

Teach-in

E-commerce & Technology
Responsible Business

5 JULY 2022



Welcome

Maj Nazir, Group Investor Relations Director

Teach-in, 5 July 2022

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Introduction

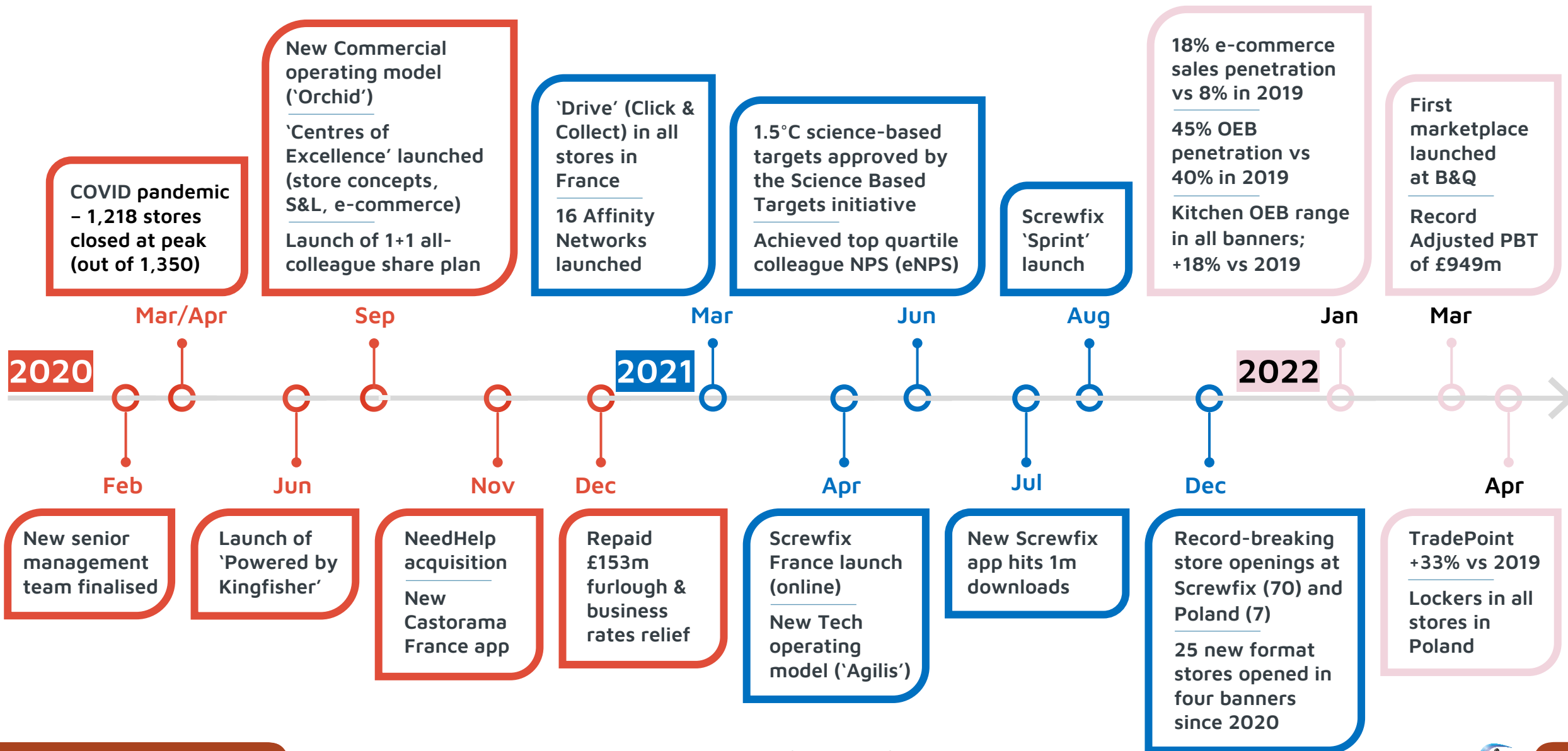
Thierry Garnier, Chief Executive Officer

Teach-in, 5 July 2022

Our journey over the last 3 years



Clear market share gains -
c.10% revenue CAGR⁽¹⁾ vs c.4% market CAGR



(1) Represents Kingfisher Group total sales CAGR between FY 19/20 and FY 21/22 (in constant currency and excluding Russia)





Video – ‘Powered by Kingfisher’

We've delivered against strategic priorities ahead of schedule



Grow by building on our different formats in existing and new markets



Grow **e-commerce** sales via speed and choice



Build a mobile-first, service orientated customer experience



Differentiate and grow through own exclusive brands (OEB)



Develop compact store concepts and adapt our store footprint



Move to balanced, simpler local-group operating model with an agile, inclusive culture



Lead the industry in **Responsible Business** practices



Source and buy better, reduce our costs and our inventory



Focus of the 'Teach-in' today

Today's agenda and speakers



E-commerce & Technology

- speed and choice –
the 'engines' of our
e-commerce growth

1

Introduction



JJ Van Oosten

2

Agility



Sienne Veit

3

Speed & convenience



Paddy Earnshaw

4

Choice



Marc Vicente



Responsible Business

- at the heart of
everything we do

5

Colleagues



Kate Seljeflot

6

Planet



Kathryn Thomas



Chris Guest

7

Customers



Valéry Cussenot

A man with a beard and glasses, wearing a blue and red striped long-sleeved shirt, is sitting at a wooden desk. He is looking at a computer monitor and has his hand on his chin in a thoughtful pose. The desk is cluttered with papers, a keyboard, a mouse, and a green desk lamp. A window with a view of greenery is in the background.

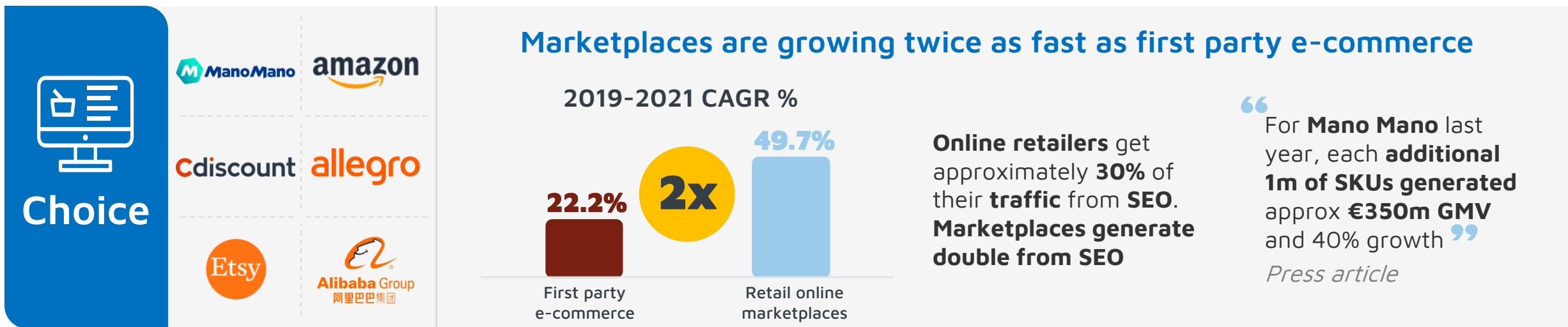
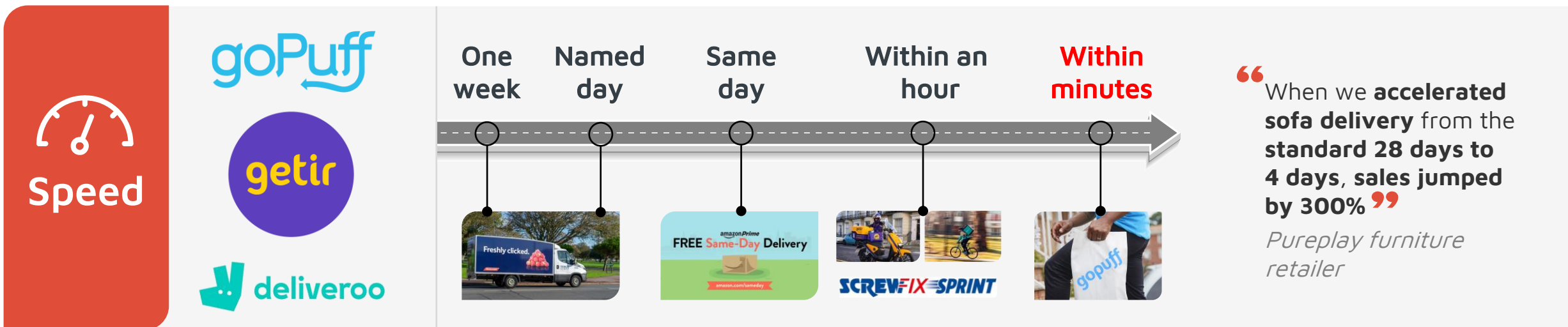
E-commerce & Technology

Speed & choice - the 'engines' of our e-commerce growth

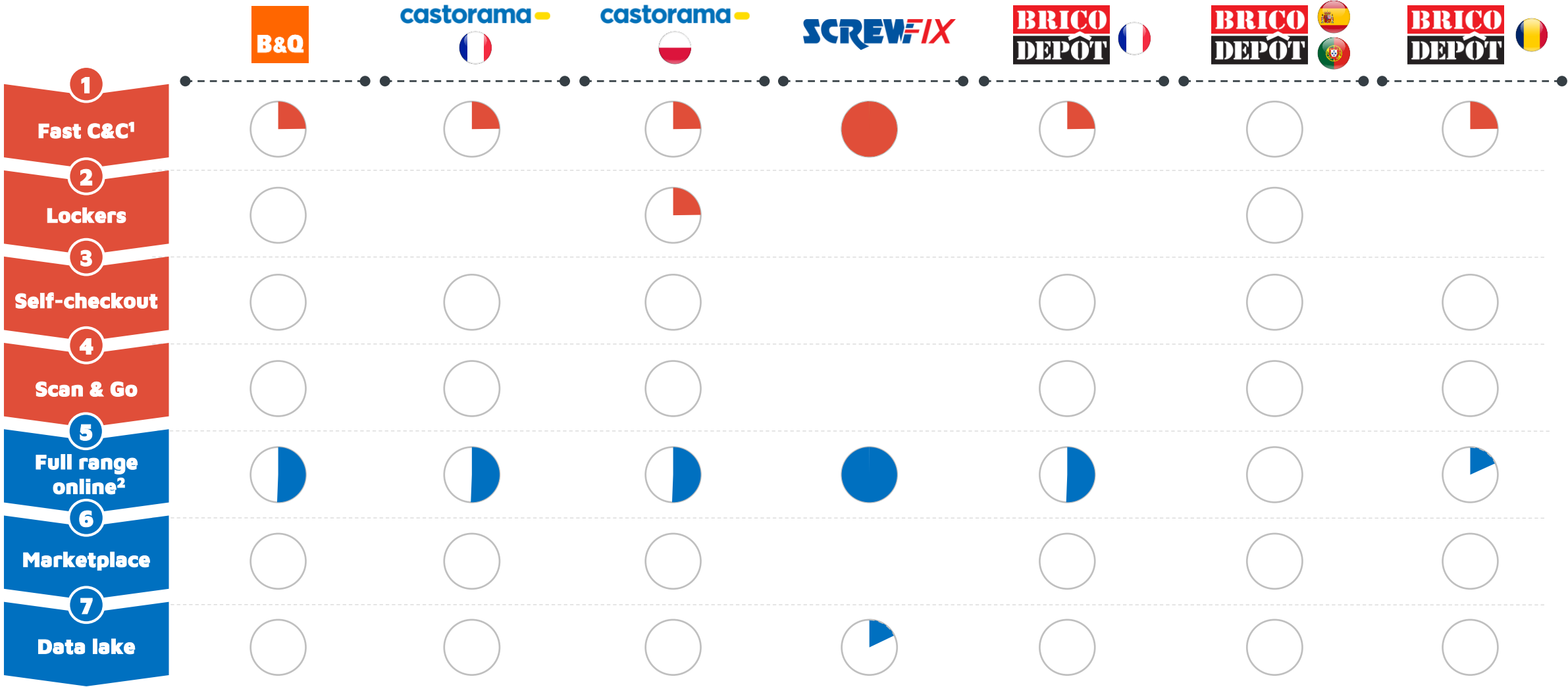
JJ Van Oosten, Chief Digital and Technology Officer

Teach-in, 5 July 2022

Speed and choice are driving retail growth



In 2019, our e-commerce propositions were underdeveloped

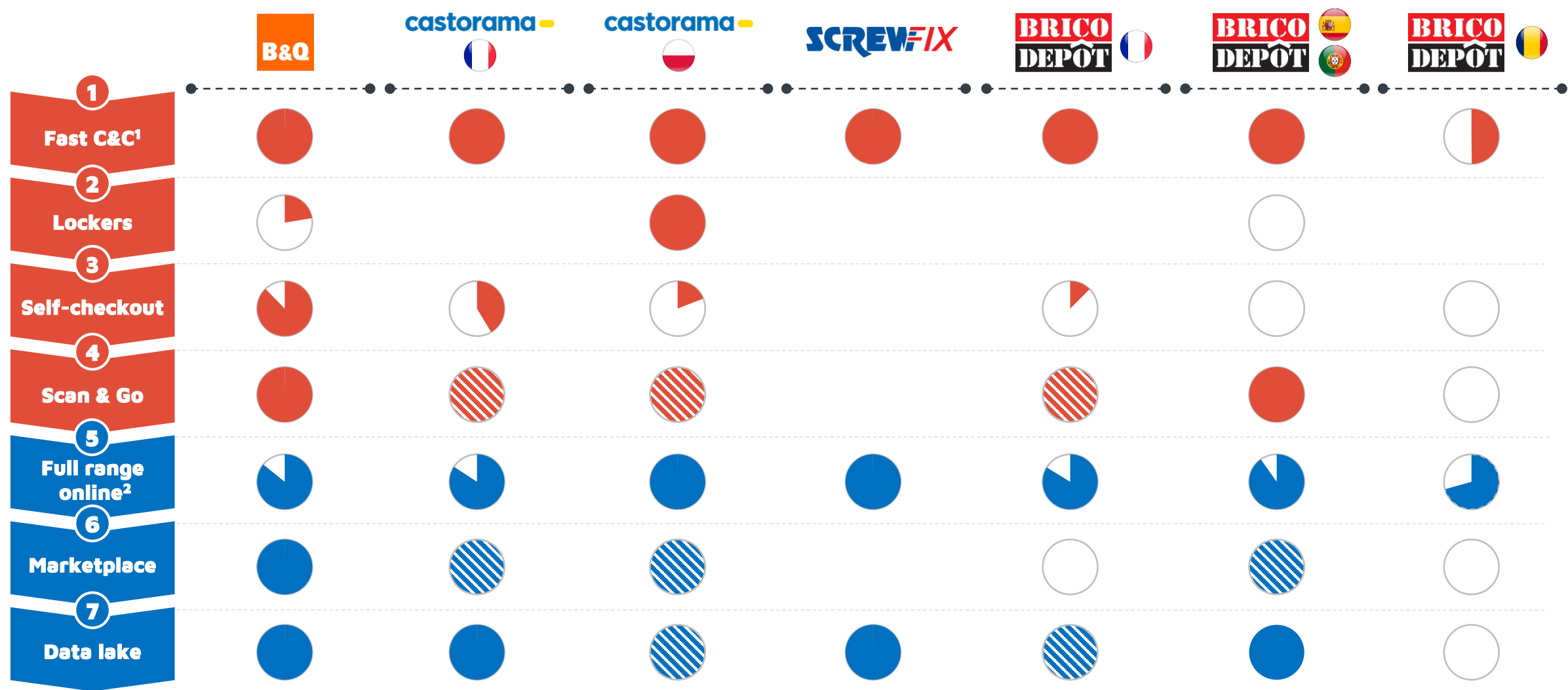


● ● Complete

(1) Fast C&C is within 2 hours; (2) Full range excluding heavy construction materials



