

# Key Facts about 1 + 1 Sharing in our Future Plan (the “1+1 Plan”)

## Introduction

You may be aware that in September 2020 the Kingfisher 1+1 Plan was launched. The 1+1 Plan was rolled out across the Kingfisher Group, but due to regulatory complexities it was not possible to launch the 1+1 Plan for colleagues in Guernsey and the Isle of Man at that point in time.

We can now announce that we have addressed those complexities and are launching a Guernsey and Isle of Man version of the 1+1 Plan (the “1+1 Guernsey and Isle of Man Sub-Plan”) to colleagues in Guernsey and the Isle of Man.

This key facts document sets out how the 1+1 Guernsey and Isle of Man Sub-Plan will work if you are a colleague employed in Guernsey or the Isle of Man. We have made some changes to how the 1+1 Plan works to accommodate a shortened time frame, some regulatory complexities, and to align as far as practicable the terms of your participation with other colleagues globally.

The 1+1 Guernsey and Isle of Man Sub-Plan allows you to buy Kingfisher shares using money you contribute over a 4-month period between March 2021 and June 2021.

These shares are called your Purchased Shares and will be bought on your behalf in July 2021 and kept in an account set up for you by our plan administrator, Computershare, on their portal EquatePlus.

When your Purchased Shares are added to your account, you will also be given a right to receive the same number of additional free shares. These are your Matching Shares. You will see how many Matching Shares have been awarded to you when you view the details of your EquatePlus account. Ownership of most of these shares will pass to you from July 2022 provided you keep all your Purchased Shares in your EquatePlus account until that date and are still a Kingfisher employee.

Due to the tax rules in Guernsey and the Isle of Man, a tax and social security liability arises when you are given a right to receive your Matching Shares (i.e. in July 2021). To address this, you will become the owner of a small portion of your Matching Shares in July 2021. These shares will be automatically sold by Computershare on your behalf, and the proceeds used to fund the income tax and social security which is due. We will process this through your local payroll so that you don't need to take any further action. Ownership of your remaining Matching Shares will pass to you in July 2022. At this point there will be no further income tax or social security due on your Matching Shares.

After July 2022, you can keep, sell or transfer all or some of the Kingfisher shares that you now own.

This document is a summary of the main terms of the 1+1 Guernsey and Isle of Man Sub-Plan. However, the detailed legal terms of the 1+1 Guernsey and Isle of Man Sub-Plan are set out in the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan. These documents are available on the 1+1 Guernsey and Isle of Man Sub-Plan microsite <https://kingfisher-shareplan.com/>. If there are any differences between the terms as set out in this document and the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan, then the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan will prevail.

As with any investment, it is important to note that there are risks in owning your Purchased Shares and Matching Shares. While the trading price of these shares can go up, the trading price can go down as well.

### **How it works**

You decide:

- if you want to join the 1+1 Guernsey and Isle of Man Sub-Plan
- If you do, how much you would like to contribute to the 1+1 Guernsey and Isle of Man Sub-Plan every month for 4 months starting in March 2021.

There are minimum and maximum contributions in each location, as set out in the table below.

You can change your contribution amount or choose to leave or join the 1+1 Guernsey and Isle of Man Sub-Plan as many times as you like during the enrolment period but once the enrolment period ends you cannot make further changes, so think carefully about what's the right contribution for you to make. If your circumstances change you can stop making contributions during the Contribution Period and receive a refund of contributions already made.

Once you have joined the 1+1 Guernsey and Isle of Man Sub-Plan, the amount you have elected to contribute will usually be deducted from your regular pay (after taxes) each pay period and sent to Computershare.

At the end of the 4-month contribution period your monthly contributions will be used by Computershare to purchase Kingfisher shares on your behalf. These shares are called your "Purchased Shares" and they will be held in an account set up for you by Computershare in EquatePlus.

