



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	981 305 140
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DIXONS STORES GROUP RETAIL NORWAY AS
Forretningsadresse:	Nydalsveien 18A 0484 OSLO

Regnskapsår

Årsregnskapets periode:	01.05.2022 - 30.04.2023
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Ståle Pettersen
Dato for fastsettelse av årsregnskapet:	25.10.2023

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert

År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 04.09.2024



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	2	132 000	576 000
Sum kostnader		132 000	576 000
Driftsresultat		-132 000	-576 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		0	180 000
Renteinntekt fra foretak i samme konsern	9	0	5 000
Sum finansinntekter		0	185 000
Rentekostnad til foretak i samme konsern	9	160 000	4 000
Annen finanskostnad	3,7	118 504 000	4 000
Sum finanskostnader		118 664 000	8 000
Netto finans		-118 664 000	177 000
Ordinært resultat før skattekostnad		-118 796 000	-399 000
Skattekostnad på ordinært resultat	6	55 000	0
Ordinært resultat etter skattekostnad		-118 851 000	-399 000
Årsresultat		-118 851 000	-399 000
Overføringer og disponeringer			
Ekstraordinært utbytte	5	0	0
Overføringer til/fra annen egenkapital	5	-118 852 000	-399 000
Sum overføringer og disponeringer		-118 852 000	-399 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		65 000	0
Sum immaterielle eiendeler		65 000	0
Finansielle anleggsmidler			
Investering i datterselskap	3	6 100 036 000	6 100 036 000
Sum finansielle anleggsmidler		6 100 036 000	6 100 036 000
Sum anleggsmidler		6 100 101 000	6 100 036 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		6 000	22 000
Konsernfordringer	7	3 123 500 000	3 242 180 000
Sum fordringer		3 123 506 000	3 242 202 000
Sum omløpsmidler		3 123 506 000	3 242 202 000
SUM EIENDELER		9 223 607 000	9 342 238 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	4,5	250 000 000	250 000 000
Sum innskutt egenkapital		250 000 000	250 000 000
Opptjent egenkapital			
Annen egenkapital	5	8 969 817 000	9 088 669 000
Sum opptjent egenkapital		8 969 817 000	9 088 669 000



Balanse

Beløp i: NOK	Note	2023	2022
Sum egenkapital		9 219 817 000	9 338 669 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Betalbar skatt	6	0	-66 000
Kortsiktig konserngjeld	7	3 275 000	3 145 000
Annen kortsiktig gjeld		514 000	489 000
Sum kortsiktig gjeld		3 789 000	3 568 000
Sum gjeld		3 789 000	3 568 000
SUM EGENKAPITAL OG GJELD		9 223 606 000	9 342 237 000



Årsregnskap
Annual accounts

**Dixons Stores Group Retail
Norway AS**

2022 / 2023

Assently: 61324810256c52e2cfa9ed1cd31e90eb432bc800fab46bc6f866a3d107949dc11f41ad379741064e4b56c87b4a14955aa1cbd1001947cd89bd9d6436b2737332



ÅRSBERETNING

DIXONS STORES GROUP RETAIL NORWAY AS

Dixons Stores Group Retail Norway AS er et holdingselskap. Selskapets forretningskontor er i Oslo kommune.

Selskapet er et heleid datterselskap av DSG European Investments Ltd i England og inngår i konsernregnskapet til Currys plc som rapporterer til børsen i London (www.currysplc.com).

Fortsatt drift forutsetningen bekreftes å være tilstede, og er lagt til grunn ved utarbeidelse av regnskapet.

Selskapet hadde et årsresultat etter skatt på NOK -118,9 millioner, mot NOK -0,4 millioner året før. Underliggende drifts- og årsresultat er tilfredsstillende, og må sees i sammenheng med at selskapet er et holdingselskap. Netto kontantstrøm fra operasjonelle aktiviteter er NOK 0 millioner. Styret er ikke kjent med viktige forhold for vurderingen av selskapets posisjon og resultater som ikke er presentert i resultatregnskapet, balansen, kontantstrøm og notene. I perioden 30. april 2023 og datoen for signering av dette regnskapet er styret ikke kjent med forhold eller omstendigheter som har påvirket, eller kan ha betydelig innvirkning, på virksomheten i selskapet.

