



## Kingfisher plc

(Incorporated in England and Wales with limited liability under registered number 1664812)

## Kingfisher Group Finance B.V.

(Incorporated in The Netherlands with limited liability)

€2,500,000,000

## Euro Medium Term Note Programme

**unconditionally and irrevocably guaranteed, in the case of Notes issued by Kingfisher Group Finance B.V., by Kingfisher plc**

Under this €2,500,000,000 Euro Medium Term Note Programme (the **Programme**) Kingfisher plc (**Kingfisher**) and Kingfisher Group Finance B.V. (**Kingfisher Finance** and, together with Kingfisher, the **Issuers** and each an **Issuer**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below). The payments of all amounts owing in respect of the Notes issued by Kingfisher Finance (**Guaranteed Notes**) will be unconditionally and irrevocably guaranteed by Kingfisher (in such capacity, the **Guarantor**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €2,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Description of the Programme" and any additional Dealer appointed under the Programme from time to time by the relevant Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".**

This Offering Circular has been approved as a base prospectus by the Financial Conduct Authority (the **FCA**), as competent authority under Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK Prospectus Regulation**). The FCA only approves this Offering Circular as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of either Issuer, the Guarantor or of the quality of the Notes that are the subject of this Offering Circular. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made to the FCA for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to the official list of the FCA (the **Official List**) and to the London Stock Exchange plc (the **London Stock Exchange**) for such Notes to be admitted to trading on the London Stock Exchange's main market.

This Offering Circular (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on the London Stock Exchange's main market. The obligation to supplement this Offering Circular in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Offering Circular is no longer valid.

References in this Offering Circular to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange's main market and have been admitted to the Official List. The London Stock Exchange's main market is a UK regulated market for the purposes of Regulation No 600/2014 on markets in financial instruments as it forms part of UK domestic law by virtue of the EUWA (**UK MiFIR**).

The requirement to publish a prospectus under the Financial Services and Markets Act 2000 (**FSMA**) only applies to Notes which are to be admitted to trading on a UK regulated market as defined in UK MiFIR and/or offered to the public in the UK other than in circumstances where an exemption is available under section 86 of the FSMA. References in this Offering Circular to **Exempt Notes** are to Notes for which no prospectus is required to be published under the FSMA. The FCA has neither approved nor reviewed information contained in this Offering Circular in connection with Exempt Notes.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will (other than in the case of Exempt Notes, as defined above) be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed on the London Stock Exchange's main market, will be delivered to the FCA and the London Stock Exchange. Copies of Final Terms in relation to Notes to be listed on the London Stock Exchange's main market will also be published on the website of the London Stock Exchange through a regulatory information service. In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche of Exempt Notes will be set out in a pricing supplement document (the **Pricing Supplement**).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer. The relevant Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes of each Tranche will be in bearer form and will be initially represented by a global Note which will (i) if the global Note is intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**) and (ii) if the global Note is not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for Euroclear and Clearstream, Luxembourg.

Kingfisher's senior long term debt obligations have been rated BBB- by S&P Global Ratings UK Limited (**S&P**) and BBB by Fitch Ratings Limited (**Fitch**). Each of S&P and Fitch is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 (as amended) as it forms part of UK domestic law by virtue of the EUWA (the **UK CRA Regulation**). Each of Fitch and S&P is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings issued by S&P and Fitch have been endorsed by S&P Global Ratings Europe Limited (**S&P Ireland**) and Fitch Ratings Ireland (**Fitch Ireland**) respectively in accordance with the CRA Regulation. Each of S&P Ireland and Fitch Ireland are established in the EEA and registered under the CRA Regulation. As such, S&P Ireland and Fitch Ireland are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Certain Series of Notes to be issued under this Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms (or Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the ratings specified above. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Arranger

**NatWest Markets**

Dealers

Bank of China  
BNP PARIBAS  
Crédit Agricole CIB  
Deutsche Bank  
HSBC  
Société Générale Corporate & Investment Banking

Barclays  
CaixaBank, S.A.  
Credit Suisse  
Goldman Sachs Bank Europe SE  
NatWest Markets  
Standard Chartered Bank

The date of this Offering Circular is 30 April 2021

*This Offering Circular together with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference") comprises a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 8 of the UK Prospectus Regulation. When used in this Offering Circular, **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**).*

*Each Issuer and the Guarantor accept(s) responsibility for the information contained in this Offering Circular and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of each of the Issuers and the Guarantor the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect its import.*

*This Offering Circular is to be read in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference"). This Offering Circular shall be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.*

*Other than in relation to the documents which are deemed to be incorporated by reference (see "Documents Incorporated by Reference"), the information on the websites to which this Offering Circular refers does not form part of this Offering Circular and has not been scrutinised or approved by the FCA.*

*Save for the Issuers and the Guarantor, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuers or the Guarantor in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by any of the Issuers or the Guarantor in connection with the Programme or any Notes.*

*No person is or has been authorised by any of the Issuers or the Guarantor to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by either Issuer, the Guarantor, any of the Dealers or the Trustee.*

*Neither this Offering Circular nor any Final Terms nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by either Issuer, the Guarantor, any of the Dealers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and (in the case of the Guaranteed Notes) the Guarantor. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the relevant Issuer and (in the case of the Guaranteed Notes) the Guarantor or any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.*

*Neither the delivery of this Offering Circular nor any Final Terms nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning either Issuer or the Guarantor is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of either Issuer or the Guarantor during the life of the Programme or to advise any investor in Notes of any information coming to their attention.*

**IMPORTANT – EEA RETAIL INVESTORS** – *If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or*

*selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

**IMPORTANT – UK RETAIL INVESTORS** – *If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.*

**MiFID II product governance / target market** – *The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled "MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.*

*A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.*

**UK MiFIR product governance / target market** – *The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.*

*A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.*

*Unless otherwise stated in the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes), all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

*Neither this Offering Circular nor any Final Terms constitutes an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and any Final Terms and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuers, the Guarantor, the Dealers and the Trustee represents that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering.*

*In particular, no action has been taken by either Issuer, the Guarantor, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the EEA (including The Netherlands, France and Belgium), the UK, Singapore and Japan (see "Subscription and Sale").*

*The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must make its own assessment as to the suitability of that investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it:*

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;*
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;*
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;*
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of the financial markets; and*
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.*

*Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.*

*Neither the Notes nor the guarantee thereof have been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes and the guarantee thereof may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "Subscription and Sale").*

*This Offering Circular has not been submitted for clearance to the Autorité des marchés financiers.*

*All references in this Offering Circular to "€", and "euro" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, to "Sterling", "pounds sterling" and "£" refer to the currency of the United Kingdom, and to "U.S. dollars", "U.S.\$" and "\$" refer to the currency of the United States of America.*

*Amounts payable on Floating Rate Notes issued under the Programme may be calculated by reference to either LIBOR or EURIBOR as specified in the applicable Final Terms. As at the date of this Offering Circular, ICE Benchmark Administration Limited (as administrator of LIBOR) is included in the FCA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 as it forms part of UK domestic law by virtue of EUWA (the **UK Benchmarks Regulation**). The European Money Markets Institute (as administrator of EURIBOR) is not included in the FCA's register of administrators under Article 36 of the UK Benchmarks Regulation. As far as the Issuers are aware, the transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that European Money Markets Institute is not currently required to obtain authorisation/registration, recognition, endorsement or equivalence.*

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*In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.*

## DESCRIPTION OF THE PROGRAMME

*The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). The relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of Notes other than Exempt Notes and, if appropriate, a supplement to the Offering Circular or a new Offering Circular will be published.*

*This description constitutes a general description of the Programme for the purposes of Article 25(1) of Delegated Regulation (EU) No 2019/980*

*as it forms part of UK domestic law by virtue of EUWA.*

*Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this description.*

Issuers:	Kingfisher Group Finance B.V. and Kingfisher plc
Issuer Legal Entity	Kingfisher Group Finance B.V.: 213800749WCO9CY6GJ04
Identifiers (LEI):	Kingfisher plc: 213800KBMEV7I92FY281
Guarantor:	Kingfisher plc (in respect of Guaranteed Notes)
Description:	Euro Medium Term Note Programme
Arranger:	NatWest Markets Plc
Dealers:	Bank of China Limited, London Branch Barclays Bank Ireland PLC Barclays Bank PLC BNP Paribas CaixaBank, S.A. Crédit Agricole Corporate and Investment Bank Credit Suisse Securities (Europe) Limited Credit Suisse Securities Sociedad de Valores S.A. Deutsche Bank AG, London Branch Goldman Sachs Bank Europe SE HSBC Bank plc NatWest Markets Plc Société Générale Standard Chartered Bank and any other Dealers appointed in accordance with the Programme Agreement.
Risk Factors:	There are certain factors that may affect either Issuer's ability to fulfil its obligations under Notes issued under the Programme or the Guarantor's ability to fulfil its obligations under the Guarantee. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of particular Series of Notes issued under the Programme. All of these are set out under "Risk Factors".
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale") including the following restrictions applicable at the date of this Offering Circular.
Notes with a Maturity of	Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the

less than one year:	FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent in other currencies (see " <i>Subscription and Sale</i> ").
Trustee:	The Law Debenture Trust Corporation p.l.c.
Issuing and Principal Paying Agent:	HSBC Bank plc.
Paying Agent:	Banque Internationale à Luxembourg, société anonyme.
Programme Size:	Up to €2,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer.
Maturities:	The Notes will have such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid or, in the case of Exempt Notes, a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	<p>The Notes will be issued in bearer form as described in "<i>Form of the Notes</i>".</p> <p>The Notes of each Tranche will be initially represented by a global note which will (i) if the global note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg and (ii) if the global note is not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to the Common Depositary for Euroclear and Clearstream, Luxembourg.</p>
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li> <li>(ii) on the basis of a reference rate set out in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).</li> </ul> <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p>

	Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.
Benchmark Discontinuation:	In the case of Floating Rate Notes, if a Benchmark Event occurs, then the relevant Issuer and (in the case of Guaranteed Notes) the Guarantor shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which, an Alternative Rate and, in either case, an Adjustment Spread and any Benchmark Amendments, as further described in Condition 4(c).
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Exempt Notes:	The relevant Issuer and the Guarantor (in the case of Guaranteed Notes) may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable Pricing Supplement.
Redemption:	<p>The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer.</p> <p>Notes issued with a maturity of less than one year are subject to restrictions on their denomination and distribution (see "<i>Notes with a maturity of less than one year</i>").</p>
Denomination of Notes:	The Notes will be issued in such denominations as may be agreed between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see " <i>Notes with a maturity of less than one year</i> ") and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Taxation:	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by or on behalf of any Tax Jurisdiction, subject as provided in Condition 7. In the event that any such deduction is made, the relevant Issuer or, as the case may be, the Guarantor (in the case of Guaranteed Notes) will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.
Negative Pledge:	The terms of the Notes will contain a negative pledge provision as further described in Condition 3.
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 9.
Step Up Ratings Change and Step Down Ratings Change:	If Step Up Ratings Change and Step Down Ratings Change (both as defined below) is specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), the Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up Rating Change or a



Step Down Rating Change, as the case may be. See Condition 4(e).

Status of the Notes:	<p>The Notes and any relevant Coupons will constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the relevant Issuer and (subject as aforesaid) will rank <i>pari passu</i>, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the relevant Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.</p>
Status of the Guarantee:	<p>Only Notes issued by Kingfisher Finance will be unconditionally and irrevocably guaranteed by the Guarantor.</p> <p>The obligations of the Guarantor under the Guarantee in respect of the Guaranteed Notes will constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the Guarantor and (subject as aforesaid) will rank <i>pari passu</i>, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.</p>
Rating:	<p>Kingfisher's senior long term debt obligations have been rated BBB- by S&amp;P, and BBB by Fitch. Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms (or in the case of Exempt Notes, the applicable Pricing Supplement). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Listing:	<p>Application has been made to the FCA for Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's main market.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Governing Law:	<p>The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.</p>
Selling Restrictions:	<p>There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including The Netherlands, France and Belgium), the UK, Singapore and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "<i>Subscription and Sale</i>".</p>

## RISK FACTORS

*There is a wide range of factors which individually or together could result in either Issuer or the Guarantor becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuers and the Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside their control. The Issuers and the Guarantor have identified in this Offering Circular a number of factors which could materially adversely affect their businesses and/or financial condition and therefore their ability to make payments due under the Notes.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

### **FACTORS AFFECTING THE ISSUERS' AND THE GUARANTOR'S ABILITY TO FULFIL THEIR OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME**

#### ***Operational***

##### *Market and other factors*

Kingfisher's and its subsidiaries', joint ventures' and associates' (the **Group**) business is affected by a variety of factors outside its control, including, among other things, changing consumer trends, general economic conditions and uncertainty, and existing and new competitor activity.

The Group's success depends in part upon its ability to anticipate and to respond to changing consumer preferences and trends. Failure to accurately anticipate or effectively respond to such changes could adversely affect the Group's financial results.

Many of the Group's retail products represent discretionary purchases and customer demand for these products could decline in a recession or other period in which consumer confidence and consumer spending is negatively affected which could in turn adversely affect the Group's financial condition.

The Group's main operating companies face a significant established competitor base. In addition, there is a risk of new entrants into its product sectors. If the Group is not able to effectively compete against existing and new competitors, its market share could be negatively impacted which would have an adverse effect on the Group's financial performance.

Levels of growth in the home improvement market are dependent upon the economic and market environment in each locality in which the Group operates. As such these levels are difficult to predict and failure to manage or respond to growth could have an adverse impact on the Group's operations and financial results.

##### *Fluctuations in the Group's performance*

Fluctuations in the Group's operating results have occurred in the past and may occur in the future based on a variety of factors, including:

- changes in the Group's product mix
- the timing of new store openings, closures and revamps
- the prevailing weather
- competitive pressure
- changes in costs
- external factors (such as a pandemic, third-party labour disputes, political issues and restrictions on opening hours) which may have an impact on distribution or supply of products
- resilience of key suppliers to ongoing global economic volatility or events which significantly impact their ability to continue to supply

- catastrophic events such as the destruction of a key asset (e.g. a distribution centre) or a major fraud

The Group operates with a significant level of fixed costs, including lease costs and employee salaries and benefits. In the event that the Group experiences lower sales, it may be unable to immediately reduce its fixed costs proportionately, which could in turn have an adverse impact on the Group's financial results and the financial condition of the Group.

#### *Forecasting requirements*

Incorrect forecasting of demand in the future could result in the Group experiencing an excess or a shortage of inventory. The long lead times between ordering and delivery and the need to commit for seasonal products a long time in advance make it more difficult to accurately match the demand for such items. If orders do not match actual demand, the Group could have higher or lower than anticipated stock levels and this could lead to higher interest charges or less interest income, price reductions or write downs of slow moving or excess stock resulting in lower profits.

#### *Contagious Diseases*

A prolonged global health threat, such as COVID and associated Government restrictions could adversely affect the Group by disrupting its operations and those of its partners and suppliers. This could cause a significant reduction in footfall in stores and consumer spending and negatively impact the Group's ability to receive products from affected countries. High levels of absence in the Group's workforce or stringent safety procedures could impact its ability to operate stores or warehouses, deliver products or provide appropriate functional support to its business. There is also a risk that the Group is perceived as failing to prioritise safety by its customers, colleagues or stakeholders, which could negatively impact its brands. The occurrence of one or more of these events could adversely affect the Group's financial results and the financial condition of the Group.

#### *Changing Customer Preferences*

Among other things, the COVID pandemic has caused an acceleration in the pace of change in customer preferences, with a greater use of e-commerce solutions for click and collect facilities and home deliveries. The Group must ensure it has innovative digital channels supported by an agile and reliable infrastructure, including technology and logistics capability, and an optimised property portfolio with in-store services, to make its products sufficiently compelling to customers and available when and where they want it. Failure to identify new trends and optimise the Group's digital channels could affect its ability to stimulate spending and adversely impact the value of the Group's assets and its financial results.

#### *Political and market volatility*

The Group operates in eight countries and relies on a global supply base, exposing it to geopolitical uncertainty and local volatility. Forms of disruption could include strikes, work stoppages and/or disruption to the ability to receive products from affected countries. This could also include restrictions imposed by different governments in response to the COVID pandemic. Market volatility has increased due to the COVID pandemic, creating a prolonged economic downturn resulting in changing customer behaviours and reduced consumer confidence. If the governments of the countries in which the Group operates increase taxation to address the budget deficits incurred as a result of the COVID pandemic, this will create additional burdens on the Group. The occurrence of any one of these events could potentially disrupt the day-to-day operations of the Group and its ability to meet its strategic objectives, which in turn could negatively impact the Group's financial results.

### ***Strategic***

#### *Competition*

The Group's competitors include both traditional store-based and online retailers. The COVID pandemic has accelerated changes in the market, with a sharp rise in the use of online marketplaces. The Group's competitors are also developing their product offerings including both direct-to-customer operations and the range of services offered. Targeted actions by competitors could negatively impact the Group's market share, the value of its assets and its financial results.

#### *Level and impact of change*

Under the Group's strategic plan, it is utilising its core strengths and commercial assets, and 'powering' its distinct retail banners to address the significant growth opportunities that exist within the home improvement market (see section titled "*Kingfisher plc – 'Powered by Kingfisher' strategic plan*"). The Group has strong

ambitions which require changes to roles and ways of working, while continuing to implement its IT systems programme. Where relevant, the Group may also consider complementary acquisitions, partnerships and joint ventures to optimise its business activities and support its strategy. Failure to properly prioritise activity and manage change effectively could result in weaker than anticipated sales growth, reduced operating margins or insufficient cash being generated to meet the Group's objectives.

#### *Reputation and trust*

The customers, colleagues, suppliers, investors and the communities in which the Group operates have an expectation that business will be conducted responsibly. The Group has publicly communicated ambitious responsible business targets. Failure to deliver on these obligations and commitments could undermine trust in the Group, damage its reputation and impact its ability to meet its strategic objectives.