The number of shares in your Computershare account may increase over time in three different ways:

- **Adding Purchased Share dividends**  
Twice a year, Kingfisher may make a small payment to everyone who holds shares. This payment is called a dividend and your Purchased Shares attract these payments. These payments are not guaranteed. Any dividends you receive in relation to your Purchased Shares will be automatically reinvested

in buying more Kingfisher shares on your behalf by Computershare. These Dividend Purchased Shares will be added to your EquatePlus account.

- **Adding Matching Shares**

For every Purchased Share you have bought, Kingfisher will give you a Matching Share. These Matching Shares will be visible in your EquatePlus account. Ownership of these Matching Shares will be transferred to you if you have kept all your Purchased Shares and Dividend Purchased Shares in your EquatePlus account until July 2022. If you sell your Purchased Shares, or any related Dividend Purchased Shares, before July 2022 the Matching Shares will not transfer to you. However, as noted above, ownership of a portion of the Matching Shares will transfer to you immediately in July 2021 and be sold to cover the income tax and social security due on your Matching Shares.

- **Adding Matching Share dividends**

As you are not the owner of the Matching Shares not immediately sold to cover income tax and social security (see above) until July 2022, you are not eligible to receive actual dividends on those shares. Under the 1+1 Guernsey and Isle of Man Sub-Plan, however, the value of dividends that would have been paid to you if you had owned, from July 2021, the Matching Shares which you are due to become owner of in July 2022 will be reinvested to add more Dividend Matching Shares to your account in July 2022 provided you keep your Purchased Shares and Dividend Purchased Shares in your account until that time. At that point, you will be given ownership of both the Matching Shares and the additional Dividend Matching Shares.

You can leave the 1+1 Guernsey and Isle of Man Sub-Plan at any time although if you leave before July 2022 there will be an impact on the number of shares you hold in your Computershare account (see “Leaving the 1+1 Guernsey and Isle of Man Sub-Plan” section below). If you stay in the 1+1 Guernsey and Isle of Man Sub-Plan until July 2022, you are then free to decide whether to keep, sell or transfer all or some of the Kingfisher shares you now have in your EquatePlus account.

**There are tax consequences of participating in the 1+1 Guernsey and Isle of Man Sub-Plan which vary according to the location you live in. Full details are set out in the Tax Notes and you are advised to read them in full so that you understand the tax implications of participating in the Plan. These Tax Notes are on the 1+1 Guernsey and Isle of Man Sub-Plan microsite <https://kingfisher-shareplan.com/>.**

Here's some more information about the key elements of the 1+1 Guernsey and Isle of Man Sub-Plan:

### **Who can join the plan?**

The 1+1 Guernsey and Isle of Man Sub-Plan offers Kingfisher colleagues the ability to buy Kingfisher shares and to share in our collective future.

You can join the 1+1 Guernsey and Isle of Man Sub-Plan if you were a permanent employee or on a fixed term contract at any company within the Kingfisher group, to

which the 1+1 Guernsey and Isle of Man Sub-Plan is extended, on 22 September 2020 and remain currently employed by the Kingfisher group. Full time and part time employees can join the 1+1 Guernsey and Isle of Man Sub-Plan. Contract workers (i.e. if you are not employed by the Kingfisher Group) are not eligible to join.

## How to join

The 1+1 Guernsey and Isle of Man Sub-Plan is being administered by a company called Computershare via their EquatePlus employee portal which will be open to Kingfisher employees in Guernsey and the Isle of Man on 1 February 2021.

If you decide you would like to join, then you need to access your EquatePlus account using your user ID and password which you should have already received. For security reasons the password will be sent separately to the user ID.

