The Home of Homes: Slavery and Human Trafficking statement

for the Financial Year to 28 June 2025

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Introduction

*This statement covers the activities of Dunelm Group plc and the following companies which are subsidiary undertakings: Dunelm Limited, Dunelm (Soft Furnishings) Limited, Dunelm Estates Limited, Zoncolan Limited, Fogarty Holdings Limited, Globe Online Limited and Dunelm (Soft Furnishings) Londonderry Limited ("Dunelm").**

Dunelm strongly opposes the use of slave or trafficked labour and will never knowingly enter into a business relationship with any organisation involved in slavery, servitude, or human trafficking.

Modern slavery is often a hidden crime involving the severe exploitation of people for personal or commercial gain, through the use of threats, violence, coercion, deception or abuse of power. In today's globalised world, the fight against modern slavery and human trafficking is more critical than ever and it is a matter that we take very seriously. We are committed to acting ethically, with integrity and transparency in all our business dealings and to putting in place effective systems and controls to safeguard against any form of modern slavery within our business or supply chain. We actively work to foster a culture of respect, ethical conduct, and integrity in all that we do.

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 ('Act') and sets out the steps that Dunelm has taken and will continue to take to identify, prevent and mitigate the risk of modern slavery and human trafficking in our operations.

Nick Wilkinson
Chief Executive

Approved by the Board of Dunelm Group plc on [4] September 2025.

* Our subsidiaries in the Republic of Ireland are not covered by this statement, as they fall outside the scope of the Act.

Our progress in the year

In FY25, we:

Mapped 100% of our cotton supply chain

with two routes disengaged due to being unable to map to cotton fibre source (cotton ginner).

Received Tier 2 **declarations** and completed **risk assessments**

for own-brand product supply chain and determined appropriate due diligence requirements to manage risk levels.

Held our **annual supplier webinar**

focusing on supplier transparency and requirements for Tier 2 due diligence.

Implemented a **new requirement**

for all Dunelm own-brand label and packaging sites and tier 2 processors to submit a semi-announced third-party audit for grading in line with Tier 1 requirements by end of June 2026.

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Introduced a **homeworker policy**

to recognise and seek to further mitigate specific risk in our supply chain associated with homeworking.

Carried out **147**

unannounced spot checks at our Tier 1 factories against a target of 130.

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What's next

In FY26 we aim to:

Enhance

cotton mapping process

by introducing risk-based provenance testing.

Further develop

spot check programme

with increased focus on Turkey and Pakistan following increase in whistleblower reports from these countries.

Further integrate our supplier management expectations into

responsible sourcing

action plans and supplier conference.

Continue to review and refresh

training

for our Commercial Team, including in relation to responsible purchasing practices and responsible sourcing site visit guidelines.

Establish new

trusted supplier guidelines

to further encourage suppliers to embed ethical and other required standards in their supply chains.

Analyse

Tier 2 audit data

and commence work with suppliers to improve standards at Tier 2 sites. Our aim is to work towards an approved and fully audited list of packaging suppliers and processors.

Our business structure

We are a specialist retailer of homewares and furniture, with a broad offer of thousands of quality products at a range of price points sold across our 202 stores and on dunelm.com. Most of our stores are located in the UK, with 13 in the Republic of Ireland and one in Jersey, and the majority include a Pausa coffee shop. Our dunelm.com website offers home delivery to UK customers and collection from our stores. We operate from the following other locations:

- a Store Support Centre (head office) in Leicester and a London satellite office;
- three warehouses in Stoke and one in Daventry and distribution centres in Stoke, Dartford, Bristol, Barnsley and Northampton;
- a curtain and blinds manufacturing centre and a mock shop in Leicester;
- a customer service centre in Radcliffe, Manchester;
- a home delivery operation (Dunelm Home Delivery Network); and
- a blinds and curtain pole and tracks manufacturing centre in Cannock.

Our business is supported by almost 12,000 employees across the UK, Jersey and Ireland.

Our governance

Modern slavery risk is a consideration for all of Dunelm's operations and activities, particularly in respect of the premises from which we operate, the supply chain for the products that we sell, and the services that we outsource. We have a clear governance and risk management framework (as illustrated on the right) to safeguard against any form of modern slavery taking place within the business or our supply chain, adopting a top-down, bottom-up approach.

Modern slavery governance framework

GROUP BOARD / AUDIT AND RISK COMMITTEE

Reports and KRIs relating to ethical sourcing are included in the papers presented to the Audit and Risk Committee. Any material matter is reported to the Group Board.