### **Employees**

#### *People*

The Group's employees are critical to the successful delivery of its strategy and business. The Group is rebalancing responsibilities between the Group and local levels, to ensure that the right conditions are created for its individual banners to grow and to leverage the Group's scale and expertise to meet specific customer needs in local markets. Failure to manage the impact of organisational changes, to attract, retain and develop colleagues with the appropriate skills and capabilities and from diverse backgrounds, or to have adequate succession plans, could impact the Group's ability to meet its financial and business objectives which could in turn have an adverse effect on the financial results of the Group.

### **Technology**

#### *Supply chain resilience*

A resilient supply chain is key to the Group's business and the achievement of its strategic objectives. The Group is dependent on complex supply chains and delivery solutions to deliver its products to customers. During 2020 there has been significant disruption caused by the COVID pandemic, with congestion at ports and an increased demand for containers. The COVID pandemic has also caused operational difficulties for the Group's suppliers, testing their ability to respond quickly to changes in demand. Major disruption to the Group's supply chain could result in reduced levels of products available for sale, which may in turn have an adverse financial and reputational impact on the Group.

#### *Cyber and data security*

Cyber-attacks and security incidents have increased in recent years and the retail sector, along with a number of other industry sectors, has become a target of these attacks and incidents due to the industry becoming more data driven. Failure to protect the Group's data and/or an inability to detect breaches and respond accordingly could have an adverse impact on the Group's operations, profitability and reputation.

### **Regulatory**

#### *Legal and Regulatory*

The Group's operations are subject to a broad range of regulatory requirements in the markets in which it operates. A major corporate issue or crisis, a significant fraud or material non-compliance with legislative or regulatory requirements would impact the Group's brands and reputation, could expose it to significant fines or penalties and would require significant management attention.

### **Financing arrangements**

#### *Debt finance*

If the Group's future strategy requires the raising of additional finance, this would increase interest costs and may give rise to fluctuations in the Group's profits where that finance is not denominated in sterling.

Higher debt levels will also result in an increase in the proportion of the Group's cash flow dedicated to debt service, and increase its exposure to interest rate increases.

#### *Risk of losses in treasury operations*

Kingfisher's treasury department manages the liquidity and debt financing of the Group and the financial risks associated with exposure to foreign currencies, interest rates and counterparty credit, within limits set out in the Group's treasury policy.

The Group's treasury team works within a robust framework of internal control procedures in order to minimise losses due to error or fraud, and to protect the Group against unforeseen events. However, losses in relation to treasury activities, which could adversely affect the Group's financial results, could be caused by the occurrence of one or more of the following events:

- unexpected extraordinary movements in money or foreign exchange markets could make short-term or long-term funding more difficult and/or expensive to obtain, and an appropriate currency mix of funding difficult to achieve
- human error could result in inappropriate activity being undertaken in the markets which will incur a cost to be reversed
- incorrect settlement of a third-party payment could lead to unexpected losses and/or claims
- a default by an external counterparty could cause losses through lost deposit monies, derivative positions needing to be closed out and/or settlement default.

#### *Dependence on Subsidiaries*

Kingfisher is the holding company of the Group and substantially all of its operations are carried on through its subsidiaries, joint ventures and associates. Kingfisher's ability to meet its financial obligations is dependent on the availability of cash flows from its domestic and foreign subsidiaries and affiliated companies through dividends, intercompany advances and other payments.

*Kingfisher Finance is a finance company and is reliant upon inter-company loans in order to satisfy any payment obligations under Notes*

Kingfisher Finance, which is an indirect wholly owned subsidiary of Kingfisher, has no subsidiaries or operating activities so is reliant upon inter-company loans in order to satisfy any payment obligations under the Notes. It is intended that proceeds received by Kingfisher Finance from Noteholders will be lent to Kingfisher under inter-company loans and that any interest received from such loans will be used by Kingfisher Finance to fund payments due to Noteholders.

In circumstances where one or more of the risks referred to herein arises and adversely affects the business, financial condition or operational results of any member of the Group there may in turn be an adverse effect on the ability of Kingfisher to make interest payments to Kingfisher Finance, so as to enable Kingfisher Finance to satisfy its payment obligations under the Notes.

### **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

#### **Risks related to the structure of a particular issue of Notes**

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### ***Risks applicable to all Notes***

*If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

An optional redemption feature of Notes is likely to limit their market value and secondary market of the Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

*The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"*

Interest rates and indices which are deemed to be "benchmarks", (including LIBOR and EURIBOR) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 (the **EU Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The UK Benchmarks Regulation among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark(s).

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The FCA previously indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. On 5 March 2021, ICE Benchmark Administration Limited (**IBA**), the administrator of LIBOR, published a statement confirming its intention to cease publication of all LIBOR settings, together with the dates on which this will occur, subject to the FCA exercising its powers to require IBA to continue publishing such LIBOR settings using a changed methodology (the **IBA announcement**). Concurrently, the FCA published a statement on the future cessation and loss of representativeness of all LIBOR currencies and tenors, following the dates on

which IBA has indicated it will cease publication (the **FCA announcement**). Permanent cessation will occur immediately after 31 December 2021 for all Euro and Swiss Franc LIBOR tenors and certain Sterling, Japanese Yen and US Dollar LIBOR settings and immediately after 30th June 2023 for certain other USD LIBOR settings. In relation to the remaining LIBOR settings (1-month, 3-month and 6-month Sterling, US Dollar and Japanese Yen LIBOR settings), the FCA will consult on, or continue to consider the case for, using its powers to require IBA to continue their publication under a changed methodology for a further period after end-2021 (end-June 2023 in the case of US Dollar LIBOR). The FCA announcement states that consequently, these LIBOR settings will no longer be representative of the underlying market that such settings are intended to measure immediately after 31 December 2021, in the case of the Sterling and Japanese Yen LIBOR settings and immediately after 30 June 2023, in the case of the USD LIBOR settings. Any continued publication of the Japanese Yen LIBOR settings will also cease permanently at the end of 2022.

Separately, the euro risk-free rate working group for the euro area published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 25 November 2020, the euro risk-free rate working group published consultations on EURIBOR fallback trigger events and fallback rates. The final recommendations are expected to be published during the second quarter of 2021.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate such as LIBOR, EURIBOR or other relevant reference rates, ceases to be published or a Benchmark Event as defined in Condition 4(c)(iv) otherwise occurs, including the possibility that the rate of interest or other amounts payable under the Notes could be set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders or Couponholders arising out of the replacement of the relevant benchmark, and may include amendments to the Conditions of the Notes and the Trust Deed (without the consent of the Noteholders) to follow market practice or to ensure the proper operation of the successor rate or alternative reference rate and, in either case, an adjustment spread. The IBA announcement and FCA announcements referred to above each constitutes such a Benchmark Event and, accordingly, a Benchmark Event would occur immediately upon issuance of any applicable Floating Rate Notes issued on or after the date of this Offering Circular. In certain circumstances, the fallback for the purposes of calculation of interest or other amounts payable under the Notes may be based upon a determination to be made by an Independent Adviser appointed by the relevant Issuer and (in the case of Guaranteed Notes) the Guarantor. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time and in the event of a permanent discontinuation of LIBOR, EURIBOR or any other relevant benchmark, the relevant Issuer and (in the case of Guaranteed Notes) the Guarantor may be unable to appoint an Independent Adviser or the Independent Adviser may be unable to determine a successor rate or alternative reference rate. In these circumstances, where LIBOR, EURIBOR or any other relevant benchmark has been discontinued, the Rate of Interest will revert to the Rate of Interest applicable as at the immediately preceding Interest Determination Date.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any other relevant reference rate and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to or referencing a benchmark.

### **Risks related to Notes generally**

Set out below is a description of material risks relating to the Notes generally:

***The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the relevant Issuer, in the circumstances described in Condition 16 of the conditions of the Notes. In addition, the Trustee shall be obliged to concur with the relevant Issuer and (in the case of Guaranteed Notes) the Guarantor in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4(c)(iv) without the consent of the Noteholders or Couponholders.

***A Restructuring Plan implemented pursuant to the Corporate Insolvency and Governance Act 2020 may modify the conditions of the Notes or the Guarantee without the consent of the Noteholders***

Where the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, encounters, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern, it may propose a Restructuring Plan (a **Plan**) with its creditors under Part 26A of the Companies Act 2006 (introduced by the Corporate Insolvency and Governance Act 2020) to eliminate, reduce, prevent or mitigate the effect of any of those financial difficulties. Should this happen, creditors whose rights are affected are organised into creditor classes and can vote on any such Plan (subject to being excluded from the vote by the English courts for having no genuine economic interest in the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor and, in the case of Guaranteed Notes, certain exclusions where the Plan is proposed within the 12 week period following the end of a moratorium). Providing that one class of creditors (who would receive a payment, or have a genuine economic interest in the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor) has approved the Plan, and in the view of the English courts any dissenting class(es) who did not approve the Plan are no worse off under the Plan than they would be in the event of the "relevant alternative" (such as, broadly, liquidation or administration), then the English court can sanction the Plan where it would be a proper exercise of its discretion. A sanctioned Plan is binding on all creditors and members, regardless of whether they approved it. Any such sanctioned Plan in relation to the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, may, therefore, adversely affect the rights of Noteholders and the price or value of their investment in the Notes, as it may have the effect of modifying or disapplying certain terms of the Notes (by, for example, writing down the principal amount of the Notes, modifying the interest payable on the Notes, the maturity date or dates on which any payments are due or substituting the Issuer) or, in the case of Guaranteed Notes, modifying or disapplying certain terms of the Guarantee or substituting the Guarantor.

***The value of the Notes could be adversely affected by a change in English law or administrative practice***

The conditions of the Notes are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

***Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.



If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***In respect of any Notes issued with a specific use of proceeds, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor***

The Final Terms relating to any specific Tranche of Notes may provide that it will be the relevant Issuer's intention to apply the proceeds from an offer of those Notes specifically for projects and activities that promote climate-friendly and/or other environmental purposes (either in those words or otherwise) (**Green Projects**). Prospective investors should have regard to the information in the relevant Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

In particular no assurance is given by the relevant Issuer, (in the case of Guaranteed Notes) the Guarantor or any Dealer, that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental or sustainability impact of any project or uses, the subject of or related to, any green, social or sustainability framework prepared by the relevant Issuer. For the avoidance of doubt, as at the date of the Offering Circular, neither Issuer nor the Guarantor has implemented and approved any definitive green, social or sustainability framework.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "Green" or other equivalently labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects. Each prospective investor should have regard to the factors described in any green, social or sustainability framework prepared by the relevant Issuer following the date of this Offering Circular.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the relevant Issuer and/or the Guarantor) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Offering Circular. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the relevant Issuer, (in the case of Guaranteed Notes) the Guarantor, any Dealer or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as of the date that such opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the relevant Issuer, (in the case of Guaranteed Notes) the Guarantor, any Dealer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the relevant Issuer, (in the case of Guaranteed Notes) the Guarantor, any Dealer, or any other person that any such listing or admission to trading will be obtained in

respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the relevant Issuer and (in the case of Guaranteed Notes) the Guarantor, to apply the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant intended project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by such Issuer and (in the case of Guaranteed Notes) the Guarantor. Any such event or failure by the relevant Issuer or, if applicable, the Guarantor will not constitute an Event of Default under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes for any Green Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the relevant Issuer or, if applicable, the Guarantor is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

### **Risks related to the market generally**

Set out below is a description of the material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

***If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The relevant Issuer will pay principal and interest on the Notes and (in the case of Guaranteed Notes) the Guarantor will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer or the Guarantor (in the case of Guaranteed Notes) to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***The value of Fixed Rate Notes may be adversely affected by movements in market interest rates***

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

***Credit ratings assigned to the relevant Issuer, (in the case of Guaranteed Notes) the Guarantor or any Notes may not reflect all the risks associated with an investment in those Notes***

As described on the front page of this Offering Circular, certain credit rating agencies have assigned credit ratings to Kingfisher's senior long term debt obligations and one or more independent credit rating agencies may assign credit ratings to the relevant Issuer, the Guarantor or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms (or in the case of Exempt Notes, the applicable Pricing Supplement).

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Offering Circular.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Offering Circular shall be incorporated in, and form part of, this Offering Circular:

- (a) the auditor's report and audited consolidated annual financial statements of Kingfisher for the year ended 31 January 2021 (contained on pages 112 to 167 (inclusive) of Kingfisher's Annual Report and Accounts for the financial year ended 31 January 2021 (available at <https://www.kingfisher.com/en/investors/company-reports.html>); and
- (b) the auditor's report and audited consolidated annual financial statements of Kingfisher for the year ended 31 January 2020 (contained on pages 98 to 163 (inclusive) of Kingfisher's Annual Report and Accounts for the financial year ended 31 January 2020 (available at <https://www.kingfisher.com/en/investors/company-reports.html>).

Documents which are referred to or incorporated by reference into the documents listed above do not form part of this Offering Circular.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

Following the publication of this Offering Circular a supplement may be prepared by the Issuers and the Guarantor and approved by the FCA in accordance with Article 23 of the UK Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

The relevant Issuer and (in the case of Guaranteed Notes) the Guarantor will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Offering Circular which may affect the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

*Any reference in this section to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.*

Each Tranche of Notes will be in bearer form and will initially be issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note** and, together with the Temporary Global Note, the **Global Notes**), which, in either case, will:

- (i) if the Global Notes are intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**); and
- (ii) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

If a Global Note is a NGN, the relevant Issuer shall procure that details of payment of principal, interest (if any) or any other amounts payable in respect of such Global Note, shall be entered pro rata in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by such Global Note will be reduced accordingly. Payments under the NGN will be made to its holder. Each payment so made will discharge the relevant Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the relevant Issuer or (in the case of Guaranteed Notes), the Guarantor has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 which would not be required were the Notes represented by the Permanent Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Agent.

The exchange of a Permanent Global Note for definitive Notes upon notice from Euroclear and/or Clearstream (acting on the instructions of any holder) or at any time at the request of the relevant Issuer should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes.

The following legend will appear on all Notes (other than Temporary Global Notes) and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

For so long as any of the Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor (in the case of Guaranteed Notes), their respective agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the relevant Issuer, the Guarantor (in the case of Guaranteed Notes), their respective agents and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant

Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

No Noteholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor unless the Trustee, having become bound so to proceed, (i) fails so to do within 60 days of becoming so bound to proceed, or (ii) is unable for any reason so to do, and the failure or inability shall be continuing.

## APPLICABLE FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which have a denomination of €100,000 (or its equivalent in any other currency) or more issued under the Programme.*

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the **UK Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>2</sup>

**[[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[UK MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a **distributor**) / distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own

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<sup>1</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the EEA or the relevant Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

<sup>2</sup> Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the relevant Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".



target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]]<sup>3</sup>

[Notification under Section 309B(1)(c) of the Securities And Futures Act (Chapter 289) of Singapore (the SFA) - [Insert notice if classification of the Notes is not ["prescribed capital markets products"], pursuant to Section 309B of the SFA or [Excluded Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].]<sup>4</sup>

[Date]

[Kingfisher Group Finance B.V. / Kingfisher plc]

Legal entity identifier (LEI): [213800749WCO9CY6GJ04 / 213800KBMEV7I92FY281]

Issue of [Aggregate Nominal Amount of Tranche]

[Title of Notes]

[Guaranteed by Kingfisher plc]

under the €2,500,000,000

Euro Medium Term Note Programme

## PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 30 April 2021 [and the supplement[s] to it dated [ ] [and [ ]], including all documents incorporated by reference, which [together] constitute[s] a base prospectus for the purposes of [Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the EUWA) (the UK Prospectus Regulation) / the UK Prospectus Regulation] (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Offering Circular in order to obtain all relevant information. The Offering Circular has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated [original date] [and the supplement to it dated [ ]] which are incorporated by reference in the Offering Circular dated [current date]. This document constitutes the Final Terms of the Notes described herein for the purposes of [Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the EUWA) (the UK Prospectus Regulation) / the UK Prospectus Regulation] and must be read in conjunction with the Offering Circular dated [current date] [and the supplement[s] to it dated [ ] [and [ ]] which [together] constitutes[s] a base prospectus for the purposes of the UK Prospectus Regulation (the **Offering Circular**), including the Conditions incorporated by reference in the Offering Circular in order to obtain all the relevant information. The Offering Circular has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.]