Once you have accessed your account, to join the plan please follow these steps:

- Click on the “Enrol” button
- Confirm that you have read and accept the Terms and Conditions and Rules of the Plan
- Choose the amount that you want to contribute per month
- Review your enrolment
- Press ‘Save’

## Contributions that you make

To buy Kingfisher shares under the 1+1 Guernsey and Isle of Man Sub-Plan, you need to make contributions each month for 4 months between March 2021 and June 2021 and there are maximum and minimum monthly contributions as follows:

| Location    | Minimum contribution per month | Maximum contribution per month |
|-------------|--------------------------------|--------------------------------|
| Guernsey    | £15                            | £375                           |
| Isle of Man | £15                            | £375                           |

Once the enrolment period has ended you can no longer change your monthly contribution amount or pause your contributions during the 4-month contribution period unless you wish to leave the 1+1 Guernsey and Isle of Man Sub-Plan.

If you wish to stop your contributions into the 1+1 Guernsey and Isle of Man Sub-Plan you can do so at any time and the previous contributions you have made will be returned to you via payroll as soon as possible. You will stop being a member of the 1+1 Guernsey and Isle of Man Sub-Plan and will not receive any Purchased Shares or the additional Matching Shares. You will not be able to restart your contributions into the 1+1 Guernsey and Isle of Man Sub-Plan.

## Your Purchased Shares

In July 2021, Computershare will purchase shares with your contributions and hold them on your behalf in your own EquatePlus account. These are your Purchased

Shares. Computershare can only buy a whole number of shares with your contributions so any of your contributions that couldn't buy a whole share will be returned to you via payroll as soon as reasonably possible.

Once the Purchased Shares are added to your Computershare account, you are free to sell or transfer some or all of them (subject to complying with Kingfisher's rules about when certain people can buy and sell their Kingfisher shares – you will be told if you are one of these people) but you should note that if you remove any of them from your Computershare account before July 2022 you will not be eligible to receive your Matching Shares.

If Kingfisher plc pays a dividend after July 2021, your Purchased Shares will earn these dividends while they are held in your EquatePlus account and they will be automatically reinvested to purchase more Kingfisher shares called Dividend Purchased Shares. These extra Dividend Purchased Shares will be added to your EquatePlus account.

Only whole Kingfisher shares can be purchased with the dividends so any amounts not used to purchase more Kingfisher shares for you will be kept by Computershare and added to any future dividend payments and used to buy more Kingfisher shares which will be added to your account.

### **Your Matching Shares**

If you keep your Purchased Shares and Dividend Purchased Shares in your EquatePlus account until July 2022, we will transfer ownership of your Matching Shares to you.

Due to the tax rules in Guernsey and the Isle of Man, a tax and social security liability arises when you are given a right to receive your Matching Shares (i.e. in July 2021). To address this, you will become the owner of a portion of your Matching Shares immediately, in July 2021. These shares will then be sold by Computershare on your behalf, and the proceeds used to fund the income tax and social security which is due. We will process this through your local payroll so that you don't need to take any further action. Ownership of your remaining Matching Shares will pass to you in July 2022. At this point there will be no further income tax or social security due on your Matching Shares

When you are given a right to receive your Matching Shares (i.e. in July 2021), a tax charge will arise. There is an obligation for Kingfisher to pay these taxes over to the local authorities on your behalf, so we will estimate the tax due and transfer ownership of a portion of your Matching Shares to you. These Matching Shares will then be sold to cover the liability. We'll then process the amounts through payroll and make any small adjustments to ensure you have paid the right amount of tax. We will then pay the taxes to the tax authorities on your behalf so that you should not have to take any action. Your EquatePlus account will then show the remaining Matching Shares which you have a right to receive. Ownership of these Matching Shares will transfer to you in July 2022.

In addition, if any dividends are paid by Kingfisher after July 2021, in July 2022 we will add some extra Dividend Matching Shares that represent the value of any dividends that would have been paid on the Matching Shares you are due to become owner of in July 2022 if you had owned them from July 2021. These will also be subject to tax, as outlined above, when those Dividend Matching Shares are acquired by you in July 2022.

This means that in July 2022 your Computershare account may hold:

- the Purchased Shares bought with your contributions;
- some extra Dividend Purchased Shares equal to the value of any dividends paid on your Purchased Shares;
- your Matching Shares; and
- some extra Dividend Matching Shares equal in value to the value of any dividends that would have been paid on your Matching Shares if you had owned them from July 2021.