The Group Board approves the Modern Slavery Act statement annually.

RISK AND RESILIENCE COMMITTEE

Receives reports, approves and monitors KRIs and receives operational updates on the ethical audit program and any concerns relating to modern slavery. Meets monthly.

MODERN SLAVERY STEERING GROUP

This group comprises the Group General Counsel and Company Secretary, the Head of Procurement, the Head of People Business Partnering, the Head of Responsible Sourcing and the Ethical Manager. It oversees our approach to modern slavery, meeting on at least a quarterly basis.

Top-down review of risks

Bottom-up review of risks

COMMERCIAL RISK AND RESILIENCE STEERING GROUP

Ethical supply chain risks are reviewed monthly at Commercial Risk and Resilience meetings, led by our Head of Responsible Sourcing and the Ethical Manager and attended by senior leadership in the Commercial Team.

INDIVIDUAL RISK OWNERS

All colleagues who are responsible for a supplier relationship have accountability for identifying, assessing and mitigating the risk of modern slavery within their respective business areas and to escalate incidents and concerns as appropriate.

Our assessment and management of risk

Overview

- We consider modern slavery to be more likely in roles that are low-skilled, require minimal communication, involve limited interaction with other groups, and are offered on a temporary or flexible basis.
- We do not manufacture any of our own products apart from our made to measure curtains, blinds, tracks, curtain poles, and shutters.
- We source most of our goods for resale from suppliers based in the UK, although these suppliers typically source from overseas manufacturers, particularly in the Far East.
- Food products in our coffee shops are manufactured in the UK but with ingredients sourced worldwide.
- We partner with third-party providers for stock distribution, including deliveries to stores and customers. We also outsource various service activities such as certain IT services, store refit work, maintenance, and cleaning.

Our policies

We abide by, and require our suppliers to commit to, clear and effective policies that underline our commitment to acting ethically and with integrity, including in relation to reducing the risk of modern slavery within our business and supply chain. These include the following:

Ethical Code of Conduct for Suppliers and Partners:
We require our suppliers to provide safe and legal working conditions for the people who work for them, and do not accept any form of exploitation. Our Ethical Code of Conduct for Suppliers and Partners requires them to follow a set of good labour practices based on the Ethical Trading Initiative ('ETI') base code to drive improvements in working conditions throughout the supply chain.

Standard terms and conditions for non-stock suppliers:
Non-stock suppliers and service providers are expected to provide a clear understanding to us of how they address modern slavery risks within their own businesses (as appropriate). We also seek to include a modern slavery clause in any contract that we enter, and such a clause is included in our standard terms and conditions.

Homeworker policy:
Launched in FY25, we acknowledge that improving labour conditions for homeworkers is a complex issue. Under this policy, we expect our suppliers to adopt a shared acceptance of homeworking and commitment to improving homeworkers' labour conditions, working to identify where homeworking occurs in the supply chain beneath them and developing action plans for improving conditions for homeworkers.

Whistleblowing policy:
The aim of our whistleblowing policy is to provide a safe, confidential, and accessible way for colleagues and other workers in our supply chain to report concerns. Whether it is a breach of our ethical policies, human rights abuses, or any other issue that is or may be unlawful, we encourage individuals to speak up. All our Dunelm sites, together with our Tier 1 factories (who have different language versions) are expected to display posters with details of how to contact the whistleblowing hotline. Each reported incident is investigated in accordance with a procedure that has been approved by our Audit and Risk Committee. Updates are provided to the Risk and Resilience Committee and the Audit and Risk Committee.

Responsible cotton policy:
All suppliers of Dunelm own-brand cotton products are required to abide by this policy, which includes ensuring that cotton products are not being sourced from banned or high-risk regions (e.g. Xinjiang, China) where there are higher risks of slave labour or human rights violations. We mapped our UK cotton supply chain in FY25 to verify this requirement. In FY26, we are planning to introduce provenance testing on our cotton routes to strengthen further our due diligence in this area. To meet our 'more responsibly sourced' standards, suppliers must, in addition, support or source from an industry recognised cotton programme that promotes lower-impact and ethically sound cotton sourcing (e.g. Better Cotton, recycled and organic cotton).