Styret anser utsiktene for driften som gode, og det forventes fortsatt vekst i selskapet og dets datterselskaper i årene fremover.

Finansiell risiko anses å være lav da selskapet med datterselskaper har god inntjening, solid egenkapital og god likviditet. Virksomheten opererer i en bransje med hard priskonkurranse og med stadig utvidelse av produktgrupper og lansering av nye produkter. All langsiktig finansiering er mot konsernselskap. Basert på dette anses risikoen for at endringer i markedet, endringer i likviditet eller kreditt vil ha en negativ effekt på virksomheten å være lav. Styret mener at årsregnskapet gir et rettviseende bilde av selskapets eiendeler og gjeld, finansielle stilling og resultat.

Selskapets virksomhet medfører verken forurensning eller utslipp som kan være til skade for det ytre miljø. Selskapet har ingen ansatte. Det er etablert styreansvarsforsikring som, innen rammene for forsikringsvilkårene, dekker det personlige erstatningsansvaret man kan pådra seg som styremedlem eller administrerende direktør i henhold til gjeldende rett.

Styret er av den oppfatning at selskapet har forsvarlig egenkapital og likviditet etter disponering av årets resultat.

Oslo, 20. oktober 2023

Bruce Marsh
Styrets leder

Fredrik Tønnesen
Styremedlem / Daglig leder

Lill Beate Pedersen
Styremedlem

Thomas Ørsal Hegerlund
Styremedlem

Hans Gunnar Trolläng
Styremedlem

Assentilly: 61324810256c52e2cfa9ed1cd31e90eb432bc800fab46bc6f686a3d107949dc11f41ad379741084e4b56c67b4e14955aa1cbd1001947cd88bd9d6436b2737332



ANNUAL REPORT

DIXONS STORES GROUP RETAIL NORWAY AS

Dixons Stores Group Retail Norway AS is a holding company. The company's registered office is in Oslo.

The company is a fully owned subsidiary of DSG European Investments Ltd in England and is included in the consolidated statements of Currys plc who reports to the London Stock Exchange (www.currysplc.com).

The going concern assumption is confirmed to be present, and is the basis for the preparation of the financial statements.

The company had a profit after tax of NOK -118,9 million this year, compared to NOK -0,4 million last year. The underlying operating profit for the year is satisfactory, and must be seen in connection with the company being a holding company. Net cash flows from operations is NOK 0 million. The Board is not aware of any matters of importance for the evaluation of the company's position and results that are not presented in the income statement, balance sheet, cash flow and notes. In the period between 30 April 2023 and the date of these financial statements, the Board of Directors are not aware of any matter or circumstance not otherwise dealt with in this report that has significantly affected, or may significantly affect, the operations of the company.

The Board considers the outlook for the operation to be good, and continued growth of the company and its subsidiaries in the years ahead is expected.

Financial risk is considered to be low as the company and its subsidiaries have good earnings, solid equity base and good liquidity. The business operates in an industry where there is tough competition on price and with expanding product categories and new products. All long-term financing is from group companies. Based on this, the risk that changes in the market, changes in liquidity or credit will have a negative effect on the business is considered to be low. The Board believes that the financial statements give a true and fair view of the assets and liabilities, financial position and results.

The company's business does not involve either pollution or emissions that may be harmful to the environment. The company has no employees. An insurance policy has been signed for members of the Board of Directors and the general manager for their potential liability towards the company and third parties.

The Board is of the opinion that the company has adequate equity and liquidity after the allocation of annual income.