- |    |  |   |
|----|--|---|
| 1. | Issuer:  | [Kingfisher Group Finance B.V. / Kingfisher plc]  |
| 2. | Guarantor:   | [Kingfisher plc / Not Applicable]   |
| 3. | (i) Series Number:   | [ ]   |
|    | (ii) Tranche Number:   | [ ]   |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series and be interchangeable for trading purposes with [ ] on [ ]/[the Issue Date]/[exchange of the Temporary Global Note for interests in the |

<sup>3</sup> Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

<sup>4</sup> Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the relevant Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

- Permanent Global Note, as referred to in paragraph 27 below, which is expected to occur on or about [ ]][Not Applicable]
4. Specified Currency [ ]
5. Aggregate Nominal Amount:
- (i) Tranche: [ ]
- (ii) Series: [ ]
6. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
7. (i) Specified Denominations: [ ] [and integral multiples of [ ] in excess thereof up to and including [ ]. Definitive Notes will not be issued in denominations in excess of [ ]]
- (ii) Calculation Amount [ ]
8. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ]/Issue Date/Not Applicable]
9. Maturity Date: [[ ]/[Interest Payment Date falling in [or nearest to] [ ]]
10. Interest Basis: [Subject as set out in Condition 4(e),]  
[[ ] per cent. Fixed Rate]  
[[[ ] month [LIBOR/EURIBOR]] +/- [ ] per cent. Floating Rate]  
[Zero Coupon]  
(see paragraph 15/16/17 below)
11. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date [at [[ ] per cent. of their nominal amount][par]]
12. Change of Interest Basis: [[ ]][Not Applicable]
13. Put/Call Options: [Investor Put]  
[Put Event]  
[Issuer Call]  
[Issuer Par Call]  
[Issuer Residual Call]  
[Make-whole Redemption by Issuer]  
[Not Applicable]  
[(see paragraph[s] 19/20/21/22/23/24 below)]
14. Date [Board] approval for issuance of [ ] Notes [and Guarantee] obtained:

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (i) Rate[(s)] of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date[, subject [to adjustment in accordance with the Business Day Convention set out in (vii) below][and][as set out in Condition 4(e)]]
- (ii) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]

	(iii)	Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions):	[Subject to adjustment as a result of the application of Condition 4(e),[ ] per Calculation Amount
	(iv)	Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions):	[[Subject to adjustment as a result of the application of Condition 4(e),[ ] per Calculation Amount, payable in the Interest Payment Date falling [in/on] [ ]][Not Applicable]
	(v)	Day Count Fraction:	[Actual/Actual (ICMA)] [30/360]
	(vi)	Determination Date(s):	[[ ] in each year][Not Applicable]
	(vii)	Business Day Convention:	[Not Applicable/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(viii)	Step Up Ratings Change and Step Down Ratings Change:	[Applicable/Not Applicable]
		[Step Up Margin:	[●] per cent per annum.]
<b>16.</b>		Floating Rate Note Provisions	[Applicable/Not Applicable]
	(i)	Specified Period(s)/Specified Interest Payment Dates:	[ ], subject to adjustment in accordance with the Business Day Convention set out in (ii) below /, not subject to adjustment, as the Business Day Convention in (ii) below is specified to be Not Applicable]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iii)	Additional Business Centre(s):	[ ]
	(iv)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]
	(v)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[ ]
	(vi)	Screen Rate Determination:	
		— Reference Rate:	[ ] month [LIBOR/EURIBOR]
		— Interest Determination Date(s):	[ ]
		— Relevant Screen Page:	[ ]
	(vii)	ISDA Determination:	
		— Floating Rate Option:	[ ]
		— Designated Maturity:	[ ]
		— Reset Date:	[ ]
	(viii)	Linear Interpolation:	[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]

	(ix)	Margin(s):	[Subject to adjustment as a result of the application of Condition 4(e),] [+/-] [ ] per cent. per annum
	(x)	Minimum Rate of Interest:	[ ] per cent. per annum
	(xi)	Maximum Rate of Interest:	[ ] per cent. per annum
	(xii)	Day Count Fraction:	[Actual/Actual (ISDA)][Actual/Actual] Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] 30E/360 (ISDA)]
	(xiii)	Step Up Ratings Change and Step Down Ratings Change:	[Applicable/Not Applicable]  [Step Up Margin: [●] per cent. per annum]
<b>17.</b>		Zero Coupon Note Provisions	[Applicable/Not Applicable]
	(i)	Accrual Yield:	[ ] per cent. per annum
	(ii)	Reference Price:	[ ]
	(iii)	Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]
<b>PROVISIONS RELATING TO REDEMPTION</b>			
<b>18.</b>		Notice periods for Condition 6(b):	Minimum period: [30] days Maximum period: [60] days
<b>19.</b>		Issuer Call:	[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount:	[[ ] per Calculation Amount]
	(iii)	If redeemable in part:	[Not Applicable, as the Notes are not redeemable in part]
	(a)	Minimum Redemption Amount:	[ ]
	(b)	Maximum Redemption Amount:	[ ]
	(iv)	Notice periods:	Minimum period: [15]/[ ] days Maximum period: [30]/[ ] days
<b>20.</b>		Issuer Par Call:	[Applicable/Not Applicable]
		Notice periods:	Minimum period: [15]/[ ] days Maximum period: [30]/[ ] days
<b>21.</b>		Make-whole Redemption by the Issuer:	[Applicable/Not Applicable]
	(i)	Make-whole Redemption Date(s):	[ ]
	(ii)	Make-whole Redemption Margin:	[[ ] basis points/Not Applicable]
	(iii)	Reference Bond:	[CA Selected Bond/[ ]]
	(iv)	Quotation Time:	[[5.00 p.m. [Brussels/London/[ ]]] time/Not

		Applicable]
(v)	Reference Rate Determination Date:	The [ ] Business Day preceding the relevant Make-whole Redemption Date
(vi)	If redeemable in part:	[Not Applicable, as the Notes are not redeemable in part]
	(a) Minimum Redemption Amount:	[ ]
	(b) Maximum Redemption Amount:	[ ]
(vii)	Notice Periods:	Minimum period: [15]/[ ] days Maximum period: [30]/[ ] days
<b>22.</b>	Issuer Residual Call:	[Applicable/Not Applicable]
	(i) Residual Call Early Redemption Amount:	[ ] per Calculation Amount
	(ii) Notice periods:	Minimum period: [15]/[ ] days Maximum period: [30]/[ ] days
<b>23.</b>	Investor Put:	[Applicable/Not Applicable]
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount:	[ ] per Calculation Amount
	(iii) Notice periods:	Minimum period: [15] days Maximum period: [30] days
<b>24.</b>	Put Event:	[Applicable/Not Applicable]
	Notice periods:	Minimum period: [15] days Maximum period: [30] days
<b>25.</b>	Final Redemption Amount	[ ] per Calculation Amount
<b>26.</b>	Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default:	[ ] per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

<b>27.</b>	Form of Notes:	
	(i) Form:	<p>[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event].]</p> <p>[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]</p> <p>[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]</p>
	(ii) New Global Note:	[Yes][No]
<b>28.</b>	Additional Business Centre(s):	[Not Applicable/[ ]]
<b>29.</b>	Talons for future Coupons to be attached to Definitive Notes:	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

### THIRD PARTY INFORMATION

[[ ] has been extracted from [ ]. [Each of the/The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [Kingfisher Group Finance B.V. / Kingfisher plc]:

By: .....  
*Duly authorised*

[Signed on behalf of Kingfisher plc:

By: .....  
*Duly authorised]*

## PART B — OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Listing: London

Admission to trading: [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's main market and listing on the Official List of the FCA with effect from [ ]].]

Estimate of total expenses related to [ ] admission to trading:

### 2. RATINGS

[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[ ] by [ ] [and [ ] by [ ]]

[ ] [and [ ] [is]/[are] established in the [European Union/United Kingdom] and is registered under Regulation (EC) No. 1060/2009 (as amended) [as it forms part of UK domestic law by virtue of the [EUWA / European Union (Withdrawal) Act 2018]] (the [UK] CRA Regulation).]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [insert relevant fee disclosure]] payable to [ ] (the [Managers]/[Dealers]), so far as [each of] the Issuer [and the Guarantor] is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer[, the Guarantor] and [its/their respective] affiliates in the ordinary course of business]

### 4. YIELD (Fixed Rate Notes only)

Indication of yield: [ ]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 5. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

(i) Reasons for the offer: [See "Use of Proceeds" in the Offering Circular/Green Projects/Give details]

(See "Use of Proceeds" in the Offering Circular – if reasons for offer different from what is disclosed in the Offering Circular, give details)

(ii) Estimated net proceeds: [ ]

### 6. OPERATIONAL INFORMATION

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) CFI: [[[include code]]<sup>1</sup>, as updated, as set out on]/[See] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the

<sup>1</sup> The actual code should only be included where the relevant Issuer is comfortable that it is correct.

- ISIN/Not Applicable/Not Available]
- (iv) FISN: [[[include code ]<sup>1</sup>, as updated, as set out on]/[See] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/[ ]]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

## 7. DISTRIBUTION

- (i) Stabilisation Manager(s) (if any): [Not Applicable/[ ]]
- (ii) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (iii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
- (iv) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
- (v) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]

<sup>1</sup> The actual code should only be included where the relevant Issuer is comfortable that it is correct.



## APPLICABLE PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme.*

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the **EU Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>2</sup>

**[[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a **distributor**) / distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]]<sup>3</sup>

<sup>1</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared in the EEA or the relevant Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

<sup>2</sup> Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the relevant Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

<sup>3</sup> Legend to be included on front of the Pricing Supplement if following the ICMA 1 "all bonds to all professionals" target market approach.

[Notification under Section 309B(1)(c) of the Securities And Futures Act (Chapter 289) of Singapore (the SFA) - *[Insert notice if classification of the Notes is not ["prescribed capital markets products"], pursuant to Section 309B of the SFA or [Excluded Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].*<sup>4</sup>

**THE FCA HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.**

[Date]

**[Kingfisher Group Finance B.V. / Kingfisher plc]**

**Legal entity identifier (LEI): [213800749WCO9CY6GJ04 / 213800KBMEV7I92FY281]**

**Issue of [Aggregate Nominal Amount of Tranche][Title of Notes]**

**[Guaranteed by Kingfisher plc]**

**under the €2,500,000,000**

**Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

[Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer[, the Guarantor] or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or section 85 of the FSMA or to supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation or Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.]

[This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 30 April 2021 [as supplemented by the supplement[s] dated [date[s]]], including all documents incorporated by reference (the **Offering Circular**). Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>].

*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular [dated [original date]] [and the supplement dated [date]] which are incorporated by reference in the Offering Circular].

*[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]*

*[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.]*

- |           |  |   |
|-----------|--|---|
| <b>1.</b> | Issuer:  | [Kingfisher Group Finance B.V. / Kingfisher plc]  |
| <b>2.</b> | Guarantor:   | [Kingfisher plc / Not Applicable]   |
| <b>3.</b> | (i) Series Number:   | [ ]   |
|           | (ii) Tranche Number:   | [ ]   |
|           | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series and be interchangeable for trading purposes with [ ] on [ ]/[the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 27 below, which is expected to occur on or |

<sup>4</sup> Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the relevant Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

- about [ ]][Not Applicable]
4. Specified Currency: [ ]
5. Aggregate Nominal Amount:
- (i) Series: [ ]
- (ii) Tranche: [ ]
6. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
7. (i) Specified Denominations: [ ]
- (Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:*
- "[€]100,000 and integral multiples of [€]1,000 in excess thereof up to and including [€]199,000. No Notes in definitive form will be issued with a denomination above [€]199,000.")*
- (ii) Calculation Amount: [ ]
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
8. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
9. Maturity Date: [Specify date or for Floating Rate Notes - Interest Payment Date falling in [or nearest to] [specify month and year]]
10. Interest Basis: [Subject as set out in Condition 4(e),]
- [[ ] per cent. Fixed Rate]
- [[specify Reference Rate] +/- [ ] per cent. Floating Rate]
- [Zero Coupon]
- [specify other]
- (further particulars specified below)
11. Redemption/Payment Basis: [Redemption at par]
- [specify other]
12. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis][Not Applicable]
13. Put/Call Options: [Investor Put]
- [Put Event]
- [Issuer Call]
- [Issuer Par Call]
- [Issuer Residual Call]
- [Make-whole Redemption by Issuer]
- [Not Applicable]
- [(further particulars specified below)]
14. Date [Board] approval for issuance of Notes obtained: [ ]
- (N.B. Only relevant where Board (or similar) authorisation*

*is required for the particular tranche of Notes)*

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15. Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date[, subject [to adjustment in accordance with the Business Day Convention set out in (vii) below][and][as set out in Condition 4(e)]]
  - (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(Amend appropriately in the case of irregular coupons)*
  - (iii) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [Subject to adjustment as a result of the application of Condition 4(e),][ ] per Calculation Amount
  - (iv) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[Subject to adjustment as a result of the application of Condition 4(e),][ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
  - (v) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]/specify other]
  - (vi) [Determination Date(s): [[ ] in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
  - (vii) Business Day Convention: [Not Applicable/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
  - (viii) Step Up Ratings Change and Step Down Ratings Change: [Applicable/Not Applicable]  
 [Step Up Margin: [●] per cent. per annum]
  - (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [None/Give details]
- 16. Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ], subject to adjustment in accordance with the Business Day Convention set out in (ii) below /, not subject to adjustment, as the Business Day Convention in (ii) below is specified to be Not Applicable]
  - (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/specify other]
  - (iii) Additional Business Centre(s): [ ]
  - (iv) Manner in which the Rate of Interest and Interest Amount is [Screen Rate Determination/ISDA Determination/specify

- to be determined: *other*]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]
- (vi) Screen Rate Determination:
- Reference Rate: [ ] month [LIBOR/EURIBOR/specify other Reference Rate]. (Either LIBOR, EURIBOR or other, although additional information is required if other, including fallback provisions in the Agency Agreement.)
  - Interest Determination Date(s): [ ]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
  - Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (vii) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]  
(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)
- (viii) Linear Interpolation: [Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
- (ix) Margin(s): [Subject to adjustment as a result of the application of Condition 4(e),] [+/-] [ ] per cent. per annum
- (x) Minimum Rate of Interest: [ ] per cent. per annum
- (xi) Maximum Rate of Interest: [ ] per cent. per annum
- (xii) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
[30/360][360/360][Bond Basis]  
[30E/360][Eurobond Basis]  
30E/360 (ISDA)  
*Other*]
- (xiii) Step Up Ratings Change and Step Down Ratings Change: [Applicable/Not Applicable]  
  
[Step Up Margin: [●] per cent. per annum]
- (xiv) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating

Rate Notes which are Exempt Notes, if different from those set out in the Conditions:

- 17.** Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Accrual Yield: [ ] per cent. per annum
  - (ii) Reference Price: [ ]
  - (iii) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: [ ]
  - (iv) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
 [Actual/360]  
 [Actual/365]

#### PROVISIONS RELATING TO REDEMPTION

- 18.** Notice periods for Condition 6(b): Minimum period: [30] days  
 Maximum period: [60] days
- 19.** Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount]/specify other/see Appendix]
  - (iii) If redeemable in part: [Not Applicable, as the Notes are not redeemable in part]
    - (i) Minimum Redemption Amount: [ ]
    - (ii) Maximum Redemption Amount: [ ]
  - (iv) Notice periods: Minimum period: [15] days  
 Maximum period: [30] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*
- 20.** Issuer Par Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- Notice periods: Minimum period: [15] days  
 Maximum period: [30] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other*

*notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*

- 21. Make-whole Redemption by the Issuer:** [Applicable/Not Applicable]
- (i) Make-whole Redemption Date(s): [ ]
  - (ii) Make-whole Redemption Margin: [[ ] basis points/Not Applicable]
  - (iii) Reference Bond: [CA Selected Bond/[ ]]
  - (iv) Quotation Time: [[5.00 p.m. [Brussels/London/[ ]]] time/Not Applicable]
  - (v) Reference Rate Determination Date: The [ ] Business Day preceding the relevant Make-whole Redemption Date
  - (vi) If redeemable in part: [Not Applicable, as the Notes are not redeemable in part]
    - (a) Minimum Redemption Amount: [ ]
    - (b) Maximum Redemption Amount: [ ]
  - (vii) Notice Periods: Minimum period: [15]/[ ] days  
Maximum period: [30]/[ ] days
- 22. Issuer Residual Call** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Residual Call Early Redemption Amount: [ ] per Calculation Amount
  - (ii) Notice Periods: Minimum period: [15]/[ ] days  
Maximum period: [30]/[ ] days
- 23. Investor Put:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
  - (iii) Notice periods: Minimum period: [15] days  
Maximum period: [30] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*
- 24. Put Event:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- Notice periods: Minimum period: [15] days  
Maximum period: [30] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information*

*through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*

25. Final Redemption Amount: [[ ] per Calculation Amount/specify other/see Appendix]
26. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required): [[ ] per Calculation Amount/specify other/see Appendix]  
*(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. Form of Notes:
- (i) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]  
[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]  
[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]
- (ii) New Global Note: [Yes][No]
28. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub paragraph 16(iii) relates)*
29. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
30. Other terms or special conditions: [Not Applicable/give details]

## RESPONSIBILITY

[Each of the / The] Issuer [and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement. [[*Relevant third party information*] has been extracted from [*specify source*]. [Each of the / The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of [Kingfisher Group Finance B.V. / Kingfisher plc]:

By: .....  
*Duly authorised*

[Signed on behalf of Kingfisher plc:

By: .....



*Duly authorised]*

## PART B – OTHER INFORMATION

1. **LISTING** [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed on [specify market - note this must not be the London Stock Exchange's main market or a regulated market in the European Economic Area] with effect from [ ].] [Not Applicable]
  
2. **RATINGS**  
Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].  
*(The above disclosure is only required if the ratings of the Notes are different to those stated in the Offering Circular)*
  
3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**  
[Save for the fees payable [of [insert relevant fee disclosure]] to the [Managers named below/Dealers], so far as [each of] the Issuer [and the Guarantor] is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer[, the Guarantor] and [its/their respective] affiliates in the ordinary course of business - Amend as appropriate if there are other interests]
  
4. **YIELD** *(Fixed Rate Notes only)*  
Indication of yield: [ ]  
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
  
5. **OPERATIONAL INFORMATION**
  - (i) ISIN: [ ]
  - (ii) Common Code: [ ]
  - (iii) CFI: [[[include code]]<sup>5</sup>, as updated, as set out on]/[See] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
  - (iv) FISN: [[[include code]]<sup>6</sup>, as updated, as set out on]/[See] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
  - (v) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
  - (vi) Delivery: Delivery [against/free of] payment
  - (vii) Names and addresses of [ ]

<sup>5</sup> The actual code should only be included where the relevant Issuer is comfortable that it is correct.

<sup>6</sup> The actual code should only be included where the relevant Issuer is comfortable that it is correct.

additional Paying Agent(s) (if any):

- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/[No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

## 6. DISTRIBUTION

- |        |   |  |
|--------|---|--|
| (i)    | Method of distribution:                       | [Syndicated/Non-syndicated]  |
| (ii)   | If syndicated, names of Managers:             | [Not Applicable/ <i>give names</i> ]                                 |
| (iii)  | Stabilisation Manager(s) (if any):            | [Not Applicable/ <i>give name</i> ]                                  |
| (iv)   | If non-syndicated, name of relevant Dealer:   | [Not Applicable/ <i>give name</i> ]                                  |
| (v)    | U.S. Selling Restrictions:                    | Reg. S Compliance Category 2; [TEFRA D/TEFRA C/TEFRA not applicable] |
| (vi)   | Additional selling restrictions:              | [Not Applicable/ <i>give details</i> ]                               |
| (vii)  | Prohibition of Sales to EEA Retail Investors: | [Applicable/Not Applicable]  |
| (viii) | Prohibition of Sales to UK Retail Investors:  | [Applicable/Not Applicable]  |
| (ix)   | Prohibition of Sales to Belgian Consumers:    | [Applicable/Not Applicable]  |

## TERMS AND CONDITIONS OF THE NOTES

Any reference in this section to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer, (in the case of Guaranteed Notes) the Guarantor and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each temporary global Note, permanent global Note and definitive Note. Reference should be made to "Applicable Final Terms" (or, in the case of a Tranche of Exempt Notes, to "Applicable Pricing Supplement") for a description of the content of Final Terms (or Pricing Supplement, as applicable) which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by the Issuer named in the applicable Final Terms (as defined below) (the **Issuer**) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 25 May 1999 made between Kingfisher Group Finance B.V. (**Kingfisher Finance**) as an issuer, Kingfisher plc (**Kingfisher**) as an issuer and as a guarantor of Notes issued by Kingfisher Finance (in such capacity, the **Guarantor**) and The Law Debenture Trust Corporation p.l.c. (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note; and
- (iii) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 30 April 2021 and made between Kingfisher Finance in its capacity as an issuer, Kingfisher (in its capacity as an issuer and the Guarantor), HSBC Bank plc as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent), the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents) and the Trustee.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions or, if this Note is a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 (an **Exempt Note**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference in these Terms and Conditions to **applicable Final Terms** shall be deemed to include a reference to **applicable Pricing Supplement** where relevant.