Our approach

We segment our suppliers and partners into three main categories for the purposes of assessing and managing modern slavery risk:

Dunelm own-brand products

The most significant supply chain and factory base to our business relates to Dunelm own-brand products. We consider all products sold under our own brands as 'high risk' because most of them are manufactured in countries which have a higher prevalence of modern slavery according to the 2023 Global Slavery Index, produced by Walk Free. In total we source from c.314 suppliers with 815 Tier 1 manufacturing sites in 25 countries.

Effective management of human rights risks within our supply chain is built into our stock procurement procedures, both in relation to the onboarding of new suppliers and ongoing monitoring by means of our ethical audit programme.

We manage our ethical programme and compliance with our Ethical Code of Conduct (and other relevant policies) internally by way of a dedicated team, which has extensive experience working with factories to assess and improve their practices regarding human rights issues. The team is supported by Verisio, a specialist audit services provider. In addition, monitoring and working to improve conditions is part of the factory management role carried out by our overseas sourcing partners. We also actively encourage our suppliers to further develop their own internal risk management processes. More detailed information on our approach to risk management in the Dunelm own-brand supply chain is found on page 8.

Third-party branded products

Products manufactured by third-party brands (non-Dunelm) are also sold in our stores and online. These products are not designed, produced, stored, or labelled as or by Dunelm. Third-party branded stock suppliers are generally assessed as 'medium risk', because we choose our partners carefully and require that, as the brand owner, they conduct their own checks and provide appropriate confirmations to us, as referenced below. We assess suppliers of food and drink products as generally 'medium risk' because we source from a small number of large UK or EU-based suppliers who are required to confirm to us that they operate controls and checks in relation to their supply chain.

Suppliers of third-party branded products are required to accept our Ethical Code of Conduct (and commit to other relevant policies, as applicable) and undertake an online assessment where they need to demonstrate that they understand and comply with all legal obligations relating to product quality, responsible sourcing, safety, compliance and ethical trading. This assessment is graded, and a satisfactory standard must be achieved before a supplier is onboarded. This is reviewed on a periodic basis, which may be brought forwards in the event of a product category change.

Non-stock and services used by Dunelm

We have a dedicated non-stock procurement function that engages with all suppliers and service providers with whom Dunelm has a contractual relationship but who do not supply us with goods for re-sale. They consider the risk of modern slavery on a case-by-case basis depending on the sector, partner and nature of services being provided.

Our biggest risk within non-stock is the use of agency workers at our warehouses and distribution centres and drivers within the Dunelm Home Delivery Network, as we do not have direct control over the recruitment process. We seek to minimise our use of agency workers wherever possible and regularly review our approach.

Other services, which we generally consider 'medium risk', are carriers, store refit and maintenance providers, cleaning and security. The majority of our partners in these areas are large companies, which operate in the UK. Other non-stock products and services provided to us are generally determined to be 'low risk'.

We seek commitment from all such partners that they will comply with our Ethical Code of Conduct (and other relevant policies, as applicable) or provide us with an equivalent commitment. As a result of risk assessment work conducted on our non-stock supply chain in FY24, we have increased our requirements for further information and comfort in areas that we have identified as medium to high risk.

Training

Effective training is an important component of our approach to raising awareness and mitigating risk. We have created bespoke, online modern slavery training modules that are completed on a mandatory basis annually by relevant senior management and management teams at key locations, including all stores, and colleagues working in our commercial, legal, recruitment and procurement teams. This training provides insights into modern slavery, shedding light on what it is, how it can occur and its potential impact on the Group, ways to identify warning signs, and the procedures for reporting concerns if any colleague suspects that it is happening at any of our stores, sites, or within our supply chain.

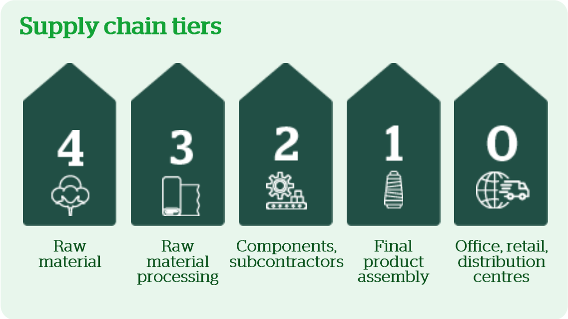
Training attendance is tracked, and our Ethical Manager reviews the content regularly, refreshing as appropriate to ensure it remains up-to-date, engaging and resonates with colleagues.

