

GENDER PAY REPORT 2020

WE HELP EVERYONE ENJOY AMAZING TECHNOLOGY

INTRODUCTION

We want Dixons Carphone to be a great place to work, and an inclusive company where all our colleagues play a vital role in delivering our Vision – We Help Everyone Enjoy Amazing Technology.

I believe that if we're to be for "Everyone", we must reflect the vast diversity of our customers in our colleagues. I believe that if we're to attract, retain and make the most of the most capable and committed colleagues, we must be a magnet for a richly diverse set of talent

I also believe that no modern, progressive company can look itself in the mirror if it's to go beyond lip-service to embracing diversity in all its forms, truly, sincerely and passionately, not just to tick a box. I'm personally not interested in leading any different sort of company.

Since our last report our overall pay gap has reduced to 4.6%, significantly less than the national average of 17.3%. The representation of women at senior levels in our company is above the FTSE 250* average with 33% of our PLC Board and 39% of senior leadership positions held by women. However, we know there is more to do here, and we also need to address some larger gender representation gaps within critical parts of our organisation including retail and operations management.

As we look to 2020 and beyond, we have made a conscious commitment to raise the bar on our Inclusion & Diversity efforts and I look forward to sharing our continued progress into the future.

Alex Baldock

2019 was a big year for Dixons Carphone.

When I joined in April 2019, it was fantastic to experience a business aligned behind a clear Vision – We Help Everyone Enjoy Amazing Technology.

To guide us on this journey, it was clear that we needed to unite behind a common set of values. So we invited all our colleagues to help us define what our values should be to meet the changing needs of our customers. These values came through loud and clear from the thousands of colleagues who took us up on our invitation – We Put Our Customers First', 'We Win Together' and 'We Own It'.

These values provide us with a strong foundation for a truly inclusive culture where all colleagues can 'win together'.

Because we want to make rapid progress, we have appointed a new Head of Culture and Inclusion who will be working with the Executive Team and Board.

The insights from this report are pivotal in helping us to strengthen our plans. I'm confident that with all of us working together we will shape a working environment where everyone can realise their full potential.

We Win Together.

Paula Coughlan



Alex Baldock
Group Chief Executive



Paula Coughlan
Chief People Officer

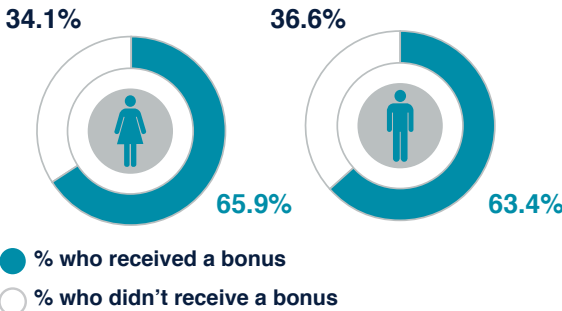
*Hampton-Alexander Review – FTSE female leaders

DIXONS CARPHONE RESULTS

We continue to progress towards a single unified company following our merger in 2014. However, we still currently exist as two separate legal entities so are required to report our results as DSG Retail Ltd and The Carphone Warehouse Ltd, although our focus is being one Dixons Carphone business. Our results as a combined company are shown on this page.

