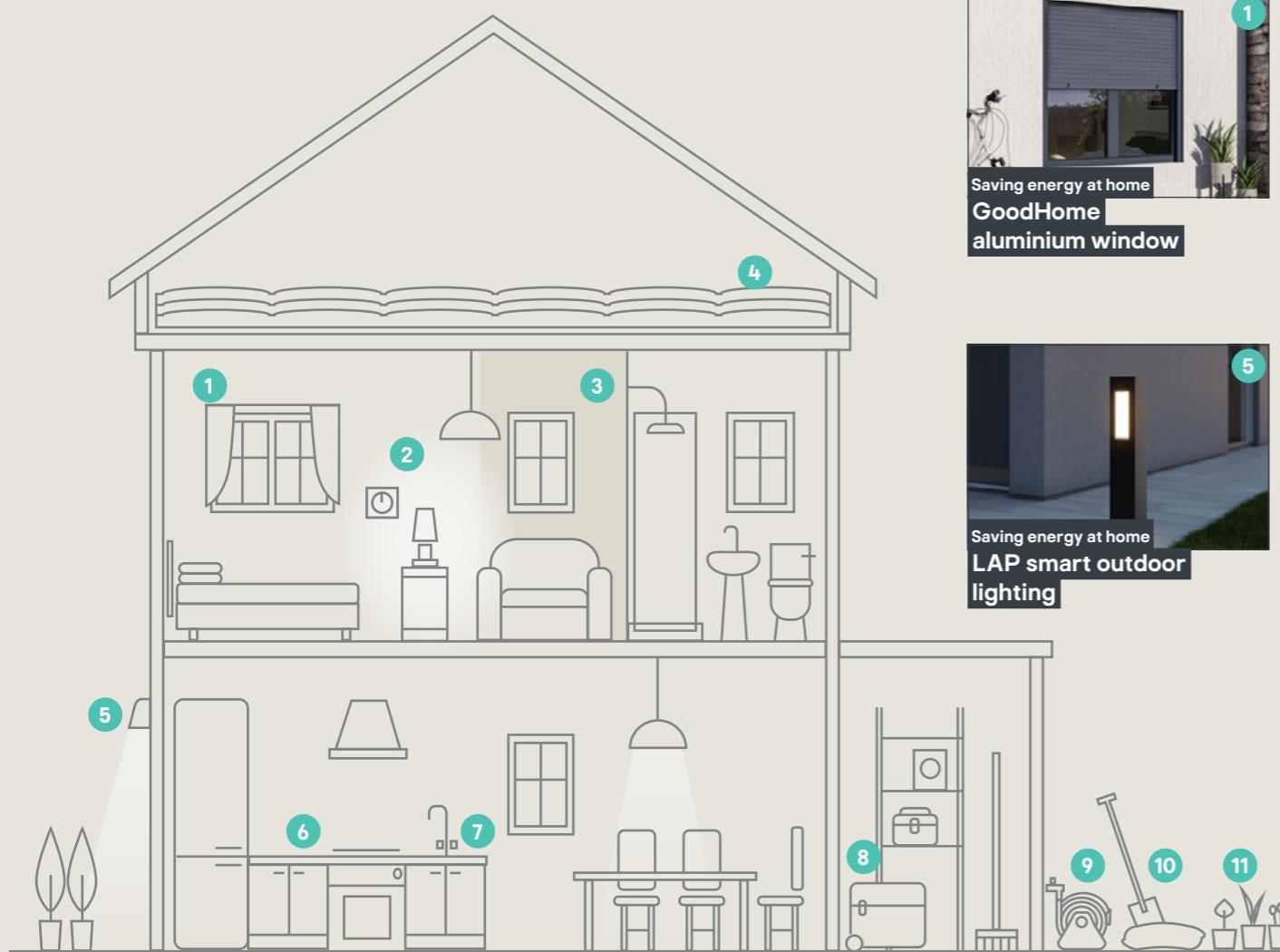
MamaTerra by Verve is a complete ecosystem of products, with each designed to help meet gardeners' needs – from preparing your soil to planting, feeding and protecting your plants. Our products help to support increased levels of carbon in the soil, which feeds the beneficial microbes and glues the soil particles together, holding more water and nutrients and reducing the risk of soil erosion.

Lesson learned

MamaTerra by Verve illustrates the importance of meeting customer demand for organic gardening solutions while continuing to prioritise innovation in creating environmentally friendly products. Additionally, its success highlights the importance of offering comprehensive solutions that promote environmental stewardship.



Making sustainable homes more accessible and affordable through our OEB offer



Embracing the circular economy

The circular economy is about smarter resource use, moving from extract-make-use-dispose models to sharing, leasing, reusing, repairing, refurbishing, recycling, and designing with alternative or recycled materials.

Circularity makes commercial sense. Taking advantage of circular opportunities not only gives our customers more sustainable choices, but it also presents new opportunities for our business to grow, aligns with our business priorities, and is part of our plan to reach net zero.

Extending the life of our products

Broken and faulty products are costly for our customers, our business and our planet. That's why we are repairing, refurbishing and reconditioning products – giving them a second lease of life and keeping valuable materials in use for longer. Our aim is to prolong the lifespan of products, not only to offer customers extended value, but also to uphold our environmental responsibilities. With the recent approval by the European Commission of 'right to repair' laws for manufacturers selling to EU consumers, we're actively adapting, making sure our repair services are both affordable and easily accessible.

Wasting less by reusing and opting for durable products that are designed for longevity are two ways that this can be done. The attribute 'Extending product longevity' has criteria for helping to reduce waste. Circular economy schemes are also recognised within the SHP Guidelines under the 'Made from responsibly sourced materials' attribute. Read more about how the circular economy is factored into our products in the [SHP Guidelines 2023](#).

At B&Q, Screwfix and Castorama Poland, selected products are repaired free of charge within their warranty period and at a reasonable cost after warranty expires. Currently, Screwfix repairs approximately 20,000 per year, and we've identified potential to repair a further 42,000 of 'in scope for repair' items that are, at present, refunded instead. Castorama Poland repaired approximately 50,000 units in 2023.

In March 2023, Screwfix acquired Connect Distribution Services Limited, a leading retailer of appliance spares, accessories and consumables. This will play an important role in helping tradespeople and consumers keep products in use for longer. In December 2023, we started selling Connect spare parts via Fulfilled by Screwfix with encouraging initial results, and plan to expand this operation.

Customers are also recognising the benefits of buying 'not new'. Many of our banners are now offering refurbished

products and, as demand has grown, we're increasing supply.

Thanks to an ongoing expanded operation at one of our distribution centres, Screwfix now refurbishes and sells around 100,000 units. Around 25,000 units are sold via [Screwfix.com](#) with the remainder sold via eBay and iForce Marketzone. We'll soon be extending our refurbishment facilities, adding a non-electrical high-value refurbishment area, a water refurbishment area for showers and pressure washers and high-voltage testing equipment. Collectively, these will generate profit and return more than 46,000 units into circulation. We have further plans to train more colleagues in refurbishment skills.

At B&Q, we're working with iForce, selling refurbished products through its marketplace, and are aiming to begin selling refurbished products directly to our customers through B&Q's website, [diy.com](#). Over 72,000 were inspected in 2023 with 50% of items successfully refurbished having their lifecycle extended.

Castorama France is working with Back Market, the second-hand marketplace, and Cordon Group, a French company specialising in repair and reconditioning, to recondition and refurbish returned products such as power tools, gardening tools, radiators, electrical appliances and home automation systems. These are made available to customers at discounted prices on Castorama and Back Market's websites.



All products come with a 12-month guarantee.

For many of our OEB electrical/power products such as power tools, garden power tools and kitchen appliances, we offer spare parts and repair services across our banners in order to extend product lifecycles in line with circular economy principles. For example, our Titan pressure washers are designed to enable easier repair with a great repairability index score of 8.4 out of 10.¹

We want to extend the lifetime value of our products. At Castorama France, we've teamed up with Izidore, a French website dedicated to selling second-hand branded furniture. It features a free Second Life Estimator tool that calculates the resale value so customers can choose to: sell their item, donate it free of charge or be directed to responsible recycling solutions.

Even when products are no longer fit for sale, they can still be put to good use. This year B&Q donated surplus and display items preventing almost 500 tonnes from going to waste in 2023/24. Read more about the Community Reuse Programme on page 55.

In 2023/24, our SHP with 'Extending product lifecycles' attribute generated £1.7bn of sales for the business.

We're continuing to develop our recycling options for customers. At B&Q, we recently

Case Study

Tool and equipment rental innovations

Rental models are becoming increasingly attractive to our customers, particularly for products that may only be needed for one-off or occasional use.

At B&Q, we work with a third-party logistics provider, Speedy Hire, to allow us to offer tool hire nationally through [diy.com](#) and [tradepoint.co.uk](#). We offer the 25 top-selling products for week or weekend hire periods. Delivery and collection are included and Tradepoint members get a 10% discount.

In Poland, Castorama has launched Castorent, a sustainable home and garden equipment rental service that makes products more accessible to those for whom the purchase price could be a barrier. Launched in 25 stores, customers can rent OEB products including hedge trimmers and power tools (Erbauer, MacAllister and Magnusson). To date there have been more than 8,000 rentals.

Castorama France is currently trialling power tool rental in its three Express formats and considering a wider-scale test in bigger stores in 2024/25.

Lesson learned

Rental models benefit the environment by extending the use of individual products (avoiding the mass production of rarely used items), the business (by maintaining our inventory, they provide an opportunity for resale) and customers (who save space and money while trying before buying).



completed a trial to recycle old plant pots – including the notoriously hard to recycle black plastic ones – converting them back into reusable pots for sale. This year, we're looking to expand this scheme to 100 stores.

Read more about recycling on page 55.

Closing the loop

Using recycled materials and seeking to replace materials that can have a damaging impact on the environment can help close the loop by reducing or making better use of waste materials.

Our 'Made from alternative materials' SHP attribute applies where a problematic material can be replaced with a better alternative. For example, replacing plastic garden canes with bamboo, using linen in place of cotton, or using cork in place of plastic foam.

We continue to work on increasing the use of recycled materials across our product ranges and our packaging. Examples include:

- Our Global Recycled Standard (GRS) certified clothing which is increasing in popularity. This standard verifies the presence and amount of recycled material in fabrics and tracks the flow of raw materials from its source to the final product.