If this Note is issued by Kingfisher, references in these Terms and Conditions to Guarantor and Guarantee (as defined below), and related expressions, are not applicable.

The payment of all amounts in respect of Notes issued by Kingfisher Finance (**Guaranteed Notes**) will be unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Guarantee (as defined below).

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached

on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Trustee acts for the benefit of the holders for the time being of the Notes (the **Noteholders**, which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed (including the Guarantee) and the Agency Agreement are available for inspection during normal business hours at the registered office of the Trustee (being at 30 April 2021 at 8th Floor, 100 Bishopsgate, London EC2N 4AG, England) and at the specified office of each of the Paying Agents. If the Notes are to be admitted to trading on the regulated market of the London Stock Exchange the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. If this Note is an Exempt Note, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Trustee or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed (including the Guarantee), the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed shall prevail and in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

In these Terms and Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

## **1. Form, Denomination and Title**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denomination(s) (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Unless this Note is an Exempt Note, this Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

If this Note is an Exempt Note, this Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, (in the case of Guaranteed Notes) the Guarantor, any Paying Agent and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream,

Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, (in the case of Guaranteed Notes) the Guarantor, any Paying Agent and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, (in the case of Guaranteed Notes) the Guarantor, any Paying Agent and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## **2. Status of the Notes and the Guarantee**

- (a) The Notes and any relevant Coupons are direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
- (b) The payment of principal and interest in respect of the Guaranteed Notes and all other moneys payable by the Issuer under or pursuant to the Trust Deed and the performance by the Issuer of all its obligations under the Notes has been unconditionally and irrevocably guaranteed by the Guarantor in clause 7 of the Trust Deed (the **Guarantee**). The obligations of the Guarantor under the Guarantee will constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the Guarantor and (subject as aforesaid) will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

## **3. Negative Pledge**

So long as any of the Notes remains outstanding (as defined in the Trust Deed):

- (i) the Issuer undertakes that it will not create or have outstanding any mortgage, charge, pledge, lien or other security interest (each a **Security Interest**) upon the whole or any part of its undertaking, assets or revenues (including any uncalled capital), present or future, in order to secure any Relevant Indebtedness (as defined below) or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless (a) all amounts payable by it under the Notes and any relevant Coupons and the Trust Deed are equally and rateably secured therewith by the Security Interest to the satisfaction of the Trustee or (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or (B) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders; and
- (ii) the Guarantor (in the case of Guaranteed Notes) undertakes that it will not create or have outstanding any Security Interest upon the whole or any part of its undertaking, assets or revenues (including any uncalled capital), present or future, in order to secure any Relevant Indebtedness (as defined below) or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless (a) all amounts payable by it under the Guarantee and the Trust Deed are equally and rateably secured therewith by the Security Interest to the satisfaction of the Trustee or (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the

Noteholders or (B) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the purposes of these Terms and Conditions, **Relevant Indebtedness** means any present or future indebtedness (which term shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent) in the form of, or represented or evidenced by, notes, bonds, debentures or other securities which are, or are intended to be, with the consent of the Issuer or the Guarantor, as applicable, quoted, listed or traded on any stock exchange or over-the-counter or other securities market other than such indebtedness (i) in respect of loan capital which is in the form of stock, is in registered form, substantially the whole of which is initially offered or distributed, directly or indirectly, by or with the authorisation of the Issuer or the Guarantor, as applicable, to investors resident in the United Kingdom, is payable, or confers any right to receive payment of principal and/or interest, in pounds sterling or (ii) which by its terms will mature within a period of one year.

#### **4. Interest**

##### **(a) Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If any Interest Payment Date referred to in these Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day that is a Business Day, (B) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day or (C) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If the Notes are Fixed Rate Notes in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will (subject to adjustment as a result of the application of Condition 4(e), if applicable) amount to the Fixed Coupon Amount (if any) specified in the applicable Final Terms. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms (and subject to adjustment as a result of the application of Condition 4(e), if applicable), amount to the Broken Amount so specified.

As used in these Terms and Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Fixed Rate Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
  - 1. in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates as specified in the applicable Final Terms that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or
  - 2. in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates as specified in the applicable Final Terms that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
    - (II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
- (ii) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

**Determination Period** means, each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and means, with respect to euro, one cent.

**(b) Interest on Floating Rate Notes**

**(i) Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:



- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B), the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (C) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, **Business Day** means:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms;
- (B) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open; and
- (C) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively); or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "ISDA Definitions") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A) **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR or EURIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question, all as determined by the Agent plus or minus (as indicated in the applicable Final Terms) the Margin (if any). If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Agent shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, at approximately the Specified Time, on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time, on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at approximately the Specified Time, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer and (in the case of Guaranteed Notes) the Guarantor suitable for such purpose) informs the Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

As used in this Condition 4(b)(ii)(B):

**Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Agent or as specified in the applicable Final Terms; and

**Specified Time** means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR).

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (i) if "Actual/Actual" or "Actual/Actual (ISDA)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls:

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30; and

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls:

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

- (v) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however

that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vi) *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Trustee and (if this Note is a Floating Rate Note which is listed on any stock exchange) any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vii) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Benchmark Discontinuation*

(i) *Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the Issuer and (in the case of Guaranteed Notes) the Guarantor shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(c)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4(c)(iii)) and any Benchmark Amendments (in accordance with Condition 4(c)(iv)).

An Independent Adviser appointed pursuant to this Condition 4(c) shall act in good faith and in a commercially reasonable manner as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Trustee, the Paying Agents, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 4(c).

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser acting in good faith and in a commercially reasonable manner determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(c)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4(c)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(c)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4(c)).

(iii) *Adjustment Spread*

The Independent Adviser acting in good faith and in a commercially reasonable manner shall determine an Adjustment Spread (as defined below) (which may be expressed as a specified spread or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)) which shall be applied to the Successor Rate or the Alternative Rate for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, Adjustment Spread, is determined in accordance with this Condition 4(c) and the Independent Adviser acting in good faith and in a commercially reasonable manner determines (A) that amendments to these Conditions and/or the Trust Deed (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day or Relevant Screen Page) are necessary to follow market practice or to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, Adjustment Spread (or any combination thereof) (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer and (in the case of Guaranteed Notes) the Guarantor shall, subject to giving notice thereof in accordance with Condition 4(c)(v), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions and/or the Trust Deed (as applicable) to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer and (in the case of Guaranteed Notes) the Guarantor, but subject to receipt by the Trustee of a certificate signed by two duly authorised signatories of the Issuer and (in the case of Guaranteed Notes) the Guarantor pursuant to Condition 4(c)(v), the Trustee shall (at the expense of the Issuer, failing whom (in the case of Guaranteed Notes) the Guarantor), without any requirement for the consent or approval of Noteholders or Couponholders, be obliged to concur with the Issuer and (in the case of Guaranteed Notes) the Guarantor in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the reasonable opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend rights and/or the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

(v) *Notices, etc.*

The Issuer and (in the case of Guaranteed Notes) the Guarantor will notify the Agent, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the Paying Agents and, in accordance with Condition 13, the Noteholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4(c). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer and (in the case of Guaranteed Notes) the Guarantor shall deliver to the Trustee a certificate signed by two duly authorised signatories of the Issuer and (in the case of Guaranteed Notes) the Guarantor:

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the Adjustment Spread and (iv) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(c); and
- (B) certifying that the Benchmark Amendments are necessary to follow market practice or, as applicable, to ensure the proper operation of such Successor Rate or, Alternative Rate and, in either case, the Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without inquiry and without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Trustee the Agent, any other party

specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the Paying Agents and the Noteholders and Couponholders as of their effective date.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer and (in the case of Guaranteed Notes) the Guarantor under the provisions of this Condition 4(c), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(ii)(B) will continue to apply unless and until a Benchmark Event has occurred.

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this Condition 4(c) by such Interest Determination Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 4(b)(ii)(B) will (if applicable) continue to apply to such determination.

For the avoidance of doubt, this Condition 4(c)(vii) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(c).

(viii) *Definitions*

As used in this Condition 4(c):

**Adjustment Spread** means either (x) a spread (which may be positive or negative), or (y) a formula or methodology for calculating a spread, which in either case, is to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of an Alternative Rate or (where (A) above does not apply) in the case of a Successor Rate, the Independent Adviser determines, acting in good faith and in a commercially reasonable manner, is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (C) (if the Independent Adviser determines that neither (A) nor (B) above applies) the Independent Adviser acting in good faith and in a commercially reasonable manner determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

**Alternative Rate** means an alternative to the Original Reference Rate which the Independent Adviser determines in accordance with Condition 4(c)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes, or if the Independent Adviser acting in good faith and in a commercially reasonable manner determines that there is no such rate, such other rate as the Independent Adviser acting in good faith and in a commercially reasonable manner determines in its sole discretion is most comparable to the Original Reference Rate;

**Benchmark Amendments** has the meaning given to it in Condition 4(c)(iv);

**Benchmark Event** means, with respect to an Original Reference Rate:

- (A) the Original Reference Rate ceasing to exist or be published or administered; or
- (B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the specified date referred to in (B)(i); or

- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the specified date referred to in (D)(i); or
- (E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (E)(i); or
- (F) it has or will prior to the next Interest Determination Date become unlawful for the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Agent, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest or any Paying Agent to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate; or
- (G) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used;

**Independent Adviser** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer and (in the case of Guaranteed Notes) the Guarantor, at its own expense, under Condition 4(c)(i);

**Original Reference Rate** means the originally-specified Reference Rate used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s);

**Relevant Nominating Body** means, in respect of an Original Reference Rate:

- (A) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the Original Reference Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

**(d) *Accrual of interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

**(e) *Adjustment of Rate of Interest for Fixed Rate Notes and Floating Rate Notes***

If Step Up Ratings Change and Step Down Ratings Change is specified in the applicable Final Terms, the following provisions relating to the Rate of Interest for the Notes shall apply:

- (i) The Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up Rating Change or a Step Down Rating Change, as the case may be.
- (ii) Subject to Condition 4(e)(iv) and Condition 4(e)(vii) below, from and including the first Interest Payment Date following the date of a Step Up Rating Change, if any, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be increased by the Step Up Margin specified in the applicable Final Terms.
- (iii) Furthermore, subject to Condition 4(e)(iv) and Condition 4(e)(vii) below, in the event of a Step Down Rating Change following a Step Up Rating Change, with effect from and including the first Interest



Payment Date following the date of such Step Down Rating Change, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be decreased by the Step Up Margin back to the initial Rate of Interest (in the case of Fixed Rate Notes) or the initial Margin (in the case of Floating Rate Notes).

- (iv) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same Fixed Interest Period (in the case of Fixed Rate Notes) or the same Interest Period (in the case of Floating Rate Notes), the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) on the Notes shall neither be increased nor decreased as a result of either event.
- (v) The Issuer and (in the case of Guaranteed Notes) the Guarantor shall use all reasonable efforts to maintain credit ratings for the Notes from the Rating Agencies. If, notwithstanding such reasonable efforts, either Rating Agency fails to or ceases to assign a credit rating to the Notes, the Issuer and (in the case of Guaranteed Notes) the Guarantor shall use all reasonable efforts to obtain a credit rating of the Notes from a substitute rating agency that shall be a Statistical Rating Agency, and references in this Condition 4(e) to Fitch or S&P, as the case may be, or the credit ratings thereof, shall be to such substitute rating agency or, as the case may be, the equivalent credit ratings thereof.
- (vi) The Issuer and (in the case of Guaranteed Notes) the Guarantor will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change to be notified to the Trustee and the Agent and notice thereof to be published in accordance with Condition 13 as soon as reasonably practicable after the occurrence of the Step Up Rating Change or the Step Down Rating Change (whichever the case may be) but in no event later than the fifth London Business Day thereafter.
- (vii) A Step Up Rating Change (if any) and a Step Down Rating Change (if any), may only occur once each during the term of the Notes.

The Trustee is under no obligation to ascertain whether a change in the rating assigned to the Notes by a Rating Agency or any substitute rating agency has occurred or whether there has been a failure or a ceasing by a Rating Agency or any Statistical Rating Agency to assign a credit rating to the Notes and until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such change to the credit rating assigned to the Notes has occurred or no such failure or ceasing by a Rating Agency or any Statistical Rating Agency has occurred.

If the rating designations employed by any Rating Agency are changed from those which are described in this Condition 4(e), the Issuer and (in the case of Guaranteed Notes) the Guarantor shall determine, the rating designations of that Rating Agency as are most equivalent to the prior rating designations of that Rating Agency, and this Condition 4(e) shall be construed accordingly.

As used in these Conditions:

**Fitch** means Fitch Ratings Limited, or its successor established in the European Union or the United Kingdom and registered under Regulation (EC) No. 1060/2009 (as amended);

**Rating Agency** means either Fitch or S&P and **Rating Agencies** means both of them;

**S&P** means S&P Global Ratings Europe Limited, UK Branch, or its successor established in the European Union or the United Kingdom and registered under Regulation (EC) No. 1060/2009 (as amended);

**Statistical Rating Agency** means Moody's Investors Service Ltd or its successor established in the European Union or the United Kingdom and registered under Regulation (EC) No. 1060/2009 (as amended), or such other internationally recognised rating agency as the Trustee may approve, such approval not to be unreasonably withheld or delayed;

**Step Down Rating Change** means the first public announcement after a Step Up Rating Change by either Rating Agency or both Rating Agencies of an increase in the credit rating of the Notes with the result that,

following such public announcement(s), both Rating Agencies rate the Notes as BBB- or higher. For the avoidance of doubt, any further increases in the credit rating of the Issuer's senior unsecured long-term debt above BBB- shall not constitute a Step Down Rating Change; and

**Step Up Rating Change** means the first public announcement by either Rating Agency or both Rating Agencies of a decrease in the credit rating of the Notes to below BBB-. For the avoidance of doubt, any further decrease in the credit rating of the Notes from below BBB- shall not constitute a Step Up Rating Change.

## **5. Payments**

### **(a) Method of payment**

Subject as provided below:

- (i) payments in a Specified Currency other than euro (as to which, see (ii) below) or U.S. dollars (as to which, see Condition 5(d)) will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (ii) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

### **(b) Presentation of definitive Notes and Coupons**

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below) or Fixed Rate Notes where Step Up Ratings Change and Step Down Ratings Change is specified as being applicable in the applicable Final Terms) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8 or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter).

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Long Maturity Note in definitive form or Fixed Rate Note where Step Up Ratings Change and Step Down Ratings Change is specified as being applicable in the applicable Final Terms becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon

provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

**(c) *Payments in respect of Global Notes***

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

**(d) *General provisions applicable to payments***

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer and (if applicable) the Guarantor have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and (in the case of Guaranteed Notes) the Guarantor, adverse tax consequences to the Issuer or (in the case of Guaranteed Notes) the Guarantor.

**(e) *Payment Day***

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
  - (A) in the case of Notes in definitive form only, in the relevant place of presentation;
  - (B) in each Additional Business Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

**(f) *Interpretation of principal and interest***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) the Make-whole Redemption Amount (if any) of the Notes;
- (vi) the Residual Call Early Redemption Amount (if any) of the Notes; and
- (vii) any premium, purchase price (pursuant to Condition 6) and any other amounts (other than interest) which may be payable by the Issuer, failing whom (in the case of Guaranteed Notes) the Guarantor, under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor pursuant to the Trust Deed.

## **6. Redemption and Purchase**

### **(a) *Redemption at maturity***

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### **(b) *Redemption for tax reasons***

Subject to Condition 6(e), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Trustee and the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if the Issuer and, where applicable, the Guarantor satisfies the Trustee immediately before the giving of the notice referred to above that:

- (i) on the occasion of the next payment due under the Notes, (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 or (b) (in the case of Guaranteed Notes) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer and (in the case of Guaranteed Notes) the Guarantor shall deliver to the Trustee (i) a certificate signed by two duly authorised signatories of the Issuer and, as the case may be, the Guarantor stating that the Issuer or, as the case may be, the Guarantor is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion in a form satisfactory to the Trustee of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the

satisfaction of the conditions precedent set out above in which event they shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) ***Redemption at the option of the Issuer***

(i) **Issuer Call (other than Make-Whole Redemption by the Issuer)**

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date (which, if Issuer Par Call is specified as being applicable in the applicable Final Terms, shall be more than 90 days prior to the Maturity Date) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. If redemption in part is specified as being applicable in the applicable Final Terms, any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than a Maximum Redemption Amount, in each case as specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption.

(ii) **Issuer Par Call**

If Issuer Par Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption) in the period from but excluding the date falling 90 days prior to the Maturity Date to the Maturity Date, redeem all, but not some only, of the Notes then outstanding at the principal amount outstanding of the Notes, together with interest accrued to but excluding the date fixed for redemption.