Oslo, 20. October 2023

Bruce Marsh
Chairman of the Board

Fredrik Tønnesen
Member of the Board / Managing Director

Lill Beate Pedersen
Member of the Board

Thomas Ørsal Hegerlund
Member of the Board

Hans Gunnar Trolläng
Member of the Board

Assembly: 61324810256c52e2cfa9ed1cd31e90eb432bc800fab48bc6f666a3d107949dc11f41ad379741064e4b56c67b4a14955aa1cbd1001947cd89bd9d6436b2737332



Dixons Stores Group Retail Norway AS Resultatregnskap Income statement

Alle tall i hele 1.000 / all numbers in '000

NOTE	DRIFTSINTEKTER OG DRIFTSKOSTNADER	2022/2023	2021/2022	REVENUES AND OPERATING EXPENSES
2	Annen driftskostnad	132	576	Other operating expenses
	Sum driftskostnader	132	576	Operating expenses
	Driftsresultat	-132	-576	Operating profit/(loss)
	FINANSINTEKTER OG FINANSKOSTNADER			FINANCIAL INCOME AND EXPENSES
	Inntekt på investering i datterselskap	0	180	Income from investments in subsidiaries
9	Renteinntekt fra foretak i samme konsern	0	5	Interest received from group companies
9	Rentekostnad til foretak i samme konsern	-180	-4	Interest paid to group companies
3, 7	Annen finanskostnad	-118 504	-4	Other financial expenses
	Netto finansresultat	-118 664	177	Net financial items
	Resultat før skattekostnad	-118 796	-399	Profit before tax
6	Skattekostnad på resultat	55	0	Tax
	ÅRSRESULTAT	-118 852	-399	ANNUAL PROFIT
	OVERFØRINGER			ALLOCATION
5	Overført til/fra annen egenkapital	-118 852	-399	Transferred to/from other equity
5	Ekstraordinært utbytte	0	0	Extraordinary dividend
	Sum overføringer	-118 852	-399	Total allocation

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Dixons Stores Group Retail Norway AS

Utvidet resultat

Other comprehensive income

Alla tall i hele 1.000 / all numbers in '000

NOTE	OPPSTILLING AV TOTALRESULTAT	2022/2023	2021/2022	STATEMENT OF OTHER COMPREHENSIV INCOME
	Årsresultat	-118 852	-399	Profit after Tax for the period
	Øvrige resultatелемeнter			Other comprehensive income
	Øvrige resultatелемeнter som ikke skal reklassifiseres til resultatregnskapet	0	0	Items that will not be reclassified to income statement
	Øvrige resultatелемeнter som skal reklassifiseres til resultatregnskapet	0	0	Items that will be reclassified to income statement
	Øvrige resultatелемeнter	0	0	Other comprehensive income
	TOTALRESULTAT	-118 852	-399	TOTAL COMPREHENSIVE INCOME

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Dixons Stores Group Retail Norway AS Balance pr 30. april Balance sheet as of April 30th

Alle tall i hele 1.000 / all numbers in '000

NOTE	EIENDELER	30.04.2023	30.04.2022	ASSETS
	Anleggsmidler			Non-current assets
	Immaterielle eiendeler			Intangible assets
	Utsatt skattefordel	65	0	Deferred tax assets
	Sum immaterielle eiendeler	65	0	Total intangible assets
	Finansielle anleggsmidler			Financial non-current assets
3	Investering i datterselskap	6 100 036	6 100 036	Investment in subsidiary
	Sum anleggsmidler	6 100 101	6 100 036	Total non-current assets
	Omløpemidler			Current assets
	Fordringer			Receivables
7	Kortsiktede fordringer konsernselskap	3 123 500	3 242 180	Receivables from group companies
	Andre fordringer	6	22	Other receivables
	Sum omløpemidler	3 123 506	3 242 202	Total current assets
	SUM EIENDELER	9 223 607	9 342 238	TOTAL ASSETS

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Dixons Stores Group Retail Norway AS Balanse pr 30. april Balance sheet as of April 30th