In 2022, our customer proposition has evolved significantly



● ● Complete
 ▨ ▨ In implementation phase

(1) Fast C&C is within 2 hours; (2) Full range excluding heavy construction materials

Stores are key to providing speed for C&C and home delivery



Crawl – Q2 2020



- Stores at the centre
- C&C full range
- Paper/analogue picking process



- 89% all orders picked from stores (1.5 million)
- 87% e-commerce orders are C&C
- 68% of all Home Delivery orders are fulfilled from stores



Walk – Q3 2021



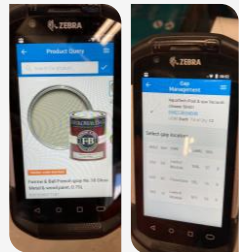
B&Q **digital hubs**



Lockers in Castorama Poland



'Drive' in all stores in France



Digital picking process



Run – Q4 2021



C&C in 1 min with Screwfix app

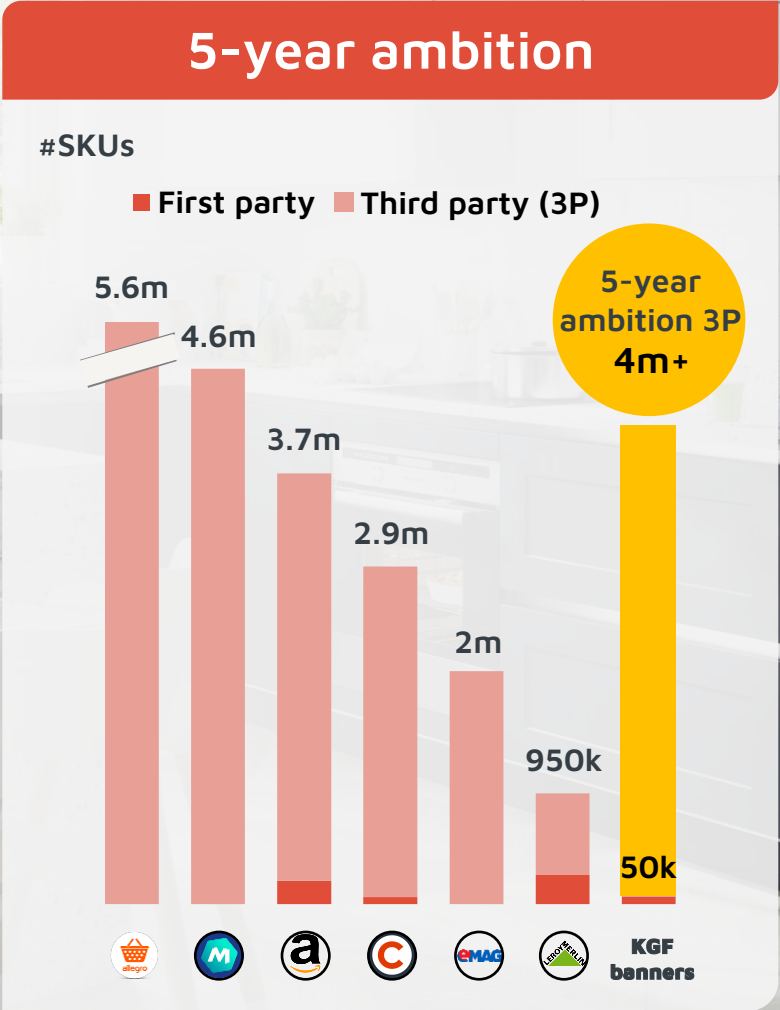


Delivery in 60 minutes with Screwfix 'Sprint'



'Design from picture' and room scanning **on mobile**

Home Improvement is a world of choice and our banners already have significant online traffic



Leveraging 'Powered by Kingfisher' to scale our marketplace



**Kingfisher banners
are not the same.
This is a strength**

Each banner
establishes their own
commercial strategy
and customer
proposition

Local revenue
model

Expert business
development and
operations teams
in banners



**A clear vision to
build customer
propositions**

Combined 1P & 3P
value proposition

Expand customer
choice in existing and
new categories



**We will 'power'
these banners
as a Group**

Group business
development teams
recruit international
merchants

Powered by:
a universal CRM and
ecosystem of services

Supported by
analytics & insights



**Simpler
and leaner**

**Banners →
customer value
proposition**

**Group →
merchant value
proposition**

Group acts as a
catalyst that brings
velocity at a lower
cost to banners



Speed and choice required deep tech & data transformation

Monolithic technology and waterfall approach



Requirements



Design



Development



Testing

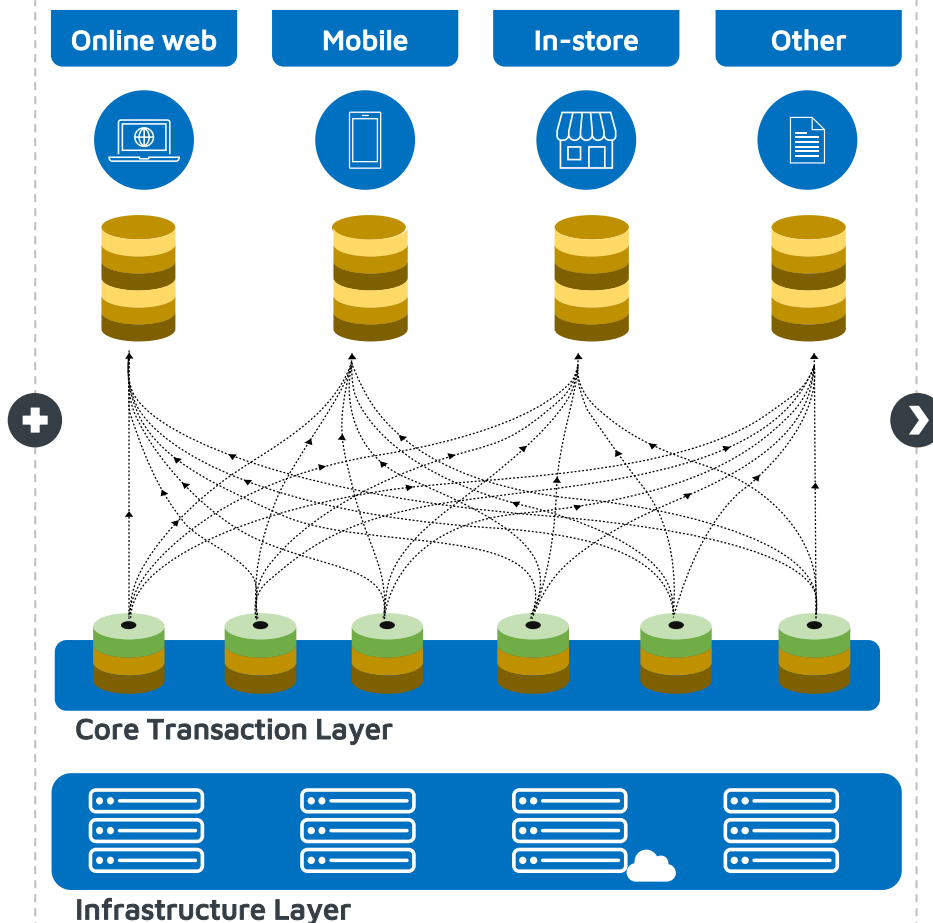


Deployment



Maintenance

Inflexible and static e-commerce environment



Speed

Big-box delivery times



No same-day, next-day or named-day delivery

Tech



Not scalable

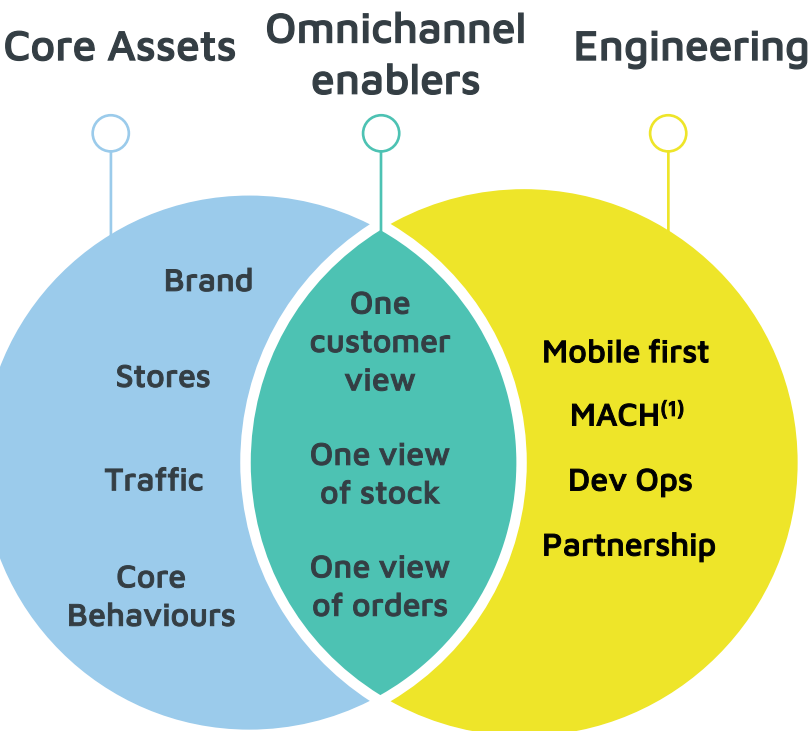
No single view of orders, customers or stock

Not B2B2C

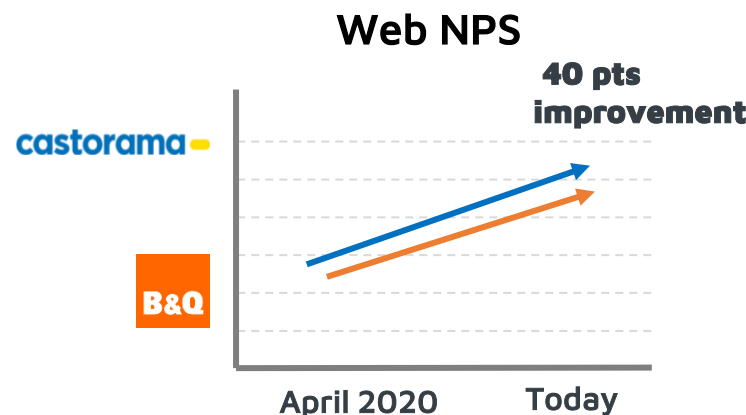


The digital transformation leverages key capabilities to deliver better customer experiences and propositions

Capabilities

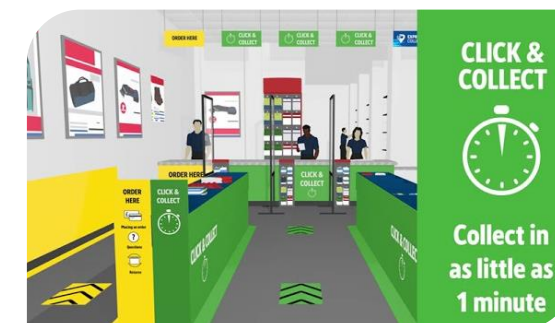


Customer experience improvements

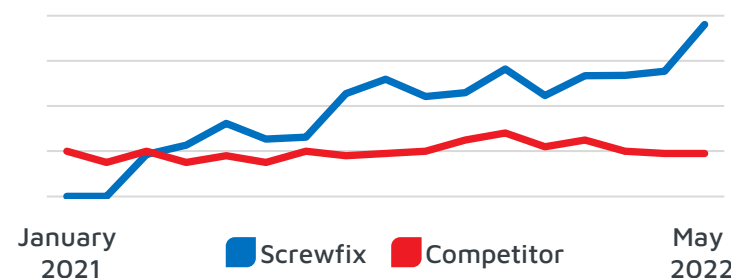


Customer proposition

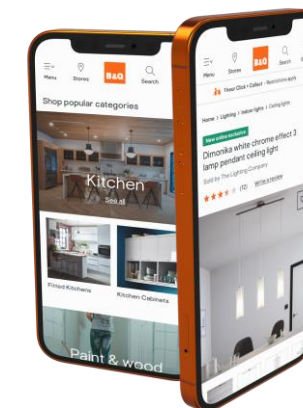
Screwfix C&C 'express lane'



Screwfix app monthly active users vs closest competitor



B&Q marketplace



E-commerce sales are profitable today and we are developing additional sources of income



E-commerce sales are profitable



Our Group gross margin % is relatively high



89% of e-commerce orders are picked & packed in stores, leveraging existing assets



87% of our e-commerce orders are C&C – more profitable than home delivery



The average basket for an e-commerce order is > the average basket of an in-store purchase



And we've identified additional sources of income



Marketplace



Data monetisation / Adtech



Subscriptions & delivery pricing



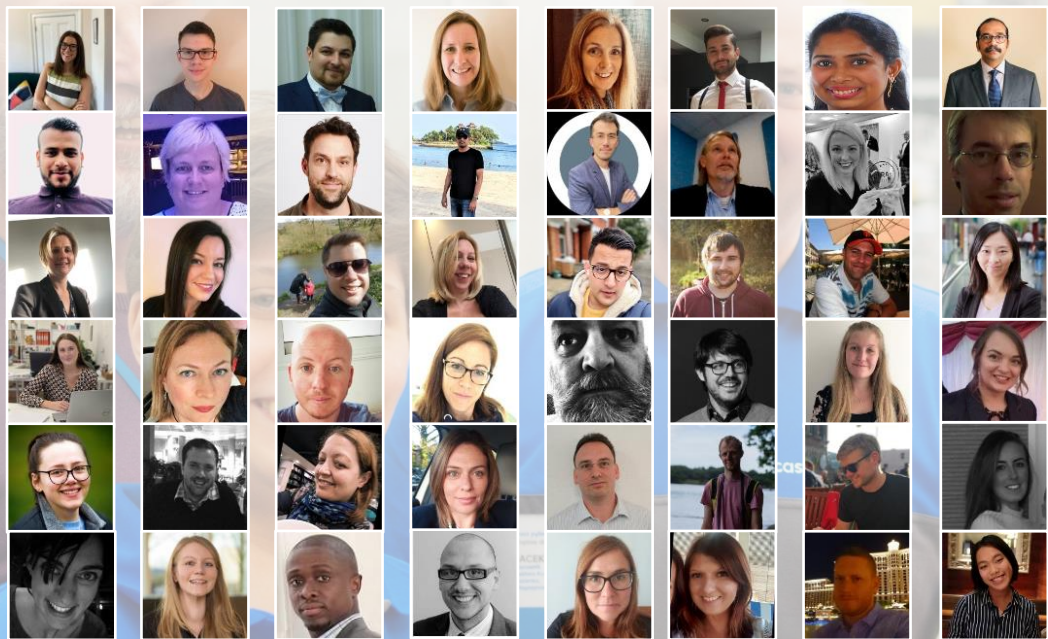
We've brought in talent and expanded capabilities at Group and banner level to help drive this transformation



We've upskilled our teams across data, product, e-commerce, marketplace, digital marketing and engineering capabilities



We've had significant success in recruiting talent & expertise from leading tech and retail companies





