

The 1 + 1 Sharing in Our Future Plan

Employee Tax Information - Turkey

When you participate in the 1 + 1 Sharing in Our Future Plan there are tax consequences. The purpose of this note is to provide you with some information about the tax position in the country in which you work.

Your Purchased Shares

It is very important that you read all the details below. In overview you are likely to be required to take action in respect of the taxation of your Purchased Shares.

Date	Action	Any tax consequences for you?
By 20 November 2020	Joining the Plan	No
January 2021 to June 2021	Payroll deductions made	<p style="text-align: center;">No</p> <p style="text-align: center;">Deductions are made from your pay that has already been taxed.</p>
July 2021	Buying your Purchased Shares	<p style="text-align: center;">No</p> <p style="text-align: center;">Your shares are purchased at their full market value</p>
Anytime	Selling your Purchased Shares	<p style="text-align: center;">Yes</p> <p>When you sell your Purchased Shares, you will be required to pay tax on any gain.</p> <p>The taxable amount will be equal to the sale proceeds received less the acquisition cost of the shares and any commissions/fees paid upon sale. This will be taxable at your marginal income tax rate.</p> <p>The acquisition cost is the price at which your Purchased Shares were acquired. You should convert the GBP values into TRY based on the buy rate announced by the Central Bank of Turkey for the date of sale, in respect of the proceeds you receive and any commission/fees paid, and the date of purchase in respect of the amount you paid for your Purchased Shares.</p> <p>Please note that in calculating the gain, the acquisition cost of the shares may be adjusted if the State Institute of Statistics ("SIS") announces inflation increases of 10% or higher during the period from the time you acquired your Purchased Shares to sale.</p> <p>You should report the relevant gain via your annual income tax return. This should be filed by 31 March of the year following the year in which you sell your Purchased Shares. Any tax due is payable in two equal instalments by 31 March and 31 July.</p>

Your Matching Shares

It is very important that you read all the details below. In overview it is likely that you will have to take action in respect of the taxation of your Matching Shares.

Date	Action	Any tax consequences for you?
July 2021	Award of Matching Shares	<p style="text-align: center;">No</p> <p>No tax is due when you are awarded Matching Shares.</p>
July 2022	Ownership of Matching Shares transferred to you	<p style="text-align: center;">Yes</p> <p>You will be subject to income tax, social security and Payroll Stamp Duty at your marginal rates on the market value of your Matching Shares when ownership of them transfers to you in July 2022.</p> <p>Your employer is required to withhold the income tax, social security and Payroll Stamp Duty due via payroll. To do this, your employer will sell enough of your Matching Shares at vesting to cover the taxes due. The amounts will be processed through payroll and any small adjustments made to ensure you have paid the right amount of tax. Taxes will be paid to the tax authorities on your behalf.</p> <p>If you are ordinarily required to file a tax return based on your level of income, then you should report the income when ownership of your Matching Shares transfers to you, regardless of whether your employer operates withholding on the full taxable value of your Matching Shares.</p>
After July 2022	Selling your Matching Shares	<p style="text-align: center;">Yes</p> <p>When you sell your Matching Shares, you will be required to pay tax on any gain.</p> <p>The taxable amount will be equal to the sale proceeds received less the acquisition cost of the shares and any commission/fees paid upon sale. This will be taxable at your marginal income tax rate.</p> <p>The acquisition cost is the amount on which you paid tax in respect of your Matching Shares. You should convert the sale proceeds you receive and any commission/fees paid into TRY based on the buy rate announced by the Central Bank of Turkey for the date of sale.</p> <p>Please note that in calculating the gain, the acquisition cost of the shares may be adjusted if the State Institute of Statistics ("SIS") announces inflation increases of 10% or higher during the period from the time you acquired your Matching Shares to sale.</p> <p>You should report the relevant gain via your annual income tax return. This should be filed by 31 March of the year following the year in which you sell your Matching Shares. Any tax due is payable in two equal instalments by 31 March and 31 July.</p>

Your Dividend Purchased Shares

It is very important that you read all the details below. In overview it is likely that you will have to take action in respect of the taxation of your Dividend Purchased Shares.

