



**STATEMENT OF DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN  
AND THE CHIEF EXECUTIVE**

**Approved by the Board of Kingfisher plc 14<sup>h</sup> January 2005**

## **Chairman**

### **1. Reporting Lines**

- 1.1 The Chairman is accountable to the Board (the “Board”)
- 1.2 The Chairman is not responsible for executive matters regarding the Company’s business. Other than the Chief Executive and (in respect of the limited matters set out herein and other matters directly relating to the Board) the Company Secretary, no executive reports to him other than through the Board.

### **2. Key Responsibilities**

- 2.1 The Chairman’s principal responsibility is the effective running of the Board of Kingfisher plc.
- 2.2 The Chairman is responsible for ensuring that the Board as a whole is enabled to play a full and constructive part in the development and determination of the Group’s strategy and overall commercial objectives.
- 2.3 The Chairman is responsible for ensuring that the development of the Group’s businesses and that the protection of the reputations of the Company and its subsidiaries receive sufficient board attention.
- 2.4 The Chairman is the guardian of the Board’s decision-making processes.

### **3. Other Responsibilities**

- 3.1 Running the Board of Kingfisher plc and setting its agenda.
- 3.2 Ensuring that Board agendas take full account of the important issues facing the Company, the concerns of all Board members and that they include an appropriate concentration on strategic and other important matters rather than routine ones.
- 3.3 Ensuring that members of the Board receive accurate, timely and clear information on the Company’s performance; the issues, challenges and opportunities facing the Company; and in relation to matters which are reserved to it for decision.
- 3.4 Ensuring, with the advice of the Company Secretary where appropriate, that the Board’s approved procedures, including the Matters Reserved to the Board for its decision and each Committee’s Terms of Reference, are complied with.

- 3.5 Arranging, where appropriate, such informal meetings involving Directors, including between non-executive Directors, as may be required to ensure that sufficient time and consideration is given to complex, contentious or sensitive issues.
- 3.6 Proposing to the Board appropriate Matters Reserved to the Board for its decision, Terms of Reference for each Board Committee, and other Board policies or procedures; in all cases in consultation with the Chief Executive and, in respect of Committee Terms of Reference, the chairman of the relevant Committee and with the advice of the Company Secretary.
- 3.7 Chairing the Nomination Committee, whilst appointed to do so by the Board. In that role, initiating change and succession planning in Board appointments to retain and build an effective and complementary Board and to facilitate the appointment of effective and suitable members and chairmen of Board Committees.
- 3.8 Proposing, in conjunction with the Nomination Committee, the membership of Board Committees and their Chairmen.
- 3.9 Ensuring that there is effective and appropriate communication of financial and other information by the Company to its shareholders, by the Chief Executive and other executive management, and, when necessary by himself and/or by the non executive members of the Board.
- 3.10 Ensuring that all members of the Board develop an understanding of the views of the major investors in the Company and that there is an open dialogue with shareholders.
- 3.11 Taking the lead in providing a properly constructed induction programme for new Directors, facilitated by the Company Secretary who reports to the Chairman as well as the Chief Executive in this regard.
- 3.12 Taking the lead in identifying and seeking to meet the development needs both of individual Directors and of the Board as a whole, facilitated by the Company Secretary who reports to the Chairman as well as the Chief Executive in this regard.
- 3.13 Ensuring that the performance of the Board as a whole, each of its Committees, and each individual Director as regards their Board and/or Committee role(s), is formally and rigorously evaluated at least once a year.
- 3.14 Promoting the highest standards of integrity, probity and corporate governance throughout the Group and specifically at Board level.

## **Chief Executive**

### **1. Reporting Lines**

- 1.1 The Chief Executive reports to the Chairman (acting on behalf of the Board) and to the Board directly.
- 1.2 The Chief Executive is responsible for all executive management matters affecting the Group. All members of executive management report, either directly or indirectly, to him.

### **2. Key Responsibilities**

- 2.1 The Chief Executive's principal responsibility is executive management of the Group's business, consistent with the strategy and commercial objectives agreed by the Board.
- 2.2 The Chief Executive is responsible, working with the operating companies, for researching, proposing and developing the Group's strategy and overall commercial objectives, which he does in consultation with the Chairman and the Board.
- 2.3 The Chief Executive is responsible with the executive team for effecting the Board's, and where applicable its Committees', decisions.
- 2.4 In delivering the Group's strategic and commercial objectives the Chief Executive is responsible for the maintenance and protection of the reputations of the Company and its subsidiaries.

### **3. Other Responsibilities**

- 3.1 Providing input into the Board's agenda from himself and other members of the executive team.
- 3.2 Ensuring that he maintains a dialogue with the Chairman on the important and strategic issues facing the Company, and proposing Board agendas to the Chairman which reflect these.
- 3.3 Ensuring that the executive team give appropriate priority to Board reporting in an accurate, timely and clear nature.
- 3.4 Ensuring, in consultation with the Chairman and the Company Secretary as appropriate, that he and the executive team comply with the Board's approved procedures, including Matters Reserved to the Board for its decision and each Committee's Terms of Reference.

- 3.5 Ensuring that the Chairman is alerted to forthcoming complex, contentious or sensitive issues affecting the Company of which he might otherwise not be aware.
- 3.6 Providing input to the Chairman and Company Secretary on appropriate changes to the Matters Reserved to the Board and Committee Terms of Reference.
- 3.7 Providing information and advice on succession planning, to the Chairman, the Nomination Committee, and (as applicable) members of the Board.
- 3.8 Whilst appointed by the Board, serving on the Nomination Committee.
- 3.9 Leading the communication programme with shareholders.
- 3.10 Commenting on induction programmes for new directors and ensuring that appropriate management time is made available for the process.
- 3.11 Ensuring that the development needs of the executive Directors and other senior management reporting to him are identified and endeavoured to be met.
- 3.12 Ensuring that Performance Development Reviews regarding their executive and management duties are carried out at least annually in respect of all the executive Directors. Providing input to the wider Board evaluation process.
- 3.13 Promoting, and conducting the affairs of the Group with, the highest standards of integrity, probity and corporate governance.