Agility

Our approach to delivering technology-based solutions

Siennie Veit, Product and Platform Director

Teach-in, 5 July 2022

We unlock speed and scale in cross functional teams working iteratively



A **product** is a continuing source of value for our customers and banners



Cross functional teams with customers at the heart

Product, design, engineering and delivery together

Teams solve problems together

Build sustainable capability and ownership



Components & cloud to go faster

Small components & real-time data

Smaller changes made more frequently

Cloud scales on demand as needed



Aligned outcomes delivered iteratively

'North Star' and OKRs (objectives and key results) methodology







Prioritization based on customer & strategic value

Iterative delivery



We power speed and choice across eight domains






1 Browse & find products

 bloomreach
 opentext™
 riversand™
 monetate
 MARXENT
 Optimizely







2 Marketplace

 MIRA KL
 salesforce
 HYPERWALLET

3 Account, basket, checkout

 commercetools
Platform Documentation
 TrustArc
 Ping Identity®
 ORACLE®
 AIRSHIP




4 Payment

 Google Pay
 Apple Pay
 tcs OmniStore™
 PayPal
 3XCB
by Cofidis
 Payoneer

5 Order Management

 fluentcommerce








6 Picking, store orders & ops

 SAP
 DigitalColleague


7 Fulfilment

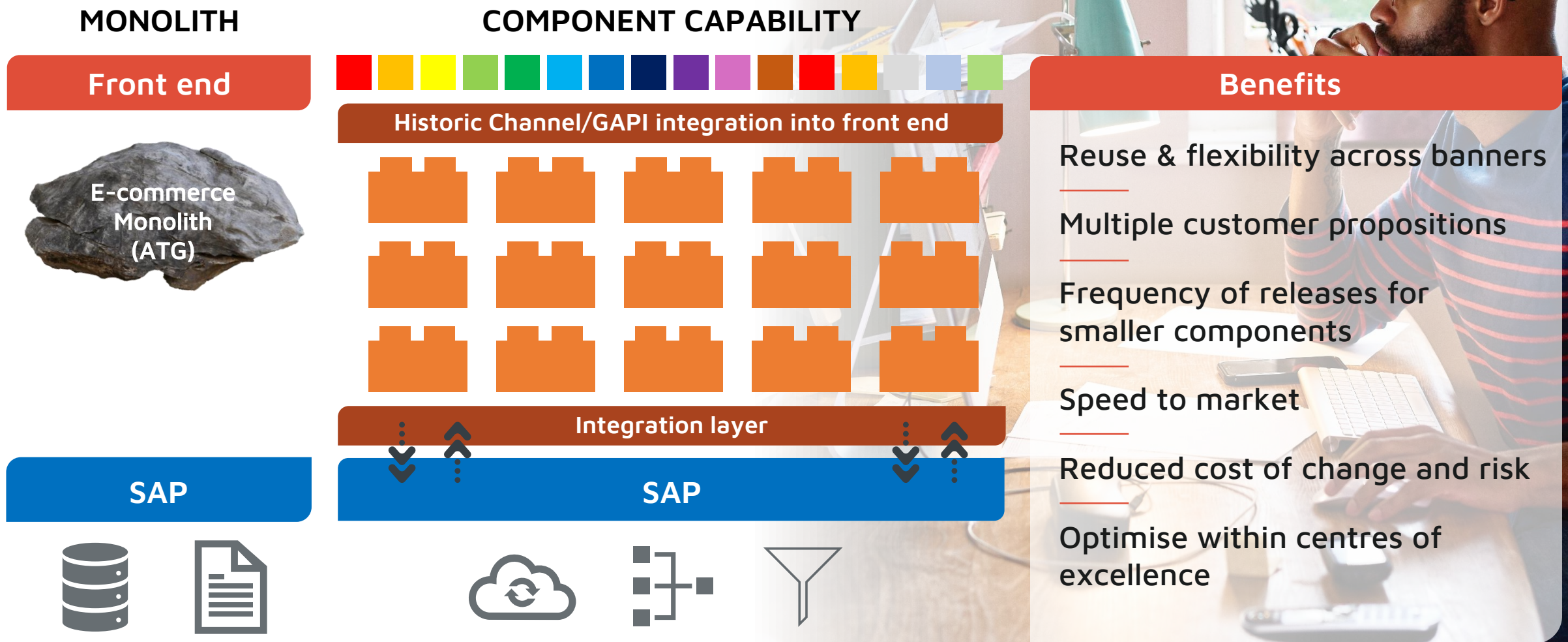
 centiro
 Paragon
 METAPACK


8 Data

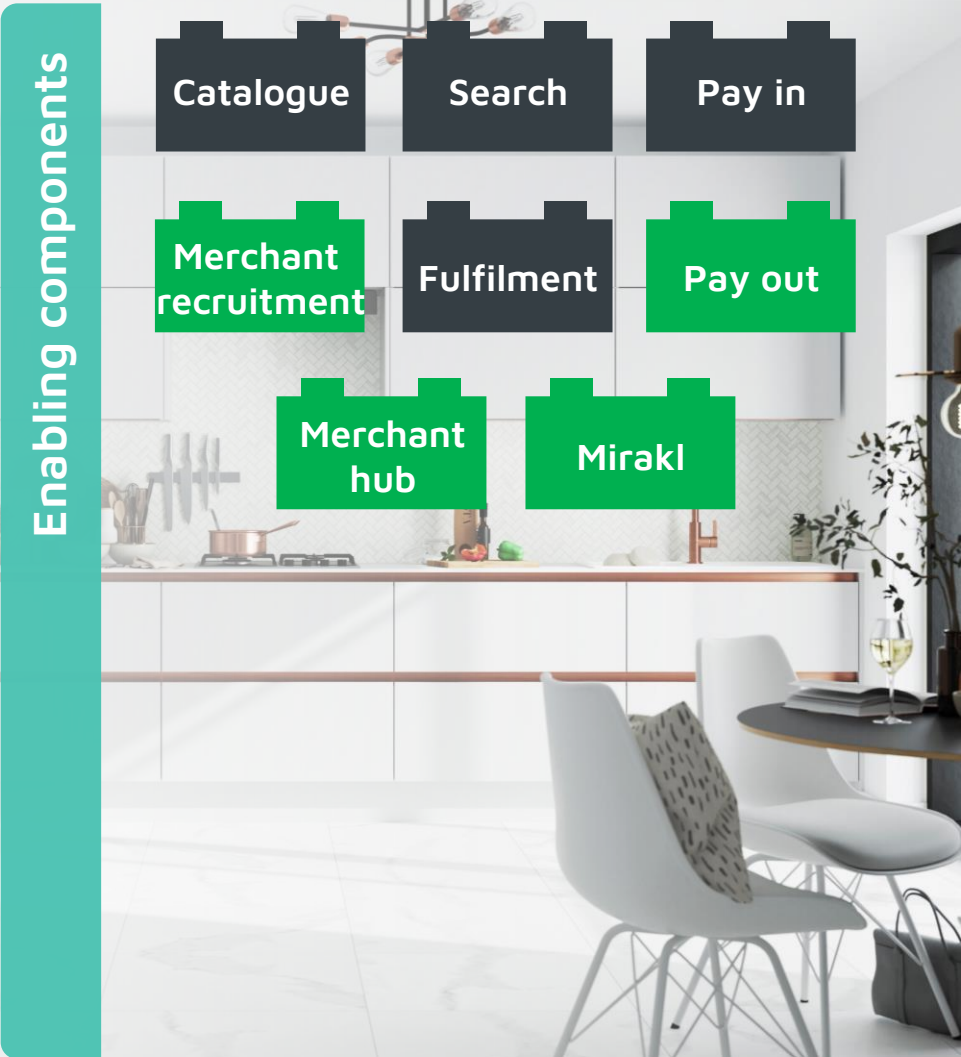
 Databricks
 Collibra
 CONTENT SQUARE
 Power BI
 python™
 Google Marketing Platform
 braze



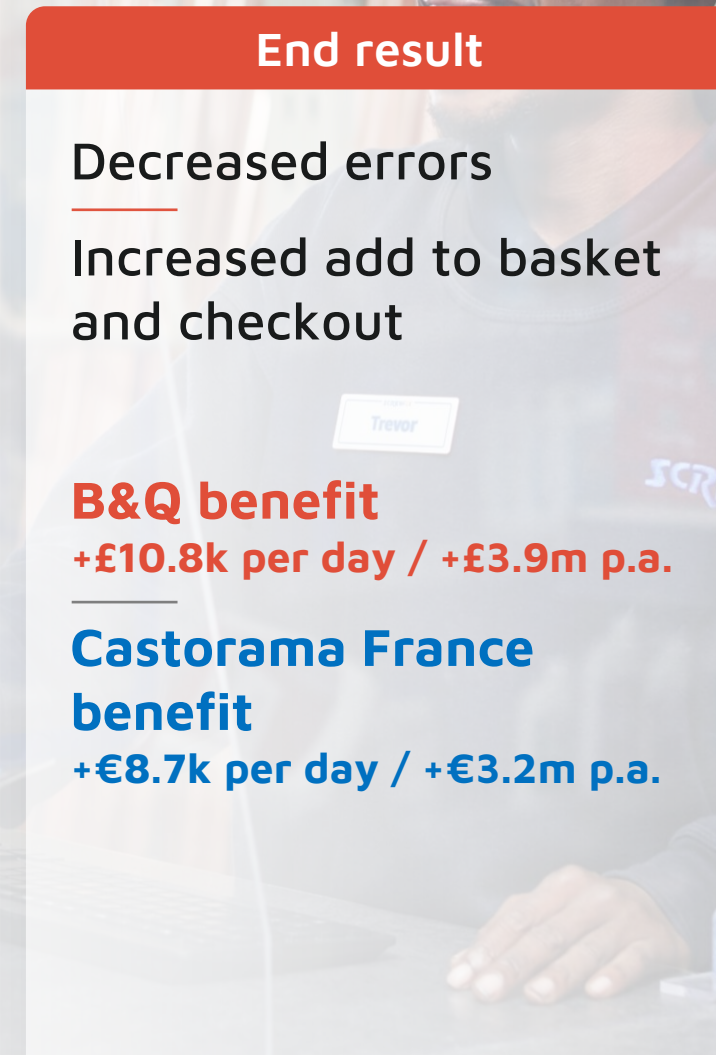
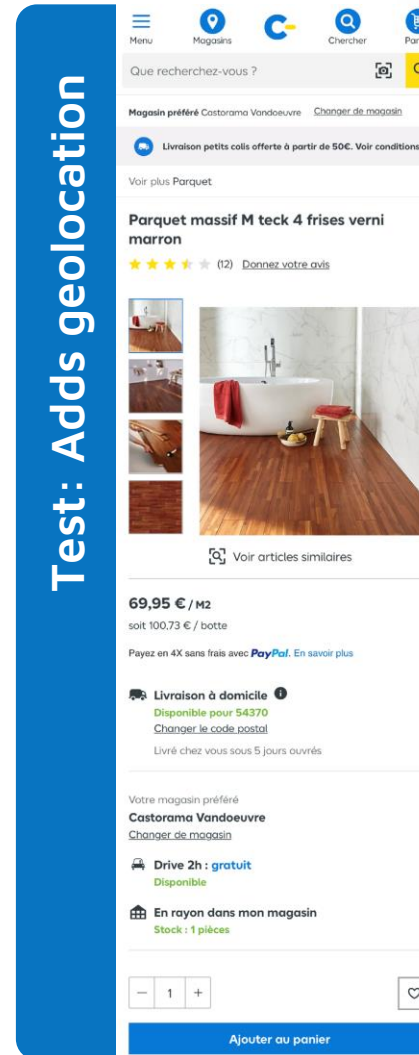
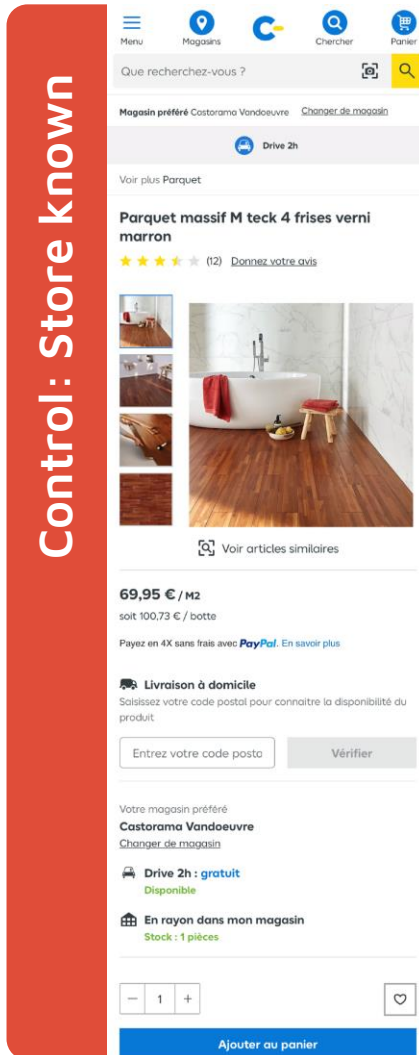
We power our banners with 'Lego bricks' of capability



New capability unlocked: enabling marketplace



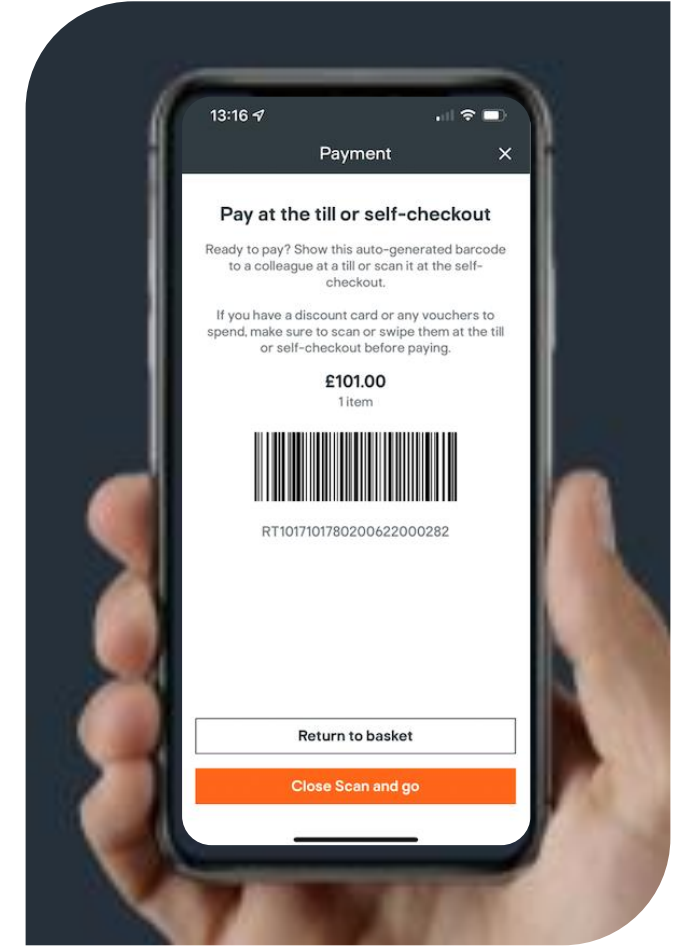
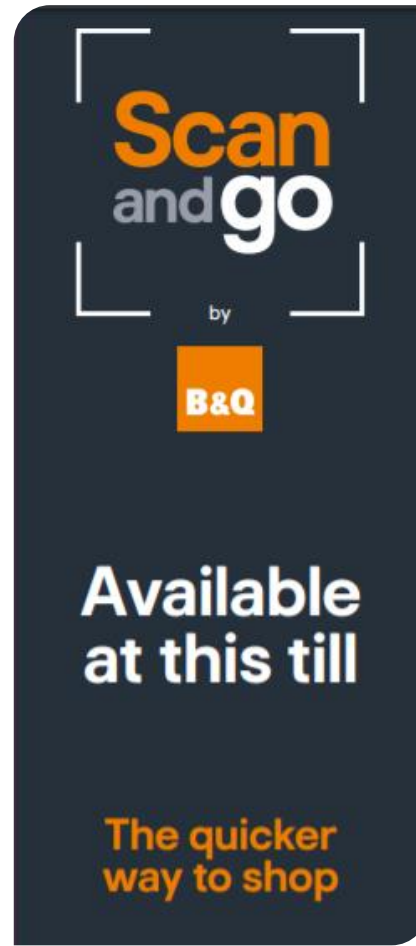
A/B testing to drive value faster