Date	Action	Any tax consequences for you?
Between July 2021 and July 2022	Award of Dividend Purchased Shares	<p style="text-align: center;">Yes</p> <p>The value of dividends which are reinvested into Dividend Purchased Shares will be subject to tax at the point of reinvestment.</p> <p>Cumulative dividend income in excess of TRY 2,600 (for the 2020 tax year) received from abroad is subject to tax in Turkey. This is taxable at your marginal income tax rate. The value of the dividends which you receive should be converted into TRY based on the buy rate announced by the Central Bank of Turkey for the date they were paid.</p> <p>If you receive cumulative dividends in excess of the threshold you will be required to report this in your annual income tax return and pay the tax due. This should be filed by 31 March of the year following the year in which the income is received. The tax is due in two equal instalments (by 31 March and 31 July).</p>
After July 2022	Future dividend payments	<p style="text-align: center;">Yes</p> <p>Dividends received in cash after July 2022 are subject to tax at the point the dividend is paid to you.</p> <p>Cumulative dividend income in excess of TRY 3,800 (for the 2022 tax year) received from abroad is subject to tax in Turkey. This is taxable at your marginal income tax rate. The value of the dividends which you receive should be converted into TRY based on the buy rate announced by the Central Bank of Turkey for the date they were paid.</p> <p>If you receive cumulative dividends in excess of the threshold you will be required to report this in your annual income tax return and pay the tax due. This should be filed by 31 March of the year following the year in which the income is received. The tax is due in two equal instalments (by 31 March and 31 July).</p>
Anytime	Sale of Dividend Purchased Shares	<p style="text-align: center;">Yes</p> <p>When you sell your Dividend Purchased Shares, you will be required to pay tax on any gain.</p> <p>The taxable amount will be equal to the sale proceeds received less the acquisition cost of the shares and any commission/fees paid upon sale. This will be taxable at your marginal income tax rate. The acquisition cost is the dividend amount on which you paid tax in respect of your Dividend Purchased Shares.</p> <p>You should convert the sale proceeds you receive and any commission/fees paid into TRY based on the buy rate announced by the Central Bank of Turkey for the date of sale.</p> <p>Please note that in calculating the gain, the acquisition cost of the shares may be adjusted if the State Institute of Statistics ("SIS") announces inflation increases of 10% or higher during the period from the time you acquired your Dividend Purchased Shares to sale.</p> <p>You should report the relevant gain via your annual income tax return. This should be filed by 31 March of the year following the year in which you sell your Dividend Purchased Shares. Any tax due is payable in two equal instalments by 31 March and 31 July.</p>

Your Dividend Matching Shares

It is very important that you read all the details below. In overview it is likely that you will have to take action in respect of the taxation of your Dividend Matching Shares.

Date	Action	Any tax consequences for you?
Between July 2021 and July 2022	Award of Dividend Matching Shares	<p style="text-align: center;">No</p> <p>No tax is due when you are awarded Dividend Matching Shares.</p>
July 2022	Ownership of Dividend Matching Shares transferred to you	<p style="text-align: center;">Yes</p> <p>You will be subject to income tax, social security and Payroll Stamp Duty at your marginal rates on the market value of your Dividend Matching Shares when ownership of them transfers to you in July 2022.</p> <p>Your employer is required to withhold the income tax, social security and Payroll Stamp Duty due via payroll. To do this, your employer will sell enough of your Dividend Matching Shares at vesting to cover the taxes due. The amounts will be processed through payroll and any small adjustments made to ensure you have paid the right amount of tax. The taxes will be paid to the tax authorities on your behalf.</p> <p>If you are ordinarily required to file a tax return based on your level of income, then you should report the income when ownership of your Dividend Matching Shares transfers to you, regardless of whether your employer operates withholding on the full taxable value of your Dividend Matching Shares.</p>
After July 2022	Selling your Dividend Matching Shares	<p style="text-align: center;">Yes</p> <p>When you sell your Dividend Matching Shares, you will be required to pay tax on any gain.</p> <p>The taxable amount will be equal to the sale proceeds received less the acquisition cost of the shares and any commission/fees paid upon sale. This will be taxable at your marginal income tax rate. The acquisition cost is the amount on which you paid tax in respect of your Dividend Matching Shares. You should convert the sale proceeds you receive and any commission/fees paid into TRY based on the buy rate announced by the Central Bank of Turkey for the date of sale.</p> <p>Please note that in calculating the gain, the acquisition cost of the shares may be adjusted if the State Institute of Statistics ("SIS") announces inflation increases of 10% or higher during the period from the time you acquired your Dividend Matching Shares to sale.</p> <p>You should report the relevant gain via your annual income tax return. This should be filed by 31 March of the year following the year in which you sell your Dividend Matching Shares. Any tax due is payable in two equal instalments by 31 March and 31 July.</p>

Important information

The information in this document assumes that you remain employed by the Kingfisher Group and that you are resident and domiciled in Turkey for taxation purposes during the period of your award under the Plan.

If you are an internationally mobile employee and/or have transferred countries in this period, you may be subject to tax in more than one country and you may have reporting obligations in more than one country.

Further details regarding the treatment for leavers will be provided at the relevant time.

The information in this document is based on prevailing tax law and practice as at June 2022 and may be subject to change. Your taxation depends on your personal circumstances. Accordingly, you should seek your own tax advice if you are in any doubt about your own tax position.