- A completely new range of switches and sockets (Jacobsen), introduced in France, have been made with a majority of recycled plastic.

A lot of work has been done this year to try to substitute ABS plastic in plant pots used in horticulture. While we've found a way to recycle pots, many will still end up in landfill. In trials we've been able to eliminate harmful substances without affecting the integrity of the product. Once this new plant pot has passed its regulation checks, it will reduce waste and harmful substances from being released into the environment.

We're also in discussion with leading coating manufacturers to investigate the possibility of biodegradable microplastics used in coatings as these are a high-selling product type.

Increasingly, bio-based materials are of interest as alternatives to fossil fuel derived resins, binders, fuels and plastics. Bio-based resources follow a different recovery path as they circulate back into the biological cycle at their end of life for the reuse of their nutrients for a new cycle. It's important to note that bio-based resources are not unlimited in supply and need to originate from sustainably managed sources.

One example is BLOOM EVA inserts in footwear. BLOOM™ is a more sustainable material made from algae. It's now replacing up to a quarter of the plastic-based materials used in the insoles (sock liners)

of site boots and trainers in our Site safety footwear range.

Bio-based materials are part of the 'Made from responsibly sourced materials' SHP attribute.

We'll continue to explore the commercial and sustainability potential within the circular economy agenda, aiming to optimise resource use, reduce waste, and create new business opportunities aligned with our Responsible Business goals.



Packaging

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

By prioritising our efforts to minimise packaging and plastics, we're aligning with our customer expectations and ensuring long-term business sustainability.

We're continuing to make good progress on the sustainability of our OEB product packaging by:

- reducing the amount of packaging materials we use;
- ensuring our cardboard and fibre-based packaging is sustainably and responsibly sourced; and
- significantly reducing our use of plastics over the longer term.

We now have packaging data for 88% of our products (up from 75% in 2022) and we'll aim for as close to 100% as possible. This data covers both our product protection and in-transit protection, giving us visibility of where we're potentially using too much packaging and what our packaging reduction opportunities are.

Reducing plastics

Priority is given to reducing or eliminating Expanded Polystyrene (EPS), which is used on larger products such as kitchen appliances, benchtop tools and radiators.

Plans are in place to replace the existing EPS with paper-based honeycomb solutions in 2024 wherever possible.

We're also working on removing many other non-recyclable plastics, eliminating them entirely or switching to paper-based alternatives. Where this is not possible, we'll ensure the plastic we use is widely recyclable and contains a minimum of 30% verifiable recycled content.

Across all banners we've reduced plastic by 3.7% this year on a 'like-for-like' basis,¹ a decrease of 248 tonnes. We've also removed plastic strapping, foam and plastic labelling from our Neva Fencing. The new packaging has been materially engineered and now includes Polyethylene (PE) with 30% recycled content and FSC paper labelling. Not only have these changes reduced costs by 30%, they also offer better product protection.

We're continuing to cut EPS, Polyvinyl Chloride (PVC) and other non-recyclable plastics from our packaging and have reduced them by 1.2%.

Redesigning to reduce

Sustainable packaging is now ingrained into our OEB product development process. This not only saves on waste, it minimises cost (including environment taxes) and maximises supply chain optimisation opportunities.

We've analysed over 300 Screwfix SKUs to determine how we can eliminate unneeded inner packaging and reduce outer packaging. This will reduce the overall cube size and optimise transit which, in turn, will decrease vehicle usage and our carbon impact. Transit tests are currently under way.

Sourcing sustainable fibre-based packaging

As we focus on the removal of single-use plastics, we're seeing our paper and board consumption increase, which means we need to ensure we're continuing to improve the percentage of sustainably sourced paper- and wood-derived fibre-based packaging we use. With the specification being FSC/PEFC/Recycled for all new fibre-based packaging, we've seen a significant improvement in this area since last year and are currently 81.9% compliant (2022: 46.9%).

Using our comprehensive packaging database, we're identifying any historic, non-compliant fibre-based packaging too, and ensuring our suppliers source compliant materials.

Progressing against our packaging targets

We've made further progress against our OEB packaging targets in 2023:

– At least 30% recycled content in plastic packaging by the end of 2023. 51.6% of plastic packaging purchased in 2023 contained a minimum of 30% recycled content (2022: 31.3%) (6,309 tonnes compliant, 12,222 tonnes of plastic purchased).

– Phase out all non-recyclable plastic packaging such as PVC and Expanded Polystyrene by the end of 2023.

92.2% of all plastics purchased in 2023 are compliant (2022: 91%) (11,266 tonnes compliant, 12,222 tonnes of plastic purchased).

– Reduce overall plastic packaging by 25% (by weight) by the end of 2025. 3.7% plastic weight reduction in 2023 vs. 2022 on a 'like-for-like' basis.

– Reduce overall packaging weight.

3.7% weight reduction per SKU in 2023 vs. 2022 on a 'like-for-like' basis. Overall recorded volume of packaging increased due to improvements in our data to include a further 18,000 SKUs.

– All paper and board used in all primary and transit packaging to be verified sustainably sourced by the end of 2025.

81.9% of paper and board purchased was sustainably sourced in 2023 (2022: 44.9%) (43,822 tonnes compliant, 53,530 tonnes of paper and board purchased).



¹ 'Like-for-like': The same SKUs packaging weight compared year-on-year and applying 2023 volumes.

Chemicals

Our approach

Our current approach follows the principles set out in our Chemicals Policy. Further to this, we are proposing a new strategy to achieve these principles for chemical sustainability. For Chemical Products, it will rely on information provided by formulators based within the UK and/or EU supply chains. For Solid Object Products, we are preparing to adopt an informed risk-based approach based on the science-based technical experience of various expert third parties.

Our aim is to make our Restricted Substances List (RSL) available to be viewed by all our suppliers and to set requirements against this RSL to support specific qualification to the SHP and green star programmes.

Scope of products or chemicals of concern we are targeting to phase out and why

The scope of our focus remains centred on ortho-phthalates, PFAS, and flame retardants, which continue to face increasing regulatory restriction. Our efforts focus on product categories at the highest risk of containing these substances, where we work to eliminate them or responsibly substitute them to more sustainable substances. The introduction of SHP criteria specific to sealants and adhesives is a step in this direction as it has

helped in the identification of products free from these substances. We plan to continue the roll-out of SHP criteria to other product categories in the coming year.

Initiatives to promote transparency

New SHP criteria on sealants and adhesives has been a good example of working with our supplier base and receiving an increased level of transparency from them regarding the presence of unwanted substances in their formulations. This is a crucial first step. We are also seeking ways to leverage more effective digital solutions in data management.

Training colleagues and suppliers

We actively organise training to our supplier base on matters relating to chemical requirements. We see this as an important measure amongst many others which help to strengthen chemical management controls within the supply chain.

We remain active members of Change Chemistry and their Retail Leadership Council and we remain a member of NGO ChemSec's business working group.

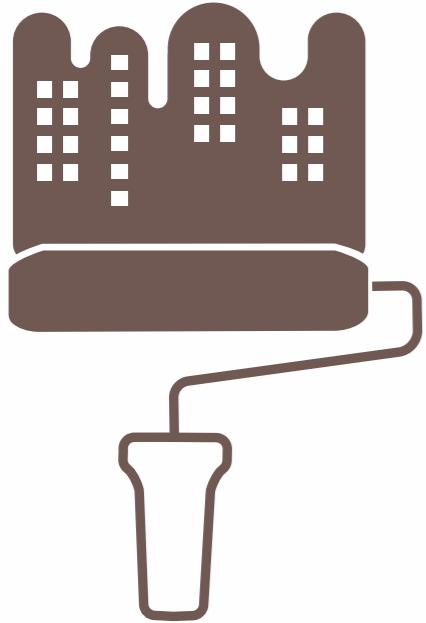


Chrome VI

Kingfisher has committed to stop selling OEB products that include chrome plating manufactured using chromium (VI) (hexavalent chromium) chemistry by the end of 2024. Chromium (VI) is controlled under Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations, and is subject to authorisation within the European Union. Kingfisher therefore aims to ensure that the use of chromium (VI) in the manufacture of chrome-plated surfaces is also restricted beyond the EU, in its supply chain, mirroring the legal restrictions already in place in its use in EU-based manufacturing, under REACH.

We're currently investigating how Chrome III and other sustainable plating technologies can be used as a responsible substitution. We continue to investigate the application of more responsible plating technologies which satisfy product performance and customer expectations with better environmental outcomes.





Communities

We are striving for better homes
for everyone in our communities



Communities overview

We are striving for better homes for everyone in our communities

Everyone wants their home to be safe, warm and welcoming. Yet millions of people across Europe still live in homes which are unfit – too small, too dark, too cold, too damp – or experience homelessness.

Shelter and safety are fundamental to good physical and mental health, while poor housing can impact educational attainment, employment and life expectancy. That's why we're committed to helping those most in need; giving our time, products and financial contributions.

Our projects range from small community initiatives to major relief efforts. We're grateful for the ongoing generosity of our colleagues and customers who play their part through fundraising.

Our target

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

↑ Our progress in 2023/24

Exceeded our 2025/26 target ahead of schedule, through strong performance and delivery from our banner Foundations. We will continue to track performance against this indicator.

Reached over 1.2 million people this year through community projects, bringing our total to 3.2 million people helped since 2016/17.

Supported global disaster relief efforts this year in Turkey, Syria, Morocco and Libya by donating £305,000 and products to charities such as the Disaster Emergency Committee (DEC), the Red Cross and Fondation de France.

Responded to local emergencies, such as flooding in Pas-de-Calais, France (Castorama) and storm damage in Loughborough, UK (B&Q).

Continued our partnerships with national charities in the UK, France and Romania.

Renewed our mission to more accurately reflect the diversity of our projects.

Our progress and plans

Our Communities pillar sits at the heart of our Responsible Business strategy, bringing about positive change for our communities, which includes our customers, our colleagues and the planet.

Through our network of seven Foundations, linked to each of our banners, we can support local charities and communities, and give colleagues the opportunity to engage with their communities and identify causes to support through grant giving, product donation or volunteering.

Our banner Foundations support initiatives improving homes and community facilities aligned to the Group's Community strategy. By donating grants, products, expertise and colleague time, Foundations improve homes and community facilities, helping those most in need.

Our total community investment this year was worth £6.1 million in 2023/24 (2022/23: £5.4m). Over 1.2 million people benefited from cash and product donations as well as employee time. For reporting purposes, we value in-kind donations at cost price.