Alle tall i hele 1.000 / all numbers in '000

EGENKAPITAL OG GJELD	30.04.2023	30.04.2022	EQUITY AND LIABILITIES
Egenkapital			Equity
Innskutt egenkapital			Paid in capital
4,5 Aksjekapital	250 000	250 000	Share capital
Sum innskutt egenkapital	250 000	250 000	Total paid in capital
Opptjent egenkapital			Retained earnings
5 Annen egenkapital	8 969 817	9 088 669	Other equity
Sum opptjent egenkapital	8 969 817	9 088 669	Total retained earnings
Sum egenkapital	9 219 817	9 338 669	Total equity
Gjeld			Liabilities
Kortsiktig gjeld			Current liabilities
6 Betalbar skatt	0	-66	Tax payable
7 Annen kortsiktig gjeld konsernselskap	3 275	3 145	Short-term liabilities to group companies
Annen kortsiktig gjeld	514	489	Other short-term liabilities
Sum kortsiktig gjeld	3 790	3 569	Total current liabilities
Sum gjeld	3 790	3 569	Total liabilities
SUM EGENKAPITAL OG GJELD	9 223 607	9 342 238	TOTAL EQUITY AND LIABILITIES

Oslo, 20. oktober 2023

Bruce Marsh
Styrets leder / Chairman of the Board

Fredrik Tønnesen
Styremedlem / Daglig leder
Member of the Board / Managing Director

Lill Beate Pedersen
Styremedlem / Member of the Board

Thomas Ørsal Hegerlund
Styremedlem / Member of the Board

Hans Gunnar Trollång
Styremedlem / Member of the Board

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Dixons Stores Group Retail Norway AS

Kontantstrømoppstilling/Cash flow

Tall i hele 1.000

KONTANTSTRØMMER FRA OPERASJONELLE AKTIVITETER:

	2022/2023	2021/2022
Ordinært resultat før skattekostnad	-118 786	-399
Periodens betalte skatt	-55	-10 005
Endringer i konsernmellomværender	118 761	2 106 931
Endring i andre omløpsmidler og andre gjeldsposter	41	-2 972
Netto kontantstrømmer fra operasjonelle aktiviteter	-49	2 093 555

CASH FLOWS FROM OPERATIONS

Profit before tax
Taxes paid for the period
Changes in intercompany balances
Changes in other current assets and other liabilities
Net cash flows from operations

KONTANTSTRØMMER FRA INVESTERINGSAKTIVITETER:

Utbetalinger ved kjøp av finansielle anleggsmidler	0	-1 100 000
Netto kontantstrøm fra investeringsaktiviteter	0	-1 100 000

CASH FLOWS FROM INVESTMENT ACTIVITIES

Outflows due to purchases of financial non-current assets
Net cash flows from investments

KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER

Endring i cash pool	-130	-1 053 555
Innbetaling av konsernbidrag	180	60 000
Netto kontantstrøm fra finansieringsaktiviteter	49	-993 555

CASH FLOWS FROM FINANCING ACTIVITIES

Net change in cash pool
Payments in due to group contribution
Net cash flows from financing activities

Netto endring i bankinnskudd, kontanter og lignende	0	0
Beholdning av bankinnskudd, kontanter og lignende pr 01.05.	0	0
Beholdning av bankinnskudd, kontanter og lignende pr 30.04	0	0

Net change in bank deposits, cash and equivalents
Bank deposits, cash and equivalents at 1 May
Bank deposits, cash and equivalents at 30 April

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Dixons Stores Group Retail Norway AS

Noter til regnskapet 2022/2023

Note 1 Regnskapsprinsipper

Grunnlag for utarbeidelse av årsregnskapet

Årsregnskapet gjelder for perioden fra 1. mai 2022 til 30. april 2023.

Årsregnskapet er avlagt i henhold til regnskapsloven § 3-9 og forskrift om forenklet IFRS (2014) fastsatt av Finansdepartementet 3. november 2014. Dette innebærer i hovedsak at måling og innregning følger internasjonale regnskapsstandarter (IFRS) og presentasjon og noteopplysninger er i henhold til norsk regnskapslov og god regnskapsskikk.