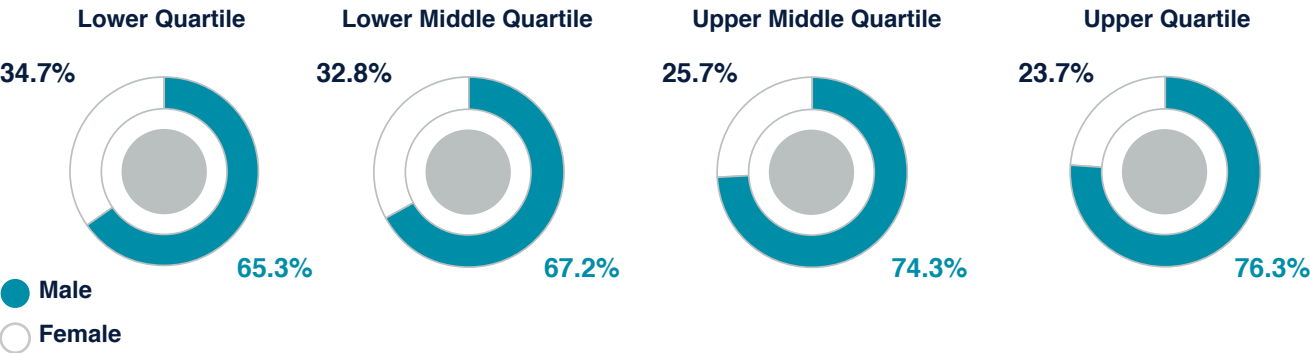
PAY QUANTILES

Difference between men and women	Mean (average)	Median (mid point)
Gender Pay Gap	5.6%	4.6%
Gender Bonus Gap	24.4%	24.3%
Hourly Adjusted Bonus Gap (Sales and Support)*	2.1%	1.7%



PAY QUANTILES

These charts show our gender pay results as a percentage of men and women arranged into 4 quartile bands.



OUR RESULTS EXPLAINED

Median Pay Gap well below national average:
Across much of our business, we pay a standard hourly rate for roles regardless of gender. This helps in driving pay equity and minimising our gender pay gap. Our median Gender Pay Gap, already considerably lower than our competitors, has reduced by 1.7% since 2018.

More women than men receiving bonus:
The percentage of colleagues receiving a bonus in the reporting period April 2018 to April 2019 declined because no annual bonuses were paid to our corporate and supply chain colleagues. Within the eligible population proportionately more women than men received a bonus.

Bonus gap driven by impact of part time working:
The mean and median Gender Bonus Gaps remain higher than the hourly pay gap. This is mainly driven by the fact that the gender bonus gap calculation as per guidance is not adjusted to reflect part-time earnings. Over 75% of colleagues who received a bonus work in our retail stores in sales and support roles and their bonus is directly linked to hours worked.

While we have a higher proportion of women than men earning a bonus overall, the potential amount of bonus earnings is lower for women on average working in retail sales and support roles because more women than men work part-time in these roles.

***Adjusted bonus significantly lower:**
When we re-calculate the median bonus earned per hour worked for retail sales and support, which we view as a more positive indicator of a like for like comparison, our adjusted median bonus gap is only 1.7%.

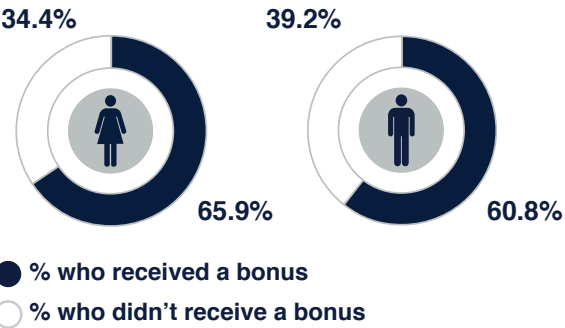


Higher proportion of men in more senior roles:
Finally, we have a higher proportion of men in more senior roles in our organisation overall. This is reflected with fewer women represented in the higher pay quartiles.



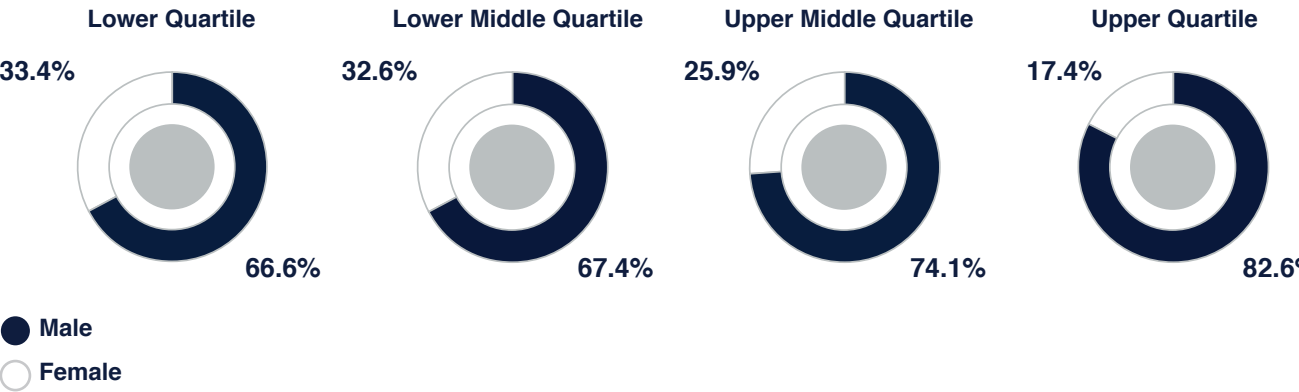
GENDER PAY & BONUS GAP

Difference between men and women	Mean (average)	Median (mid point)
Gender Pay Gap	8.9%	3.9%
Gender Bonus Gap	23.1%	22.6%