An additional £2.4 million was raised by customer and colleague fundraising efforts (this includes in-store collections, fundraising events, payroll giving and public pledges to appeals) (2022/23: £2.8 million).



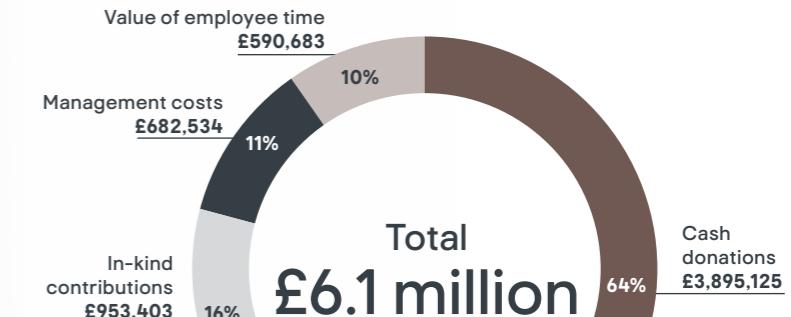


Community investment £ thousands

| 2023/24 | 6,122 | 2,427 |
|---------|-------|-------|
| 2022/23 | 5,359 | 2,792 |
| 2021/22 | 3,967 | 2,829 |

Community gifts and investment
Fundraising and other leverage

Community investment: details of company giving 2023/24 £



Our Banner Foundations



B&Q FOUNDATION

The B&Q Foundation supports registered charities with grants to improve or create better homes and spaces for people in need in the community. In 2023/24, the B&Q Foundation supported 266 charity projects, which included support for The Childhood Trust's Decorate A Child's Life, improving children's bedrooms for London families living in poverty. This year, B&Q colleagues joined the charity to share their time and expertise, to help transform bedrooms for the most deprived children in London.



The projects supported by Castorama Poland Foundation are centred around improving facilities for vulnerable groups, including children, living in institutional homes in communities.



The purpose of The Screwfix Foundation is to support projects that improve, maintain and repair homes and community facilities for those in need in the UK. This financial year, the Foundation raised £2.2m and donated funding to 398 registered charities and not-for-profit organisations. Fundraising initiatives in 2023/24 included a gala event with suppliers that raised £300,000 and the sale of Christmas jumpers which raised over £100,000. The Foundation launched new branding this year to reignite energy and passion alongside refreshing its eligibility criteria to make sure the Foundation is optimising its impact.

3.2 million

people have benefited from our community contributions since 2016/17



Case Study

Community Days at B&Q

Community Days are an opportunity for B&Q colleagues to get out into their communities to improve a space for a local charity.

By donating our colleague time, their DIY skills and our products, we help local charities improve their spaces at a time of increased demand for their services. In 2023, 302 teams of B&Q colleagues completed a Community Day during which they painted, completed gardening projects, refurbished and refreshed the rooms and spaces used by local charities and those they help.

The improvements carried out by our colleagues have helped over 275,000 people access better spaces. B&Q donated over 13,000 hours of colleague time, along with over 91,000 products to complete the projects. Alongside the benefits to the charities and those they work with, B&Q colleagues also reported back that they felt more connected to their local communities and that they learned new skills outside of their usual role, such as team building and DIY skills.



Lesson learned

Given the success and positive benefits for charities, we plan to build this programme out further. In 2024, every store will have the opportunity to nominate local charities they want to help, and to partner up with another local store should they choose to complete a project together.



Castorama France Foundation is dedicated to improving housing across France. This year, the Foundation celebrated a milestone, raising 1M€ since its launch in 2020. In 2022/23 alone it contributed over £1 million across 89 community projects, helping almost 37,000 people. Over 600 colleagues volunteered to help create better homes in communities, helping people feel safe and proud to welcome their family and friends during the year. For example, in Valenciennes, 11 colleagues from Castorama Hénin-Beaumont renovated the outside courtyard of the 'Boutique Solidarité', making the space more user-friendly and functional for the 80 homeless people who use it every day. Store colleagues arranged a DIY course with a group of sheltered guests, working with them to rebuild the site's luggage room.



The Brico Dépôt Romania Foundation strives to improve the living conditions, quality of life and safety of people living in disadvantaged communities and in low-income families in Romania. This year, our focus has been on fewer, larger impact projects as well as initiatives supporting the wider Responsible Business strategy, such as investing in green energy (see case study).



Brico Dépôt France Foundation has offered over €300,000 in grants to charities and NGOs nominated by colleagues from local stores. Five larger grants were offered to the NGOs to create better homes and community facilities. For example, the Foundation has supported Apprentis d'Auteuil, an NGO helping vulnerable families. One project supported is in Marseille, which provides a safe space for survivors of domestic violence. The Foundation fully funded the renovation to improve the facilities. This year Brico Dépôt France Foundation supported 1,166 people, achieving its target to reach 1,000 beneficiaries.



As part of Brico Dépôt's 20th anniversary celebrations, the banner took the opportunity to relaunch the Brico Dépôt Iberia Foundation internally, reigniting momentum and motivating a new round of donations and fundraising. This included donating €25,000 to more than 15 charities and reaching more than 1,300 people from different regions in a single month.

Case Study

The Fundatia Brico Dépôt Romania Solar Panels

The FARA Foundation has collaborated with Fundatia Brico Dépôt Romania to develop green energy for their accommodation and community facilities. FARA provides social support services for Romania's poorest children, young people and families.

Fundatia invested in photovoltaic (solar) panels at three of FARA's community centres. The renewable energy generated powers all six FARA centres, reducing their energy costs by 80–90%.

The project has enabled FARA to replace wood-fired boilers, which has saved energy costs, and provided consistent heating in winter, benefiting over 1,000 vulnerable people accessing FARA's services.



Lesson learned

Investing in green, clean energy has a long-term positive financial benefit. Putting solar panels on FARA Foundation centres has significantly cut energy costs, meaning more resources can go towards helping vulnerable communities. We've helped FARA save money on operational costs, so they can focus on helping more people.



Charity partnerships

Alongside our banner Foundations, which lead local engagement, we have partnerships with national charities.



B&Q partners with Shelter to support their emergency helpline and nine DIY skills advisers. The helpline provides free advice and support for people with housing problems and the skills advisers help people who have experienced a prolonged period of homelessness to improve and maintain their homes. In 2023, 1,034 people benefited from the DIY skills adviser service.



Our partnership with Fondation Abbé Pierre in France helps to provide safe, warm environments where those without homes can access health services, food, mobile phone charging, bathing and laundry facilities. This year, over 22,500 people benefited from these day services.



The Screwfix Foundation partners with Macmillan Cancer Support to fully fund its home improvement grant programme. This programme supports home improvements such as bathroom adaptations, refurbishments, and stairlift installations for those living with cancer.



The Castorama France Foundation continues to support the Bricobus (DIY bus) project in partnership with Compagnons Bâtisseurs. The fleet of 44 mobile DIY vehicles visits people in disadvantaged communities, helping create better homes through skill sharing – empowering people to complete small jobs – and a tools cooperative.



The Brico Dépot Romania Foundation received the First Prize Award in the 'Supporting Communities' category at the 2023 Romanian CSR Awards Gala for its 'A safe shelter, away from home' project. Overseen by Habitat for Humanity, our Brico Dépot Romania team helped renovate three shelters and rented housing spaces for Ukrainian refugees, providing mid- and long-term refuge for Ukrainians, and further along, remaining to be used by Romanian families.

Volunteering and fundraising

An important part of the work we do in our communities involves colleagues and customers getting involved. Volunteering has increased as our community programme has matured and developed, and colleagues remain enthusiastic about making positive changes in their neighbourhoods.

Through a partnership with Migrant Leaders, a group of A-level students from ethnic minority backgrounds were invited to a 'vision day', where they were able to meet people and get a taste of what a career might look like in a corporate environment. This activity was undertaken in partnership with our internal Race and Culture affinity network and promoted social mobility, helping the young people to overcome barriers to corporate jobs.

Colleague volunteering

Total number of hours volunteered by our colleagues

| | |
|---------|--------|
| 2023/24 | 53,854 |
| 2022/23 | 35,036 |
| 2021/22 | 14,502 |

Case Study

100 stores, 100 local projects

This year, to mark the opening of our 100th store, Castorama Poland launched a project called '100 stores, 100 local projects', with each store selecting a local cause to support.

80 home improvement projects have already begun. For example, Castorama Słupsk store colleagues, with the help of staff at a Social Welfare Home, renovated two rooms at a shared living facility. The transformation of the rooms enabled residents to rest, eat meals and spend time in more comfortable conditions. A total of 39 of our colleagues took part in the renovation and they completed approximately 460 hours of volunteering.

Across all activities that supported Castorama Foundation projects, a total of 14,130 hours of volunteering took place in 2023/24 (2022/23: 938 hours).



Lesson learned

Allowing each store to choose a local cause to support not only made colleagues feel proud and involved, but it increased volunteer hours.



Disaster response

Our banners have also responded to emergencies globally and locally.

On 8th September 2023, a devastating earthquake struck Morocco, displacing over 380,000 people. Within days, the Group responded with two donations to the British Red Cross, which was supporting the emergency humanitarian aid relief in Morocco. Our French Foundations also activated support through Fondation de France's emergency appeal.

Just two days later, severe flooding impacted northern Libya after Storm Daniel and the Group made a further donation to the British Red Cross.

Our banners not only respond to global disasters, but they also support local communities.

The Castorama Foundation France provided emergency relief kits (gloves, buckets etc.) to the Croix-Rouge française for those impacted by floods, fire or bad weather, while the banner made a 20k€ donation to Fondation de France for flood reparations. B&Q also supported the British Red Cross, donating products to help clean-up efforts after winter storms in Sheffield and Leicestershire.

In 2023/24, we donated over £305,000 to support local and international communities.



Our Responsible Business Fundamentals

Our priorities are underpinned by our commitment to our ‘Responsible Business Fundamentals’. These are the many issues and impacts we need to measure and manage, to ensure we continue to operate responsibly.

We have clear policies in each of these areas to ensure we take a consistent best practice approach across our business.

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Health and Safety at work

Our colleagues are at the heart of our Company, and ensuring their health and safety in the workplace is integral to our success.

Our Chief People Officer, who has delegated responsibility for Health and Safety, is supported by the Group Head of Health and Safety, and the senior leadership team within each retail banner.