Implementering av forenklet IFRS

Selskapet har byttet regnskapsspråk fra NGAAP (GRS) til forenklet IFRS fra regnskapsåret 2020-2021. Endring av regnskapsspråk har ikke medført noen implementeringsdifferanser da måling av balansen er vurdert lik etter begge regnskapsspråk. Selskapet har anvendt følgende forenklinger fra innregnings- og vurderingsreglene i IFRS:

IFRS 9.5.7.1A fravikes slik at mottatt utbytte og konsernbidrag regnskapsføres i samsvar med regnskapslovens generelle bestemmelser.

IFRS 8 og IAS 33 er ikke anvendt da Elkjøp Holdco AS er et ikke-børsnotert foretak.

Valuta

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på måletidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden under andre finansposter.

Skatter

Skattekostnad består av betalbar skatt og endring i utsatt skatt. Forpliktelser og eiendeler ved utsatt skatt er beregnet på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt skattemessig underskudd til fremføring ved utgangen av regnskapsåret med unntak av:

- førstegangsinnregning av goodwill,
- førstegangsinnregning av en eiendel eller forpliktelse i en transaksjon som
 - ikke er en virksomhetssammenslutning, og
 - som på transaksjonstidspunktet verken påvirker regnskapsmessig overskudd eller skattepliktig inntekt (skattemessig underskudd)

En eiendel ved utsatt skatt er regnskapsført når det er sannsynlig at selskapet vil ha tilstrekkelige skattemessige overskudd i senere perioder til å nyttiggjøre skattefordelen. Selskapene regnskapsfører tidligere ikke regnskapsført eiendel ved utsatt skatt i den grad det har blitt sannsynlig at selskapet kan benytte seg av den utsatte skattefordelen. Likeledes vil selskapet redusere eiendel ved utsatt skatt i den grad selskapet ikke lenger anser det som sannsynlig at det kan nyttiggjøre seg av den utsatte skattefordelen.

Forpliktelser og eiendeler ved utsatt skatt måles til nominell verdi og er klassifisert som langsiktig forpliktelse (anleggsmiddel) i balansen. Betalbar skatt og eiendeler eller forpliktelser ved utsatt skatt er regnskapsført direkte mot egenkapitalen i den grad skattepostene relaterer seg til poster ført direkte mot egenkapitalen.

Klassifisering og vurdering av balanseposter

Eiendeler klassifiseres som omløpsmiddel når selskapet forventer å realisere eiendelen, eller har til hensikt å selge eller forbruke den i selskapets ordinære driftssyklus. Videre er eiendeler som primært holdes for omsetning eller som forventes realisert innen tolv måneder etter rapporteringsperioden også å anse som omløpsmidler. Tilsvarende gjelder også eiendeler i form av kontanter eller kontantekvivalenter, med mindre disse er underlagt begrensninger som gjør at den ikke kan veksles eller benyttes til å gjøre opp en forpliktelse i minst tolv måneder etter rapporteringsperioden. Alle andre eiendeler klassifiseres som anleggsmidler.

Forpliktelser klassifiseres som kortsiktig når de forventes å bli gjort opp i konsernets ordinære driftssyklus, når de primært holdes for omsetning, eller dersom forpliktelsen forfaller til oppgjør innen tolv måneder etter rapporteringsperioden, eller foretaket ikke har en ubetinget rett til å utsette oppgjøret av forpliktelsen i minst tolv måneder etter rapporteringsperioden. Eventuelle vilkår for forpliktelsen, som etter motpartens valg kan føre til at den gjøres opp ved utstedelse av egenkapitalinstrumenter, påvirker ikke forpliktelsens klassifisering. Alle andre forpliktelser klassifiseres som langsiktige.