We often include partners operating at or from our Stoke distribution centres in training sessions. We also provide access to useful toolkits and training courses to help our partners and suppliers, as appropriate, build their knowledge and understanding, with a view to driving continuous improvement in their own assessment and management of human trafficking and modern slavery risks.

We direct any colleague or worker who suspects that modern slavery is occurring to contact our whistleblowing hotline.

Our approach to risk management in Dunelm own-brand product supply chain

We consider assurance of high ethical standards – in particular, human rights – to be the foundation of any commercial supplier relationship. Knowing where, how and by whom our products are made is a key part of ensuring that our quality, ethical and environmental standards can be monitored and continuously improved.



Ethical audit programme

We have implemented controls to identify and eradicate modern slavery and any other form of exploitation such as excessive working hours, child labour and poor safety standards, through our requirement for compliance with our Ethical Code of Conduct and our ethical audit programme. The programme currently covers all Tier 1 own-brand suppliers, all warehouses that hold stock of own-brand product and selected Tier 2 sites. We use an independent, expert third-party auditor, Verisio, to assess, grade and monitor the performance of our suppliers against our Ethical Code of Conduct utilising audit grading methodology.

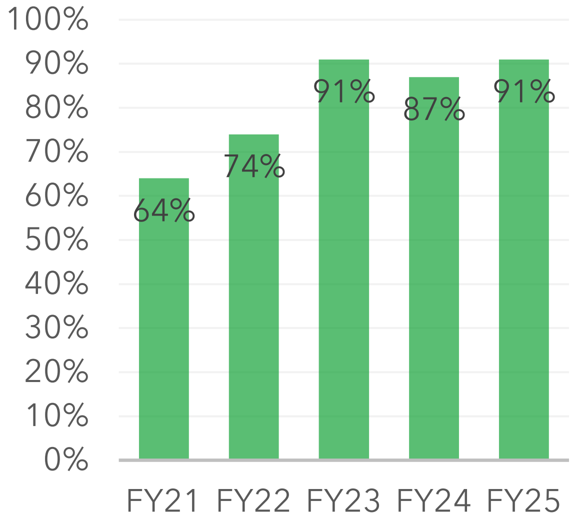
Verisio also work closely with us to provide root cause analysis of issues and drive improvements in standards. All Dunelm Tier 1 stock suppliers must provide on an ongoing basis a third-party ethical audit report that is less than two years old (from an APSCA registered auditor and conducted on a semi-announced basis within a minimum three-week window) and a valid building and fire safety report in respect of each site. Failure to provide an audit that meets these requirements (within a grace period) is considered a breach of our policy. The audits are benchmarked and graded. All new sites must be graded low or medium-low risk before being used in connection with our products.

As part of the ethical audit programme, we also undertake unannounced spot checks. This provides additional assurance that standards are being maintained during the two-year audit cycle. Spot checks are undertaken on a risk-based approach and are focused on verifying standards of compliance and ensuring that products are made at declared and approved sites.

If concerns are identified from an audit or spot check, the supplier is required to address them under a corrective action plan, and the relevant site will be subject to more frequent reviews and/or audits until the actions have been completed, and sufficient assurance is given that the identified issues have been addressed. We may pause new product development during this time. We facilitate remote follow-up audits and assist suppliers in booking their own spot checks to accelerate the closure of non-compliance actions. Where the issues amount to a policy breach, we apply financial penalties and review the business relationship.

We endeavour to work with suppliers in a responsible way to resolve issues before we stop placing orders, recognising that working conditions are not improved as a result of undertaking audits, but from changes to procedures, training and monitoring. However, we are not prepared to compromise supply chain integrity and so, if appropriate and timely action is not taken to address non-compliance (or if the findings are sufficiently serious), we will formally implement our responsible disengagement strategy and terminate the relationship.

In FY25 99% (FY24:99%) of our Tier 1 supply base had an in-date third-party ethical audit against a target of 100%. Since FY21 we have seen a year-on-year increase in the percentage of such audits that are graded low to medium risk, with there being a slight drop in FY24, as shown in the chart below.



Year-on-year percentage of Tier 1 third-party ethical audits graded low to medium

Developing the programme

We continue to seek greater transparency in our Dunelm own-brand supply chain. We are also committed to driving continuous improvement both within our own programme and from our suppliers. Some of our ongoing initiatives are described below.