Each banner has a dedicated team which, along with senior leaders, is responsible for ensuring health and safety is fully embedded into how we operate. Together, they develop the banner's Health and Safety strategy and priorities. These include:

- risk management;
- communication campaigns (such as Health and Safety awareness, and accident prevention);
- training, support and guidance to help managers resolve any day-to-day issues;
- focused audits and inspections, to check policies and procedures are adhered to and remain fit for purpose; and
- regular reporting to the senior leadership team on any incident trends and the action taken to eliminate or mitigate their impact.

If there's an incident with high severity, such as a fatality or a particular incident

that could have wider implications, this information is shared with all banners and the Group CEO.

Clear standards and a safe and healthy work environment

Our Group Head of Health and Safety oversees our approach to health and safety, putting policies and procedures into place to make sure we're meeting consistently high standards across the business.

In July 2023, we implemented Eco Online – a new Health and Safety management reporting system, to report all incidents, accidents and near miss events. This helps us to measure the effectiveness of our control measures and shape our regular audits and risk assessment programmes, as well as power our commitment to continuous improvement.

Health and Safety dashboards, summarising the performance of each retail banner, are regularly reviewed by the respective banner's senior leadership team, the Group Executive and the Management Board.

Raising the bar

This year, we continued collaboration, with regular online Group meetings of banners' Health and Safety and Risk Leads. We discussed the issues they're having, to

collectively produce strategies to manage risks. In 2024/25, we will continue to collaborate closely to develop a new Health and Safety strategy for the business.

We're encouraging banners to implement long-term solutions rather than relying on training, and the use of personal protective equipment, for example using lifting aids to avoid the need for manual handling. As part of colleagues' induction, they're provided with a training plan, which details the type, level and frequency of the training that they will receive to perform their role safely.

How did we perform in 2023/24?

Our total employee injury incident rate was 9,438 (2022/23: 10,034), a 6% reduction year-on-year. We believe this improvement reflects our efforts to foster a stronger safety culture and enhance our processes for identifying and addressing safety issues.

There were no employee work-related fatalities in 2023/24.

There was one Health and Safety-related prosecution during the year due to a tragic fatality in 2021 at Brico Dépôt France involving a forklift truck. The business paid a fine of €39,000. Following the accident, Brico Dépôt France improved safety measures, including installing concrete bollards to restrict forklift truck movement and strictly enforcing, and mandating, the use of seat belts while operating any machinery.

Case Study

Health and Safety Day, Castorama Poland

In 2023, Castorama Poland held a Health and Safety Day for customers and colleagues. Its purpose was to raise awareness of risks and hazards when performing manual handling work and how to prevent injuries. Experts, including an orthopaedic specialist and a personal fitness trainer, discussed the importance of doing tasks correctly and demonstrated exercises that could strengthen spinal muscles. Paramedics and firefighters ran interactive sessions on CPR, using a defibrillator and on using the different types of fire extinguisher.

As well as gaining knowledge and skills in manual handling, first aid and responding to fires, participants were given discounts on safety-related goods, such as carbon monoxide detectors.

Lesson learned

The Health and Safety Day underscored our commitment to workplace health and safety and minimising the risk of injuries from manual handling tasks. We're considering repeating this successful event across our Group.

Employee total injury incident rate

number of 'all work-related' accidents per 100,000 full-time equivalent employees

| | |
|---------|--------|
| 2023/24 | 9,438 |
| 2022/23 | 10,034 |
| 2021/22 | 11,276 |

Responsible sourcing and human rights

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

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

Our human rights policies

We have clear policies and standards on human rights and modern slavery. All policies have been approved by members of our Group Executive and are regularly updated.

Our Human Rights Policy states our commitment to respect human rights, in line with international agreements and guidelines including: 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 Organisation's Declaration on Fundamental Principles and Rights at Work; the Children's Rights and Business Principles; and UN conventions on the elimination of discrimination.

Our Supply Chain Workplace Standards set out minimum standards on labour practices and environment that our suppliers must

abide by. These reflect the requirements of the Ethical Trading Initiative (ETI) Base Code and International Labour Organisation (ILO) fundamental Conventions on worker rights.

You can read our policies at kingfisher.com/ResponsibleBusinessPolicies

Risk assessment and due diligence

Given the size of our global supply chain, we adopt a risk-based approach, prioritising the most significant human rights and modern slavery risks. To focus our activities, we prioritise and frequently review the salient human rights risks identified as part of the saliency assessment.

In 2023, we worked with Slave-Free Alliance (SFA), our third-party human rights partner, to conduct a complete gap analysis and independent review of our understanding and approach to modern slavery and labour exploitation risks, taking into consideration relevant legislation and industry best practices. Initial findings confirmed the most significant human rights risks for our business are found in our Goods for Resale (GFR) supply chain, including at the raw material extraction and product manufacturing stages.

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
- Discrimination

When we acquire new businesses or enter into new partnerships, we carry out due diligence and embed our Code of Conduct and our Responsible Business policies into the partnership agreements. This year, we worked on clarifying our position regarding marketplace sellers. As a result, we added some clauses in the Human Rights Policy to state that marketplace sellers must comply with marketplace terms and conditions which include clauses on anti-bribery and modern slavery.

We continue to address the challenges of new business models (NBMs) adopting our policies and processes due to their business models being so different to ours. As part of the due diligence process, our Responsible Business team has been working closely with NBMs' internal and external stakeholders to identify risks.

Read more about our approach to risk assessment in our [Modern Slavery Statement](#).

Ethical sourcing approach

Our ethical audit programme for GFR is focused on directly sourced products. We require all OEB suppliers as well as non-OEB suppliers above a spend threshold of £50,000 to disclose all production sites supplying us with finished goods. Suppliers share this information with us via collaborative social audit platforms including Sedex and Amfori BSCI.

In 2023, we had over 2,700 OEB and non-OEB suppliers and, of these, 71% were in compliance with our policy requirements (2022/23: 62%).

We take a risk-based approach to ethical audit, prioritising high-risk sites supplying OEB and non-OEB finished goods to undergo an ethical audit at least once every two years or more frequently depending on the audit grade they receive. In 2023, 83% declared high-risk production sites had completed an audit within the last two years (2023/23: 69%).

In some cases, an audit finds that suppliers don't meet our minimum standards; those sites are classified as business critical. When a business-critical issue is identified, we require suppliers to act immediately to ensure the welfare of workers. In 2023, there were 97 sites identified with business-critical issues and 77 sites had their non-conformances verified as closed out within the year.

We have also established an ethical sourcing approach for Goods Not For Resale (GNFR), see our [Modern Slavery Statement](#).

Engaging suppliers

We have an ongoing supplier engagement programme and provide training to help suppliers build their knowledge and understanding of human rights issues.

In 2023, we created a supplier digital hub and ethical onboarding film to showcase the benefits of being an ethical business such as stakeholder trust, employee retention and increased productivity. The film and factsheets explain Kingfisher's ethical requirements, including our audit grading matrix, what a non-compliance is, how to resolve it, timeframes, and the collaborative support available to our suppliers and sites.

Partnership and collaboration

We continue to work with partners to address human rights risks and participate in forums with the aim of improving standards across the retail sector.

SFA have helped us develop our policies, train our teams and our suppliers, and strengthen our audit and due diligence approaches. This year they delivered a modern slavery workshop; provided consultancy and guidance on a number of topics; worked with us on the gap analysis process; and will be working with us on updating the risk assessment process for GNFR suppliers.

Eliminating waste and increasing recycling

We're working to eliminate waste from our business. We want to prevent waste from being generated or turn it into a useful resource by finding innovative ways to redesign, reuse and recycle. Our ambition is to eliminate waste to landfill and reach 90% recycling.

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, and even within countries. This makes recycling more difficult and is why our banners work with local contractors, often more than one, to manage waste.

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

Rehoming materials for reuse

We've refreshed our 'Community Reuse' programme at B&Q, working with the award-winning giving platform Neighbourly. This allows us to donate items that aren't fit

to sell, but which still have life left in them, to participating charities and community groups. We've now rolled the Neighbourly partnership out to all stores.

Banners are also preventing products from becoming waste and keeping them in use by offering repair and refurbishment services, see page [40](#).

Enhancing recycling practices

National recycling systems aren't widely developed in Poland so, at Castorama, we use engaging ways to involve colleagues and customers in increasing recycling rates.

Castorama Poland runs a twice-yearly 'flowers for electrical waste' campaign – inviting customers to drop off their electrical waste in exchange for a free pot plant. See case study on page [56](#).

In France, to comply with France's Anti-Waste and Circular Economy Law (AGEC), Brico Dépôt and Castorama collect plastic packaging and wasted electrical and electronic equipment from customers, through their partnership with eco-organisations approved by the public authorities. Two more categories are now being introduced into the recycling programme: paint and tools. Customers can return unfinished paint pots and tools that they've bought in store and be reassured that they will be disposed of in an environmentally friendly way.

Case Study

Community Reuse

Last year, B&Q refreshed their Community Reuse Programme, making it easier for colleagues to donate unsellable items to community groups. We piloted the new programme using the Neighbourly platform to match our stores with local good causes including: hostels, hospices, wellbeing groups, youth clubs and schools.

Through our donations of items such as plants, plant pots and trays, damaged or part-filled cans of paint, pallets, ends of wallpaper rolls and end-of-line stock, the causes benefit, local communities benefit, and our business benefits by reducing waste. Through the Community Reuse Programme we've now donated over 144,000 items or 484 tonnes to over 1,000 good causes.

Lesson learned

Having now rolled the programme out to all stores in 2023, we've made it easier for stores to donate leftover items to local groups. This has provided local groups with much-needed products, to support communities for those in need.