Where a tax charge arises on the above shares that the company must account for, the number of shares added to your account will be after appropriate deductions have been made for tax. See the Tax Note available on the 1+1 Guernsey and Isle of Man Sub-Plan microsite <https://kingfisher-shareplan.com/>.

### **Becoming a shareholder**

Once your Purchased Shares are in your EquatePlus account in July 2021, you are a shareholder of Kingfisher plc.

As a shareholder, you are entitled to vote at Kingfisher's Annual General Meeting and any other shareholder meeting. If you hold your Purchased Shares on certain dates during the year then you will be entitled to receive any dividends that the company pays out in respect of its shares. These dividends will be reinvested into additional Dividend Purchased Shares.

Your Purchased Shares will be eligible to receive dividends from July 2021 and these dividends will be automatically reinvested on your behalf into buying more Dividend Purchased Shares that will be added to your EquatePlus account.

You may be subject to tax on dividends which you receive on your Purchased Shares at the point that those dividends are reinvested. Payment of any taxes due in relation to such dividends may be your personal responsibility. Information on what you will need to do from a tax perspective when you receive dividends is included in the Tax Note available on the 1+1 Guernsey and Isle of Man Sub-Plan microsite <https://kingfisher-shareplan.com/>.

As with any investment, it is important to note that the value of your Kingfisher shares can go down as well as up.

## **Holding, selling and transferring your Kingfisher shares**

If you remain in the 1+1 Guernsey and Isle of Man Sub-Plan until July 2022, you can hold all your shares – your Purchased Shares, Matching Shares, Dividend Purchased Shares and Dividend Matching Shares – in your EquatePlus account at no cost for as long as you remain employed by Kingfisher.

Once you receive your Purchased Shares (July 2021) and your Matching Shares (July 2022) you can sell them whenever you want (subject to you complying with Kingfisher's rules about when certain people can buy and sell their Kingfisher shares – you will be told if you are one of these people).

When you sell your shares, you will incur a trading fee of 0.25% subject to a minimum of £10. This fee will automatically be deducted from the proceeds of your share sale.

Remember that if you sell any of your Purchased Shares or Dividend Purchased Shares before July 2022 you will not become the owner of Matching Shares in July 2022.

If you decide to sell any of your Kingfisher shares, the proceeds generated from the sale will be delivered to the bank account that you designate in your EquatePlus account as soon as possible.

## **Leaving Kingfisher**

If you leave Kingfisher during the 4-month contribution period, you cannot participate in the 1+1 Guernsey and Isle of Man Sub-Plan and your monthly contributions will be returned to you via payroll.

If you leave once your contributions have been used to buy Purchased Shares but before July 2022, then you must usually sell or transfer your Purchased Shares out of your EquatePlus account within 6 months of you leaving employment.

Whether you will still receive ownership of the additional Matching Shares in July 2022 depends on why you have left employment. If you resign, then you will lose the right to own the Matching Shares and to receive any Dividend Matching Shares. If you leave because you are made redundant, retire with the agreement of the company or in other circumstances where you are deemed to be a "good leaver", ownership of your Matching Shares and any Dividend Matching Shares will usually be transferred to you in July 2022, provided you have not sold any of your Purchased Shares or any Dividend Purchased Shares at that time. In this circumstance, you must sell or transfer your Kingfisher shares from your EquatePlus account within 6 months of the date you become owner of the Matching Shares.

If you leave after July 2022 then you can keep or sell your Purchased and Matching Shares as you choose but you will need to transfer them out of your EquatePlus account or sell them within 6 months of leaving employment.

## Leaving the 1+1 Guernsey and Isle of Man Sub-Plan

If you wish to stop participating in the 1+1 Guernsey and Isle of Man Sub-Plan you are free to do so at any time.