(iii) **Issuer Call (Make-Whole Redemption by the Issuer)**

If Make-whole Redemption by the Issuer is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption (the **Make-whole Redemption Date**)), redeem all or (if redemption in part is specified as being applicable in the applicable Final Terms) some only of the Notes then outstanding on any Make-whole Redemption Date specified in the applicable Final Terms and at the Make-whole Redemption Amount together, if appropriate, with interest accrued to (but excluding) the relevant Make-whole Redemption Date. If redemption in part is specified as being applicable in the applicable Final Terms, any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Redeemed Notes will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the Make-whole Redemption Date and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the Make-whole Redemption Date.

In this Condition 6(c)(iii), **Make-whole Redemption Amount** means:

(A) the outstanding principal amount of the relevant Note or (B) if higher, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the Make-whole Redemption Date on an annual basis at the Reference Rate plus the Make-whole Redemption Margin specified in the applicable Final Terms, where:

**CA Selected Bond** means a government security or securities (which, if the Specified Currency is euro, will be a *German Bundesobligationen*) selected by the Calculation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes;

**Calculation Agent** means a leading investment, merchant or commercial bank appointed by the Issuer and (in the case of Guaranteed Notes) the Guarantor for the purposes of calculating the Make-whole Redemption Amount and approved by the Trustee, and notified to the Noteholders in accordance with Condition 13;

**Reference Bond** means (A) if CA Selected Bond is specified in the applicable Final Terms, the relevant CA Selected Bond or (B) if CA Selected Bond is not specified in the applicable Final Terms, the security specified in the applicable Final Terms, provided that if the Calculation Agent advises the Issuer, (in the case of Guaranteed Notes) the Guarantor and the Trustee that, for reasons of illiquidity or otherwise, the relevant security specified is not appropriate for such purpose, such other central bank or government security as the Calculation Agent may, with the advice of Reference Market Makers, determined to be appropriate;

**Reference Bond Price** means (i) the average of five Reference Market Maker Quotations for the relevant Make-whole Redemption Date, after excluding the highest and lowest Reference Market Maker Quotations, (ii) if the Calculation Agent obtains fewer than five, but more than one, such Reference Market Maker Quotations, the average of all such quotations, or (iii) if only one such Reference Market Maker Quotation is obtained, the amount of the Reference Market Maker Quotation so obtained;

**Reference Market Maker Quotations** means, with respect to each Reference Market Maker and any Make-whole Redemption Date, the average, as determined by the Calculation Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent at the Quotation Time specified in the applicable Final Terms on the Reference Rate Determination Date specified in the applicable Final Terms;

**Reference Market Makers** means five brokers or market makers of securities such as the Reference Bond selected by the Calculation Agent or such other five persons operating in the market for securities such as the Reference Bond as are selected by the Calculation Agent in consultation with the Issuer and (in the case of Guaranteed Notes) the Guarantor; and

**Reference Rate** means, with respect to any Make-whole Redemption Date, the rate per annum equal to the equivalent yield to maturity of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Make-whole Redemption Date. The Reference Rate will be calculated on the Reference Rate Determination Date specified in the applicable Final Terms.

(iv) **Issuer Residual Call**

If Issuer Residual Call is specified as being applicable in the applicable Final Terms and, at any time, the outstanding aggregate nominal amount of the Notes is 20 per cent. or less of the aggregate nominal amount of the Series originally issued, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption) at the Residual Call Early Redemption Amount together, if appropriate, with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Condition 6(c)(iv), the Issuer and (in the case of Guaranteed Notes) the Guarantor shall deliver to the Trustee to make available at its specified office to the Noteholders a certificate signed by two duly authorised signatories of the Issuer and the Guarantor, as applicable, stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate nominal amount of the Notes is 20 per cent. or less of the aggregate nominal amount of the Notes originally issued. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

**(d) *Redemption at the option of the Noteholders (Investor Put)***

**(i) *Investor Put***

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this paragraph (d) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (d).

**(ii) *Put Event***

If Put Event is specified as being applicable in the applicable Final Terms and a Put Event occurs, each Noteholder shall have the option (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer shall have given notice under Condition 6(b) or 6(c) (if applicable) or the Noteholder shall have given notice under Condition 6(d)(i) (if applicable)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note at its principal amount together with interest accrued to but excluding the Put Date (as defined below). Such option shall operate as set out below.

If a Put Event occurs then, within 5 days of the Issuer or (in the case of Guaranteed Notes) the Guarantor becoming aware that such Put Event has occurred, the Issuer or (in the case of Guaranteed Notes) the Guarantor shall, and upon the Trustee becoming so aware (the Issuer or the Guarantor, as the case may be, having failed to do so) the Trustee may, and, if so requested by the holders of at least one-quarter in principal amount of the Notes then outstanding shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice (a **Put Event Notice**) to the Noteholders in accordance with Condition 13 specifying the nature of the Put Event and the procedure for exercising the Put Option.

To exercise the Put Option, the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent on any Payment Day (as defined in Condition 5(e)) at the place of such specified office falling within the period of 30 days after the Put Event Notice is given by the Issuer, (in the case of Guaranteed Notes) the Guarantor or the Trustee, as applicable (the **Put Period**), a duly signed and completed notice of exercise in the form (for the time being current and which may, if this Note is held through Euroclear or Clearstream, Luxembourg, be any form acceptable to and delivered in a manner acceptable to Euroclear or Clearstream, Luxembourg, as applicable) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 6(d)(ii). If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following the delivery of the Put Notice, be held to its order or under its control. All unmatured Coupons relating to such Note shall be dealt with as per the provisions of Condition 5(b).

A Put Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer in accordance with Condition 13 to withdraw the Put Notice and instead treat its Note(s) as being forthwith due and payable pursuant to Condition 9.

Any Note which is the subject of a Put Notice which has been delivered as described above prior to the expiry of the Put Period shall be redeemed or, as the case may be, purchased by (or on behalf of) the Issuer on the date which is the seventh Business Day as defined in Condition 4(b) immediately following the last day of the Put Period (the **Put Date**).

If 80 per cent. or more in nominal amount of the Notes outstanding on the date on which the Put Event Notice is given have been redeemed pursuant to this Condition 6(d)(ii), the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Trustee and the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) given within 30 days after the Put Date, redeem or purchase all outstanding Notes at their Early Redemption Amount referred to in paragraph (e) below together with interest accrued to but excluding the date of such redemption.

The Trustee shall not be required to take any steps to ascertain whether a Put Event or any event which could lead to the occurrence of a Change of Control has occurred and will not be responsible or liable to Noteholders or Couponholders for any loss arising from any failure by it to do so. If the rating designations employed by any of S&P or Fitch are changed from those which are described in paragraph (b) of the definition of "Put Event" below, or if a rating is procured from a Statistical Rating Agency, the Issuer or (in the case of Guaranteed Notes) the Guarantor shall determine the rating designations of S&P or Fitch or such Statistical Rating Agency (as appropriate) as are most equivalent to the prior rating designations of S&P or Fitch and this Condition 6(d)(ii) shall be construed accordingly.

A **Put Event** will be deemed to occur if:

- (a) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are substantially similar to the pre-existing shareholders of the Issuer or (in the case of Guaranteed Notes) the Guarantor, at any time is/are or become(s) interested (within the meaning of Part 22 of the Companies Act 2006) in (a) more than 50 per cent of the issued or allotted ordinary share capital of the Issuer or (in the case of Guaranteed Notes) the Guarantor or (b) shares in the capital of the Issuer or (in the case of Guaranteed Notes) the Guarantor carrying more than 50 per cent of the voting rights normally exercisable at a general meeting of the Issuer or (in the case of Guaranteed Notes) the Guarantor (each such event being, a **Change of Control**); and



- (b) on the date (the **Relevant Announcement Date**) that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Relevant Potential Change of Control Announcement (as defined below) (if any):
- (i) the Notes carry an investment grade credit rating (*BBB-*, or its equivalent, or better) (an **Investment Grade Rating**) from one or more Rating Agencies and, within the Put Period, any such Rating Agency downgrades its rating of the Notes to a non-investment grade credit rating (*BB+*, or its equivalent, or worse) or withdraws its rating of the Notes and such rating is not restored within the Put Period to an Investment Grade Rating by one or more such Rating Agencies or replaced by an Investment Grade Rating of another Rating Agency; or
  - (ii) the Notes do not carry an Investment Grade Rating from at least one Rating Agency and the Issuer or (in the case of Guaranteed Notes) the Guarantor is unable to acquire and maintain thereafter an Investment Grade Rating during the Put Period from at least one Rating Agency; and
- (c) in making any decision to downgrade or withdraw a credit rating pursuant to paragraph (b) above or to decline to confer an Investment Grade Rating, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or (in the case of Guaranteed Notes) the Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

**Put Period** means the period commencing on the Relevant Announcement Date and ending 180 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 120 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 120 days after the public announcement of such consideration); and

**Relevant Potential Change of Control Announcement** means any public announcement or statement by the Issuer or (in the case of Guaranteed Notes) the Guarantor, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

**(e) Early Redemption Amounts**

For the purpose of Conditions 6(b), 6(d)(ii) and Condition 9:

- (i) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and
- (ii) each Zero Coupon Note will be redeemed at its Early Redemption Amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

<sup>y</sup> is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365),

**(f) Purchases**

The Issuer, (in the case of Guaranteed Notes) the Guarantor or any Subsidiary (as defined in Condition 9) of the Issuer or (in the case of Guaranteed Notes) the Guarantor may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or (in the case of Guaranteed Notes) the Guarantor, surrendered to any Paying Agent for cancellation.

**(g) Cancellation**

All Notes which are redeemed pursuant to paragraph (a), (b), (c) or (d) above will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (f) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

**(h) Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 13.

**7. Taxation**

All payments of principal and interest in respect of the Notes and Coupons by the Issuer or (in the case of Guaranteed Notes) the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or the Guarantor, as the case may be, will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (i) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (ii) presented for payment by or by a third party on behalf of, a holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or any other claim for exemption or any filing, but fails to do so; or
- (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(e)); or
- (iv) in the case of Kingfisher Finance as Issuer, from 1 January 2021, on any payments of interest to its affiliated entities (as defined in and pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*)); or
- (v) presented for payment in the United Kingdom or (in the case of Guaranteed Notes) The Netherlands.

For the avoidance of doubt, no additional amounts shall be payable where any withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the Code or is otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations, agreements or undertakings thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

As used herein:

- (a) **Tax Jurisdiction** means (i) in the case of Notes issued by Kingfisher, the United Kingdom or any political subdivision thereof or any authority thereof or therein having the power to tax; or (ii) in the case of Notes issued by Kingfisher Finance, the Netherlands or any political subdivision thereof or any authority thereof or therein having the power to tax (in the case of payments made by the Issuer) or the United Kingdom or any political subdivision thereof or any authority thereof or therein having the power to tax (in the case of payments made by the Guarantor); and
- (b) **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8. Prescription

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## 9. Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified to its satisfaction), give notice to the Issuer and (in the case of Guaranteed Notes) the Guarantor that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount as referred to in Condition 6(e), together (if applicable) with accrued interest as provided in the Trust Deed, in any of the following events (**Events of Default**):

- (i) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in relation to principal and 14 days in relation to interest; or
- (ii) if the Issuer or (in the case of Guaranteed Notes) the Guarantor fails to perform or observe any of its other obligations under these Terms and Conditions, the Guarantee or the Trust Deed and (except in any case where the Trustee considers the failure to be incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 28 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer or the Guarantor, as the case may be, of notice requiring the same to be remedied; or
- (iii) if (a) any other indebtedness for borrowed money of the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, becomes due and repayable prior to its stated maturity by reason of default or (b) any such indebtedness for borrowed money is not paid when due or, as the case may be, within any applicable grace period (as originally provided) by the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, or (c) the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any indebtedness for borrowed money of any other person or (d) any security for any indebtedness for borrowed money or any security for any such guarantee or indemnity becomes enforceable by reason of default in relation thereto and steps are taken to enforce such security against the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, save in any such case where there is a bona fide dispute as to whether the relevant indebtedness for borrowed money or any such guarantee or indemnity as aforesaid shall be due and payable, provided that the aggregate amount of the relevant indebtedness for borrowed money in respect of which any one or more of the events mentioned above in this paragraph (c) has or have occurred equals or exceeds the greater of an amount equal to one per cent. of Capital and Reserves of

the Issuer or (in the case of Guaranteed Notes) the Guarantor and £35,000,000 (or its equivalent in any other currencies of the relevant indebtedness); or

- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, save for the purposes of an amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; or
- (v) if the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, ceases or threatens to cease to carry on the whole or substantially the whole of its business (otherwise than by reason of a Permitted Disposal) or the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, stops or threatens to stop payment of or is unable to, or admits in writing inability to, pay, its debts (or any class thereof) as they fall due or the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, becomes insolvent or is unable to pay its debts as they fall due, or, where applicable, is deemed unable to pay its debts within the meaning of Section 123 (other than subsection (1)(a)) of the Insolvency Act 1986, or is adjudicated or found bankrupt or insolvent by any competent court; or
- (vi) if any action is taken for or with a view to the winding up of the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, or any application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed in relation to the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, or an encumbrancer takes possession or a receiver is appointed of the whole or substantially the whole of the assets of any of them, or a distress, execution or other process is levied, enforced upon or sued out against the whole of the undertaking or assets of any of them and is not discharged within 21 days (or such longer period as the Trustee may permit), or if the Issuer, (in the case of Guaranteed Notes) the Guarantor, or any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) the Guarantor, shall enter into any composition or other similar arrangement with its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally) or any class of its creditors; or
- (vii) in the case of Guaranteed Notes only, the Issuer ceases to be a Subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor.

PROVIDED, in the case of any Event of Default other than those described in sub-paragraphs (i) and (iv) (in the case of a winding up or dissolution of the Issuer or (in the case of Guaranteed Notes) the Guarantor) above, the Trustee shall have certified to the Issuer and (in the case of Guaranteed Notes) the Guarantor that the Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders.

For the purposes of these Terms and Conditions:

**Capital and Reserves** means the aggregate of:

- (i) the amount paid up on the share capital of Kingfisher; and
- (ii) the total of the capital and revenue reserves of the Group, including any share premium account, capital redemption reserve and credit balance on the profit and loss account, but excluding sums set aside for taxation liabilities and amounts attributable to outside shareholders in Subsidiary Undertakings of Kingfisher and deducting any debit balance on the profit and loss or other reserve account,

all as shown in the then latest Statutory Consolidated Accounts.

**Group** means Kingfisher, the Subsidiaries and any other entity whose financial results are consolidated in the preparation of the Statutory Consolidated Accounts.

**Permitted Disposal** means any disposal:

- (a) between any Principal Subsidiary of the Issuer or (in the case of Guaranteed Notes) any Principal Subsidiary of the Guarantor and the Issuer, (in the case of Guaranteed Notes) the Guarantor or any

other Subsidiary (but, unless such other Subsidiary is a Principal Subsidiary, only where the receiving Subsidiary immediately upon such disposal becomes a Principal Subsidiary); or

- (b) at no less than the book value thereof or, if lower, the market value thereof (whether or not for cash consideration); or
- (c) in connection with an amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders.

**Principal Subsidiary** of the Issuer or the Guarantor at any time shall mean any Subsidiary of the Issuer or the Guarantor:

- (a) whose net assets as shown by its latest audited balance sheet (consolidated, where applicable) are at least 15 per cent. of the Tangible Net Worth of the Group (as shown in the then latest Statutory Consolidated Accounts); or
- (b) whose operating profits (as shown by its latest audited profit and loss account (consolidated, where applicable)) before interest but after deducting (if included in the computation of such operating profits) amounts attributable to the sale of properties are at least 15 per cent. of the consolidated operating profits of the Group (as shown in the latest Statutory Consolidated Accounts),

all as more particularly described in the Trust Deed.

**Statutory Consolidated Accounts** means the annual audited consolidated financial statements prepared under the historical cost convention, as modified by the use of valuations for certain financial instruments, share-based payments and post employment benefits, by Kingfisher in respect of Kingfisher, the Subsidiaries and any other entity required to be consolidated therein for the purpose of the Companies Act 2006 (as amended).

**Subsidiary** means (i) in respect of Kingfisher, a subsidiary of Kingfisher within the meaning of Section 1159 of the Companies Act 2006 and, unless the context otherwise requires, a Subsidiary Undertaking of Kingfisher; and (ii) in respect of Kingfisher Finance, any other entity: (a) whose affairs and policies Kingfisher Finance controls or has power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of such entity or otherwise; or (b) whose financial statements are, in accordance with law and generally accepted accounting principles, consolidated with those of Kingfisher Finance.

**Subsidiary Undertaking** has the meaning ascribed thereto in Section 1162 of the Companies Act 2006.

**Tangible Net Worth** means the amount paid up or credited as paid up on the issued share capital of Kingfisher, plus the consolidated reserves of the Group, plus the consolidated retained earnings of the Group (or less the amount standing to the debit of the consolidated profit and loss account of the Group) less any amount included in the above which is attributable to goodwill and other intangibles all as shown by the then latest Statutory Consolidated Accounts and as more particularly described in the Trust Deed.

A certificate by two duly authorised signatories of the Issuer or, as the case may be, the Guarantor that in its opinion a Subsidiary of the Issuer or, as the case may be, the Guarantor is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary or as to the amount at any time of Capital and Reserves or as to whether a disposal was a Permitted Disposal may be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

## **10. Replacement of Notes, Coupons and Talons**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **11. Paying Agents**

The initial Paying Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer and (in the case of Guaranteed Notes) the Guarantor is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) there will at all times be an Agent;
- (ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (iii) there will at all times be a Paying Agent with a specified office in a city approved by the Trustee outside the United Kingdom and (in the case of Guaranteed Notes) The Netherlands.