Note: **A/B testing** is an experiment where two or more variants of a page are shown to users at random, and statistical analysis is used to determine which variation performs better for a given conversion goal



Prototyping increases speed to market of digital products



Note: **Prototyping** is an experimental process where design teams implement ideas into tangible forms from paper to digital. Teams build prototypes of varying degrees of fidelity to capture design concepts and test on users. With prototypes, you can refine and validate your designs so your brand can release the right products

We have significant opportunities through our investment in data

Data Powering Growth



>6m new identifiable customers
(+28% vs pre-pandemic)

Grow lifetime value through **loyalty**



Personalised, real-time
customer communications

Improved **media mix** and spend



Range harmonisation & optimisation
Space optimisation

Data Powering Profit



Smart markdowns and clearance
Promotions effectiveness



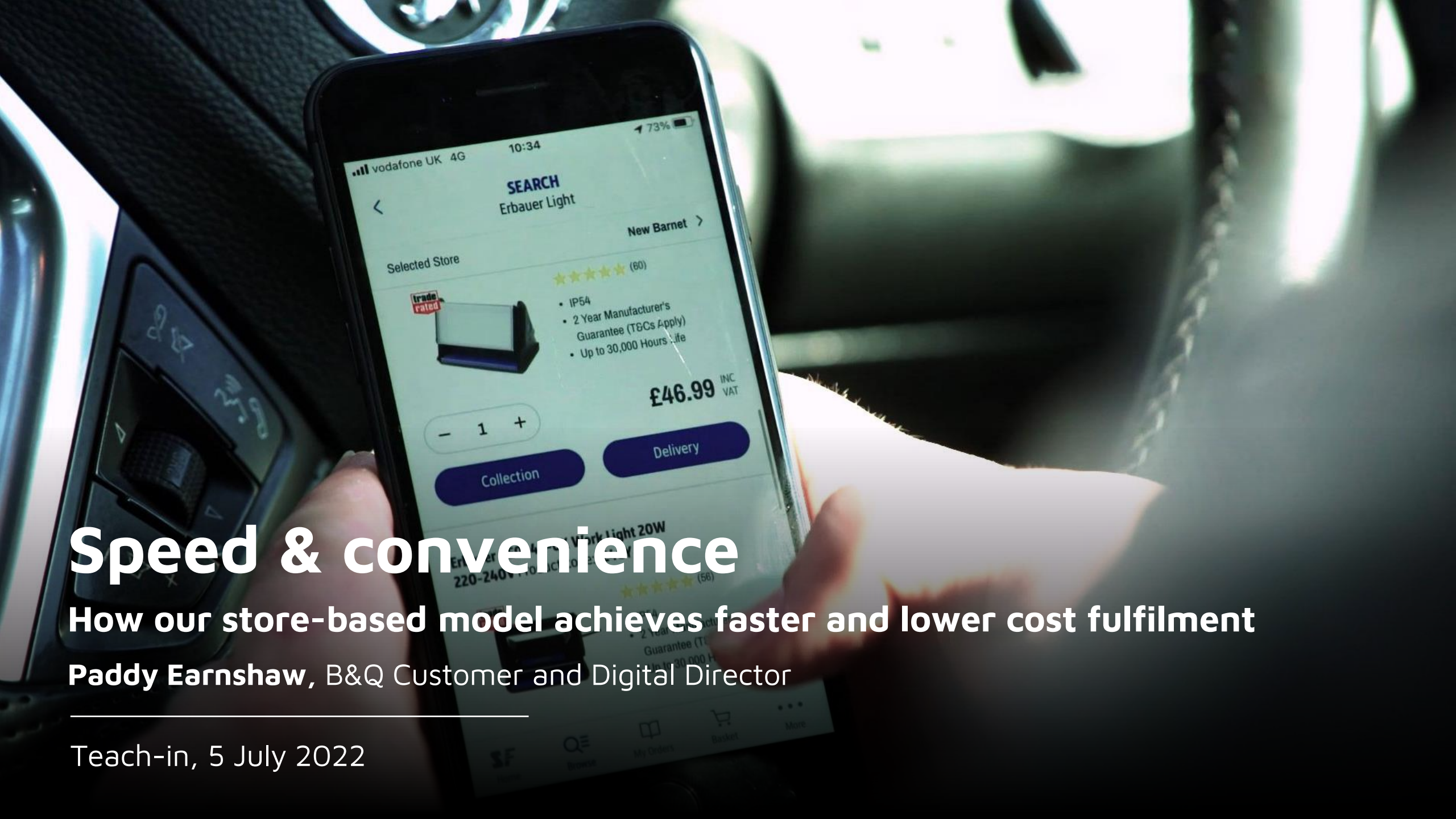
Supply chain visibility in real time
to optimise fulfilment and availability

Realtime **stock visibility**

Demand-led **stock optimisation** and
replenishment online & in stores



Data monetization creates new
sources of value















Speed & convenience

How our store-based model achieves faster and lower cost fulfilment

Paddy Earnshaw, B&Q Customer and Digital Director

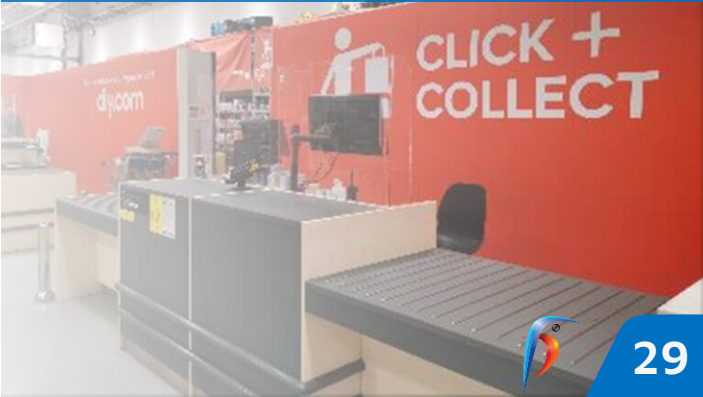
Teach-in, 5 July 2022

1,500 stores offer advantages for speed and convenience

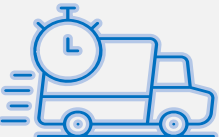




























		Click & collect						In store
		Speedy same day	Extended range next day	Named day	Lockers	Speedy drive thru	Collection points	Scan & Go
		<div></div>	<div></div>					
		<div></div>	<div></div>		<div></div>	<div></div>		<div></div>
castorama		<div></div>	<div></div>	<div></div>		<div></div>	<div></div>	<div></div>
castorama		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
		<div></div>				<div></div>		<div></div>
		<div></div>						<div></div>
		<div></div>						
Competitors								
Online pureplay					<div></div>		<div></div>	

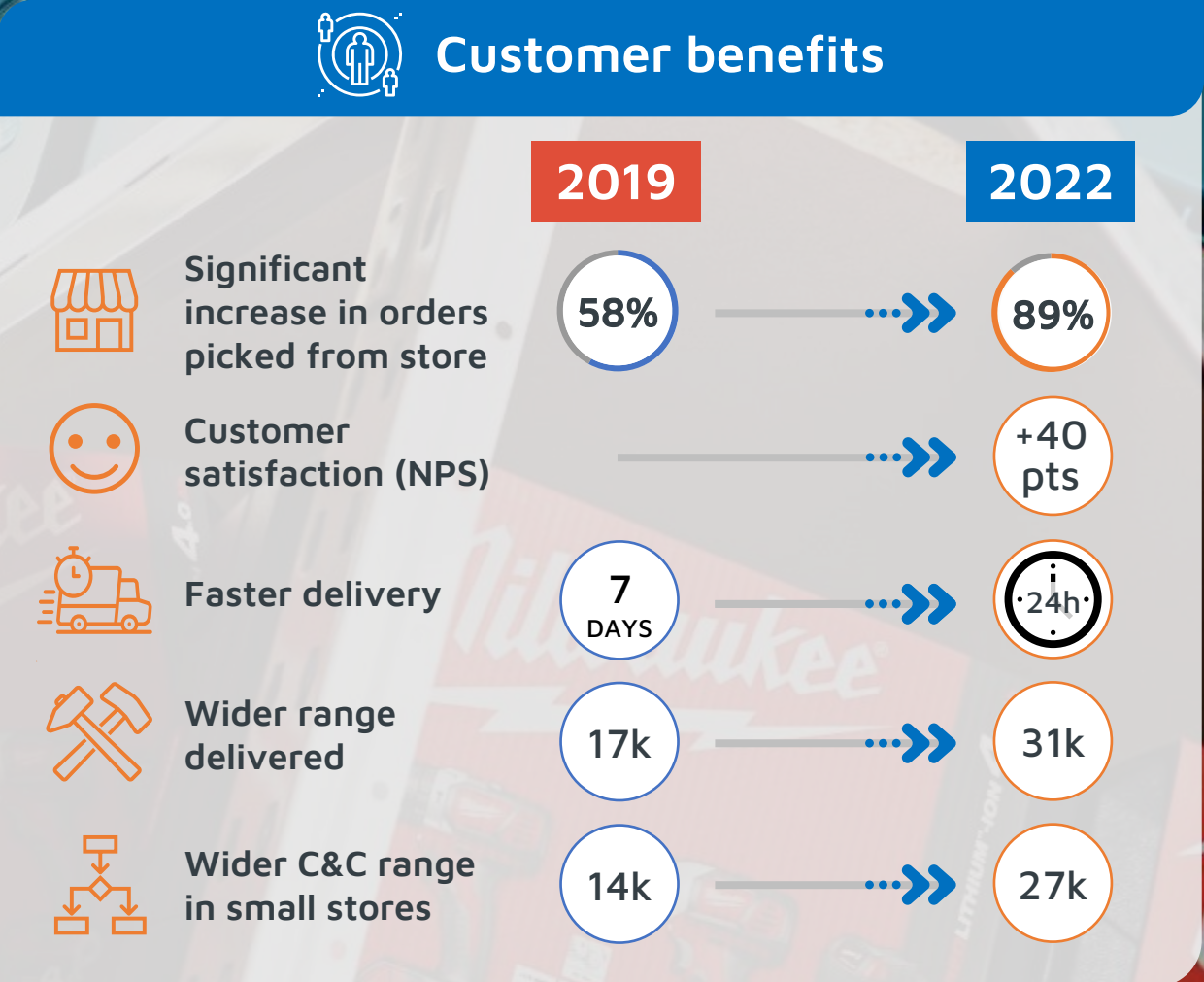


87%
of orders across Kingfisher are click & collect



Delivery from store enhances customer choice and speed

	Home delivery		
	Speedy same day	Extended range next day	Named day
 			
  			
 			
 			
 			
 			
 			
Competitors			
Online pureplay			



Stores at the heart of e-commerce unlocks efficiencies

Leveraging store assets
to create value

Loading
bay

Dark
store

2k
products

Customer-
facing store

40k
products

Optimised
operation

Hybrid store
format

Unlocking operational
efficiencies



Pick time
improvements



Reduced stock
investment



Closer to customer



Reduced set-up cost



Maximises space





Video – Screwfix Sprint

Screwfix - the fastest C&C and last-mile delivery in our industry

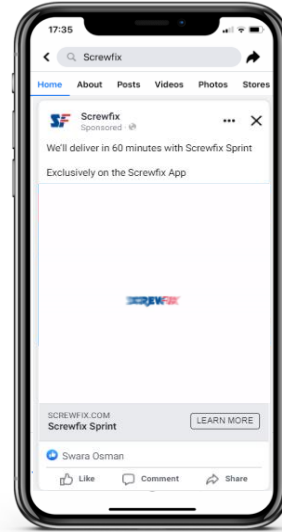
If you're too busy, we'll come to you



DELIVERY IN JUST 60 MINUTES



OVER 9500 PRODUCTS AVAILABLE



NO MINIMUM SPEND



TRACK YOUR ORDER RIGHT TO YOUR DOOR



EXCLUSIVELY ON THE SCREWFIX APP

Agile launch...

40% UK coverage from 275 stores

44.5 Customer NPS

+47% Shopping spend from best Sprint customers

Customer verbatims



“It took 25 minutes from ordering to delivery! I was on the phone recommending to a friend straight away”

“The amount of time this service saves me pays for itself 10x over”

Expansion...



Increase UK **coverage** (+37 locations in July)

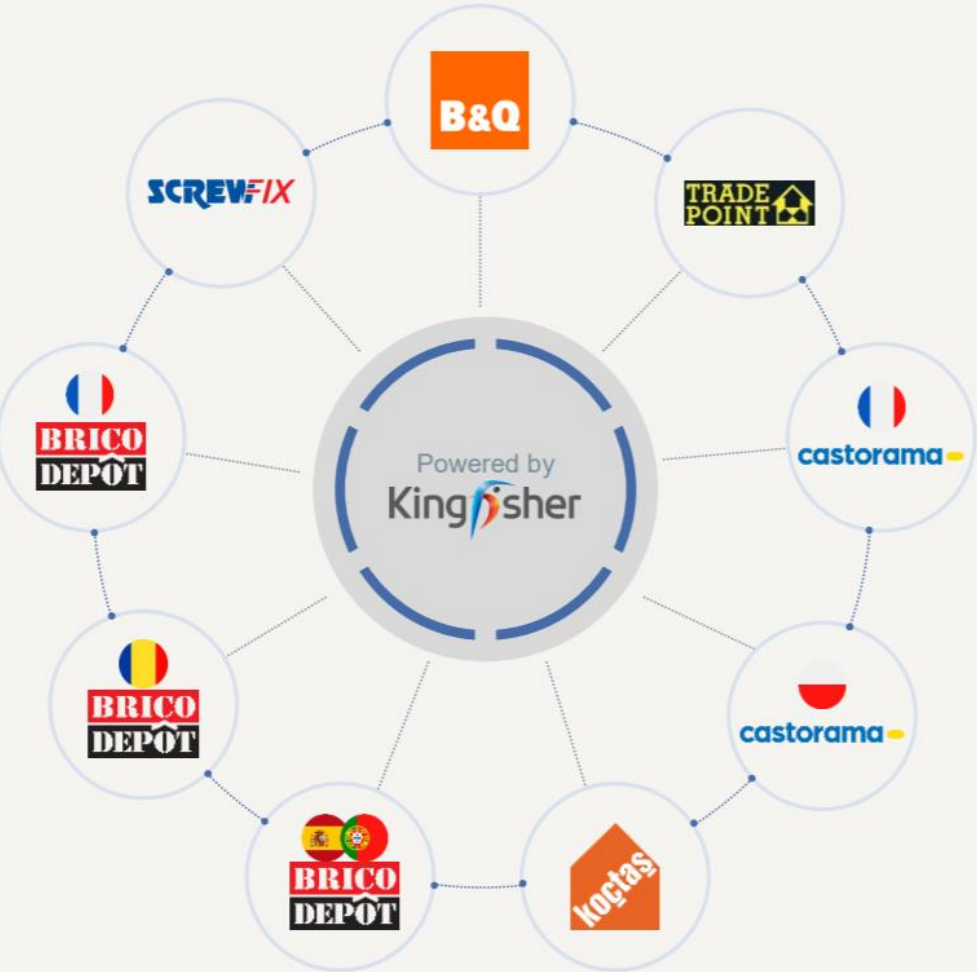


Available through **all channels** (not just the app)