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Dixons Stores Group Retail Norway AS

Noter til regnskapet 2022/2023

Bank

Selskapets bankkontoer inngår i konsernets konsernkontoordning som. Innskudd i konsernkontoordningen klassifiseres som fordring på konsern i balansen. Renteinntekt og kostnad resultatføres når de påløper.

Fordringer

Andre fordringer, både omløpsfordringer og anleggsfordringer, føres opp til det laveste av pålydende og virkelig verdi. Virkelig verdi er nåverdien av forventede framtidige innbetalinger. Det foretas likevel ikke neddiskontering når effekten av neddiskontering er uvesentlig for regnskapet.

Finansielle instrumenter til virkelig verdi over resultatet

Finansielle instrumenter som ved førstegangsinnregning klassifiseres til virkelig verdi over resultatet, vil for etterfølgende perioder måles til virkelig verdi. Virkelig verdi fastsettes som nåverdi av fremtidige forventede kontantstrømmer tilknyttet det finansielle instrumentet. Verdiendringer som følge av reestimering innregnes i resultatet for perioden.

Investering i datterselskap

Kostmetoden brukes som prinsipp for investeringer i datterselskap. Utdelinger regnskapsføres i utgangspunktet som finansinntekt, når utdelingen er vedtatt. Investeringer i datterselskap fraregnes når selskapet ikke lenger har kontroll over investeringen. Gevinst/tap ved salg av investering i datter beregnes med vederlag fratrukket bokført verdi og eventuelle kostnader knyttet til salget.

Nedskrivninger av ikke-finansielle eiendeler

Selskapet vurderer på hvert rapporteringstidspunkt om det finnes indikasjoner på at en eiendel har falt i verdi. Dersom slike indikasjoner foreligger, estimeres eiendelens gjenvinnbare beløp. Gjenvinnbart beløp anses som den høyeste verdi av virkelig verdi fratrukket salgsutgifter og bruksverdi, og beregnes for en enkelt eiendel, med mindre eiendelen ikke genererer inngående kontantstrømmer som i all vesentlighet er uavhengige av kontantstrømmer fra andre eiendeler eller grupper av eiendeler. En eiendel har falt i verdi når dens balanseførte verdi overstiger dens gjenvinnbare beløp, og eiendelen nedskrives i slike tilfeller til gjenvinnbart beløp. Reduksjonen er et tap ved verdifall som føres i resultatet. Selskapet vurderer på hvert rapporteringstidspunkt om det finnes indikasjoner på at et tap ved verdifall som er innregnet for en annen eiendel enn goodwill i tidligere år, ikke lenger finnes eller er redusert. Dersom slike indikasjoner foreligger, estimeres denne eiendelens gjenvinnbare beløp, og tidligere nedskrivning reverseres til et beløp som maksimalt tilsvarer tidligere det gjenvinnbare beløp med fradrag for akkumulerte avskrivninger.

Hendelser etter balansedagen

Ny informasjon etter balansedagen om selskapets finansielle stilling på balansedagen er hensyntatt i årsregnskapet. Hendelser etter balansedagen som ikke påvirker selskapets finansielle stilling på balansedagen, men som vil påvirke selskapets finansielle stilling i fremtiden er opplyst om dersom dette er vesentlig.

Note 2 Personalkostnader og andre honorarer (tall i hele 1.000)

Selskapet har ingen ansatte. Det utbetales ikke styrehonorar.

Revisor

Godtgjørelse til KPMG AS og samarbeidende selskaper fordeler seg slik:

	2022/2023	2021/2022
Lovpålagt revisjon	75	140
Andre tjenester utenfor revisjonen	0	399

Note 3 Datterselskap, tilknyttet selskap m.v. (tall i hele 1.000)

Investering etter kostmetoden

Firma	Hoved-kontor	Regn-skapsår	Aksje-kapital	Eier og stemmeandel	Resultat	Egen-kapital	Bokført verdi
Elkjøp Holdco AS	Oslo	22/23	5 000 000	100 %	863 782	8 141 642	6 100 036