In addition, the Issuer and (in the case of Guaranteed Notes) the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(d). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer, the Guarantor and, in certain limited circumstances specified therein, the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## **12. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. Notices**

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London (expected to be the Financial Times). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee may approve.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper or such website the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by that stock exchange or relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **14. Meetings of Noteholders, Modification and Waiver**

- (1) The Trust Deed contains provisions for convening meetings (including by way of conference call) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons, the Guarantee or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, (in the case of Guaranteed Notes) the Guarantor or the Trustee and shall be convened by the Issuer or (in the case of Guaranteed Notes) the Guarantor at the request of Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the Rate of Interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-quarters of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and whether or not they voted on the resolution, and on all Couponholders.
- (2) The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of any of these Terms and Conditions, the Notes, the Coupons or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification of any of the provisions of these Terms and Conditions, the Notes, the Coupons or the Trust Deed which is of a formal, minor or technical nature or to correct a manifest error. In addition, the Trustee shall be obliged to concur with the Issuer and (in the case of Guaranteed Notes) the Guarantor in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4(c)(iv) without the consent of the Noteholders or Couponholders.
- (3) The Trustee may also agree, without the consent of the Noteholders or Couponholders, to the waiver or authorisation of any breach or proposed breach of any of these Terms and Conditions or any of the provisions of the Trust Deed or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders.
- (4) In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, (in the case of Guaranteed Notes) the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or

Couponholders except to the extent already provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

- (5) Any modification, waiver, authorisation, determination or substitution shall be binding on the Noteholders and Couponholders and, unless the Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 13.

#### **15. Enforcement and Rights of Third Parties**

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or the Guarantor (in the case of Guaranteed Notes) as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding, and (ii) it shall have been indemnified to its satisfaction.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer and/or the Guarantor (in the case of Guaranteed Notes) unless the Trustee, having become bound so to proceed, (i) fails so to do within 60 days of becoming so bound to proceed, or (ii) is unable for any reason so to do, and the failure or inability shall be continuing.

#### **16. Substitution**

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer and (in the case of Guaranteed Notes) the Guarantor to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of any Subsidiary of Kingfisher, subject to (a) the Notes being unconditionally and irrevocably guaranteed by the Issuer and (in the case of Guaranteed Notes) the Guarantor, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with.

#### **17. Indemnification of the Trustee and its Contracting with the Issuer and the Guarantor**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (i) to enter into business transactions with the Issuer, the Guarantor and/or their respective Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, the Guarantor and/or any of their respective Subsidiaries (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

#### **18. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of Notes of other Series in certain circumstances where the Trustee so decides.

#### **19. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.



## **20. Governing Law and Submission to Jurisdiction**

### **(a) Governing Law**

The Trust Deed, the Agency Agreement, the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, Notes and the Coupons, are governed by, and shall be construed in accordance with, English law.

### **(b) Submission to Jurisdiction**

- (i) Subject to Condition 20(b)(iii) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer, (in the case of Guaranteed Notes) the Guarantor and the Trustee and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (ii) For the purposes of this Condition 20(b), the Issuer and (in the case of Guaranteed Notes) the Guarantor each waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (iii) To the extent allowed by law, the Trustee, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **(c) Appointment of Process Agent**

Kingfisher Finance irrevocably appoints the Guarantor at its registered office at 3 Sheldon Square, Paddington, London W2 6PX as Kingfisher Finance's agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of the Guarantor being unable or unwilling for any reason so to act, they will immediately appoint another person approved by the Trustee as Kingfisher Finance's agent for service of process in England in respect of any Dispute. The Issuer and the Guarantor each agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the relevant Issuer for the general corporate purposes of such Issuer and/or any of Kingfisher's subsidiaries or as may otherwise be disclosed in the Final Terms (or Pricing Supplement, in the case of Exempt Notes). In particular, if so specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) the relevant Issuer will apply the net proceeds from an offer of Notes specifically for Green Projects.

## KINGFISHER PLC

### An Issuer and the Guarantor

Kingfisher plc (**Kingfisher**) is a public limited company incorporated on 16 September 1982 in the United Kingdom and operates under English law (with registered number 01664812). It changed its name to Kingfisher plc on 17 March 1989, under the Companies Act 1985 in England and Wales. Its registered office is 3 Sheldon Square, Paddington, London W2 6PX and its telephone number is +44 (0) 2073728008.

Kingfisher is the holding company of the Kingfisher Group, comprising Kingfisher and its subsidiaries, joint ventures and associates, and substantially all its operations are carried on through its subsidiaries. Kingfisher's ability to meet its financial obligations is dependent on the availability of cash flows from its domestic and foreign subsidiaries and affiliated companies, through dividends, intercompany advances and other payments.

To Kingfisher's knowledge, Kingfisher is not directly or indirectly owned or controlled by another corporation, by any government, or by any other natural or legal person severally or jointly, and there are no arrangements which may result in a change of control.

Neither Kingfisher nor any other Group member has entered into any contract outside the ordinary course of its business which could result in Kingfisher or any other Group member being under an obligation or entitlement that is material to Kingfisher's ability to meet its obligations to the holders of Notes issued under the Programme.

### The Kingfisher Group

The Kingfisher Group is a leading home improvement group which operates in eight countries across Europe and Turkey. The Group is the fourth largest home improvement retailer in the world based on Group total sales. It is the market leader in the UK, Poland and Turkey, the second largest home improvement retailer in France, the third largest retailer in Spain and the fourth largest retailer in Romania (source: 2020 Global Home Improvement Report by Fediyma (**Global Home Improvement Report**)). Reported sales for the financial year ended 31 January 2021<sup>7</sup> were £12,343 million, of which 18 per cent. comprised e-commerce sales. The Group's total sales space at 31 January 2021 was 54 million square metres.

The Group also owns a significant property portfolio, almost all of which is used for trading purposes. Approximately 40 per cent. of Kingfisher's total store estate by space is freehold. The weighted average unexpired lease term for the Group is 6.5 years. On a sale and leaseback basis with Kingfisher in occupancy, the value of property was £2.7 billion as at 31 January 2021.

The Group operates approximately 1,390 stores and employs approximately 80,000 people. During the financial year ended 31 January 2021, 54 per cent. of Group sales and 32 per cent. of retail profits were derived from outside the UK & Ireland.

### 'Powered by Kingfisher' strategic plan

In June 2020, Kingfisher announced its new strategic plan – '**Powered by Kingfisher**'. Under this plan, Kingfisher aims to use its scale and expertise to maximise the benefits of its distinct retail banners (which address diverse customer needs) to address growth opportunities that Kingfisher believes exist within the home improvement market. Kingfisher is focusing on improving its digital and service orientation, while leveraging its store assets.

### Overview

The key messages and beliefs underpinning the 'Powered by Kingfisher' strategy are:

- 1) The home improvement market is attractive and resilient, with supportive new long-term drivers.
- 2) Market trends offer Kingfisher opportunities.
- 3) Kingfisher is emerging from the COVID crisis stronger.
- 4) Kingfisher is making progress fixing issues from previous years.

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<sup>7</sup> Kingfisher's 2020 audited results are with respect to the financial year ended 31 January 2021. The financial information set out in this section headed 'Kingfisher plc' has been extracted from Kingfisher's audited results for the financial year ended 31 January 2021.

- 5) Kingfisher's new strategy is delivering – empowered banners supported by the Group's scale, strength and expertise.
- 6) Kingfisher has clear financial priorities and drivers.

### **1. The home improvement market is attractive and resilient, with supportive new long-term drivers**

Kingfisher considers the European home improvement market to be large and attractive, with long-term growth supported by structural demand drivers. The market caters for a wide range of customer needs, ranging from maintenance, to repair or decoration tasks, to heavy renovation projects. Kingfisher estimates that the size of its total addressable market, based on the key countries in which it operates, is approximately £130 billion. This would be comprised primarily of sales to private consumers and tradespeople. Consumer needs are met by a wide range of product categories (consisting of private label and branded products), from decoration to building materials, to garden and outdoor. Services, such as installation and design, complement these product categories and help customers complete their projects. Larger format home improvement stores and trade channels are the key distribution channels, but generalist and specialist online 'pure-players', online marketplaces, home improvement specialist stores and discounters also play a role.

### **2. Market trends offer Kingfisher opportunities**

While the overall home improvement market is growing, there are also clear longer-term shifts within the market which Kingfisher believes will provide it with opportunities. The 'Powered by Kingfisher' strategy seeks to address these trends.

Before the COVID pandemic, the overall shift towards online sales in Kingfisher's industry was gradual. Screwfix, Kingfisher's trade-focused retail banner, was the exception to this, with 33 per cent. e-commerce sales penetration even before March 2020. However, the online trend has rapidly accelerated since March 2020 due to the COVID pandemic, with all of Kingfisher's key markets experiencing significant e-commerce growth. Customers' increased demand for speed and convenience, along with demographic trends, are also driving a shift towards smaller and more localised compact stores. In more mature markets across Europe, discounter format stores are growing and expanding their home improvement ranges.

Kingfisher considers being a responsible business to be increasingly important. Customers are increasingly aware of the environmental and societal impact of their purchasing choices which provides Kingfisher with opportunities to build on its sustainability credentials.

### **3. Kingfisher is emerging from the COVID pandemic stronger**

Kingfisher believes that the COVID pandemic has accelerated many elements of its strategy. As a result, Kingfisher believes it is emerging from the crisis as a stronger business:

- **Roll-out of company strategy on track** – the roll-out of Kingfisher's plans is on track (and ahead of plan in many areas). Kingfisher's new strategy and new leadership teams are firmly established in the business, with their focus on speed, agility and '*done is better than perfect*' approach yielding results in difficult circumstances.
- **Acceleration of e-commerce progress by at least two years** – Kingfisher believes that the COVID pandemic has accelerated its e-commerce progress. Kingfisher has updated its operations and enhanced its e-commerce capabilities to meet a surge in digital adoption, with c.10 million new online customers. Group e-commerce sales accounted for 18 per cent. of total Group sales for the year ended 31 January 2021, up from 8 per cent. for the year ended 31 January 2020.
- **Leading with Responsible Business culture** – Kingfisher has reinforced its 'Responsible Business' goals in response to the COVID pandemic and set a culture of 'doing the right thing'. Kingfisher believes it has supported its colleagues, customers, local communities, and governments throughout the COVID pandemic, which included closing its stores for several weeks in March and April 2020 while safe store operating standards were established. Kingfisher has also taken further steps to tackle climate change, deforestation, and sustainable home development.
- **Improved banner awareness and brand reputation** – through Kingfisher's 'Responsible Business' culture described above, by offering an omni-channel experience, and aiming to maintain affordable prices and good stock availability, Kingfisher's retail banners have benefited from stronger consumer awareness

and brand reputation. In the financial year ended 31 January 2021, this has led to previous customers reconnecting with Kingfisher's retail banners, increased satisfaction from existing customers, and a rise in new customers.

- **Greater conviction in costs and inventory reduction** – Kingfisher took prompt action as the COVID pandemic evolved to manage its costs, and same-store net inventory has reduced by £50 million (in constant currency) as at 31 January 2021 compared to 31 January 2020. This is partly due to high demand levels in the second half of the financial year ended 31 January 2021, but also due to more focused inventory management initiatives.
- **Stronger balance sheet** – Kingfisher's net leverage (including lease liabilities) has improved since 31 January 2020 following strong trading and disciplined cash management measures. As at 31 January 2021, net leverage was 0.9 times (31 January 2020: 2.0 times). As of 18 March 2021, Kingfisher had access to over £2.2 billion in total liquidity, including cash and cash equivalents of over £1.4 billion.

#### **4. Kingfisher is making progress fixing issues from previous years**

One of the key drivers of Kingfisher's strategic progress over the last year has been leveraging some of the strengths developed by Kingfisher in previous years, such as Group sourcing and buying, differentiated own exclusive brands development, and common systems, applications and product platform investments.

At the start of 2020, Kingfisher faced certain issues from previous years. As part of 'Powered by Kingfisher', Kingfisher set out its 'Focus and Fix' priorities with the aim of addressing these issues, which included: managing the impact of COVID, building the new team (including the Group executive team), improving operations in France, implementing Kingfisher's new trading approach, rebalancing local and Group responsibilities and pausing or stopping certain initiatives in order to prioritise key activities.

The actions taken during 2020 have had a positive impact on Kingfisher's trading in the financial year ending on 31 January 2021, enabling it to respond to the challenges of the COVID pandemic while also enabling the roll-out of its new strategy.

#### **5. Kingfisher's new strategy is delivering – empowered banners supported by the Group's scale, strength and expertise**

Kingfisher's retail banners occupy number one or two positions in all of Kingfisher's key home improvement markets in terms of total sales (number one in the UK and Poland and number two in France (source: Global Home Improvement Report)). While some of Kingfisher's banners are focused on trade (Screwfix and TradePoint at B&Q), others address more general DIY needs (B&Q, Castorama France, Castorama Poland, Brico Dépôt Romania and Koçtaş), while Brico Dépôt France and Brico Dépôt Iberia are positioned as discounters. In the financial year ended 31 January 2021, all of Kingfisher's retail banners built on their market positioning to develop long-term growth plans. Kingfisher believes its scale and resources are an important source of growth acceleration and competitive advantage for its banners, through its own exclusive brand development, sourcing and buying scale, access to technologies, shared services and lower cost functions.

Kingfisher's key strategic areas of focus are:

- Move to a balanced and agile local-group operating model
- Grow e-commerce sales
- Differentiate and grow through own exclusive brands
- Build a mobile-first and service orientated customer experience
- Test compact store concepts and adapt its store footprint
- Source and buy better, reduce costs and same-store inventory
- Lead the industry in Responsible Business practices

#### **6. Clear financial priorities**

Through the implementation of its 'Powered by Kingfisher' strategic plan, Kingfisher is focused on growth and creating shareholder value, with the following financial priorities:

- **Prioritise top line growth, and grow sales ahead of market:**
  - Clear strategy and actions to drive market share growth.
  - Focused on store and website customer satisfaction.
  - Attractive market with new longer-term industry support.
- **Aim to grow adjusted pre-tax profit in line with sales<sup>±</sup>; gradually faster than sales<sup>±</sup> over time:**
  - Focused on driving scale benefits and cost self-help, enabling Kingfisher to accelerate investment in top line growth.
- **Generate strong free cash flow to underpin shareholder returns:**
  - Focused on driving inventory self-help and strong capital expenditure discipline.
  - Committed to efficient capital structure while maintaining a prudent position in time of uncertainty.

<sup>±</sup> Group total sales growth and adjusted pre-tax profit, in constant currency.

## ***Capital allocation***

Kingfisher aims to allocate capital, subject to strict returns criteria, to meet the strategic needs of the business. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and retain financial flexibility, invest in the business where economic returns are attractive, provide attractive returns to shareholders and target a solid investment grade credit rating.

### **UK & Ireland**

The Group's UK & Ireland operations comprise B&Q UK & Ireland and Screwfix UK & Ireland.

For the financial year ended 31 January 2021, the Group's UK & Ireland total sales were £5,743 million with a retail profit of £681 million.

#### ***B&Q UK & Ireland***

B&Q UK & Ireland is the largest home improvement company in the UK (source: Global Home Improvement Report). B&Q UK & Ireland operated 301 stores as at 31 January 2021 and reported total sales of £3,707 million in the financial year ended 31 January 2021.

#### ***Screwfix UK & Ireland***

The Group's management believes that Screwfix is the leading multi-channel supplier of tools, plumbing and electrical products in the UK with 722 outlets as at 31 January 2021 (including 12 outlets in the Republic of Ireland). Screwfix reported total sales of £2,036 million for the financial year ended 31 January 2021.

### **France**

French operations comprise Castorama and Brico Dépôt. For the financial year ended 31 January 2021, the Group's French total sales were £4,309 million with a retail profit of £181 million.

#### ***Castorama***

Castorama France is the second largest home improvement company in France (source: Global Home Improvement Report). Castorama operated 93 stores as at 31 January 2021 and reported total sales of £2,265 million for the financial year ended 31 January 2021.

#### ***Brico Dépôt***

Brico Dépôt France is the third largest home improvement company in France (source: Global Home Improvement Report). Brico Dépôt operated 121 stores as at 31 January 2021 and reported total sales of £2,044 million for the financial year ended 31 January 2021.

### **Other International**

The Group's other international operations for the financial year ended 31 January 2021 comprised Poland, Iberia, Romania, Russia, and Turkey (joint venture). For the financial year ended 31 January 2021, Other International reported total sales of £2,291 million (excluding Turkey) and a retail profit of £141 million.

#### **Iberia**

Iberia, consisting of Brico Dépôt Spain and Portugal, operated 31 stores as at 31 January 2021 and reported total sales of £310 million and retail profit of £3 million for the financial year ended 31 January 2021.

#### **Poland**

Castorama Poland is the largest home improvement company in Poland (source: Global Home Improvement Report). Castorama Poland operated 83 stores as at 31 January 2021 and reported total sales of £1,550 million and retail profit of £146 million for the financial year ended 31 January 2021.

#### **Romania**

Brico Dépôt Romania is the fourth largest home improvement company in Romania (source: Global Home Improvement Report). Brico Dépôt Romania operated 35 stores as at 31 January 2021 and reported total sales of £242 million and a retail loss of £14 million for the financial year ended 31 January 2021.

## **Russia**

Kingfisher completed the sale of Castorama Russia to Maxidom, a home improvement company in Russia, on 30 September 2020.

Castorama Russia operated 18 stores as at 30 September 2020 and total sales of £189 million and a retail loss of £3 million is included in the Group's financial statements for the financial year ended 31 January 2021.

## **Turkey**

In Turkey, Kingfisher's 50 per cent. home improvement joint venture, Koçtaş, operated 40 large stores and 100 small format stores as at 31 January 2021 and contributed £9 million to retail profit for the financial year ended 31 January 2021.

## **Managing the impact of the COVID pandemic**

Throughout the COVID pandemic, Kingfisher has taken measures to support its commitments – to serve its customers as a retailer of essential goods, to look after its employees as a responsible employer, to provide support to the communities in which it operates, and to protect its business for the long term. These commitments are ultimately about 'doing the right thing' – one of the key cultural characteristics of Kingfisher's 'Powered by Kingfisher' strategy.

### ***Supply chain and availability***

During the initial phases of the coronavirus outbreak in China, and subsequently in Europe, Kingfisher experienced only modest disruption to its supply chain. There was a relatively limited impact on the supply of goods to Kingfisher's retail banners from any temporary closures of vendor factories.