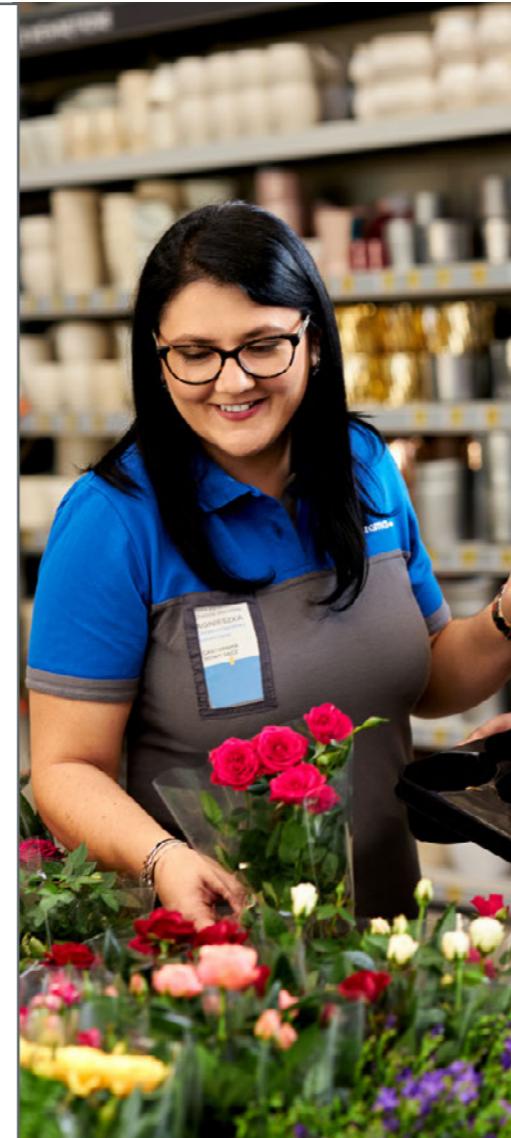
Case Study**Flowers for Electrical Waste**

The take-back scheme helps divert electrical waste away from landfill sites and prevents it from being illegally dumped. National recycling systems aren't well established in Poland so, at Castorama, we use engaging ways to involve colleagues and customers in increasing recycling rates. We're continuing to run our successful 'Flowers for Electrical Waste' initiative, which we now operate twice a year. To help customers dispose of old electronic and electrical appliances safely and sustainably, including washing machines, refrigerators, phones, power tools, kitchen appliances and computers, we offer a convenient store-wide take-back scheme. Customers can take their items to their local Castorama and receive plants in return. All the appliances are taken away to either be refurbished or dismantled so the component parts can be reused.

The scheme has now been running for 7 years and 99 stores take part. In 2023, we collected over 1,000 tonnes of electrowaste and gave away 400,000 plants.

**Lesson learned**

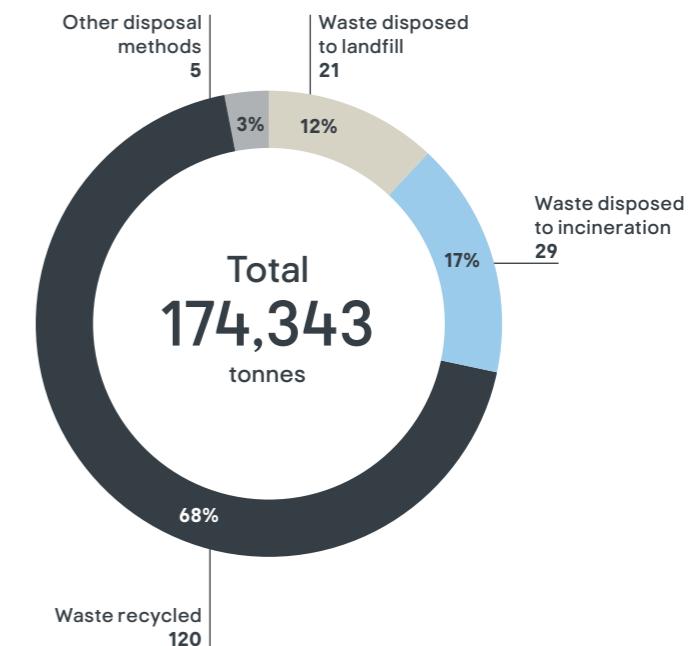
Incentivising recycling with plants increases participation and promotes environmental responsibility among customers.

**How we did in 2023/24**

Overall, our business activities generated 174,343 tonnes of waste during the year (2022/23: 193,189 tonnes). This 10% reduction was due to less waste being generated. Recycling rates are up by 2% to 69%.

Waste recycling and disposal 2023/24

thousand tonnes



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 includes sections on: sustainability and ethical behaviour; working with third parties; modern slavery; anti-bribery and corruption; discrimination; gifts and hospitality; workplace behaviours; conflicts of interest; and Health and Safety, among others.

It applies to all Kingfisher colleagues, contractors and third parties with supporting policies on topics such as gifts and hospitality, conflicts of interest and competition law, and an online approval and reporting procedure for gifts and hospitality, and conflicts of interest.

Every year, we review our compliance training, Code of Conduct, competition

law, market abuse regulation and data protection modules. This year, we're adding training on Generative AI. 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. It includes scenarios to help colleagues understand how to apply our ethical principles and policies in practice. Different modules are available for store and office colleagues, tailored to the specific integrity risks they may encounter.

In 2023, 92% of colleagues completed Code of Conduct training. In 2024, we're rolling out a new version of the compliance training. This includes a specific section on modern slavery.

Colleagues working in sensitive areas of the business or in higher-risk roles complete additional training on fair competition and market abuse regulation.

Oversight from the top

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

It's chaired by the Kingfisher Chief Financial Officer and members include our Chief People Officer, Group General Counsel, Director of Risk and Audit and Group Compliance Director.

While specific oversight for reviewing modern slavery issues is not assigned to the Group Ethics and Compliance Committee, any material allegations reported through the SpeakUp channel will be reported to the Committee. More information about our approach to modern slavery is available in our [Modern Slavery Statement](#).

Kingfisher has local Ethics and Compliance Committees in 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.



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 external and confidential whistleblowing hotline is available to all employees and suppliers. In 2024, we'll refresh our communication programme on the SpeakUp channel to raise awareness around what kinds of issues we expect to be reported and communicate the various channels available to colleagues in each banner and Group function.

All reports to the SpeakUp hotline 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.

SpeakUp reports in 2023

The number of SpeakUp reports has increased in the last few years, which reflects our efforts to raise awareness about our hotline. In 2023/24, we received 592 reports via our SpeakUp hotline (2022: 528).

Our SpeakUp hotline is designed as a reporting channel available to all Kingfisher employees, contractors and third parties. Once a report is submitted, an acknowledgement of receipt will be delivered to the reporter and an initial decision will be made on whether the case will be investigated by the Group (sensitive matters) or the respective banner (non-sensitive matters). We aim to resolve all cases within 90 days. Trends and material issues are reported to our Group Ethics and Compliance Committee.

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

In 2023, 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 55, showing an increase of 4 points compared to 2022.

Engaging suppliers on our Code of Conduct

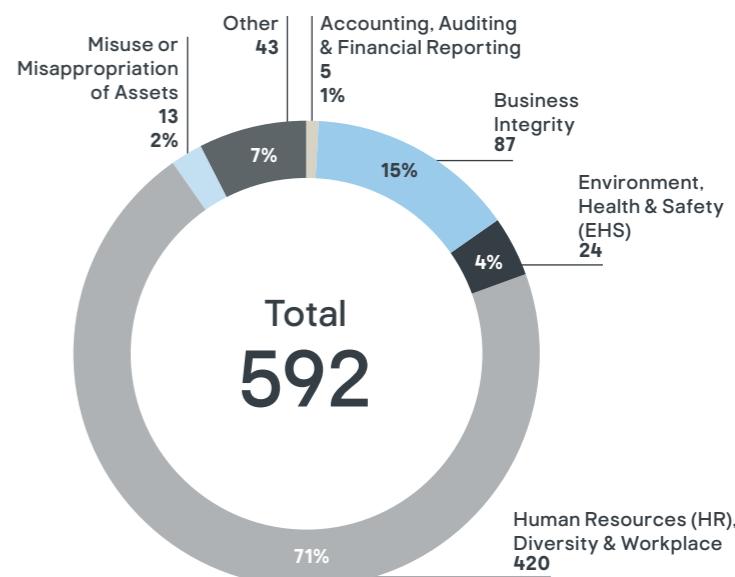
We embed our Code of Conduct into our procurement processes and supplier contracts. Potential new suppliers are informed during the tender process of our Code of Conduct, policies and ethical

requirements, so they can take these into account when quoting to provide products or services. Our whistleblowing hotline is also available for suppliers. More information is included in our [Modern Slavery Act Transparency Statement](#).

Applying our standards to new partnerships and acquisitions

When we acquire new businesses or enter into new partnerships, we embed our Code of Conduct and Responsible Business policies into partnership agreements.

SpeakUp reports by issue type 2023/24



Governance and risk management

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

Board-level and executive oversight

Our Responsible Business Committee (RBC), a Committee of the Board, is chaired by a non-executive director. Members include two non-executive directors, the Group CEO and other members of the Group Executive. It 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. Specific climate-related issues discussed by the RBC in 2023 included an annual update on climate targets against our plan.

The RBC works closely with our Audit Committee, which receives updates from management on Kingfisher's compliance

with changing sustainability-related reporting requirements, including our TCFD disclosures. More information about the Audit Committee is available on page 80 of the [Annual Report and Accounts 2023/24](#).

Our Group Climate Committee, established in 2022, is chaired by our Chief Executive Officer and meets quarterly with relevant management to monitor the Company's approach to meeting its climate commitments and assessing climate-related risks and opportunities. More detail can be found on page 28 of our [Annual Report and Accounts 2023/24](#).

This year, we established an ESG working group, which monitors climate-related disclosures, comprising key representatives from Internal Controls and Internal Audit. Internal Audit will also undertake audits of the ESG landscape as part of its annual plan. Read more about the governance of climate change in our [Annual Report and Accounts 2023/24](#).

Embedding Responsible Business

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. For example, the sustainability team within our Offer and Sourcing function embed sustainability into our Own Exclusive Brand product ranges and support banners as a centre of excellence.

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.

Integrating Responsible Business performance measures

Responsible Business measures (climate change, Sustainable Home Products and gender diversity) are integrated into our long-term incentive plan (known as the Kingfisher Performance Share Plan) for our senior leadership team. The performance conditions attached to the vesting of awards include a 25% weighting on Responsible Business measures. Further details about this can be found in our [Annual Report and Accounts 2023/24](#).

Kingfisher also has a £550m sustainability-linked revolving credit facility, which enables us to benefit from a lower interest rate when we deliver on ambitious sustainability and community-based targets under the Group's Responsible Business plan.

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 [kingfisher.com/ResponsibleBusinessPolicies](#).

We aim to review our policies annually and update them when necessary. In 2023/24 updates to our policies were approved by our Group Executive.

