

# Kingfisher Plc

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SAVING  
FOR YOUR  
FUTURE

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# The Kingfisher All Employee Share Plans



We'll teach you  
the differences  
between them

# Saving For Your Future

There are many ways of saving for your future apart from pensions.

Your employer offers a choice of ways to invest in Kingfisher Plc shares and this module has been created to explain these Plans to you.

This module is designed to provide you with an overview of the Plans. For more detailed information click [HERE](#) to go to the share plans web page.

# What we'll cover

[What are Employee Share Plans?](#)

[The ShareSave Plan \(Save As You Earn or SAYE\)](#)

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# Employee Share Plans

The Company offers two types of share plans giving you an easy way to buy Kingfisher Plc shares, become a shareholder, and benefit from any future growth in the company.

1. The ShareSave Plan also known as the Save as You Earn Plan (SAYE)
2. The ShareBuild Plan also known as the Share Incentive Plan

# Am I eligible to join the Plans?

The Plans are open to all employees within the Kingfisher group who:

- Are subject to UK Tax; and
- Have completed a minimum of 3 months continuous service.

# ShareSave

Let's look at the  
ShareSave Plan



# What is the ShareSave Plan (Save As You Earn or SAYE)?

The Kingfisher ShareSave Plan provides you with a simple way of buying shares in Kingfisher Plc at a discounted price known as the **Option Price**. Eligible employees are invited to join the plan annually.

The ShareSave Plan consists of two elements:

**A savings account:** Savings are deducted directly from your net pay each month. You can choose to save anywhere between £5.00 and £250 per month over a 3 or 5 year savings term up to a maximum of £500 per month across all savings contracts.

**An option to buy shares:** At the end of your chosen savings period you can either buy shares in Kingfisher plc, at the discounted Option Price, which is set at the invitation launch date, or you can simply take your savings back. If the share price drops to less than the Option Price over your savings period you do not have to buy the shares and your savings are safe.

# How does ShareSave work?

Here is an example for you:

At the invitation date the Option Price is set at £1 per share which includes a 20% discount from the market value on that day.

Mr A decides to save £20 each month over 3 years. This means Mr A will have saved £720 at the end of 3 years. At the maturity date the Market Share Price has risen to £2. Mr A decides to buy the shares at the Option Price of £1 so £720 buys 720 shares.

Mr A then decides to sell his 720 shares at the Market Share Price so  $720 \text{ shares} \times £2 = £1,440$ .

**Mr A could have had his money back but would have lost out on the share price increase.**



# What happens if I choose to buy the shares?

If you choose to buy the shares, you can elect to either:

- Transfer them to the Kingfisher ShareStore – a **corporate nominee account** where you can hold your shares electronically, receive dividends and trade your shares at a later date.
- Hold them on the Kingfisher register of shareholders and receive a **share certificate**.
- Transfer shares to a spouse or civil partner, an Individual Savings Account (ISA) of a Self Invested Personal Pension Plan (SIPP), and benefit from further tax advantages.
- Sell the shares immediately - a maturity dealing service is available through Capita Asset Services, the ShareSave Plan administrators.

Share ownership  
made easy



# ShareSave – what are the Benefits?

- An easy way to save as deductions are taken straight from your net pay.
- You can buy shares at a discounted Option Price.
- It is an opportunity to buy shares not an obligation.
- You can get your savings back in full at anytime if you need to with no penalty clauses.
- There is usually no Income tax or National Insurance payable when you buy or sell the shares.
- There are easy access services available to hold or sell your shares if you choose to buy them.

# ShareBuild

Now let's look at the ShareBuild Plan



# How does ShareBuild work?

You can contribute anywhere between a minimum of £10.00 each month up to a maximum of the lower of £150 or 10% of your monthly pre-tax earnings.

Contributions are taken from your **gross** pay each month and used to purchase shares in Kingfisher Plc known as **Partnership Shares**, which means you make tax and NICs savings in your salary each month.

Your Partnership shares are held in your name in a **Trust**.

You can only purchase whole shares so any amount not invested is carried forward and added to your next month's contribution to purchase shares.

As the beneficial owner of the shares you are entitled to any dividend payment paid by the Company on your Partnership Shares. These are received by the Trustee on your behalf and automatically reinvested to purchase dividend shares which are added to your account.

# ShareBuild – What are the Benefits?

- There are immediate Income tax and National Insurance savings as contributions are taken from gross pay.
- Flexibility - contributions can be stopped, re-started or changed at any time.
- You will receive any dividend payable by the Company as additional **Dividend Shares**.
- There are no Income Tax and National Insurance contributions payable provided the shares are held in the Trust for a **minimum** of 5 years from their date of purchase.
- You will not have a **Capital Gains Tax** liability on any profit you make provided you hold the shares in the Trust until you want to sell them.