Selskapets solgte i regnskapsåret FY20/21 sine aksjer i Elkjøp Nordic AS til Elkjøp Holdco AS som er et heleid datterselskap. Aksjene ble overdratt til TNOK 15 664 000 som tilsvarer virkelig verdi. Dette ga en regnskapsmessig gevinst på TNOK 9 825 045 som ble presentert som inntekt på investering i datter i FY20/21. Oppgjøret er gjort delvis gjennom kontant

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Dixons Stores Group Retail Norway AS

Noter til regnskapet 2022/2023

betaling og gjeldskonvertering. Resterende kjøpesum på TNOK 3 300 000 ligger som en fordring per årsslutt, til virkelig verdi som er beregnet til TNOK 3 123 500 ved å diskontere fordringen med antatt levetid et år med en diskonteringsrente på 5.65%. Resterende vederlag er betinget og vil gjøres opp ved opphør av en garanti stilt av Elkjøp Nordic AS. Dersom garantien ikke har opphørt innen 25. mars 2024 vil retten til vederlaget bortfalle. Fordringen renteberegnes ikke.

Note 4 Aksjekapital og aksjonærinformasjon

Aksjekapitalen i selskapet pr 30.04.23 består av følgende aksjeklasser:

	Antall	Pålydende	Bokført
Ordinære aksjer	1	250 000 000	250 000 000
Sum	1		250 000 000

Samtlige aksjer eies av DSG European Investments Ltd. som også innehar 100 % av stemmeretten i Dixons Stores Group Retail Norway AS.

Note 5 Egenkapital (tall i hele 1.000)

	Aksje- kapital	Annen egen- kapital	Sum
Egenkapital 01.05.22	250 000	9 088 669	9 338 669
Periodens resultat	0	-118 852	-118 852
Egenkapital 30.04.23	250 000	8 969 817	9 219 817

Note 6 Skattekostnad (tall i hele 1.000)

Årets skattekostnad fremkommer slik:	2022/2023	2021/2022
Betalbar skatt	0	0
For lite/mye avsatt tidligere år	121	0
Endring i utsatt skatt	-65	0
Sum skattekostnad	55	0

Betalbar skatt i balansen fremkommer som følger:

	2022/2023	2021/2022
Årets totale skattekostnad	0	0
Justering tidligere perioder	0	-66
Betalbar skatt i balansen	0	-66

Avstemming fra nominell til faktisk skattesats:

	2022/2023	2021/2022
Resultat før skattekostnad	-118 796	-399
Forventet inntektsskatt etter nominell skattesats (22 %)	-26 135	-88
Skatteeffekten av følgende poster:		
Permanente forskjeller	26 070	88
For lite/mye avsatt tidligere år	121	0
Skattekostnad	55	0
Effektiv skattesats	0 %	0 %

Spesifikasjon av midlertidige forskjeller og underskudd til framføring, og netto skatteeffekt av disse:

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Dixons Stores Group Retail Norway AS

Noter til regnskapet 2022/2023

	30.04.23		30.04.22	
	Fordel	Forpliktelse	Fordel	Forpliktelse
Avskåret rentefradrag til fremføring	160	0	0	0
Underskudd til framføring	137	0	0	0
Utsatt skattefordel/forpliktelse	65	0	0	0
Utsatt skattefordel/forpliktelse i balansen	65	0	0	0

Utsatt skattefordel er oppført med utgangspunkt i fremtidig inntekt.

Note 7 Mellomværende med selskap i samme konsern m.v. (tall i hele 1.000)

	Kortsiktige fordringer		Kortsiktig gjeld	
	30.04.23	30.04.22	30.04.23	30.04.22
Bankkonto tilknyttet konsernkonto	0	0	3 275	3 145
Fordring/gjeld fra konsernbidrag	0	180	0	0
Andre fordringer/gjeld konsern	3 123 500	3 242 000	0	0
Selskap i samme konsern	3 123 500	3 242 180	3 275	3 145

Note 8 Finansiell markedsrisiko

Selskapet benytter seg ikke av finansielle instrumenter i forbindelse med styring av finansiell risiko, men har tilgang på kapital gjennom konsernet som benytter seg av slike instrumenter.