In 2023/24, we updated our Responsible Business policies to align with best practice and ensure accountability in our decision-making. Key updates include stating our approach to work towards the requirements of due diligence regulations like the EU Deforestation Regulation as well as clarifying our position with regard to the ethical requirements our third-party marketplace vendors must comply with.

Risk management

Identification and management of sustainability risks are incorporated in our strategic risk assessment processes, which are explained in our [Annual Report and Accounts 2023/24](#).

Climate change continues to be one of our principal risks. We've conducted scenario analysis to help us develop our approach to climate risks and opportunities. 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 2023/24](#).

Our internal Responsible Business risk register (part of our overall Group risk management process) is used to help us monitor risks over the short term (0-1 years), medium term (1-3 years), and long term (3+ years). This timeframe aligns with the Group's strategic planning period and the period over which the principal risks are considered. However, recognising the long-term nature of climate-related risks, we currently model risks up to 10 years through our climate-related scenario modelling outlined in our Task Force on Climate-related Financial Disclosures in our [Annual Report and Accounts 2023/24](#).

Our internal Responsible Business risk register monitors risks relating to: climate change; new business models (e.g. joint ventures, franchise and online marketplace); ethical compliance of our goods for resale supply chain; wood and paper compliance; inclusion and diversity; sustainability regulation and compliance; and delivery, reporting and communications of our Responsible Business strategy.

There was one prosecution relating to Health and Safety resulting in a €39,000 fine (see more on page 53) and no environmental prosecutions, with three low-level fixed-penalty fines relating to littering rules in the UK.

Tax management

Our Kingfisher Code of Conduct applies high standards of transparency, honesty and fairness to our employees and suppliers. It mandates ethical work practices and compliance with the law, with a zero-tolerance policy for tax evasion and facilitation. These principles underpin our approach to tax.

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. We undertake our activities and pay tax in the countries in which we operate in compliance with the local and worldwide tax rules. These tax objectives are met through the application of the Group Tax Standards and the published Kingfisher Tax Strategy, both of which are Board approved, as well as other relevant Group policies and standards, which document our approach to tax compliance, tax risk management and tax planning to ensure that consistent minimum standards are observed throughout the Group.

The responsibility for tax policy and management of tax risks lies with the Chief Financial Officer and the Group Tax Director who engage regularly with the Board and the Audit Committee on all tax matters.

Tax risks can arise from changes in law, differences in interpretation of law and the failure to comply with the applicable rules and procedures. The Group seeks to take a balanced approach to tax risk having regard to the interests of all stakeholders including investors, customers, staff and the governments and communities in the countries in which it operates. As a multinational group, operating in an increasingly complex and changing international corporate tax environment, some risk is unavoidable.

Kingfisher manages and controls this risk through local management, the tax specialists that it employs and agile monitoring of changes in law and interpretation of law. The Group may engage with reputable professional firms on areas of significant complexity, uncertainty or materiality, to support it in complying with its tax strategy. Group companies work within a tax controls framework, and compliance with this is monitored by the Internal Audit and Risk team.

The Group seeks to engage with tax authorities with professionalism, honesty and respect. It works with all tax authorities in a timely and constructive manner to resolve disputes where they arise, although it is prepared to litigate where this is not possible.

Tax contribution

Kingfisher makes a significant economic contribution to the countries in which it operates. In 2023/24, it contributed £2.2 billion in taxes it both pays and collects for these governments.

The Group pays tax on its profits, its properties, in employing over 78,000 people, in environmental levies, in customs duties and levies as well as other local taxes. The most significant taxes it collects for governments are the sales taxes charged to its customers on their purchases (VAT) and employee payroll-related taxes. Taxes paid and collected together represent Kingfisher's total tax contribution which is shown below. Further details on Kingfisher's tax contribution can be found in the separately published [Tax Contribution Report](#).

| Taxes paid | | | |
|-------------------------------|--------------|--------------|--------------|
| £millions | | | |
| | 2023/24 | 2022/23 | 2021/22 |
| Taxes Borne | 720 | 794 | 844 |
| Taxes Collected | 1,521 | 1,534 | 1,552 |
| Total Tax Contribution | 2,241 | 2,328 | 2,396 |

In addition, Kingfisher participates in the Total Tax Contribution survey that PwC perform for the 100 Group of Finance Directors. The 2023 survey ranked Kingfisher 28th (2022: 23rd) for its Total Tax Contribution in the UK. In 2023, 92 (2022: 95) companies contributed to the survey.

Tax rate

The Group's adjusted effective tax rate (ETR) is sensitive to the blend of tax rates and profits in the Group's various jurisdictions. It is higher than the UK statutory rate because of the amount of Group profit that is earned in higher tax jurisdictions. The adjusted ETR, calculated on profit before adjusting items, prior year tax adjustments and the impact of future rate changes, is 27% (2022/23: 22%).

The adjusted ETR is higher than the prior year rate primarily due to the increase in the UK statutory tax rate which took effect on 1 April 2023. Other factors include the impact of a lower share of Group profit from Poland (statutory tax rate of 19%), and increased losses in territories in which tax credits are not recognised.

The statutory effective tax rate includes the impact of adjusting items (including prior year tax items). The impact of these result in a statutory effective tax rate of 27%.

The statutory tax rates applicable to this financial year in our main jurisdictions are as follows:

| | 2023/24 |
|--------|---------|
| UK | 24% |
| France | 26% |
| Poland | 19% |

Engaging our stakeholders

The Board recognises the importance of engaging our stakeholders as 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.

The Board annual effectiveness review gives directors the opportunity to comment on the engagement mechanisms in place with our different stakeholder groups and invites them to make recommendations for improvement.

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.

One of the key topics covered in 2023/24 was product differentiation around sustainability, in particular energy and water saving. Findings were instrumental in the continuous transformation of our ranges to support customers to make sustainable choices. This can be

seen through our SHP and green star propositions.

We've also consulted customers – particularly in the UK and France – on the impact of unseasonal weather and how the impact of global warming is affecting their outdoor home improvement activities and spending.

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 pages [16](#) and [17](#). 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 [13](#), which spearheaded the launch of our Group-wide 'Together. Stronger.' allyship campaign. This is in addition to our 17 I&D Affinity Networks that facilitate debate and discussion on sensitive issues.

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 holds monthly webinars on key topics. We

communicate with colleagues throughout the year on Responsible Business issues. In 2023/24, we ran specialised sessions with third-party organisations to improve colleague awareness on key topics such as human rights and modern slavery, as well as integrated community forest management.

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 61 investors and analysts on ESG topics in 2023/24, including organising ESG fireside chats with Barclays and Société Générale, to give investors an update on our Responsible Business strategy and showcase our key achievements. Our Kingfisher plc Board Chair, along with representatives of our Responsible Business and IR teams, also engaged with our top shareholders to discuss governance, ESG and remuneration matters.

We also won the 'Best communication of sustainability – Mid Cap' category of the IR Society Best Practice Awards 2023. This was our second 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 2023/24, these discussions included the increased ESG reporting rules (e.g. CSRD, ISSB IFRS, Climate Transition Plan) and regulatory requirements (e.g. EUDR). Our approach to public policy engagement is explained on page [62](#).

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 pages [28](#) and [54](#).

In 2023/24, we were a founding member of a new collaborative task force, initiated by EDRA/GHIN (the global trade bodies for home improvement retailers), to help our sector reduce its Scope 3 emissions.

NGOs and industry partners

We partner with many NGOs, other businesses and specialist organisations to learn from their insights and address Responsible Business challenges. Examples are included on pages [30](#), [31](#) and [50](#).

Organisations we work with include: Aldersgate Group, Bioregional, British Retail Consortium's Climate Action Roadmap, Business Disability Forum, Centre for European Reform, ChemSec, Fondation Abbé Pierre, FSC®, Green Alliance, Green Chemistry & Commerce Council (GC3 and GC3 Europe), Habitat for Humanity, Rainforest Alliance – Forest Allies, the Red Cross, Shelter, Slave-Free Alliance, Stonewall, and the Woodland Trust.

More information on stakeholder engagement is available in the [Annual Report and Accounts 2023/24](#).

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. 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.

We may terminate our relationship with trade associations if they don't meet our standards. In 2023, we cancelled our membership of the Confederation of British Industry (CBI) in the UK following allegations of serious misconduct.

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), 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), Turkish Industry and Business Association (TÜSİAD).



Which issues did we prioritise in 2023/24?

- **Domestic energy efficiency:** We support policies that make homes more energy efficient. In the UK, we have called for robust incentives and support to encourage the wider uptake of energy efficiency retrofit. With WPI Economics, we campaigned for an 'energy saving stamp duty' that would rebate stamp duty if customers made upgrades to their homes within two years of purchase. In France, we engaged with the Government on home energy renovation and how to make subsidy schemes clear and accessible for consumers.
- **Water efficiency:** In 2023/24 we ran a water saving campaign to help our customers and colleagues across Europe to save water at home, through simple and affordable changes.
- **Trade careers:** In the UK, we're working to inform policymakers of the ongoing need for a more robust promotion and incentivisation of trade careers as high-skill, high-wage roles in all parts of the UK. We published our report on closing the trade skills gap in 2023, including our policy recommendations to the Government on how to both encourage people into trades and encourage tradespeople to take on apprentices.
- **Deforestation:** We continued to engage with the EU on the development of its new Regulation on Deforestation-Free Products.
- **UK business rates:** We continued to advocate for reform of the UK business rates system and the impact the system has on the cost-of-living crisis.

Pensions

Addressing pension management is vital as it directly impacts the financial wellbeing and future security of our colleagues. The Kingfisher Pension Scheme (the ‘Scheme’) manages the pensions of past and present employees. The Scheme is open to all UK employees with the same benefits offered to all.

The Scheme integrates responsible investment principles into its work and communicates with stakeholders on its approach to ESG issues.

The Scheme has held the Pension Quality Mark since 2012, an independent accreditation that recognises and celebrates high-quality defined contribution (DC) pension schemes.

Governance

The Scheme is governed by a Trustee Board that consists of independent, member nominated and employer nominated Trustee Directors. Most Trustees are colleagues, or former colleagues, from a wide range of roles. Over half of the Trustees are women.

Trustees receive training throughout the year to enable them to fulfil their

duties. Topics in 2023/24 included: cyber security, liability driven investments, stewardship policies, climate change and regulatory updates.