Tier 2 declarations

We continue to increase visibility of our Tier 2 supply chain through our declaration and mapping exercise. This is a complex and challenging process as we have over 2,400 Tier 2 sites, with many Tier 1 stock suppliers using multiple Tier 2 locations. At the end of FY25 we had declarations of Tier 2 sites from 94% of our Tier 1 suppliers, which includes Dunelm own-brand label and packaging suppliers, componentry suppliers and product processors. Concurrently, we have conducted risk assessments to determine the appropriate level of due diligence for each area,

We have communicated to our suppliers that there is a requirement for all Tier 2 branded label and packaging suppliers and processors to have a semi-announced audit in place by the end of FY26. The reports and data will be analysed as received to determine how standards in the Tier 2 supply chain compare to Tier 1 and determine any appropriate follow-on actions. We aim to work with suppliers to improve standards in Tier 2 with a goal of achieving a fully audited and approved list of packaging suppliers and processors that align to Tier 1 standards.

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Trusted supplier programme

In June 2024 we launched our Gold ethical supplier programme, aimed at empowering suppliers to embed ethical standards in their supply chains. As this programme evolved, and we considered it further alongside other sustainability and quality requirements and our ongoing work in those areas, we recognised the need for a supplier to be 'leading' on a wider basis than just ethical in order to meet an overall trusted status and self-manage. Over the next year we will be re-establishing the programme for trusted suppliers on this basis.

Training and engagement

We continue to raise awareness of the importance of anti-slavery and ethical practices with our suppliers. In April 2025, we held our annual ethical webinar. All suppliers were invited to attend, and the key focus was the importance of supply chain transparency and Tier 2 ethical due diligence requirements. We launched the new homeworker policy to attendees and communicated with our suppliers the requirement for all branded label and packaging suppliers and processors to have a semi-announced audit in place by the end of FY26.

We also support our suppliers by giving access to shared resources and knowledge, such as factory standards guidance, key checklists from recent audits and direct engagement with our internal team and Verisio.

CASE STUDY: Whistleblowing in the supply chain

We recognise that an effective whistleblowing process helps to increase transparency, strengthens our human rights due diligence, informs our ethical programme and underscores our commitment to go beyond audit in managing ethical compliance.

In FY25, we saw the benefits of having extended and refreshed our whistleblowing service. Launched the previous year, the refresh added seven new language options to cover 93% of our Tier 1 supply chain.

The multi-language service enables workers to report concerns via email or telephone, with the breadth of options important in countries where literacy might be an issue. Phonelines operate 24/7, are free for workers and offer a full translation service.

In FY25, we received 12 reports through the service (one of which was a duplicate). One report was received in Q1, five in Q3 and five in Q4.

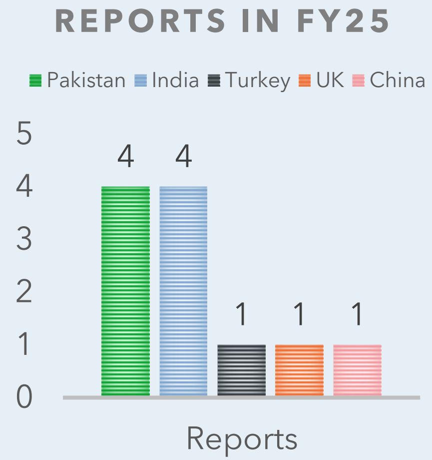
Four reports were received from Pakistan, four from India, and one from each of Turkey, the UK and China. We recognise that cultural differences could impact willingness to speak up and that this could explain why for example although China remains our largest sourcing country, we are less likely to receive reports from that country.

All reports received were investigated, with the extent and nature of the investigation dependent on the extent of information provided and the nature of the concern raised. Following investigation, five of the reports were confirmed as substantiated, five unsubstantiated, and one remains incomplete at the time of publishing.

Our findings have helped us to identify concerns regarding worker experience at factories that were being utilised in our supply chain in Turkey, and we disengaged with two factories as a result, in line with our responsible disengagement policy. Corrective action plans were put in place, as appropriate, for other factories with substantiated claims.

The insights gained have informed our spot check strategy for FY26 with enhanced focus on Turkey and Pakistan and our conversations with suppliers more generally about our expectations for their sites. We are also implementing two-day spot checks for larger sites to ensure a more thorough assessment of working conditions can take place. This decision recognises that several reports received have been from larger sites, where a one-day visit may not provide adequate time to examine the potential risks in sufficient depth.

We have also refined our internal reporting processes to improve efficiency and responsiveness. We remain committed to analysing and acting upon the learnings from this service to strengthen worker protections and uphold ethical sourcing practices.



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