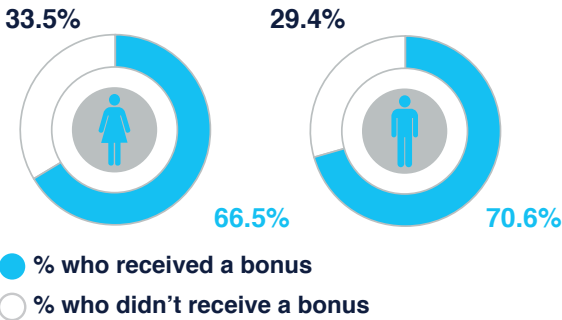
PAY QUANTILES

These charts show our gender pay results as a percentage of men and women employees arranged into 4 quartile bands.



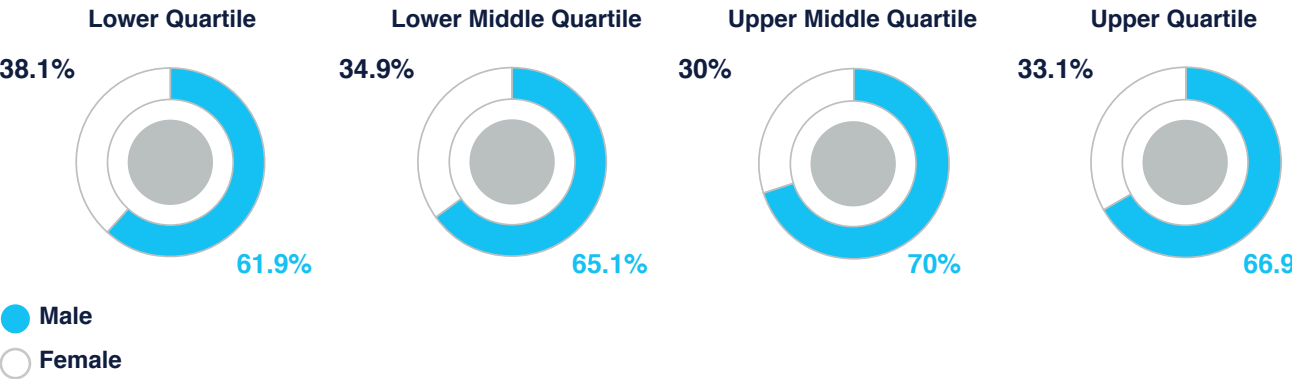
GENDER PAY & BONUS GAP

Difference between men and women	Mean (average)	Median (mid point)
Gender Pay Gap	3.4%	4.3%
Gender Bonus Gap	29%	29.9%



PAY QUARTILES

These charts show our gender pay results as a percentage of men and women employees arranged into 4 quartile bands.



2019 HIGHLIGHTS AND LOOKING AHEAD

In last year's report we committed to ensuring we are creating a flexible and inclusive environment for our colleagues, and taking steps to understand our colleagues views about Inclusion & Diversity through our annual engagement survey. We have moved in the right direction in both of these areas and are committed to accelerating progress moving forwards.

LISTENING TO OUR COLLEAGUES

Last year we added two questions on Inclusion and Diversity to our engagement survey:-

- I am treated with respect as an individual in the workplace.
- In my team everyone is valued equally regardless of personal background or characteristics.

Overall, men and women scored equally on both questions which were among those most positively scored across the whole survey.

Looking at all survey questions by gender and grade provided some important additional insights.

- Women are more engaged and answer more positively than men across most survey questions.
- Senior women in particular answer most positively on the inclusion questions.
- However senior women answer less positively than their male counterparts on some key areas including intent to stay, access to learning, work life balance and teamworking.

Given that we have proportionately fewer women at senior levels in our organisation, these insights provide us with a benchmark and help identify specific areas for follow-up action to ensure that women feel equally able to thrive in order to build and sustain a long term career with Dixons Carphone.

CELEBRATING OUR DIVERSITY

We have made some good progress towards extending and encouraging flexible working across the company through more inclusive policies, tools and practices. It is important for us to recognise where we have positive role models visibly demonstrating flexible working principles.