Targeted marketing to accelerate growth and **app downloads**

Group e-commerce Centre of Excellence drives faster online growth across banners



Powered by Kingfisher

Group Centres of Excellence



Marketplace



E-commerce



Data

Banners

Decisions linked to individual market and customers



Customer proposition



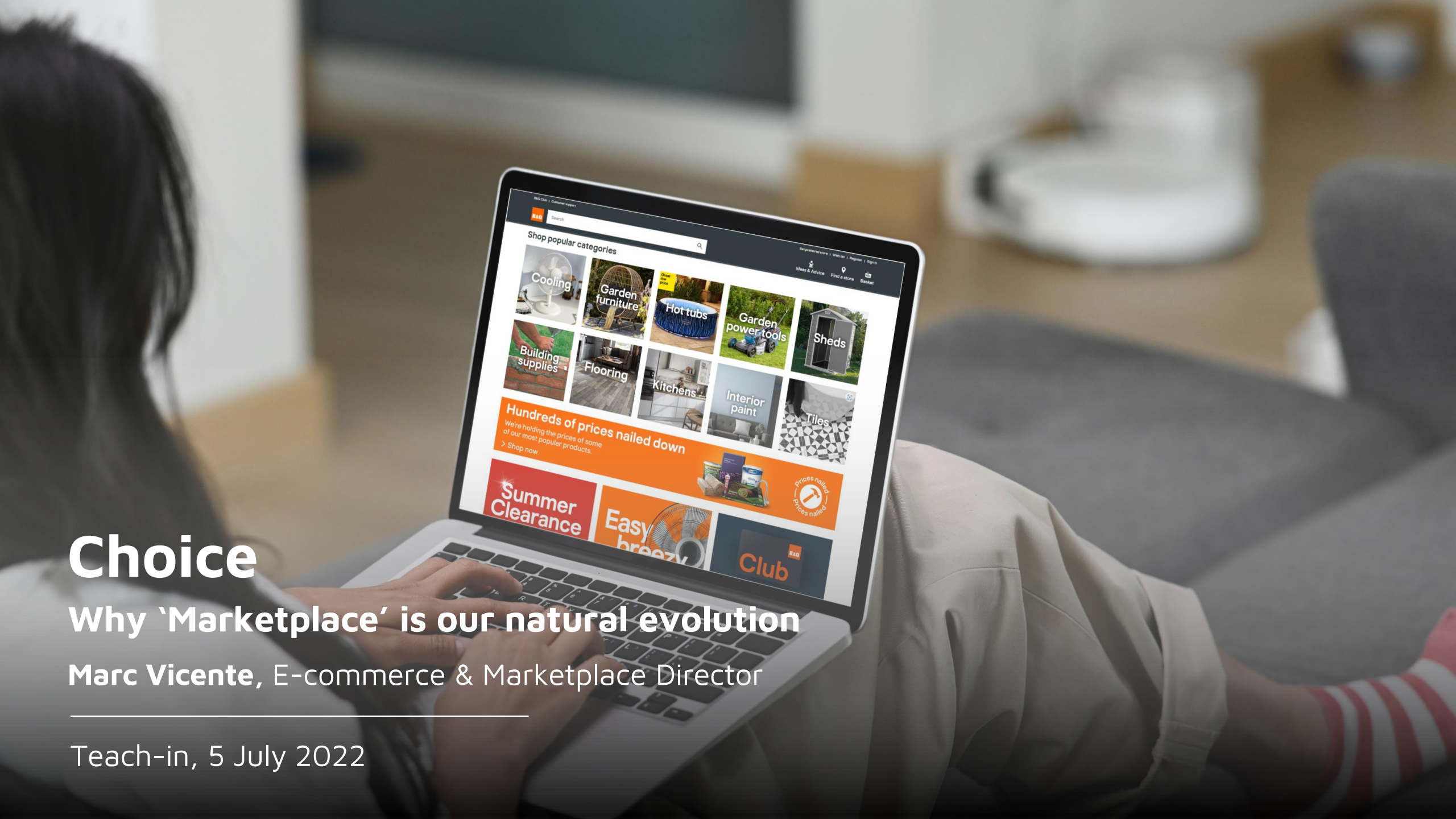
Trading



Operations



Logistics



Choice

Why 'Marketplace' is our natural evolution

Marc Vicente, E-commerce & Marketplace Director

Teach-in, 5 July 2022

The marketplace is an additional layer of our supply strategy to offer more choice

OEB


Competitive prices for convenient top searched products

25,000 SKUs

Sold & shipped by B&Q

★★★★★ (4) [Write a review](#)

Erbauer



Video 360 View

£44

Pay in 3 interest-free payments of £26.67 with **PayPal**. [Learn more](#)

First Party Range

Well known market brands of high quality products

60,000 SKUs

Sold & shipped by B&Q

★★★★★ (17) [Write a review](#)

BOSCH



£349

Pay in 3 interest-free payments of £116.33 with **PayPal**. [Learn more](#)

Marketplace

Long-tail products to maximize choice in existing categories

3 million SKUs

Sold & shipped by **Lumberjack Tools**

★★★★★ (14) [Write a review](#)

EGLO



£49

Pay in 3 interest-free payments of £16.33 with **PayPal**. [Learn more](#)

Marketplace

New categories

+1 million SKUs

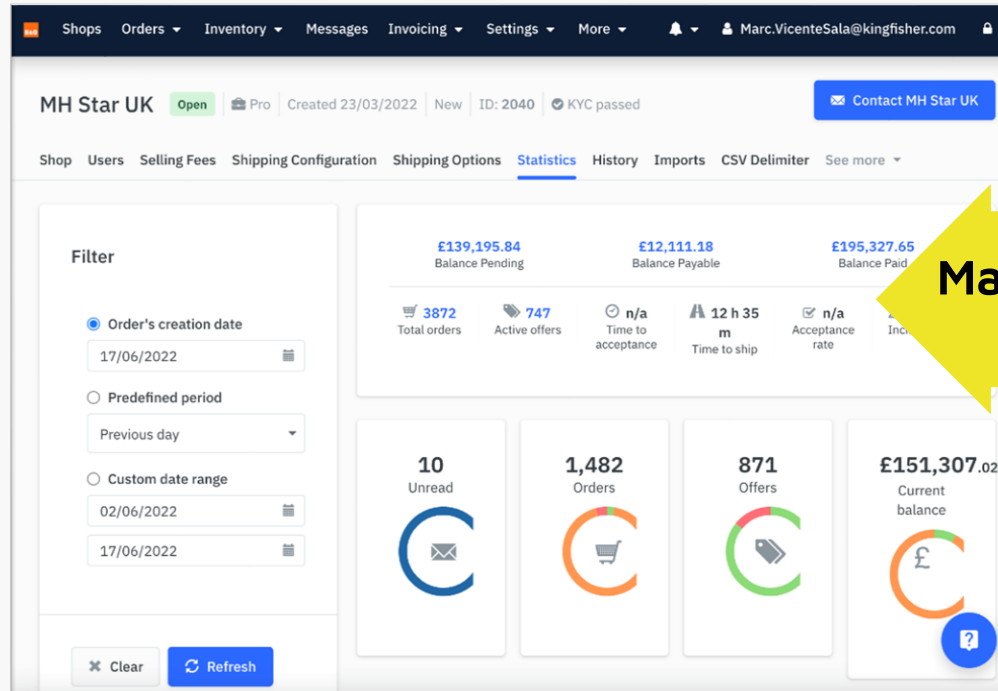


Marketplaces operate as B2B2C platforms



For sellers

Platform to list their catalogue SKUs and manage their orders from **diy.com** clients

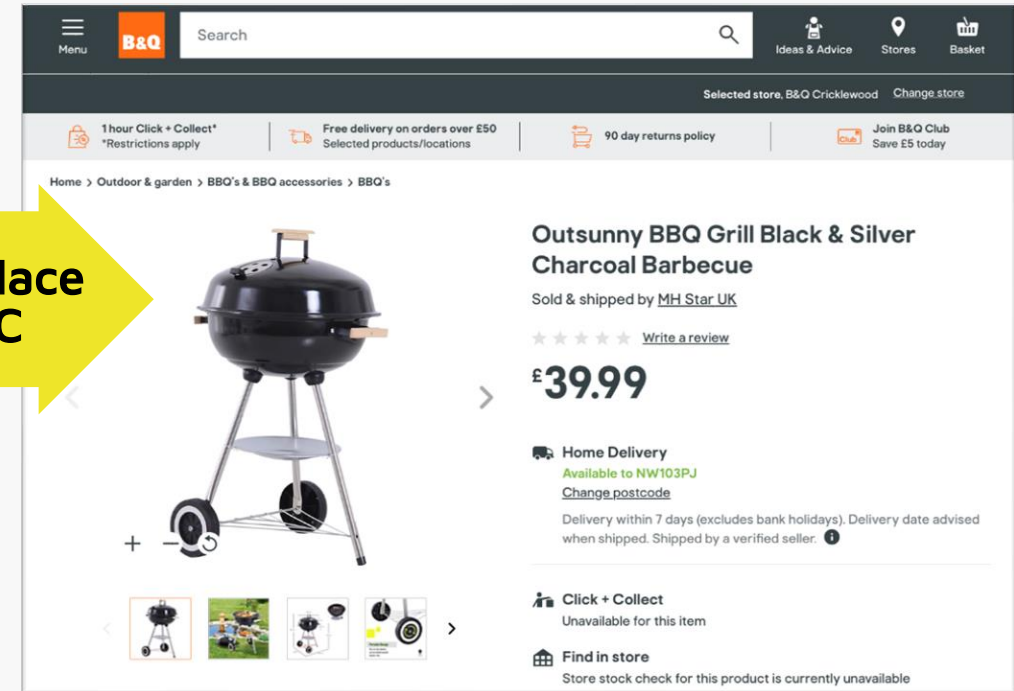


Marketplace
B2B2C



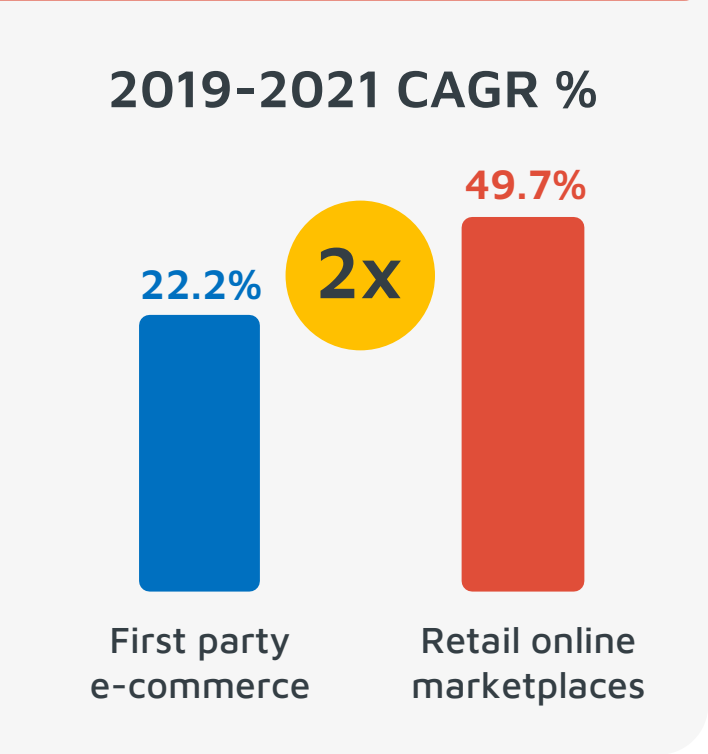
For consumers

A new source of curated supply to enhance choice, perfectly integrated within **diy.com**

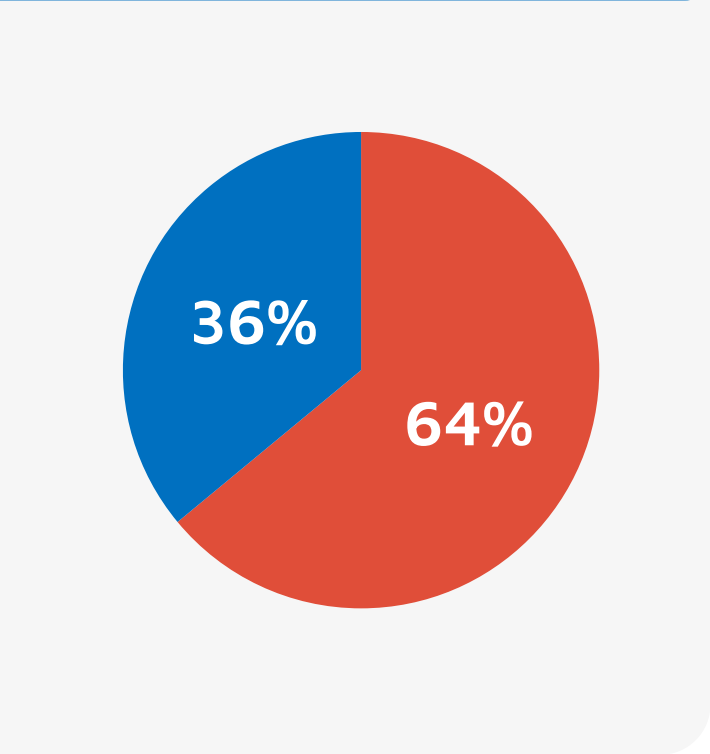


Marketplaces are becoming dominant and growing twice as fast as traditional e-commerce

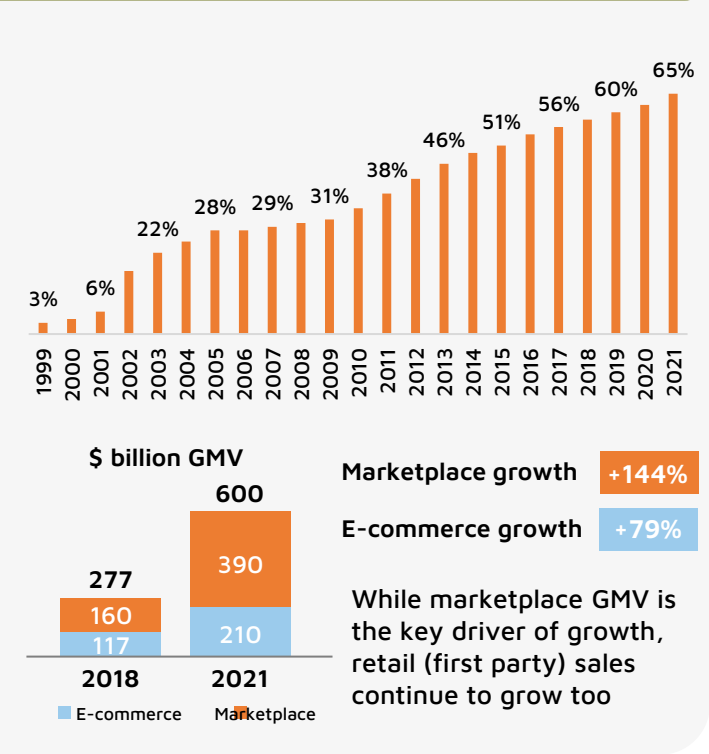
 Growing 2x as fast as first party e-commerce