Our responsible investment principles

Investment decisions are governed by the Scheme’s Statement of Investment Principles (SIP). This sets out the Trustees’ commitment to act as a responsible investor and states the Trustee Board’s belief that all companies should be run in a responsible way.

Investment managers acting on behalf of the Scheme are required to take account of ESG considerations where these may have a financial impact on investment performance. They are encouraged to engage with investee companies on these issues, including exercising voting rights where appropriate. Investment managers must disclose their ESG investment approach to the Scheme and share how they integrate ESG factors and considerations into the management of their portfolios.

Addressing climate change risks and opportunities

The Trustees take into account the potential risks and opportunities associated with climate change and the transition to a low-carbon economy. They published

their first Task Force on Climate-related Financial Disclosures (TCFD) report in 2023. The report included details of the Trustee’s approach to managing climate risks against the recommended four pillars: governance, strategy, risk management, and metrics and targets. The Trustees received training during 2023 on climate risks and opportunities, and the disclosure requirements to support the reporting process.

The Scheme has two sections. The KPS Money Purchase Section is open to current and new colleagues. The majority of members and assets are invested in the Default Strategy, which consists of 70% Passive Equity Fund and 30% Diversified Return Fund. Both funds are part of the Legal and General Investment Management (LGIM) Future World Fund range. The Passive Equity Fund is invested in the LGIM Future World Fund, which aims to hedge climate change risk by prioritising companies that invest in low-carbon innovation whilst reducing investment in carbon-intensive industries. The Diversified Return Fund is invested in the LGIM Future World Multi-Asset Fund and provides enhanced ESG integration, focusing on companies that are actively reducing carbon emissions and adopting strong ESG policies. The Scheme also receives quarterly updates from LGIM on stewardship activities.

The other section of the Scheme is the closed Final Salary Section. Whilst it mainly invests in government bonds and insurance buy-in policies, the Trustees have explored opportunities to invest in specific funds that support progress on sustainability and climate issues. This includes an investment in a global renewable energy fund.

Promoting pension literacy

The Scheme runs regular events and awareness campaigns to encourage more colleagues to think about their pension. In 2023, this included a series of webinars in conjunction with Legal and General to discuss different aspects of pension planning.

The Scheme provides access to the Tumelo app, allowing members to see their pension investments and engage with managers. It shows proposed shareholder resolutions and enables members to express their views. Over 1,000 members have registered, sharing opinions on governance, equality and environmental topics.



Cyber security

In recent years, there has been a rise in cyber attacks and security incidents. In response to cyber threat, we have designed processes and controls to protect the data entrusted to us and our business operations. All colleagues have a role to play in protecting data and guarding against cyber security threats.

Roles and responsibilities

Cyber security is one of our principal risks and receives Group Executive-level sponsorship and Board focus. It's an integral part of our IT strategy, with a three-year plan to continue to develop and evolve our capabilities to meet cyber threats.

Our Board receives regular updates on cyber security. Our Chief Information Security Office owns, develops and operates the cyber security strategy and reports to the Board annually. They report to our Chief Technology Officer who reports to our CEO.

Our approach

Our Information Security and Acceptable Use policies are approved by our Group Executive and supported by a suite of more detailed security standards. Our policies, standards and associated controls framework are aligned to international security standards such as ISO 27001 and the National Institute of Standards and Technology (NIST). We review and refresh our policies annually and update our guidance regularly, benchmarking our approach against industry best practice and reflecting changes in technology and new cyber security threats.

We continue to develop our technology risk framework to ensure we have a robust approach aligned to industry best practice. We are working to further strengthen our IT General Controls in response to the revised draft of the Financial Reporting Council's (FRC) UK corporate governance code. We have policies and processes in place to ensure we adhere to General Data Protection Regulation (GDPR) and other relevant regulations.

New technology developments go through a 'Secure by Design' process to ensure solutions are secure and compliant with regulations when deployed. We perform security assurance on our supply chain where a third-party processes our data, with robust security clauses in our contracts.

Remaining vigilant to cyber threat

We regularly review the cyber threats facing Kingfisher. We undertake frequent vulnerability assessments to identify and continue to deploy new processes and technology to protect our data and IT systems.

We have a robust major incident management process to respond to and manage security incidents and data breaches and have nominated a Cyber Executive Committee to lead our response in the event of a cyber security incident. We continue to conduct a programme of simulation exercises across the Group to further improve our readiness to respond.

Independent assurance

Our systems and processing of card payments in the UK are certified compliant to the Payment Card Industry Data Security Standard (PCI DSS) and have prepared for the evolved requirements of the PCI DSS v4, which come into force over the next year. An annual external audit of our systems is conducted. Our European card payments processes are also designed to meet the requirements of the standard.

We are regularly independently assessed to help us monitor progress against our cyber security maturity targets. Audit findings are reported to the Kingfisher Audit Committee.

Active industry involvement

We participate in industry and government forums to ensure we remain aware of the latest regulatory developments and cyber threats, and to share best practices.

We're a member of the Payment Card Industry Security Council and belong to the Cyber Security Information Sharing Partnership (CiSP), a joint industry and government initiative set up to exchange cyber threat information in real time. We continue to meet regularly with other retailers to discuss cyber threats, share insights and develop industry responses via the Retail Trust Group organised by the National Cyber Security Council (NCSC).

Enabling greater cyber awareness

We communicate our policies and remind all colleagues to keep security top of mind through regular security awareness campaigns throughout the year. Cyber security is included in our induction programme for all new colleagues with additional training for relevant roles.

We run regular phishing simulation exercises to encourage our colleagues to remain vigilant and invest in frequently refreshed interactive training materials to support their ongoing education around cyber security. Third parties completing IT development work are contractually required to educate their staff on cyber security.

Investing in cyber security skills

In 2023, we launched a Cyber Academy to build the skills we need to strengthen our approach to cyber security and support the ongoing significant skills shortages in the security industry. Working with an established apprenticeship provider, after completing a skills bootcamp we have taken on a number of school leavers from diverse backgrounds to complete a level 4 apprenticeship. On completion of the two-year rotation programme, we hope our apprentices will move into permanent roles with us or one of our partners.

Data protection

We hold customer, colleague and supplier data, and have a responsibility to collect, use and store it responsibly in line with national regulation and the EU GDPR. Our approach includes strong policies on data management and training for our people.

Clear policies and accountability

Our Group Data Protection Officer oversees our approach and reports to the Group General Counsel. Our Chief Financial Officer has overall executive responsibility for data protection and we have a data protection lead in each banner to help implement our Group policies in line with local requirements. Our Group Data Protection Officer reports to the Group Executive and Audit Committee twice a year on data protection.

Engaging our colleagues on data protection

Our data protection policies are easily accessible to colleagues via a dedicated Data Protection intranet page. Colleagues complete a module on data protection as part of the compliance training programme when they first join, followed by refresher training every year. This explains our key processes and how to protect personal

data and recognise and report personal data breaches.

Over 90% of our colleagues completed our data protection e-learning during 2023/24. This training explains how to protect the personal data of our customers and colleagues and how to recognise and report a personal data breach.

This year, we've also published a Generative AI policy, which has been communicated to colleagues and is available on our intranet.

Key data protection processes

When a business activity involves collecting and/or using personal data, colleagues are required to complete a Records of Processing Activity assessment. This helps us to ensure we're complying with GDPR requirements. If the business activity may involve handling personal data in such a way it might pose a risk to data subjects (individuals whose data we hold), colleagues are also required to complete a Data Protection Impact Assessment, which helps us to understand and mitigate personal data risks.

Suppliers that process personal data on behalf of Kingfisher must confirm that they comply with our data protection and information security policies, and this requirement is integrated into our contracts with data processors.

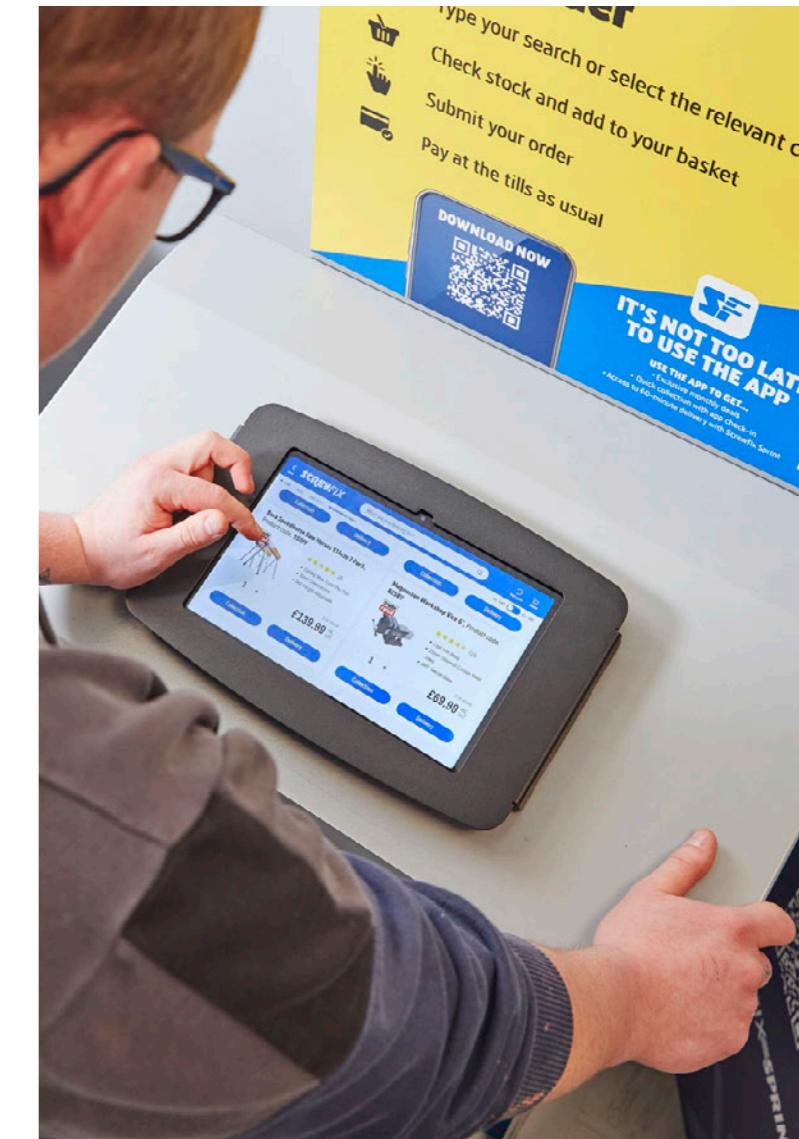
In certain cases, individuals have the right to access, rectify and delete any data we hold on them. We have a process in place for customers and colleagues to exercise their rights. Our data protection specialists work with colleagues throughout the business to apply our policies.