From mid-to-late March 2020, following the decision to temporarily close Kingfisher's stores in the UK and France, Kingfisher acted quickly to adjust the supply of certain goods in certain categories in order to manage demand levels and control costs. Since reopening stores from mid-late April 2020, the key risks around stock availability have been driven by polarised demand within Kingfisher's categories and, in particular, exceptional demand levels within the paint, decorating materials, outdoor, building materials and kitchen ranges, where Kingfisher's suppliers have been challenged in keeping up with high order levels.

These challenges have been driven by a combination of capacity constraints and extended lead-times from the suppliers' own raw material suppliers. In addition, the COVID pandemic continues to place a considerable industry-wide strain on the international logistics infrastructure (in particular, port congestion and the cost and availability of shipping containers). Kingfisher expects these challenges to continue for at least the first half of 2021.

As a result of this, together with the consistently high demand levels in recent months, as at the date of this Offering Circular, in-store availability is currently below last year, although it is expected to improve. As at the date of this Offering Circular, Kingfisher has been able to manage its supply and logistics needs well and expects to rebuild its inventory levels ahead of peak trading periods during the financial year ending on 31 January 2022.

### ***Financial impact***

Significant actions were taken to limit the impact of store closures and trading restrictions in the financial year ended on 31 January 2021 on Kingfisher's profitability, and to preserve its financial flexibility.

### ***Actions to reduce costs and preserve cash***

Kingfisher implemented multiple actions to reduce costs and preserve cash, especially during the first half of the financial year ending on 31 July 2020, including utilising several government support measures (many of which were subsequently repaid). Many of Kingfisher's cost reductions achieved were temporary or one-off in nature. Total non-recurring net cost savings in the financial year ending on 31 January 2021 were c.£85 million.



### *Cash position*

The Group has access to two revolving committed debt facilities: a £225 million facility that expires in March 2022 and a £550 million facility, most of which is due to expire in August 2023, totalling £775 million. In February 2021, the Group cancelled its £250 million facility (which was due to expire in May 2021).

In May 2020, Kingfisher arranged a €600 million facility with three French banks, 80 per cent of which was guaranteed by the French state (*Pret Garanti par l'Etat*) (the **PGE Loan**). As required under the terms of the PGE Loan, the full amount was drawn on 18 May 2020. The term facility was repaid in full in December 2020 and cannot be redrawn.

Also in May 2020, The Bank of England confirmed that the Group was eligible to access funding under its Covid Corporate Financing Facility (**CCFF**). On 12 June 2020, Kingfisher issued £600 million of commercial paper with a tenor of 11 months which was sold into the CCFF. In July 2020, this was redeemed.

### *Liquidity headroom*

The Group's management considers that the Group has significant liquidity headroom with its current cash balance to cover a prolonged period of reduced sales. As at 18 March 2021, the Group had access to over £2.2 billion in total liquidity, including cash and cash equivalents of over £1.4 billion and access to over £700 million of funding under the credit facilities described above.

### **The Board of Directors of Kingfisher plc**

The current directors of Kingfisher, their functions and principal activities outside Kingfisher, where these are significant with respect to the Group, are as follows:

Andrew Cosslett	Chair of the Board
	Chair of the Nomination Committee
	Member of the Remuneration Committee
	Chair of the Rugby Football Union
Thierry Garnier	Chief Executive Officer
	Member of the Responsible Business Committee
	Non-Executive Director of Tesco plc
Bernard Bot	Chief Financial Officer
	Non-Executive Director of A.P. Moller-Maersk A/S
Claudia Arney	Non-Executive Director
	Chair of the Remuneration Committee
	Member of the Nomination Committee
	Chair of Deliveroo plc
	Non-Executive Director of Derwent London plc
	Member of the Panel on Takeovers and Mergers
Catherine Bradley	Senior Independent Director
	Member of the Nomination Committee
	Member of the Audit Committee
	Member of the Remuneration Committee
	International Integrated Reporting Council
	Non-Executive Director of Johnson Electric Holdings Limited
Tony Buffin	Non-Executive Director of easyJet plc
	Non-Executive Director

	Member of the Nomination Committee
	Member of the Audit Committee
	Non-Executive Director of Weybourne Limited (Dyson)
	Non-Executive Director of Tyrefix Limited
	Founder of The Tecsa Group; Strategic data and analytics consultants
Jeff Carr	Non-Executive Director
	Chair of the Audit Committee
	Member of the Nomination Committee
	Member of the Remuneration Committee
	Chief Financial Officer at Reckitt Benckiser Group plc
Sophie Gasperment	Non-Executive Director
	Chair of the Responsible Business Committee
	Member of the Nomination Committee
	Non-Executive Director of AccorHotels
	Non-Executive Director of Givaudan S.A.
	Lead Independent Director of Cimpress N.V.
	Non-Executive Director of D'Ieteren S.A.
	Senior Advisor at the Boston Consulting Group
Rakhi Goss-Custard	Non-Executive Director
	Member of the Audit Committee
	Member of the Nomination Committee
	Member of the Remuneration Committee
	Member of the Responsible Business Committee
	Non-Executive Director of Rightmove plc
	Non-Executive Director of Schroders plc
	Non-Executive Director of Tim Holdco Limited

Each director has a duty under the Companies Act 2006 to avoid a situation where he or she may have a direct or indirect interest that conflicts with the interests of Kingfisher. Kingfisher has robust procedures in place to identify, authorise and manage such conflicts of interest, and these procedures have operated effectively during the year. A register of directors' situational and transactional conflicts is maintained by the Group Company Secretary and this is reviewed by Kingfisher's Board on an annual basis. The Board is aware of the other commitments of its directors and any changes to these commitments are reported to the Board. Each director's conflicts of interest were reviewed and authorised at the September 2020 Board meeting. There are no potential conflicts of interest of the members of the board between any duties to Kingfisher and their private interests and/or other duties, other than the roles undertaken by Rakhi Goss-Custard in Schroders plc, which may be or become an investor in Kingfisher and Rightmove, with which one of Kingfisher's subsidiaries has a current intellectual property dispute with; Bernard Bot in A.P. Moller-Maersk A/S who may supply transport and logistics services to companies in the Group; and Thierry Garnier in Tesco plc. The interests of Kingfisher and the interests of such companies will not be aligned in all circumstances and, consequently, potential conflicts of interest exist between the duties owed by each such director to Kingfisher and the duties owed by each such director to the specified company.

There are no other persons with administrative or management responsibilities.

The business address of each Director referred to above is 3 Sheldon Square, Paddington, London W2 6PX.

## **FINANCIAL INFORMATION RELATING TO THE GROUP**

### **Kingfisher two-year history**

The financial information on the Group for the two years ended 31 January 2021, set out below, has been extracted without material adjustment from Kingfisher plc's 2021 published accounts. The comparatives provided for the financial year ended 31 January 2020 were restated as it was determined that the Group's cash and overdraft balances within notional cash pooling arrangements did not meet the requirements for offsetting in accordance with IAS 32: 'Financial Instruments: Presentation' and should not therefore be presented on a net basis on the balance sheet. For presentational purposes, amounts at 31 January 2020 were restated in accordance with IAS 8: 'Accounting Policies, Changes in Accounting Policies and Errors' with an additional £601 million within borrowings, and cash balances increased by an equal amount. There was no impact on net assets or net profit. For more information, see note 2a of the Kingfisher plc 2020/21 Annual Report and Accounts as incorporated by reference.

## Consolidated income statement

For the financial years ended 31 January 2021 and 31 January 2020:

£ millions	2020/21			2019/20		
	Before exceptional adjusting items	Exceptional adjusting items	Total	Before exceptional adjusting items	Exceptional adjusting items	Total
<b>Sales</b>	<b>12,343</b>	–	<b>12,343</b>	11,513	–	11,513
Cost of sales	<b>(7,770)</b>	–	<b>(7,770)</b>	(7,258)	–	(7,258)
Gross profit	<b>4,573</b>	–	<b>4,573</b>	4,255	–	4,255
Selling and distribution expenses	<b>(2,843)</b>	<b>12</b>	<b>(2,831)</b>	(2,772)	(398)	(3,170)
Administrative expenses	<b>(809)</b>	<b>(6)</b>	<b>(815)</b>	(790)	(51)	(841)
Other income	<b>19</b>	<b>13</b>	<b>32</b>	21	15	36
Other Expenses	–	<b>(49)</b>	<b>(49)</b>	–	–	–
Share of post-tax results of joint ventures and associates	<b>6</b>	–	<b>6</b>	3	–	3
<b>Operating profit</b>	<b>946</b>	<b>(30)</b>	<b>916</b>	717	(434)	283
Finance costs	<b>(180)</b>	–	<b>(180)</b>	(191)	(7)	(198)
Finance income	<b>20</b>	–	<b>20</b>	18	–	18
Net finance costs	<b>(160)</b>	–	<b>(160)</b>	(173)	(7)	(180)
<b>Profit before taxation</b>	<b>786</b>	<b>(30)</b>	<b>756</b>	544	(441)	103
Income tax expense	<b>(161)</b>	<b>(3)</b>	<b>(164)</b>	(136)	41	(95)
<b>Profit for the year</b>	<b>625</b>	<b>(33)</b>	<b>592</b>	408	(400)	8
<b>Earnings per share</b>						
Basic			<b>28.1p</b>			0.4p
Diluted			<b>27.9p</b>			0.4p
Adjusted basic			<b>28.7p</b>			19.1p
Adjusted diluted			<b>28.5p</b>			19.0p

**Consolidated balance sheet**

For the financial years ended 31 January 2021 and 31 January 2020:

£ millions	2020/21	2019/20
<b>Non-current assets</b>		
Goodwill	2,427	2,416
Other intangible assets	320	339
Property, plant and equipment	3,075	2,988
Investment property	20	8
Right-of-use assets	1,845	1,916
Investments in joint ventures and associates	20	16
Post-employment benefits	504	404
Deferred tax assets	15	12
Other tax authority asset	57	–
Other receivables	29	27
	<b>8,312</b>	8,126
<b>Current assets</b>		
Inventories	2,488	2,485
Trade and other receivables	290	293
Derivative assets	5	14
Current tax assets	20	9
Cash and cash equivalents	1,142	790
Assets Held for Sale	12	196
	<b>3,957</b>	3,787
<b>Total assets</b>	<b>12,269</b>	11,913
<b>Current liabilities</b>		
Trade and other payables	(2,520)	(2,210)
Borrowings	(101)	(644)
Lease liabilities	(330)	(306)
Derivative liabilities	(59)	(43)
Current tax liabilities	(70)	(78)
Other tax authority liability	(57)	–
Provisions	(46)	(65)
Liabilities directly associated with assets held for sale	–	(88)
	<b>(3,183)</b>	(3,434)
<b>Non-current liabilities</b>		

Other payables	(11)	(5)
Borrowings	(2)	(93)
Lease liabilities	(2,091)	(2,221)
Derivative liabilities	(1)	(3)
Deferred tax liabilities	(232)	(189)
Provisions	(33)	(39)
Post-employment benefits	(145)	(127)
	(2,515)	(2,677)
<b>Total liabilities</b>	<b>(5,698)</b>	<b>(6,111)</b>
<b>Net assets</b>	<b>6,571</b>	<b>6,802</b>
<b>Equity</b>		
Share capital	332	332
Share premium	2,228	2,228
Own shares held in ESOP trust	(23)	(23)
Retained earnings	3,630	2,994
Capital redemption reserve	43	43
Other reserves	361	228
<b>Total equity</b>	<b>6,571</b>	<b>5,802</b>

## KINGFISHER GROUP FINANCE B.V.

### General

Kingfisher Group Finance B.V. (**Kingfisher Finance**) is an indirect wholly owned subsidiary of Kingfisher.

Kingfisher Finance is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) with its official seat in Amsterdam, The Netherlands, and principal place of business at Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands. Its telephone number is +31 20 521 4777. Kingfisher Finance is registered with the Dutch trade register under number 78580277 and was incorporated on 14 July 2020. Kingfisher Finance operates under Dutch law.

Kingfisher Finance was incorporated to perform finance activities on behalf of the Group including, but not limited to, raising funds, borrowing and lending. Kingfisher Finance is a direct wholly owned subsidiary of Kingfisher Holdings Limited (**Kingfisher Holdings**) and an indirect wholly owned subsidiary of Kingfisher. Kingfisher Holdings is direct wholly owned subsidiary of Kingfisher PLC.

The issued share capital of Kingfisher Finance is €100,000 consisting of 100,000 ordinary shares of €1.00 each.

### Organisational Structure

The management board of Kingfisher Finance is made up of three members. The management board of Kingfisher Finance manages the business of Kingfisher Finance subject to constitutional and legislative restrictions.

As at the date of this Offering Circular, the members of the management board of directors of Kingfisher Finance are:

<i>Name</i>	<i>Function</i>	<i>Principal other activities outside Kingfisher Finance</i>
Edwin van Ankeren	Director	Director of LBL Data Services B.V., Zoo ABS II B.V., FinCar Fleet B.V., REN Finance B.V., Intertrust Management B.V., Intertrust Administrative Services B.V., Renoir CDO B.V., North Westerly CLO IV 2013 B.V., Structured Finance Management (Netherlands) B.V., EA Partners I B.V., EA Partners II B.V., Ares Euro CLO I B.V., Ares European CLO II B.V. and Akelius Residential Property Financing B.V.
Henri Kröner	Director	Director of Akelius Residential Property Financing B.V., Ares Euro CLO I B.V., Ares European CLO II B.V., Data Custody Agent Services B.V. (Intertrust Service Entity), FinCar Fleet B.V., North Westerly CLO IV 2013 B.V., REN Finance B.V. and ZOO ABS II B.V.
Paul Moore	Director	Holds a number of directorships within the Group.

The business address of each of the Directors referred to above is Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands.

The members of the management board have no potential conflicts of interest between any duties owed to Kingfisher Finance and their private interests or other duties.

## ALTERNATIVE PERFORMANCE MEASURES

The Issuers consider that the following metrics referenced in or in connection with this Offering Circular constitute Alternative Performance Measures (APMs) as defined in the ESMA Guidelines on Alternative Performance Measures:

APM	Definition of APM	Reconciliation <sup>8</sup>	Rationale for inclusion
Gross margin %	Gross profit represents sales from the supply of home improvement products and services (excluding VAT), less the associated cost of those sales. Gross margin % represents gross profit as a percentage of sales.	Sales less Cost of Sales. (See the summary of Kingfisher's income statement on page 92 of the Offering Circular for numerical reconciliation.)	Measure of operating performance.
Retail profit margin %	Retail profit margin % represents retail profit (see definition below) as a percentage of sales.	Calculated as Retail Profit as a percentage of sales. (See the summary of Kingfisher's income statement on page 92 of the Offering Circular for numerical reconciliation.)	Measure of operating performance.
Free cash flow	Free cash flow represents the cash generated from operations (excluding exceptional adjusting items) less the amount spent on interest, tax and capital expenditure during the year (excluding business asset disposals).	Operating profit, plus other non-cash items (including depreciation, amortisation, share-based compensation charges, share of post-tax joint venture results, pension operating costs and profit/loss on non-property disposals), less change in working capital, pension and provisions, net interest paid, tax paid and gross capital expenditure. (See the summary of Kingfisher's cash position on page 92 of the Offering Circular for numerical reconciliation.)	Measure of how much cash the business generates that can be used for expansion, capital returns and other purposes.
Net cash flow	Net cash flow is a measure to reflect the total movement in the net debt balance during the year excluding the movement in lease liabilities, exchange differences and other non-cash movements.	Free cash flow, less cost of acquisitions, returns to shareholders, cost of share purchase for employee incentive scheme and disposal of assets and other	Measure of how much cash the business generates after the use for expansion, capital returns and other purposes.

<sup>8</sup> Reconciliations are made to Kingfisher's audited consolidated annual financial statements (including the auditor's report thereon and the notes thereto) for the financial years ended 31 January 2021, as incorporated by reference.



		disposals. (See the summary of Kingfisher's cash position summary on page 92 of the Offering Circular for numerical reconciliation.)	
EBITDA	EBITDA (earnings before interest, tax, depreciation and amortisation) is calculated as retail profit less central costs and before depreciation and amortisation.	EBITDA is calculated as retail profit less central and transformation profit and loss costs and before depreciation and amortisation. (See the summary of Kingfisher's net debt to EBITDA reconciliation on page 93 of the Offering Circular for numerical reconciliation.)	Measure is widely used in calculating the ratio of net debt to EBITDA and is used to reflect the Group's leverage.
Retail profit	Retail profit is stated before central costs, exceptional adjusting items and the Group's share of interest and tax of JVs and associates.	Retail profit is calculated as profit before taxation stated before central costs, exceptional adjusting items and the Group's share of interest and tax of JVs and associates. (See the summary of Kingfisher's retail profit reconciliation on page 93 of the Offering Circular for numerical reconciliation.)	This is the Group's operating profit measure used to report the performance of its retail businesses.
Net debt	Net debt comprises lease liabilities, borrowings and financing derivatives (excluding accrued interest), less cash and cash equivalents and short-term deposits, including such balances classified as held for sale.	Net debt is calculated as lease liabilities, borrowings and financing derivatives (excluding accrued interest), less cash and cash equivalents and short-term deposits, including such balances classified as held for sale. (See the summary of Kingfisher's net debt to EBITDA reconciliation on page 93 of the Offering Circular for numerical reconciliation.)	Measure is used in calculating the ratio of net debt to EBITDA to provide an indication of the Group's overall leverage.
Net debt to EBITDA	Net debt to EBITDA represents the ratio between EBITDA and net debt.	Net debt to EBITDA is calculated by dividing net debt by EBITDA. (See the summary of Kingfisher's net debt to EBITDA reconciliation on page 93 of the	Measure to reflect the Group's leverage.