 ~64% online retail sales come from marketplaces



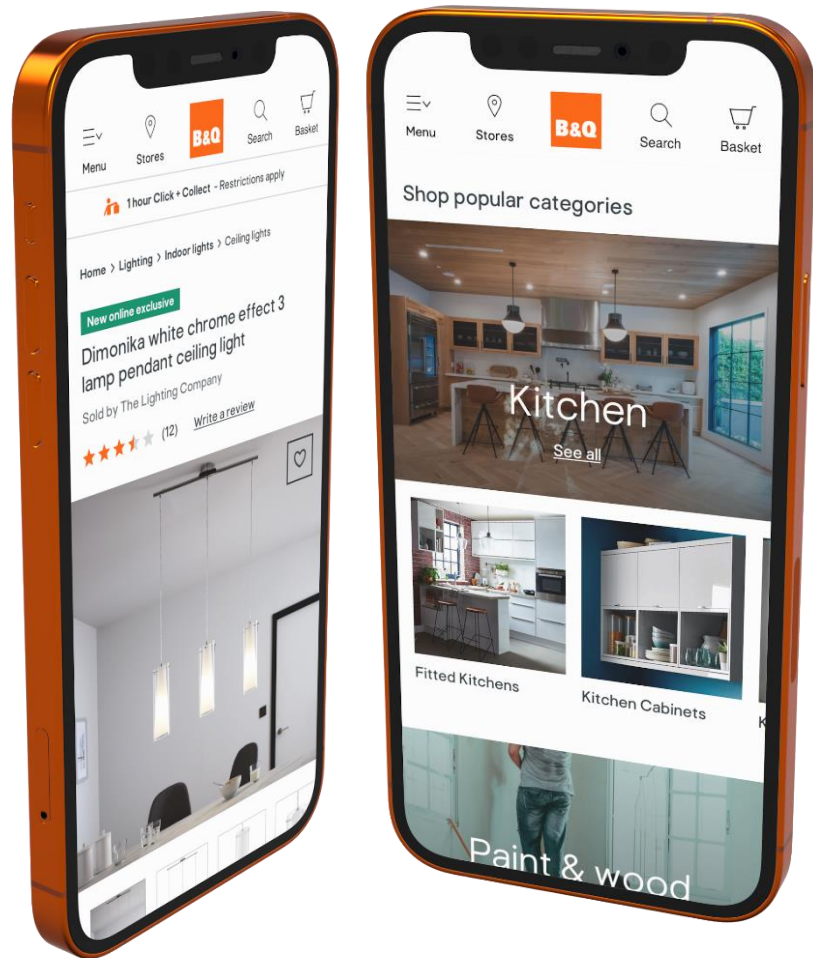
 Amazon marketplace PPT* over retail sales





B&Q

Our B&Q marketplace leverages our large online traffic and store network



Today

50,000
SKUs

9 diy.com
categories

Store
returns

Ambition

4 million
SKUs

New selected
categories

Store
Click & Collect

Our marketplaces are 'Powered by Kingfisher'



Our partnership with Mirakl

Back-end platform for sellers to manage their accounts



Pan-European presence

An entry point to all our banners, for sellers



Marketplace expert team

Field experts from top leading players manage the quality of our marketplace

Offering a curated catalogue of 4 millions SKUs requires advanced quality management measures

Merchant Life Cycle

Seller Prospects Qualification

Assessing the seller fit

- Client Ratings & Reviews
- Marketplace Experience
- Product Types
- Fulfilment options

Seller Due Diligence

During the onboarding



Real Time Sales Monitoring

Operating sellers



Time to ship



Response time

Our ambition is to build a leading Home Improvement marketplace, that generates 40%* of our online GMV

Roll-out B&Q



- ✓ Low cost of customer acquisition
- ✓ Store return options
- ✓ Existing diy.com categories

Scale proposition



- ✓ Click & collect in stores
- ✓ Commission 10-15%
- ✓ New selected categories

New markets



- ✓ Rapid rollout of our banners:
 - France
 - Poland
 - Spain & Portugal

Ecosystem of services



- ✓ Development of services for sellers:
 - Ads
 - Fulfilment
 - Financial services

Q&A



Let's take a break!

We'll be back in 20 minutes



An aerial photograph of a dense green forest with a winding stream or river cutting through it. The water is a deep blue, and the surrounding trees are a vibrant green.

Responsible Business

At the heart of everything we do

Kate Seljeflot, Chief People Officer

Teach-in, 5 July 2022



Agenda



Responsible Business at Kingfisher

Our heritage and our Responsible Business strategy



Colleagues

Our approach to human capital management and culture



Planet

Our planet commitments, net-zero target, reporting and governance



Customers

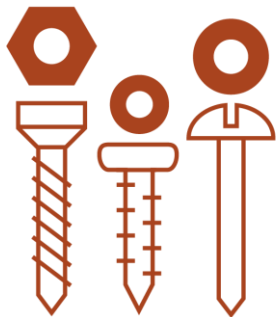
Our approach to creating greener, healthier and more energy-efficient homes



We have a strong heritage in Responsible Business



Our four Responsible Business priorities



Colleagues

We will be a more inclusive company



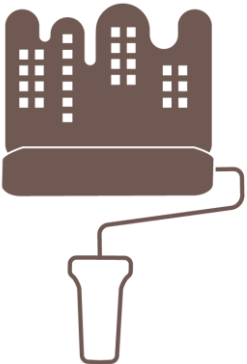
Planet

We will be Forest Positive and help tackle climate change



Customers

We will help make greener, healthier homes affordable



Communities

We will fight to fix bad housing

Underpinned by our Responsible Business fundamentals



Employee safety



Responsible sourcing



Waste & recycling



Ethical conduct



Tax governance & risk management



Public policy



Pensions

Governance

Responsible Business Committee, stakeholder engagement and materiality





Colleagues

Our approach to human capital
management and culture

Kate Seljeflot, Chief People Officer

Teach-in, 5 July 2022



Our People & Culture plan



**Balanced
operating
model**



- ✓ Empowered banners
- ✓ Powered by Group scale & expertise



**Agile, inclusive
culture, led
by trust**



- ✓ Outperforming target of top quartile eNPS
- ✓ Strong, aligned leadership team



**Capabilities
to fuel
growth**



- ✓ Deep expertise deployed to priority areas
- ✓ Investment in 'skills for life'



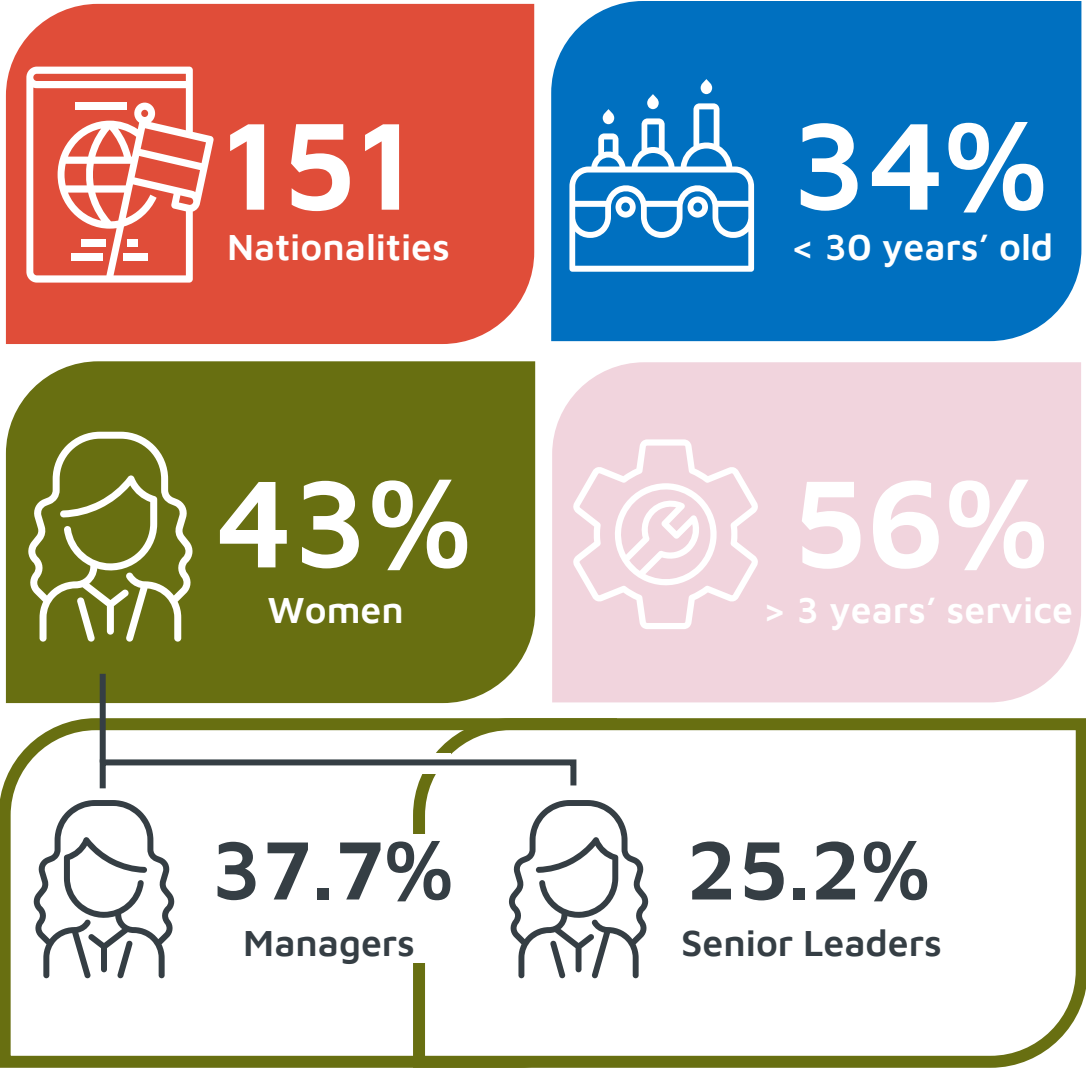
**Diverse
leaders who
inspire growth**



- ✓ Clear plan to improve representation
- ✓ Pipeline matched to future ambition



A snapshot of our people



Balanced operating model

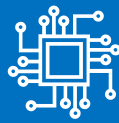


Commercial Model

Improved local ranges, supplier relationships & agility

Flexibility to trade against local context & competitors

OEB 45% of Group sales; portfolio of 32 new & redeveloped brands



Technology Function

Creation of banner Technology teams

Adoption of Agile Digital Product Model

Investment in capability – engineering, data, cyber



Centres of Excellence

Supply Chain, Store Concepts, Data, E-commerce, Marketplace

Set ambition & targets; share best practices

Agile, inclusive culture, led by trust



**Colleague NPS
(eNPS)**

**Likely to recommend as
a place to work**

8.3
out of 10

**Satisfied to
work here**

**Strong foundations for
colleague communications,
listening & feedback**



Agile, inclusive culture, led by trust



Colleague
rating

Be
customer
focused

8.7

Work contributes
to positive
customer
outcomes

Top **5%** Retailers

Be
human

9.1

My manager
cares about me
as a person

Top **5%** Retailers

Be
curious

8.2

Encouraged to find
simpler & better ways to
get things done

Be
agile

Be
inclusive

8.6

People valued
for who they are

Top **25%** Retailers

Be
accountable

9.1

Goal clarity

Top **5%** Retailers



Colleagues

Agile, inclusive
culture, led by trust



A compelling proposition for our colleagues

Investment in store colleagues

Competitive benchmark vs local retail market, securing colleague retention

Generous benefits, including award-winning pension

1+1 share ownership plan (75% participants store-based)

Managers' pay aligned to performance

Store manager bonus: 15-30% of total reward

Senior leadership: >40% reward related to short & long term results

New Performance Share Plan (PSP) launched

Increased support for wellness

Priority through COVID; embedding into core practices & policies

Partnerships – Retail Trust, Alterhego

Head Offices developing into hybrid workplaces

8.1 colleague satisfaction



Investing in capabilities to fuel growth



Leadership Team

Rotated c.30% since 2019, strengthening pool
Highly engaged – eNPS: 73



Depth of specialist expertise

In key growth areas - e-commerce, technology (engineering, data, cyber), marketplace, OEB
Evolution of retail capabilities (e.g. design, services)



Future Pipeline

3,890 apprentices (+>50% vs FY 20/21)
3.95m learning hours since 2019



Skills for Life

New digital learning platforms (>27k learning modules in the UK)
8.3 colleague satisfaction



Diverse leaders and an inclusive culture



Creating a platform to power and support locally targeted Banner plans



Colleagues

Diverse leaders
who inspire growth



Diverse leaders



Senior Leadership

Our senior leadership team are role models for inclusion & diversity

Representation and authentic sponsors of culture change

Gender representation targets (35% senior leadership & 40% management by 2025); integrated into incentives

Inclusive leadership immersion: >3,000 hours learning

Recruitment practices updated – 50/50 shortlists for all external appointments

Focused investment to build pipeline – e.g. France hi-po leaders programme

UK census in H2 2022 to expand insights & enable target-setting beyond gender



Inclusive culture



A Culture of Inclusion

Our culture supports everyone to thrive and succeed

Deep understanding of diverse groups to enhance the 'lived experience'

Creation of 16 Affinity Networks

Focus on listening, research & insights; leveraging networks & reverse mentoring

Education (online learning >30k colleagues), extensive programme of communications

Review of core enabling policies

Creation of I&D Forum to share best practices, chaired by Screwfix CEO



Colleagues

Diverse leaders who inspire growth



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Video – Inclusion & Diversity



Planet

**Helping to tackle climate change and
create more forests than we use**

Kathryn Thomas, Head of Planet and
Responsible Business Reporting

Chris Guest, Climate Change Manager

Teach-in, 5 July 2022



**30+ years
commitment
to protecting
our planet**

**2007 Climate
Change target**

**2° Science-Based
Target (SBT) in 2019,
1.5° SBT in 2021**

**Race to Zero
Breakthroughs
Retail founder**

**Responsible wood
and paper sourcing
for 30+ years**

**B&Q founding
partner of FSC**

**Integrated
throughout
our business**

100% responsibly
sourced wood and paper
across our business

No deforestation
through the other
materials we use

Protecting and restoring
forests – Forest Allies
and banner-led projects



+




+



=


**Become Forest Positive
by 2025**





Science-based carbon
reduction targets for
scope 1, 2 and 3
by the end of 2025



A photograph of a wind farm at sunrise. In the foreground, a large white wind turbine is partially visible on the right side. In the background, several other turbines are visible, receding into the distance. The landscape is a green field with some trees, and the sky is filled with soft, orange and yellow light from the rising sun. A white text box is overlaid on the left side of the image.