If you stop your monthly contribution at any time before July 2021, you will have all your contributions returned to you via payroll.

Your Purchased Shares belong to you from July 2021 once they have been purchased by Computershare on your behalf using your contributions. If you decide to sell or transfer any of your Purchased Shares or Dividend Purchased Shares from your EquatePlus account before July 2022, then you can keep any remaining Purchased Shares and Dividend Purchased Shares in your EquatePlus account but you will lose the right to own the Matching Shares and Dividend Matching Shares in July 2022.

For as long as you remain an employee of Kingfisher you will be able to keep all the Kingfisher shares you have obtained under this plan in your EquatePlus account.

### Key dates

If you decide to join the 1+1 Guernsey and Isle of Man Sub-Plan the key dates you need to know are:

|   |   |
|---|---|
| Date you need to be employed to be eligible to join the 1+1 Guernsey and Isle of Man Sub-Plan   | 22 September 2020   |
| Period to sign up to the 1+1 Guernsey and Isle of Man Sub-Plan  | 1 – 19 February 2021  |
| Last date to sign up to the 1+1 Guernsey and Isle of Man Sub-Plan if you'd like to  | 19 February 2021  |
| First monthly contribution made (usually by payroll)  | March 2021  |
| Fourth and final monthly contribution made  | June 2021   |
| Your Purchased Shares added to your Computershare account   | July 2021   |
| Ownership of a portion of your Matching Shares is transferred to you, and these shares are sold to cover the taxes due in relation to your right to receive Matching Shares | July 2021   |
| Extra Dividend Purchased Shares are added to your account equal to the value of any dividends paid on your Purchased Shares   | July 2021 to July 2022 and beyond (if you keep your Purchased Shares) |
| Ownership of your remaining Matching Shares is transferred to you, and you receive any Dividend Matching Shares   | July 2022 (if you keep your Purchased Shares)                         |



|  |           |
|--|-----------|
| You can sell or transfer your Purchased Shares without losing your Matching Shares | July 2022 |
|--|-----------|

## **Things to think about before you join the 1+1 Guernsey and Isle of Man Sub-Plan**

- What amount can you afford to have deducted from your pay every month? You can stop contributing at any time and have any previous contributions returned to you, but you will then leave the 1+1 Guernsey and Isle of Man Sub-Plan and not be eligible to receive any Purchased Shares or Matching Shares.
- Will you still be employed by Kingfisher or working under a fixed term contract in July 2022 in order to be able to obtain ownership of your Matching Shares?
- What is your view of the likely future movement in Kingfisher's share price? When you become a shareholder, you should remember that the price of Kingfisher shares can go down as well as up in the future and you may get back less money that you invested.

## **Tax and legal information**

Your contributions are taken from your pay that has already had tax deducted from it.

This document is a summary of the main terms of the 1+1 Guernsey and Isle of Man Sub-Plan. However, the detailed legal terms of the 1+1 Guernsey and Isle of Man Sub-Plan are set out in the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan. These documents are available on the 1+1 Guernsey and Isle of Man Sub-Plan microsite <https://kingfisher-shareplan.com/>. If there are any differences between the terms as set out in this document and the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan, then the terms and conditions and the rules of the 1+1 Guernsey and Isle of Man Sub-Plan will prevail.

The opportunity to acquire Purchased Shares and receive Matching Shares is being offered to Kingfisher colleagues on a one-off basis, there may be opportunities to participate again in the future but there are currently no plans to do this.

As with any investment, it is important to note that there are risks in owning your Purchased Shares and Matching Shares. While the trading price of these shares can go up, the trading price can go down as well.

This document does not constitute the giving of investment advice, nor a part of any advice on investment decisions. If you are in any doubt about the contents of this document or what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or another

appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

Please note, neither the Company, nor any of its executives or advisers are providing you with legal or tax advice in connection with the 1+1 Guernsey and Isle of Man Sub-Plan. If you feel that you need legal or tax advice you should seek your own personal advice from an appropriately qualified person.