Responding to data breaches

Under the GDPR, we're required to report certain types of data breaches to the relevant regulator, such as the Information Commissioner's Office in the UK, and the affected individuals.

Our Data Protection team investigates personal data breaches to mitigate risks and determine if notification to the affected individuals and regulators is required. We have a data breach process where anybody in Kingfisher who becomes aware of an incident is expected to report it to the Data Protection team.

In 2024, we're updating the vendor engagement assessment which will automate part of the risk assessment and due diligence process from a data protection and cyber security perspective.



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 2023/24 and the Performance Data Appendix 2023/24 (together the "Report") for the reporting year ended 31st January 2024.

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 emissions: We found an error in the data consolidation of B&Q's LPG/propane used in forklift trucks, leading to a 51% understatement of the LPG consumption figure for this banner, which was corrected prior to inclusion of the data in this Report. This adjustment did not have a material impact on the overall Group-level GHG Scope 1 emissions data.

– Responsibly sourced wood and paper in products: We noted positive improvements in the governance, banner engagement and data collection process of Kingfisher's responsibly sourced wood and paper compliance in 2023/24.

We also note Kingfisher's Chain of Custody (CoC) evidence checking found non-material errors in the supplier claims, which resulted in a non-material restatement of EAN compliance status. These were not updated in Kingfisher's Wood and Paper Compliance Summary, signalling less effective controls to restate the vendor CoC or product certification claim. The restatements were actioned by Kingfisher prior to inclusion in this Report. We recommend Kingfisher documents its controls to oversee changes in compliance status.

– Supplier ethical audits: We noted a 51% increase in declared production sites compared to the previous reporting cycle, demonstrating strong efforts to increase visibility of Kingfisher's supply chain. Whilst we have noted this positive progress in 2023, we recommend Kingfisher continues to develop its strategic roadmap with time-bound objectives to gradually increase supply chain visibility further.

Selected Information

The scope and boundary of our work is restricted to selected 2023/24 key performance data included within the Report (the "Selected Information"), listed in the [Appendix](#).

Colleagues

– Gender diversity (page 17)

Planet: Climate change

- Property portfolio carbon intensity (page 19)
- Carbon emissions from direct haulage (dedicated store and home delivery fleets) (page 22)
- Carbon footprint – Scope 1, 2 and selected Scope 3 emissions (pages 19-21)
- Energy use (page 23)

Planet: Forest Positive

- Responsibly sourced wood and paper in products (page 24)

Customers

- Sustainable Home Products sales (page 26)

Communities

- Community investment (page 29)

Fundamentals: Responsible sourcing

- Supplier assessments (page 32-33)

Sustainability Targets

- Progress towards Sustainability Targets (page 6), with the exclusion of the below targets:
 - Training and apprenticeship,
 - Catalogue paper,
 - Forest Positive.

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used Kingfisher's Sustainability Data Collection Methodology 2023/24 (the "Criteria"), which can be found [here](#).

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.

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.

Use and Distribution of Our Independent Limited Assurance Report

This report is intended solely for the information and use of the Directors of Kingfisher and is not intended to be and should not be used by anyone other than these specified parties. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

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 management to obtain an

understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;

- Remote and onsite meetings with teams from two retail banners, Brico Dépôt (France) and B&Q (United Kingdom), to review processes and systems for preparing retail banner level data consolidated at Group level. For community investment, remote meetings were conducted with Brico Dépôt and B&Q, and the Group team responsible for Group reporting. 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 its Sustainability Targets;
- 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 did not come across limitations to the scope of the agreed assurance engagement.

We found a limited number of non-material errors and these were corrected prior to inclusion in the Report.



For and on behalf of DNV Business Assurance Services UK Limited
London, UK
25 June 2024

Deepthi Kumar Sugumar

Deepthi Kumar Sugumar
Lead Verifier
DNV Business Assurance Services UK Limited

Laura Dombi

Laura Dombi
Technical Reviewer
DNV Business Assurance Services UK Limited

DNV Business Assurance

DNV Business Assurance Services UK Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

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 multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities.

Our assurance relies on the premise that the data and information provided to us by Kingfisher have been provided in good faith.

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. We have not been responsible for the preparation of the 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 – senior management: Gender | | |
| | | Board – men (headcount) | 56 | % |
| | | Board – women (headcount) | 44 | % |
| | | Senior management total – men (headcount) | 71 | % |
| | | Senior management total – women (headcount) | 29 | % |
| | | Diversity – all employees: Gender | | |
| | | Total employees – men (headcount) | 57 | % |
| | | Total employees – women (headcount) | 43 | % |
| | | All management positions – men (headcount) | 60 | % |
| | | All management positions – women (headcount) | 40 | % |
| Planet – Climate Change | Carbon footprint – Scope 3 GHG emissions | Category 1 Purchased goods and services | | |
| | | Category 1.1 Purchases and procurement (GFR) | 3,117,473 | tonnes CO ₂ e |
| | | Category 11 Use of sold products | | |
| | | Category 11.1 Energy using products | 13,507,213 | tonnes CO ₂ e |
| | Carbon footprint – intensity | Property market-based footprint relative to floor space | | |
| | | Scope 1 and 2 market-based carbon footprint relative to floor space | 8.90 | kg CO ₂ e/m ² reported floor space |
| | Carbon footprint detail: Carbon footprint – Scope 1 and 2 | Scope 1 | | |
| | | Property: gas and other fuels | 59,890 | tonnes CO ₂ e |
| | | Haulage: dedicated store and home deliveries | 37,043 | tonnes CO ₂ e |
| | | Scope 2 | | |
| | | Property: purchased electricity and heat (market-based) | 10,763 | tonnes CO ₂ e |

| Pillar | Area | Indicator | Reported Value | Unit |
|--|---|--|----------------|---|
| Planet – Climate Change | Total footprint: Carbon footprint – totals by Greenhouse Gas Protocol scope | Total footprint: Carbon footprint – totals by Greenhouse Gas Protocol scope | | |
| | Scope 1 total | Scope 1 total | 96,933 | tonnes CO ₂ e |
| | Scope 2 total (market-based) | Scope 2 total (market-based) | 10,763 | tonnes CO ₂ e |
| | Scope 1 and 2 total (market-based) | Scope 1 and 2 total (market-based) | 107,696 | tonnes CO ₂ e |
| | Total energy consumption | Total energy consumption | 953 | GWh |
| | Total energy intensity | Total energy intensity | 120 | kWh/m ² reported floor space |
| Haulage: Scope 1 haulage breakdown – dedicated fleet vehicles | Dedicated fleet vehicles – store deliveries | Dedicated fleet vehicles – store deliveries | | |
| | GHG emissions Scope 1 | GHG emissions Scope 1 | 18,898 | tonnes CO ₂ e |
| | Dedicated fleet vehicles – home deliveries | Dedicated fleet vehicles – home deliveries | | |
| | GHG emissions Scope 1 | GHG emissions Scope 1 | 18,075 | tonnes CO ₂ e |
| Planet – Forest Positive | Responsibly sourced wood and paper in products | Total wood and paper (all banners) | 30,345 | number of SKUs purchased |
| | | Responsibly sourced wood and paper (all banners) | 29,320 | number of SKUs purchased |
| | | Responsibly sourced wood and paper (all banners) | 96.6 | % of SKUs purchased |
| Customers | Sustainable Home Product sales (total) | All Sustainable Home Products, Sales £m | 6,433 | £ million |
| | | All Sustainable Home Products, % of retail sales | 49.4 | % |
| Communities | Community investment (£ donated) | Cash donations | 3,895 | £ thousand |
| | | In-kind contributions | 953 | £ thousand |
| | | Employee time | 591 | £ thousand |
| | | Management costs | 683 | £ thousand |
| | | Total community investment | 6,122 | £ thousand |
| | | Total fundraising and other leverage | 2,427 | £ thousand |
| | People and organisations helped | Number of people who directly benefited from our community contributions | 1,166,910 | number |
| Responsible Sourcing | Supplier assessments – GFR | Total number of suppliers | 2,739 | number |
| | | Total number of declared production sites supplying us with finished goods | 4,226 | number |
| | | High inherent risk production sites that have completed an audit at some stage in the past two years | 1,783 | number |
| | | Total number of declared production sites which meet audit and disclosure requirements | 3,598 | number |
| | Audit non-conformances | Number of sites that have had at least one business-critical non-conformance or equivalent in the past two years | 97 | number |

| Sustainability Targets | Pillar | Target | Kingfisher Summary |
|-------------------------------|-------------|--|---|
| | Colleagues | Improve gender balance to 35% women in senior leadership and 40% women in management by 2025/26. | We've now reached 28.6% women in senior leadership (2022/23: 25.8%) and 39.6% in management (2022/23: 38.9%). |
| | Planet | 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 £m of turnover compared with 2016/17 and 2017/18 respectively. | We have reduced absolute Scope 1 and 2 (market-based) emissions by 62.0% since 2016/17. We are currently exceeding our target. We have reduced our Scope 3 emissions intensity from the supply chain and customer use of products by 41.6% since 2017/18. We are currently exceeding our target. |
| | | Reach net zero emissions for our operations (Scope 1 and 2) by the end of 2040/41. | Achieving our science-based carbon reduction target is the first step towards net zero. |
| | | Achieve 100% responsibly sourced wood and paper for our products and catalogues by 2025/26. | 96.6% of wood and paper in our products was responsibly sourced (2022/23: 94.5%). |
| | Customers | Attain 60% of Group sales from our Sustainable Home Products (SHP), including 70% of sales for our Own Exclusive Brand products (OEB) by 2025/26. | In 2023/24, 49.4% of our total Group sales came from SHP (2022/23: 46.8%). For our OEB ranges, the figure is 60.1% (2022/23: 56.4%). |
| | Communities | Help more than two million people whose housing needs are greatest by 2025/26. | Our projects have reached over 3.2 million people since 2016/17. |

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



castorama The castorama logo, with the brand name in blue and a blue arrow pointing to the right.



SCREWFIX