**Committed to net zero
scope 1 and 2 by the
end of 2040**



We want to be part of the solution to climate change



Because it is the right thing to do



Because customers and colleagues care



Because it presents a market opportunity

The majority of our emissions come from our products

Other
3%
(518,953 tCO₂e)
Scope 3
Other indirect emissions
e.g. investments, capital
goods, and
leased assets

49%

(8,474,937 tCO₂e)

Scope 3

Sourcing and manufacturing
our products

9%

(1,510,539 tCO₂e)

Scopes 1, 2 & 3

Transporting our products

1%

(165,560 tCO₂e)

Scopes 1, 2 & 3

Operating our stores and
other properties*

*Includes energy and water use,
and waste generated

0%

(74,152 tCO₂e)

Scope 3

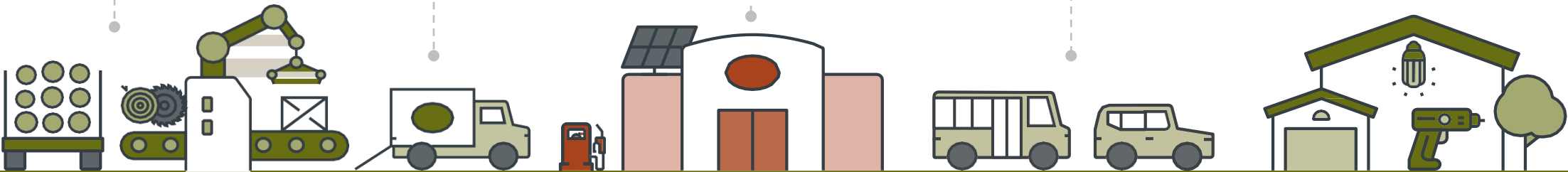
Employee and customer
travel

38%

(6,655,154 tCO₂e)

Scope 3

Customers' use and
disposal of our products



Sourcing and
manufacture

Logistics

Buildings

Travel

Use and disposal
of sold products



On track to achieve our 2025 scope 1 and 2 target



Target:

37.8% reduction in Scope 1 & 2 emissions by 2025/26 (vs 2016/2017)

Validated by the Science-Based Targets initiative as a 1.5°C-aligned trajectory



Progress so far:

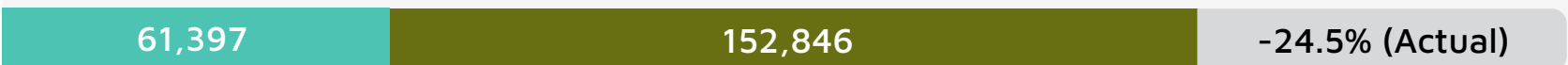
24.5% reduction so far – an average of 4.9% per annum

Scope 1 & 2 emissions by source (tCO₂e)

FY 2016/17



FY 2021/22



FY 2025/26



Logistics

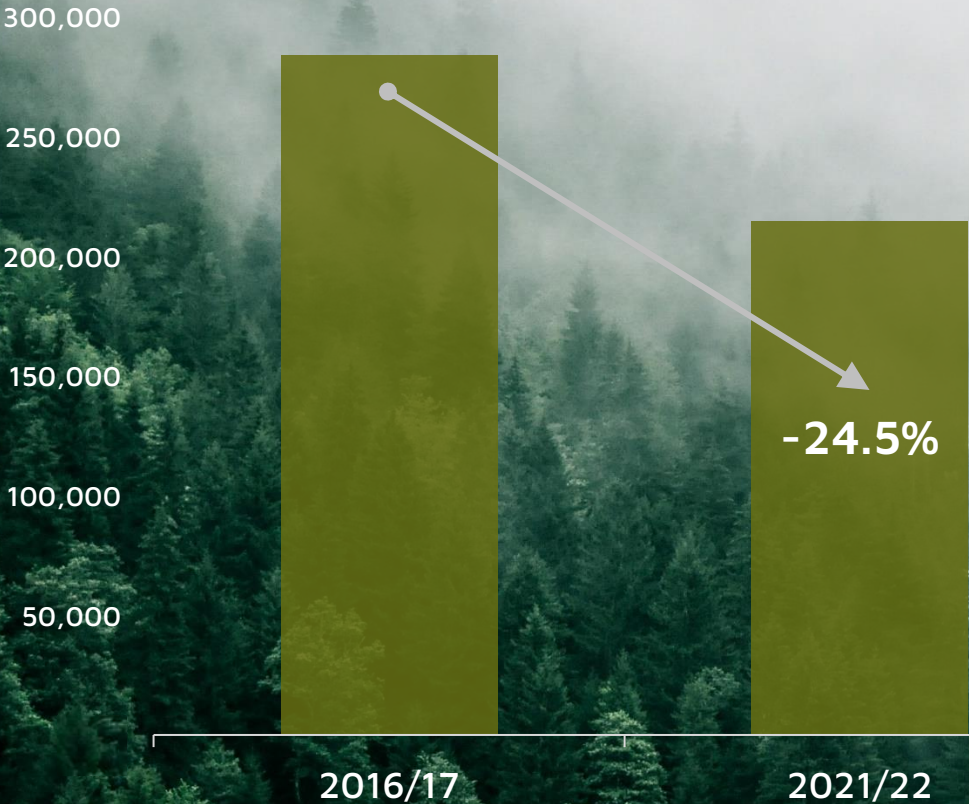


Property

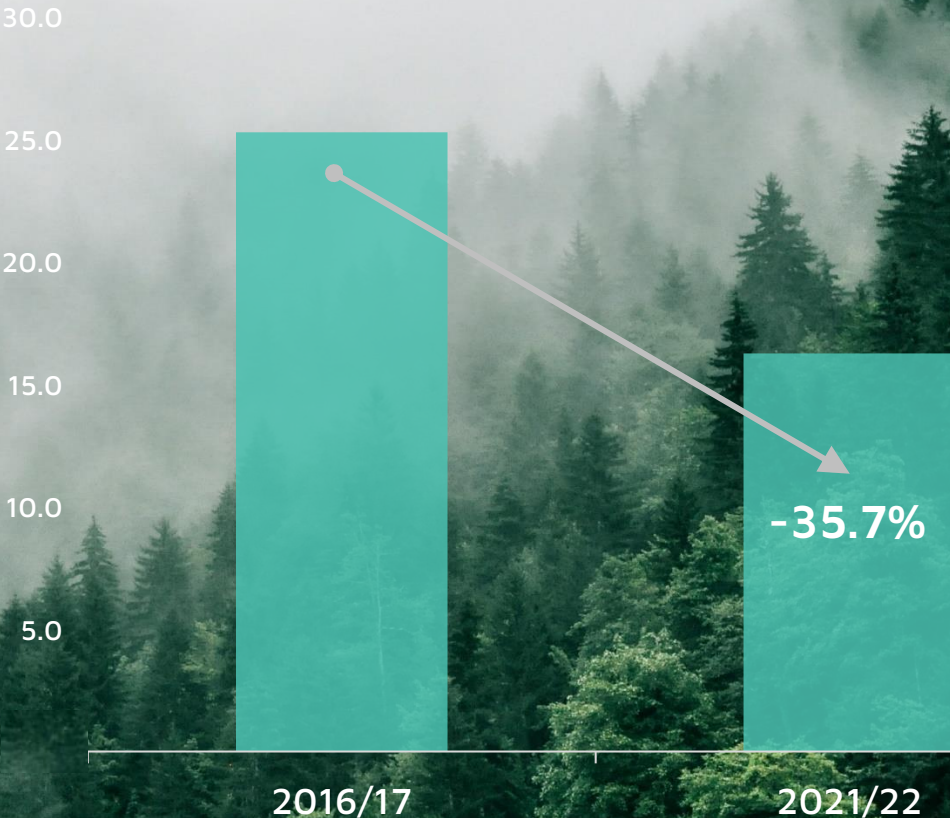


Reducing our carbon intensity

Absolute emissions (tCO₂e)

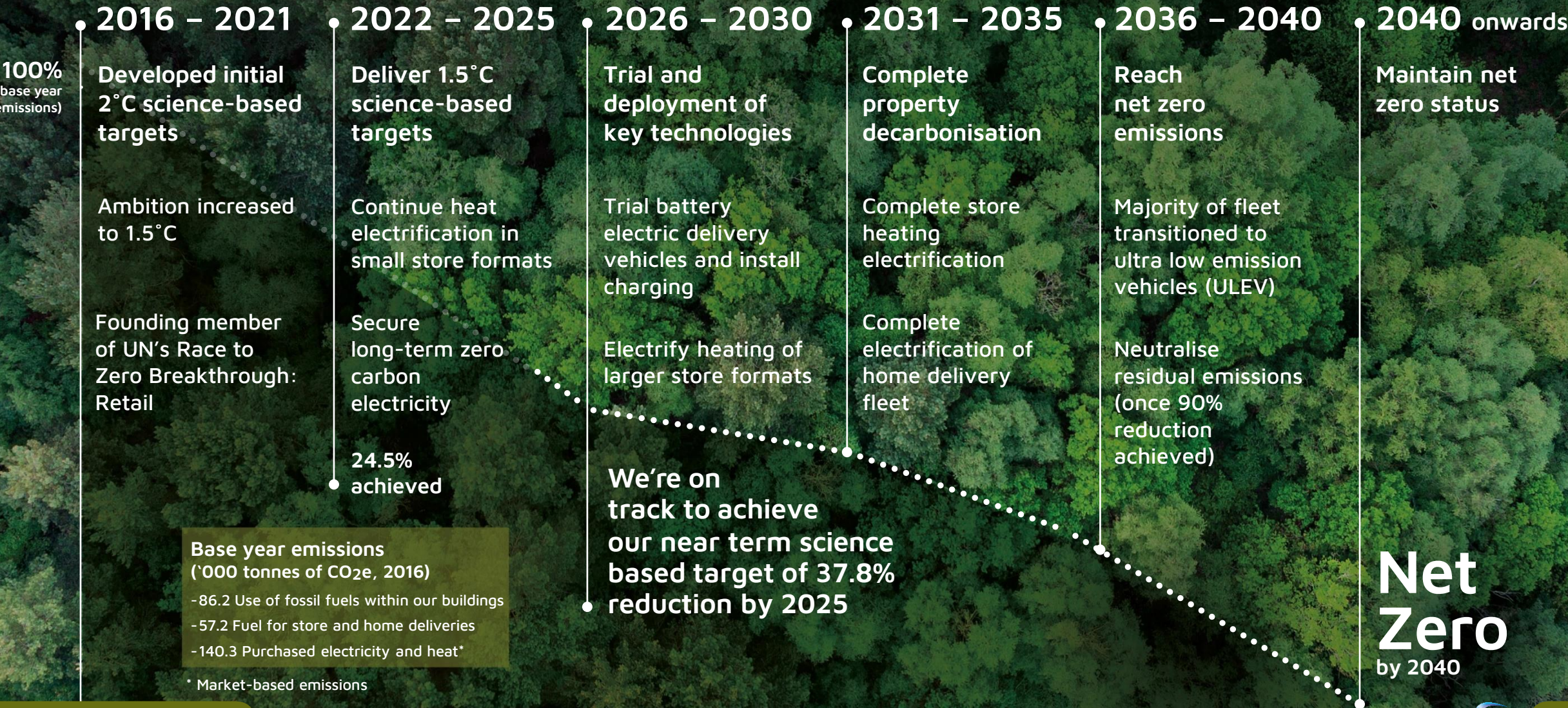


Emissions intensity (tCO₂e/£m sales)



Committing to net zero emissions across our operations

Scope 1 and 2



Delivering products sustainably



Progress so far

Efficient, low carbon, vehicles

Optimisation through telematics, iSave, etc

Trials of electric home delivery vehicles, and biogas and HVO (hydrotreated vegetable oil) powered trucks planned



Achieving net zero

- **2026:** Low emission fuel fleets (UK)
- **2027:** Group-wide fork lift truck electrification
- **2030:** Low emission fuel fleets (non-UK)
- **2035:** Home delivery fleet fully electrified (Poland 2040)
- **2040:** Retail fleet fully electrified (excluding Poland)
- ▼ Ongoing installation of charging infrastructure

B&Q now has more than 90 HGVs using liquified natural gas



Decarbonising our estate



Progress so far

3 year energy reduction plans for each banner, including LED lighting, building management systems, insulation, etc)

>270 Screwfix trade counters with air source heat pumps installed

REGO-backed zero carbon electricity covering 100% of consumption

On-site renewable installation including solar PV and biomass



Achieving net zero

- **From 2023:** Majority new small stores zero gas
- **2025:** Long-term supplies of zero carbon electricity secured for UK, France, Poland
- **2025:** Electric heating solution for medium and large stores ready for roll-out in UK & Ireland
- **2030:** Electric heating programme for Castorama France and Brico Dépôt France complete
- **2035:** Group-wide electric heating programme complete



Energy efficiency measures taken in 2021/22 will save 3,800 tCO₂e a year



Industry-leading reporting

Better Homes, Better World

Kingfisher Responsible
Business Report 2021/22



Frameworks & Standards



External Benchmarks

CDP Climate Change: A-

Workforce Disclosure Initiative: 71%

MSCI-ESG rating: AAA

Sustainalytics: 1st out of home improvement retail and 2nd wider retailing industry

FTSE4Good Index: rating of 4.6 out of 5

ISS ESG corporate rating: C+ ('Prime' status)





**Become forest
positive**

**Tackling climate
change**



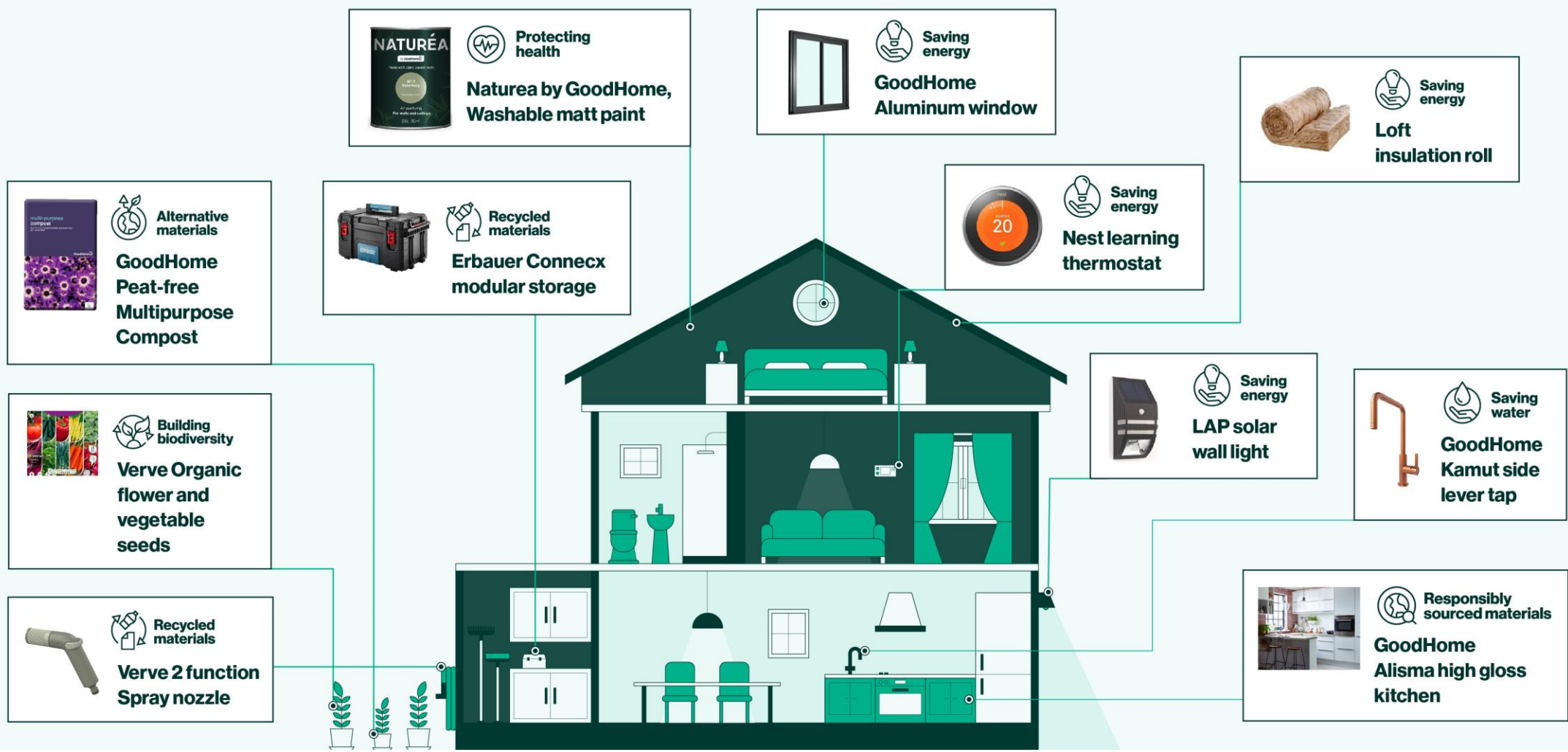
Customers

Helping to create greener, healthier and more energy-efficient homes

Valéry Cussenot, Director of OEB Quality, Planning and Brand Management

Teach-in, 5 July 2022

Making sustainable homes more accessible & affordable through Sustainable Home Products



Sustainable Home Products (SHPs) have a lower environmental impact because of what they are, or what they can do

Sustainable Home Products

demonstrate at least one of our nine SHP attributes

Products made for Sustainability

Where the product is sustainable because of what it is made from or how it is made (features)



Alternative materials



Recycled materials



Responsibly-sourced materials



Lower carbon manufacture

Products for Sustainable Living

Where the product helps our customers to live more sustainably (benefits)