		Offering Circular for numerical reconciliation.)	
Adjusted basic earnings per share (EPS)	Adjusted basic earnings per share represents profit after tax attributable to the owners of the parent, before the impact of exceptional adjusting items, FFVR, related tax items and tax on prior year items, divided by the weighted average number of shares in issue during the period.	Adjusted basic earnings per share is calculated by taking exceptional adjusting items, FFVR, related tax items and tax on prior year items from profit after tax and divided by the weighted average number of shares in issue during the period. (See the summary of Kingfisher's income statement on page 92 of the Offering Circular for numerical reconciliation.)	Measure helps provide an indication of the Group's ongoing business performance.
LFL	LFL (like-for-like) sales growth represents the constant currency, year on year sales growth for stores that have been open for more than one year. Stores temporarily closed or otherwise impacted due to COVID are also included.	LFL sales are calculated by taking the constant currency movement in LFL sales year on year, expressed as a percentage.	Measure to reflect the Group's performance on a comparable basis.
FFVR	FFVR (financing fair value remeasurements) represent fair value fluctuations from financial instruments.	Calculated as fair value fluctuations from financial instruments.	Measure used to view fair value fluctuations from financial instruments.
Constant currency	Constant currency changes in total sales, LFL sales, gross profit, gross margin % and retail profit reflect the year on year movements after translating the prior year comparatives at the current year's average exchange rates.	Year on year movements calculated using prior year comparatives translated at the current year's average exchange rate.	Measure used to eliminate the effects of exchange rate fluctuations on the reported results.
Adjusted profit before tax	Adjusted pre-tax profit is stated before exceptional adjusting items and FFVR.	Adjusted pre-tax profit is calculated as profit before taxation stated before exceptional adjusting items and FFVR. (See the summary of Kingfisher's retail profit reconciliation on page 93 of the Offering Circular for numerical reconciliation.)	Measure helps provide an indication of the Group's ongoing business performance.
Adjusted effective tax rate	Adjusted effective tax rate is continuing income tax expense excluding tax on exceptional adjusting items and adjustments in	Adjusted effective tax rate is calculated by taking tax on exceptional adjusting items and	Measure helps provide a better indication of the Group's ongoing tax rate.

respect of prior years and the impact of changes in tax rates on deferred tax, divided by continuing profit before taxation excluding exceptional adjusting items.

adjustments in respect of prior years and the impact of changes in tax rates on deferred tax from the income tax expense and dividing it by profit before taxation excluding exceptional adjusting items.

A summary of Kingfisher's income statement for the financial year ended 31 January 2021 is as follows<sup>9</sup>:

	2020/21
Sales (£m)	12,343
Gross margin (%)	37.1
Retail profit (£m)	1,003
Retail profit margin (%)	8.1
Adjusted profit before tax (£m) (1)	786
Statutory profit before tax (£m)	756
Statutory profit after tax (£m)	592
Adjusted effective tax rate (2)	23%
Adjusted basic EPS (p) (1)	28.7

(1) Adjusted measures are before exceptional adjusting items, financing fair value measure, related tax items and tax on prior year items and the impact of changes in tax rates on deferred tax

(2) Before exceptional adjusting items, related tax items and tax on prior year items and the impact of changes in tax rates on deferred tax.

A summary of Kingfisher's cash position for the financial year ended 31 January 2021 is as follows<sup>10</sup>:

	2020/21 £m
Operating profit	916
Exceptional adjusting items	30
Other non-cash items	570
Change in working capital	376
Pensions & provisions	(29)
Net rent paid	(456)
Tax & net interest paid	(188)
Gross capex	(281)
<b>Free cash flow</b>	<b>938</b>
Share purchase for employee incentive schemes	(14)
Disposal of Castorama Russia and acquisition of NeedHelp	19
Disposal of assets & other	(1)
<b>Net cash flow</b>	<b>942</b>
Opening net cash	(2,526)
Lease liabilities disposed	27
Movement in lease liabilities	136
Other movement incl. foreign exchange	27
<b>Closing net cash</b>	<b>(1,394)</b>

<sup>9</sup> Source: Kingfisher's audited consolidated annual financial statements for the financial year ended 31 January 2021.

<sup>10</sup> Source: Kingfisher's audited consolidated annual financial statements for the financial year ended 31 January 2021.

A summary of Kingfisher's net debt to EBITDA reconciliation is as follows<sup>11</sup>:

**2020/21**

EBITDA (£m) <sup>(1)</sup>	1,485
Net debt (£m)	1,394
Net debt to EBITDA	0.9

<sup>(1)</sup> Retail profit less central costs before depreciation and amortisation

A summary of Kingfisher's retail profit reconciliation is as follows<sup>12</sup>:

	<b>2020/21</b>	2019/20
	<b>£m</b>	£m
<b>Retail profit</b>	<b>1,003</b>	786
Central costs	(54)	(62)
Share of interest and tax of joint ventures & associates	(3)	(7)
Net finance costs	(160)	(173)
<b>Adjusted profit before tax</b>	<b>786</b>	544
Exceptional adjusting items before tax	(30)	(441)
<b>Statutory profit before tax</b>	<b>756</b>	103

<sup>11</sup> Source: Kingfisher's audited consolidated annual financial statements for the financial year ended 31 January 2021.

<sup>12</sup> Source: Kingfisher's audited consolidated annual financial statements for the financial year ended 31 January 2021.

## TAXATION

**Tax legislation, including in the country where the investor is domiciled or tax resident and in the relevant Issuer's and Guarantor's country of incorporation, may have an impact on the income that an investor receives from the Notes.**

### The Netherlands

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investors should consult their own tax advisers for more information about the tax consequences of acquiring, owning and disposing of Notes in their particular circumstances.

This taxation summary solely addresses the principal Netherlands tax consequences of the acquisition, the ownership and disposition of Notes issued by Kingfisher Finance after the date hereof held by a holder of Notes who is not a resident of the Netherlands. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Netherlands concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Netherlands concepts under Netherlands tax law.

This taxation summary does not address the Netherlands tax consequences for holders of Notes that are considered to be affiliated (*gelieerd*) to Kingfisher Finance or Kingfisher within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*). Generally, an entity is regarded as 'affiliated' for these purposes if:

- a) it holds, directly or indirectly, and whether alone or as part of a collaborating group (*samenwerkende groep*), an interest in Kingfisher Finance or Kingfisher (as the case may be) which allows it or such group to exercise influence over the activities of Kingfisher Finance or Kingfisher; or
- b) Kingfisher Finance or Kingfisher (as the case may be), holds, directly or indirectly, and whether alone or as part of a collaborating group (*samenwerkende groep*), an interest in any holder of Notes which allows it or such group to exercise influence over the activities of such holder of Notes; or
- c) another party holds, directly or indirectly, and whether alone or as part of a collaborating group (*samenwerkende groep*), an interest in both Kingfisher Finance or Kingfisher (as the case may be) and any holder of Notes which allows it or such group to exercise influence over the activities of Kingfisher Finance or Kingfisher and such holder of Notes.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Offering Circular. The Netherlands means the European part of the Kingdom of the Netherlands. The laws upon which this summary is based are subject to change, potentially with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

This summary does not address the tax consequences of any holder of Notes who is a resident of any non-European part of the Kingdom of the Netherlands.

### Withholding Tax

All payments by Kingfisher Finance under Notes can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that (i) the Notes have a maturity – legally and *de facto* - of less than 50 years and (ii) the Notes will not represent, be linked (to the performance of) or be convertible (in part or in whole) into (rights to purchase) (a) shares; (b) profit certificates (*winstbewijzen*); and/or (c) debt instruments having a maturity - legally or *de facto* - of more than 50 years, in each case issued Kingfisher Finance or any other entity related to Kingfisher Finance.

### Taxes on Income and Capital Gains

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of Notes, including such tax on any payment under Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of Notes, provided that:

- a) such holder is neither a resident nor deemed to be a resident of the Netherlands;

- b) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, and to which enterprise or part of an enterprise, as the case may be, Notes are attributable;
- c) if such holder is an individual, neither such holder nor any of the holder's spouse, partner, a person deemed to be the holder's partner, or other persons sharing such holder's house or household, or certain other of such holder's relatives (including foster children), whether directly and/or indirectly as (deemed) settlor, grantor or similar originator (the **Settlor**), or upon the death of the Settlor, the Settlor's beneficiaries (the **Beneficiaries**) in proportion to their entitlement to the estate of the Settlor, of a trust, foundation or similar arrangement (a **Trust**), (a) indirectly has control of the proceeds of Notes in the Netherlands, nor (b) has a substantial interest in Kingfisher Finance and/or any other entity that legally or *de facto*, directly or indirectly, has control of the proceeds of Notes in the Netherlands. For purposes of this clause b), a substantial interest is generally not present if a holder does not hold, alone or together with the holder's spouse, partner, a person deemed to be such holder's partner, other persons sharing such holder's house or household, certain other of such holder's relatives (including foster children), or a Trust of which the holder or any of the aforementioned persons is a Settlor or a Beneficiary, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued), shares representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of a company; (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*), or membership rights in a co-operative association, that relate to five per cent. or more of the annual profit of a company or co-operative association or to five per cent. or more of the liquidation proceeds of a company or co-operative association; or (c) membership rights representing five per cent. or more of the voting rights in a co-operative association's general meeting;
- d) if such holder is a company, such holder has no (deemed) substantial interest in Kingfisher Finance, or if such holder has a (deemed) substantial interest in Kingfisher Finance, (a) such substantial interest is not held with the avoidance of Netherlands income tax as (one of) the main purpose(s), or (b) such substantial interest does not form part of an artificial structure or series of structures (such as structures which are not put into place for valid business reasons reflecting economic reality). For purposes of this clause, a substantial interest is generally not present if a holder does not hold, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued) shares representing five per cent. or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company; or (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*) that relate to five per cent. or more of the annual profit of a company or to five per cent. or more of the liquidation proceeds of a company. A holder of Notes will generally have a deemed substantial interest if such holder has the ownership of, or other rights over, shares in, or profit certificates issued by, a company that represent less than 5 per cent. of the relevant aggregate that either (a) qualified as part of a substantial interest as set forth above and where shares, profit certificates and/or rights thereover have been, or are deemed to have been, partially disposed of, or (b) have been acquired as part of a transaction that qualified for non-recognition of gain treatment; and
- e) if such holder is an individual, such income or capital gain does not form a "benefit from miscellaneous activities" in the Netherlands (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities in the Netherlands with respect to Notes exceed "normal active asset management" (*normaal, actief vermogensbeheer*) or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (a "lucrative interest"; *lucratief belang*) that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

A holder of Notes will not be subject to taxation in the Netherlands by reason only of the execution, delivery and/or enforcement of the documents relating to an issue of Notes or the performance by Kingfisher Finance of its obligations thereunder or under Notes.

### *Gift, Estate or Inheritance Taxes*

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Notes by way of a gift by, or on the death of, a holder who is neither resident nor deemed to be resident in the Netherlands for Netherlands inheritance and gift tax purposes, unless in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance tax, an individual with the Netherlands nationality will be deemed to be resident in the Netherlands if such individual has been resident in the Netherlands at any time during the ten years preceding the date of the gift or the individual's death.

For purposes of Netherlands gift tax, an individual not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such individual has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

For purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

For purposes of Netherlands gift, estate and inheritance taxes, (i) a gift by a Trust, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, the Settlor's Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the Settlor of the Trust for purposes of the Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

### *Value Added Tax*

There is no Netherlands value added tax payable in respect of payments in consideration for the issue of Notes, in respect of the payment of interest or principal under Notes, or the transfer of Notes.

### *Other Taxes and Duties*

There is no Netherlands registration tax, capital tax, stamp duty or any other similar tax or duty payable in the Netherlands by a holder of Notes in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of the Netherlands) of the Notes or the performance of the obligations of Kingfisher Finance under the Notes.

### *Residence*

A holder of Notes will not be treated as a resident of the Netherlands by reason only of the holding of Notes or the execution, performance, delivery and/or enforcement of Notes.

## **United Kingdom**

The following applies only to persons who are the beneficial owners of Notes and is a summary of Kingfisher's understanding of current law and published HM Revenue & Customs' practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of principal and interest (as that term is understood for United Kingdom tax purposes) in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

### *Payment of Interest on the Notes*

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the FSMA) and admitted to trading on the London Stock Exchange. Provided, therefore, that the Notes carry a right to interest and are and remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where interest on the Notes is paid by a company and, at the time the payment is made, Kingfisher reasonably



believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is either a UK resident company or is a non-UK resident company carrying on a trade in the UK through a permanent establishment which is within the charge corporation tax as regards the payment of interest, or falls within various categories enjoying a special tax status (including charities and pension funds), or is a partnership consisting of such persons; provided that HM Revenue and Customs (HMRC) has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to Kingfisher to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The United Kingdom withholding tax treatment of payments by the Guarantor in respect of the Guaranteed Notes which have a United Kingdom source is uncertain. In particular, such payments by the Guarantor may not be eligible for the exemptions described above in relation to payments of interest. Accordingly, if the Guarantor makes any such payments, these may be subject to United Kingdom withholding tax at the basic rate.

#### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. Either Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands and the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under "*Terms and Conditions of the Notes—Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

#### **The proposed financial transactions tax (FTT)**

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (other than Estonia, the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement (such programme agreement as further amended and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 30 April 2021, agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuers (failing which, in the case of Guaranteed Notes, the Guarantor) have agreed to reimburse the Dealers for certain of their expenses in connection with the update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (i) the expression **retail investor** means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (b) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (c) not a qualified investor as defined in the EU Prospectus Regulation; and

- (ii) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors (as defined in the EU Prospectus Regulation)) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision:

- the expression an **offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **EU Prospectus Regulation** means Regulation (EU) 2017/1129.

## **United Kingdom**

### ***Prohibition of sales to UK Retail Investors***

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (i) the expression **retail investor** means a person who is one (or more) of the following:
  - (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or
  - (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
  - (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (ii) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
  - (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
  - (c) at any time in any other circumstances falling within section 86 of the FSMA,
- provided that no such offer of Notes referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to section 85208 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

#### ***Other regulatory restrictions***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### **The Netherlands**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either such Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of May 21, 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter. As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenure but only at maturity or on which no interest is due whatsoever.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## France

Each of the Dealers and each Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Circular, the relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes) or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

The Offering Circular has not been submitted to the clearance procedures of the *Autorité des marchés financiers*.

## Belgium

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred

within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the **SFA** is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

In connection with Section 309B of the SFA and the CMP Regulations 2018, the relevant Issuer has, unless otherwise specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), determined the classification of all Notes to be issued under the Programme as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

#### **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuers, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

Neither of the Issuers, the Guarantor nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## GENERAL INFORMATION

### Authorisation

The update of the Programme, the issue of Notes thereunder and the giving of the Guarantee in respect of the Guaranteed Notes has been duly authorised by resolutions of the Board of Directors of Kingfisher dated 23 June 2020 and resolutions of the Finance Committee dated 21 April 2021.

The update of the Programme and the issue of Notes thereunder has also been duly authorised by resolutions of the Board of Directors of Kingfisher Finance dated 26 April 2021.

### Listing of Notes

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's main market will be admitted separately as and when such Tranche of Notes is issued. Application has been made to the FCA for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's main market. The listing of the Programme in respect of Notes is expected to be granted on or about 6 May 2021.

### Documents Available

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection on Kingfisher's website (<https://kingfisher.com/en/investors/debt-investors/debt-facilities.html>):

- (i) the constitutional documents (with an English translation thereof, where applicable) of each Issuer;
- (ii) the Agency Agreement, the Trust Deed and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (iii) a copy of this Offering Circular; and
- (iv) any future offering circulars, prospectuses, information memoranda, supplements, Final Terms and Pricing Supplements (in the case of Exempt Notes) (save that Pricing Supplements will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer or the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

Unless it is expressly referred to in the section entitled "*Documents Available*", the information on Kingfisher's website does not form part of this Offering Circular and has not been scrutinised or approved by the FCA.

### Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes). If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms or Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

### Significant or Material Change

There has been no significant change in the financial performance or financial position of Kingfisher or the Group since 31 January 2021 and no material adverse change in the prospects of Kingfisher or the Group since 31 January 2021.

There has been no significant change in the financial performance or financial position of Kingfisher Finance since 14 July 2020, its date of incorporation, and no material adverse change in the prospects of Kingfisher Finance since 14 July 2020, its date of incorporation.



## **Litigation**

Neither Issuer, the Guarantor nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which either Issuer or the Guarantor is aware) in the 12 months preceding the date of this Offering Circular which may have, or have in the recent past, a significant effect on the financial position or profitability of either Issuer, the Guarantor or the Group.

## **Auditors**

The consolidated financial statements of the Group for the years ended 31 January 2020 and 31 January 2021 were audited by Deloitte LLP, Statutory Auditor, in accordance with International Standards on Auditing (UK) and have been reported on without qualification. The address of Deloitte LLP is 1 New Street Square, London EC4A 3HQ.

Deloitte Accountants B.V. was appointed on 22 July 2020 as the independent auditor of Kingfisher Finance for the initial accounting period of Kingfisher Finance, which commenced on 14 July 2020 (being its date of incorporation) and will end on 31 January 2022. The financial statements of Kingfisher Finance will be audited in accordance with Dutch Standards on Auditing. The address of Deloitte Accountants B.V. is Gustav Mahlerlaan 2970, 1081 LA Amsterdam, The Netherlands.

Neither the auditors of the Group nor Kingfisher Finance have a material interest in either Issuer or the Guarantor.

## **Accounts**

The financial information contained in this Offering Circular (other than financial information that is incorporated into this Offering Circular by reference) has been extracted from Kingfisher's audited consolidated statutory accounts. The financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 (the **Companies Act**). Kingfisher's statutory accounts for the two years ended 31 January 2020 and 31 January 2021, which are incorporated into this Offering Circular by reference, have been or will be delivered to the Registrar of Companies in England and Wales in due course following Kingfisher's Annual General Meeting, which is due to be held on 30 June 2021. The Group's auditor mentioned above has made reports under Section 495 of the Companies Act on the statutory accounts for the two years ended 31 January 2020 and 31 January 2021 which were not qualified (within the meaning of Section 539 of the Companies Act) and did not contain a statement made under Section 498(2) or Section 498(3) of the Companies Act.

## **Post-issuance information**

Neither Issuer nor the Guarantor intend to provide any post-issuance information in relation to any issues of Notes.

## **Dealers transacting with the Issuers and the Guarantor**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuers, the Guarantor and their respective affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuers, the Guarantor and their respective affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Guarantor or their respective affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers or the Guarantor routinely hedge their credit exposure to the Issuers and/or the Guarantor consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research

views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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