# How is the ShareBuild Plan different to the ShareSave Plan?

## ShareBuild

- You will be buying shares as you go i.e. monthly.
- Any dividends paid on the shares are added to your shares 'pot' twice a year to increase your share holding.
- Your contributions are taken straight from your **gross** pay so there are income tax and National Insurance benefits.
- You can stop, start or change your monthly contribution at any time.
- To get the full Tax benefits of the **ShareBuild Plan** you really need to be prepared to hold your shares for at least 5 years from their date of purchase and keep them in the Trust until you want to sell them.

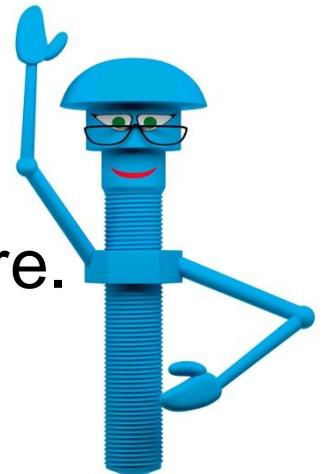
## ShareSave

- You only buy the shares at the end of the savings period, if you want to.
- You are not buying shares during the savings period so there are no dividends to be paid.
- Your savings are taken from **net** pay.
- Your chosen savings amount is fixed for the savings term and cannot be changed.
- There is usually no income tax or NI liability payable on the **ShareSave Plan** but if you buy the shares and keep them you may be liable to Capital Gains Tax when you sell them at a later date.

# Can I have a ShareBuild Plan and a ShareSave Plan at the same time?

# Yes!

The important thing is to understand the difference between the two and what the risks are.



# What are the risks?

## ShareBuild Plan

- As you will be buying shares each month the value of your shares will change as the share price goes up, or down.
- Dividend payments from the company are not guaranteed.
- There may be tax to pay if you withdraw your shares early.

## ShareSave Plan

- At the end of the savings period, the Option Price could be higher than the Market Share Price for Kingfisher Plc shares, but.....
- If this happens you do not have to buy the shares, and you will be able to get back all the money you paid in.
- There may be no interest paid on your savings during the period of the plan as this is set at the start of your savings period, so you could get more back if you invested in an interest paying savings account or a cash ISA.

# Financial Advice

Neither Kingfisher Plc, your employer or Capita Asset Services can give financial advice.

For personal financial help or advice you need to speak to an Independent Financial Advisor (IFA) who can look at your circumstances and help you plan what's best for you.

You can use the [unbiased.co.uk](https://www.unbiased.co.uk) 'find an adviser' search to find local professional advisers.

 **unbiased.co.uk**  
the home of professional advice



# Share Plan Jargon

<p><b>Option Price</b> = the discounted price the ShareSave shares are being offered at.</p>	<p><b>Dividend</b> = an amount paid to the share holder by the company.</p>	<p><b>Option</b> = a right to buy shares at a future date at a fixed price.</p>
<p><b>Share Certificate</b> = a paper document confirming your legal ownership of shares</p>	<p><b>Market Share Price</b> = the daily value of Kingfisher plc shares bought and sold on the London Stock Exchange</p>	<p><b>Corporate Nominee Account</b> = an easy method to hold shares electronically without the need for a share certificate</p>
<p><b>Partnership Shares</b> = the shares purchased on your behalf each month from your contribution</p>	<p><b>Dividend Shares</b> = shares purchased on your behalf by the Trustee from any dividend paid on your Partnership shares</p>	<p><b>Trust</b> = A trust is a legal arrangement where one or more 'trustees' are made legally responsible for holding assets for the benefit of one or more 'beneficiaries'</p>

# Important contacts

**Kingfisher plc  
Share Plans Team**

[Shareplan.enquiries@kingfisher.com](mailto:Shareplan.enquiries@kingfisher.com)

**Kingfisher ShareStore**

0330 123 0059  
[nominee@equiniti.com](mailto:nominee@equiniti.com)

**Kingfisher ShareBuild Plan**

0871 664 9252  
[kingfisher-SIP@capita.co.uk](mailto:kingfisher-SIP@capita.co.uk)

**Kingfisher ShareSave Plan**

0871 664 9252  
[Kingfisher-SAYE@capita.co.uk](mailto:Kingfisher-SAYE@capita.co.uk)

# Other Sources of Information



CAPITA



# Kingfisher Plc

**This module was developed by the Kingfisher Share Plans Team. Please have a look at the other modules to see if they could also be of benefit to you.**

**Please remember that the price of shares can go down as well as up.**

**In the event of any conflict between the Rules of the Plan, any applicable legislation and the explanatory material, the Rules of the Plan and any applicable legislation take precedence.**

# Kingfisher Plc