We are extremely proud therefore, to have a senior colleague recognised in the 2020 Timewise Power 50 list – an annual celebration of the people and places who make a success of flexible working.

Head of Property Programmes, Mel Thomas, works part-time whilst leading Dixons Carphone stores transformation programme.

"Mel is an inspiration to her team. She manages major transformation programmes that significantly benefit the business, whilst managing to spend important, quality time with her family."

Adrian Twynning, Transformation Director

You can read more about the Power Top 50 and Mel's story [here](#).

ACCELERATING PROGRESS

We will continue to raise the bar on our inclusion efforts as a business through 2020 and beyond building on our strong foundations and areas of good practice by taking a more rigorous and systematic approach.

Key actions underway include:

- The appointment of a new Head of Culture and Inclusion within our People Team.
- The development of a comprehensive and holistic Inclusion and Diversity Strategy which has the sponsorship of our PLC Board and Executive Committee.
- The formation of a Senior Inclusion Forum to shape, guide and champion our Inclusion plans.

In addition, CEO Alex Baldock has introduced the principle of gender balanced long lists for all executive appointments. As a result, since April 2019 two of our four most senior appointments (50%) have been women (Chief People Officer and Chief Supply Chain Officer)

Gender equality will continue to be a clear area of focus within our new inclusion strategy.

GENDER PAY GAP EXPLAINED

GENDER PAY GAP REPORTING REQUIREMENTS

All companies with 250 or more employees are now required to publish their gender pay gap under new legislation that came into force in April 2017.

Employers are required to publish the gap in pay between men and women on both a median basis and a mean basis. In addition, employers are required to disclose the distribution of gender by pay quartile – four groups split and grouped around pay bands, indicating the proportion of men and women in each quartile.

Employers are required to publish the gender bonus gap between men and women, calculated over a 12 month period. We must publish both median and mean pay results.

Employers are also required to disclose percentages of staff receiving bonuses by gender.

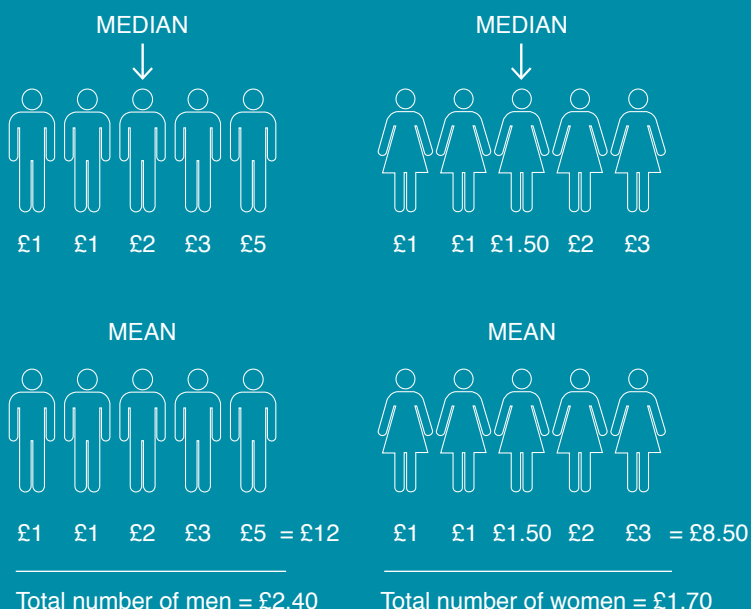
GENDER PAY GAP REPORTING REQUIREMENTS

This is the difference between the hourly rate of pay of men and women, expressed as a percentage of the men's hourly pay rate. The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.

MEAN VS. MEDIAN

The reporting requirements use both the median and the mean to capture different views of pay distribution across the business. The mean is an average and can be distorted by even a small number of extremes and measures both high and low. The median is the mid-point and is not affected by these extremes.

This can be seen in the example below.



HELPFUL LINKS

[Hampton-Alexander Review – FTSE female leaders](#)

[Timewise Power 50](#)

This report shows our gender pay gap and gender bonus pay gap for both DSG Retail Ltd and The Carphone Warehouse Ltd, as well as showing the results across the combined total company. It has been conducted across 27,373 colleagues.

I confirm that the data in this report is accurate.

Paula Coughlan
Chief People Officer