Building biodiversity



Protecting health



Saving energy



Saving resources



Saving water



In FY 21/22, 92,244 SHPs generated 44% of our sales

 Alternative materials

0.4%*



Peat-free compost

 Recycled materials

0.5%*



60% recycled post-consumer waste plastic

 Responsibly sourced materials

15.6%*



Made with responsibly sourced wood

 Lower carbon manufacture

<0.1%*



Lower embodied carbon: MC3

 Building biodiversity

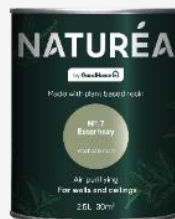
1.7%*



Supporting bees and butterflies

 Protecting health

8.2%*



Bio-based paint

 Saving energy

7.7%*



Brushless motor

 Saving resources

7.4%*



Lifetime warranty

 Saving water

2.5%*



Less than 8 litres of water per minute



Customers

*of Group sales FY 21/22



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How we assess Sustainable Home Products

The same assessment and validation process apply to branded and own branded products



SHP guidelines are verified, updated & validated annually



Eligible products are assessed and validated by Kingfisher teams against SHP guidelines



SHP guidelines contain 254 eligibility criteria all based on Kingfisher policies, SBTi targets and UN Sustainable Development goals



SHP guidelines are available online and accessible to customers, vendors and colleagues



SHP products are verified externally by an independent NGO, with an external audit conducted annually

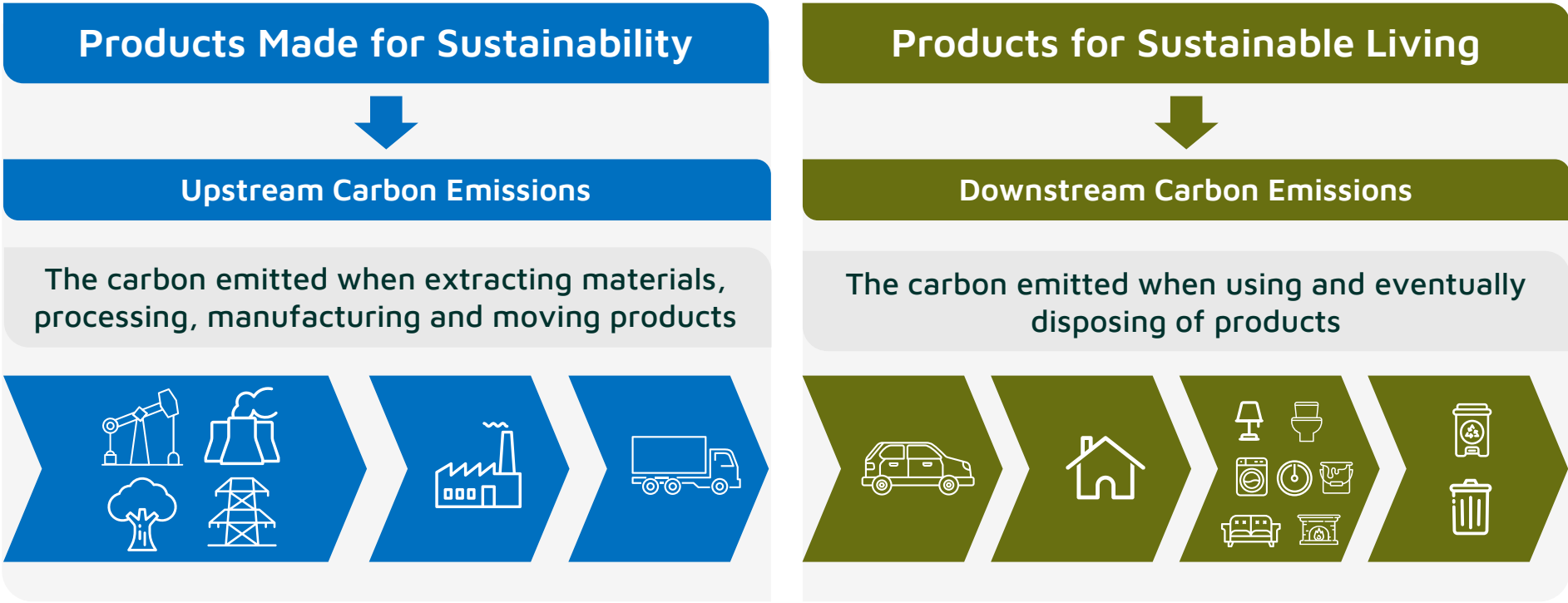


Customers



SHPs integrate with our Scope 3 programme

Scope 3 emissions from our products are 87% of Kingfisher's annual emissions. Our target is to reduce Scope 3 emissions by 40% per £m turnover by 2025⁽¹⁾



Saving energy is one of the main sustainability benefits expected by customers



Saving energy

Market Insight

Around 21% of the UK's carbon emissions comes from the energy used in our homes

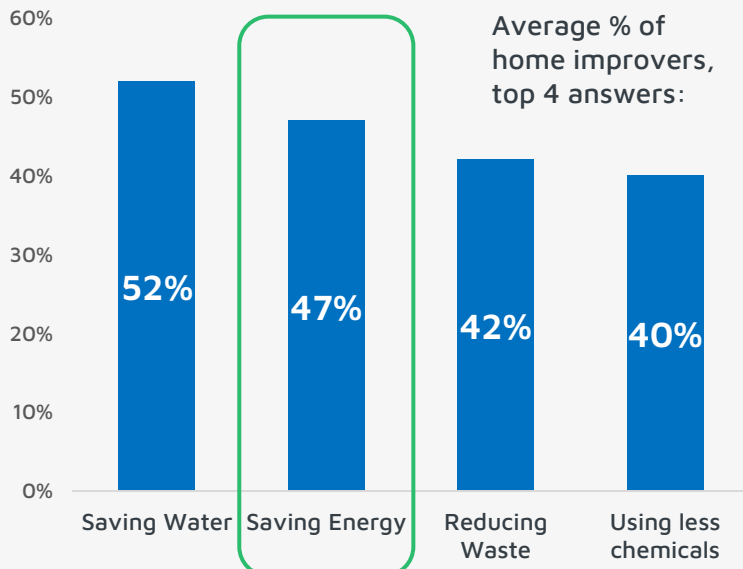
50 million people in the EU live in "energy-poor households"



What does sustainability mean to you?

Customer Insight

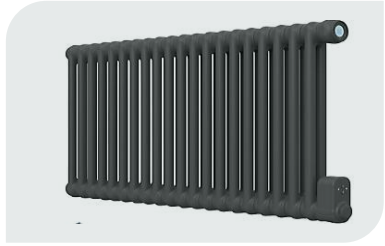
“47% of our customers state that saving energy is an important driver of sustainability for them”



Energy efficiency: current SHP products 11,428 SKUs



Energy efficiency: new developments



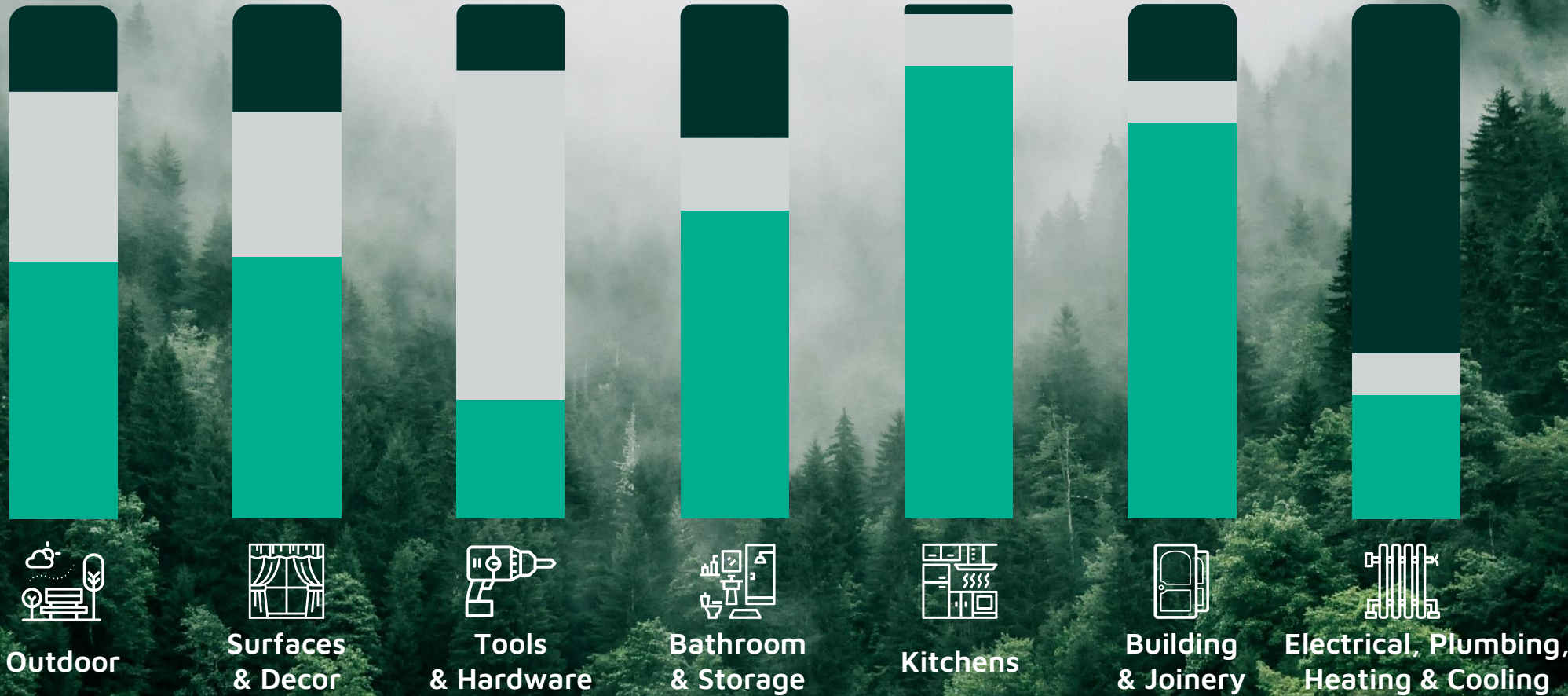
Customers

(1) Kingfisher sustainability survey 2022, carried out across the UK, France, Poland, Romania and Spain



Three-year plan: SHP priorities & targets

From **44%** to **60%** of Group Sales from Sustainable Home Products by 2025.
By developing SHP potential identified across our product offer



Highest ambitions on own branded products and vendors

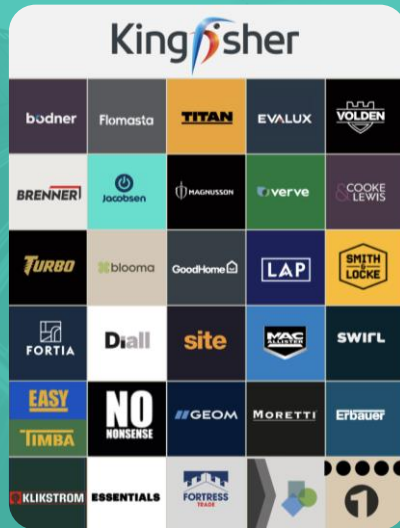
From **55%** to **70%** of OEB sales from sustainable products by 2025.

There are three main enablers to deliver this higher ambition

1

Drive all own brand products to be sustainable

Sustainability built in as standard

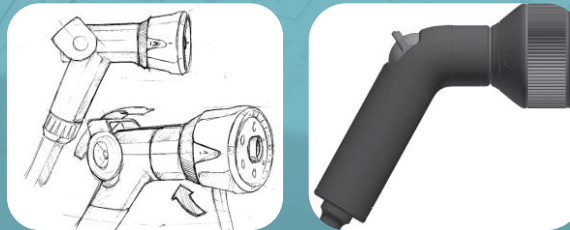


2

Product design and development

SHP is embedded in the design and development of our own branded products

- Features and specifications
- Design
- Raw materials used
- Costing



3

Manufacturing process

SHP is embedded in the manufacturing process of our own branded products

- Factory selection
- Low carbon manufacturing
- Raw materials



SHP is embedded in the design, development and production of our own branded offer

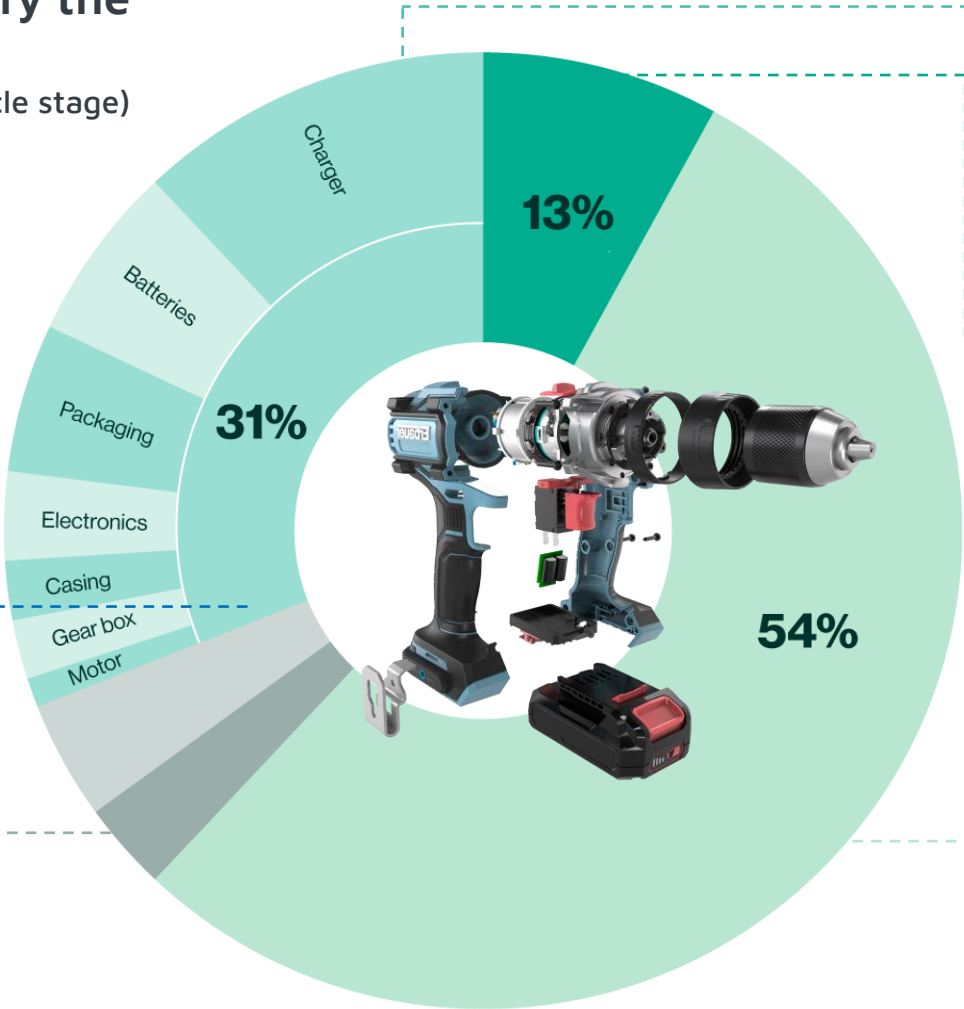
Lifecycle analysis helps identify the emission hotspots

(% is the proportion of carbon at each life cycle stage)



Raw materials & components: assessing availability & impact of extraction, using more recycled materials

Refurbished tools: stops returned tools being wasted and reduces demand for new raw materials



Shared batteries: fewer batteries & chargers needed

Manufacturing processes: lower carbon manufacturing programmes

Energy: brushless motors: run efficiently, running cooler which also helps with tool's longevity

Longevity: repair services, spare parts, longer lasting consumables

In summary



Targeting 60% of Group sales from SHPs by FY 25/26



Addressing clear customer expectations



Contributing to our scope 3 emission reductions



Q&A





Closing remarks

Thierry Garnier, Chief Executive Officer

Teach-in, 5 July 2022

Summary



Growing e-commerce via speed and choice



Leading the industry in Responsible Business practices



Delivering against strategic priorities ahead of schedule



Gaining share in our key markets



Accelerating investments for growth



Confident of significant long-term growth opportunity



Thank you