

Grafton Group plc

Community Investment Criteria

Target Measure:

Contribution to the Community (Indicator 3 per Banking Arrangement)

Description in Banking Agreement:

Contribution to the Community

Continuing Investment and / or sustainability related fundraising (including colleague time for paid volunteering and corporate fundraising and donations, but excluding colleague and customer fundraising) for each year to be at least the percentage figure of adjusted operating profit for the Group for that year as set out in the target Values column for that year.

Target Values: 2022 – 0.2%, 2023 – 0.4%, 2024 – 0.6%, 2025 – 0.8%, 2026 – 1%, 2027 – 1%

Scope:

Group target covering all Group companies (including all continuing businesses and Group Head Office) during the financial year 1 January – 31 December. (note that this is not an individual target that all business need to achieve)

Methodology:

a. Calculation

Total community investment amount for the financial year for the Group

Group adjusted Operating Profit for the same financial year

(expressed as a %)

b. Definitions

Community Investment =

Money donated to Charities* by a Group company in cash in the financial year (including sums paid as matched amounts for colleague fundraising)

+

Total cost price value of the materials donated by Group companies to Charities* in the financial year

+

Total value of hours of paid volunteering with Charities* completed by Group colleagues in the financial year (being total hours for each business x average hourly rate** for that business)

*As defined by / consistent with the Group Charity giving guidelines

** Hourly rate based on total paid salary for each business in December of that year / total number of hours worked by that businesses' colleagues in that month

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c. Data Collection

Amounts donated (cash and materials) are based on annual submission from each business units.

Volunteering time based on annual submission of hours from each business.

Hourly rate provided by Group HR, based on payroll records.

d. Verification

Data and calculation subject to limited assurance by EY.