

Introduction

This is Dixons Carphone plc's (the 'Company') second statement on slavery and human trafficking and is made pursuant to section 54(6) of the Modern Slavery Act 2015 (the 'Act'). It constitutes the Group's slavery and human trafficking statement for the financial year ended 29 April 2017.

Our Board fully supports the aims of the Act and is committed to combatting the risk of slavery and human trafficking in our business.

In the past twelve months, we have made progress in mapping our own business and key suppliers to identify those more at risk from Modern Slavery, not just in the UK but also in all countries where the Company and its subsidiaries conduct their business.

The Board has agreed our Modern Slavery Policy, which can be found on our corporate website. The Company has commenced a process to introduce the Policy to our business, suppliers, agents and partners.

In order to achieve this, we have created a dedicated team to build on what we have achieved and continue to make improvements and raise awareness of Modern Slavery within our business and our supply chain.

Structure, Business and Supply Chains

We are Europe's leading specialist electrical and telecommunications retailer and services company, employing over 42,000 people in 11 countries. We offer a comprehensive range of electronic and mobile products, connectivity and expert after-sales services.

The organisation is divided into a number of subsidiaries, full details of which are published on our website. The Company has three main divisions: UK & Ireland, Nordics, and Southern Europe. Each of these divisions is supported by its own support centre (head office) and distribution network. Each division procures goods for resale (i.e. products to be sold in our stores) and goods not for resale (i.e. service providers such as catering and cleaning, construction services, IT partners, etc.).

As well as buying goods from many leading brands, our OEM (Original Equipment Manufacturer) operation, based in Hong Kong, sources many product types that are sold in our stores under our own or licenced brand names. This part of our operation is well established and has been actively engaging in ethical auditing / risk assessment for many years.

We are aware that some of the products we sell or the services we procure carry a risk of Modern Slavery, either due to the location where they are manufactured, the raw materials that they contain, or the engagement of labour providers, sub-contractors and similar. Over time, we need to develop effective methods of communication and collaboration with our key

suppliers to better understand what happens further down our supply chains, working together to resolve any issues that we may encounter.

Policies in Relation to Slavery & Human Trafficking

As mentioned previously, we have recently created our Company's Modern Slavery policy and have begun the process of introducing it to our business, suppliers, agents and other partners, with the clear expectation that everyone adheres to it. The Company also has an Ethical Sourcing Policy which includes Anti-Slavery and reflects our commitment to acting ethically and with integrity in all our business relationships. We require our OEM suppliers to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place. Our Modern Slavery and Ethical Sourcing policies take into account the Social Accountability 8000 standard, ETI Base Code, FTSE4Good criteria and the UN Guiding Principles, as well as guidance from various other subject matter experts.

Over the next twelve months we will review our existing policies for recruitment, procurement, whistleblowing, etc. and where necessary make changes or introduce explicit references to Modern Slavery. We will also look to introduce new policies as and when relevant, and as our understanding of the issues and the approaches we need to take improve.

Due Diligence Process

Our social and ethical auditing team carries out comprehensive due diligence of suppliers of our OEM products prior to selection against strict trading terms and operating procedures. Approved suppliers are then subject to regular checks and audits. We will expand this procedure to relevant parts of our supply chain once we have completed our risk mapping. Where necessary, we will introduce reporting to monitor and evaluate risk at any given time.

The Company is in the process of contacting its suppliers globally with a questionnaire. The responses received will allow us to assess actual and potential human rights impacts and act upon the findings in an appropriate manner. The questionnaire asks questions in relation to the countries where our suppliers operate, the types of goods and / or services they provide (to us and to others), the types of workers they employ and the way they might treat them (wages, working hours, freedom of movement, the rights of young employees, etc.). We also ask if they have to produce their own Modern Slavery statement (and if so, to provide us with a copy) and what policies and procedures they have in place to ensure their business and supply base are free from Modern Slavery.

We have in place a confidential (and anonymous, should the caller so choose) whistleblowing helpline and this is referred to in our Modern Slavery Policy. The helpline allows anyone within our supply chain to raise concerns without fear of being harassed or bullied, losing out on opportunities or training, or facing demotion or dismissal, as a consequence of raising their concerns.

Risk Assessment and Management

The completion of the risk mapping exercise and the return of the supplier questionnaires will help us to identify higher risk areas of our supply chain and enable us to target process and resources effectively.

Aside from the risk assessment and questionnaire, we have played an active part in the Modern Slavery and Ethical Sourcing groups at the British Retail Consortium, are members of SEDEX and regularly attend events where there is an opportunity to discuss the risks of Modern Slavery with our peers, Non-Governmental Organisations ('NGOs') and other relevant stakeholders. This helps to expand our knowledge and highlight countries, product types or services that may be considered to have a higher risk of Modern Slavery. The knowledge and experience that we have obtained will help us identify the risks and issues, assess the level of importance and develop appropriate remedies. We will continue to collaborate and improve our understanding as time goes on.

Monitoring

The effectiveness of our work on Modern Slavery will improve over time but we currently have the following measures in place:

- Addressing non-compliance in relation to our OEM supplier factory audits: Our audits include a number of topics including child / young labour, working hours, wages and deductions, overtime, working conditions and safety, freedom of movement and association, discrimination and disciplinary practices. Each factory is audited prior to selection. Once suppliers have been approved, they remain subject to regular checks and audits. These supplier audits are carried out with a view to assisting them in improving their working practices and we work with factories where failures have been identified. Wherever we can, we work with the supplier to make improvements; where this is not possible or no improvements are made, they will not be approved as a supplier, or will be delisted as appropriate;
- The number of calls to our Whistleblowing hotline that are related to ethical issues (including all forms of Modern Slavery); and
- The responses (or lack thereof) received from the questionnaire sent to our suppliers.

Training

Our OEM auditing teams in Hong Kong and mainland China receive comprehensive training in relation to conducting ethical audits and identifying issues. We plan to develop training for other colleagues within our business.

Training will be tailored to specific high risk areas identified through the risk mapping and questionnaire and we will focus on the parts of our business and supply chain carrying higher risk. Our experience and the knowledge of third party organisations that are experts in this field will help us decide which types of business and which countries are highest risk.

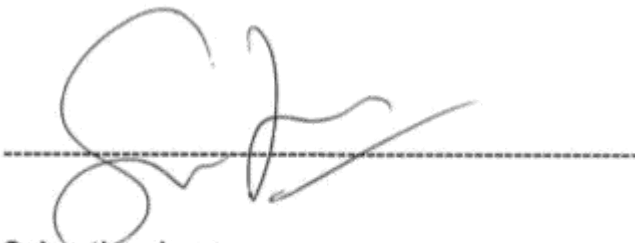
It is important that every one of our colleagues and suppliers understands what Modern Slavery is and how they can escalate any concerns.

Further Steps

We will continue in 2017/18 to build on the progress we have made this year. Our risk mapping of suppliers will continue and the data obtained from the questionnaire will identify areas of focus for this year and beyond.

We will continue to improve communication on this topic with our supply chain and welcome opportunities to collaborate to identify risks or solve problems that we cannot tackle alone. We will face common issues and by working together, not only with suppliers but also with other UK companies, we will be far more effective in meeting our common goal of eradicating Modern Slavery.

This statement has been approved by the Dixons Carphone plc Board of Directors. A new statement will be published each year on the corporate website at www.dixonscarphone.com.

A handwritten signature in black ink, appearing to read 'Sebastian James', written over a horizontal dashed line.

Sebastian James

Group CEO, Dixons Carphone plc.