Renterisiko

Renterisiko oppstår på kort og mellomlang sikt som et resultat av at deler av selskapets gjeld har flytende rente. Selskapets gjeld er mot konsern og policy for renteberegning med flytende rente er fastsatt.

Valutarisiko

Selskapet har i hovedsak transaksjoner i norske kroner og endring i valutakurser innebærer kun en indirekte økonomisk risiko. Det er ikke inngått avtaler som reduserer denne risikoen pr 30.04.2023.

Note 9 Nærstående parter

Selskapet blir belastet med renter fra konsernkontoordningen og mellomværende med Currys plc. Disse transaksjonene er basert på anslåtte priser. Utover dette har selskapet ingen transaksjoner med nærstående parter.

Utover dette og transaksjonen som er omtalt i note 3 har selskapet ingen transaksjoner med nærstående parter.

Note 10 Hendelser etter balansedagen

Det har etter balansedagen ikke inntruffet hendelser av vesentlig betydning for det avlagte regnskapet.

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Dixons Stores Group Retail Norway AS

Notes to the accounts 2022/2023

Note 1 Accounting policies

The annual accounts relates to the period from 1 May 2022 to 30 April 2023.

The annual accounts have been prepared in accordance with the Accounting Act § 3-9 and regulations on simplified IFRS (2014) laid down by the Ministry of Finance on 3 November 2014. This mainly means that measurement and recognition follow international accounting standards (IFRS) and presentation and note information are in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles for small companies in Norway.

Simplified IFRS

Dixons Stores Group Retail Norway AS adopted simplified IFRS from the fiscal year of 2020-2021. The adoption of simplified IFRS has not resulted in any implementation differences as measurement of the balance sheet is assessed equal under IFRS and NGAAP. The company has applied the following simplifications from the recognition and valuation rules in IFRS:

IFRS 9.5.7.1A is deviated from so that dividends received and group contributions are accounted for in accordance with the general provisions of the Accounting Act.

IFRS 8 and IAS33 have not been applied as Dixons Store Retail Group Norway AS is a non-listed company.

Foreign currency

Transactions in foreign currencies are valued at the exchange rate on time of the transaction. All monetary balance sheet items denominated in foreign currencies are valued at the exchange rate prevailing at the balance sheet date. Non-monetary items measured at historical cost expressed in foreign currencies are translated at the exchange rate on the time of the transaction. Non-monetary items measured at fair value is valued at the exchange rate on the measurement date. Currency differences are recognised in profit and loss for the period in other financial items.

Income taxes

Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values and tax losses carried forward at the end of the financial year. Taxable and deductible temporary differences that reverse or may reverse in the same period are offset.

A deferred tax asset is recognised when it is likely that the company will have sufficient taxable profits in future periods to utilise the deferred tax asset.

Deferred tax liabilities and assets are measured at nominal value and is classified as a long term liability (asset) in the balance sheet. Taxes are recognised through equity when the tax items relates to items recognised through equity.

Bank

The company is included in the group cash pool of Dixons Stores Group Retail Norway AS. Deposits related to the group cash pool is classified as intercompany in the balance sheet. Interest income and expenses are recognised as incurred.

Valuation and classification of assets and liabilities

Current assets and current liabilities comprise items that fall due for payment within one year of the date of acquisition, as well as items related to the product cycle. Other items are classified as non-current assets / liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are capitalized at the nominal value.

Receivables

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out.

Financial instruments measured at fair value through profit and loss

Financial instruments that at initial recognition is classified as measured at fair value through profit and loss is for subsequent periods measured at fair value. Fair value is determined as the present value of future expected cash flows related to the financial instrument. Changes in fair value related to remeasurement are recognised in profit or loss for the period.

Shares in subsidiaries

Investments in associates are carried at cost. A write-down to fair value will be performed if the impairment is not considered to be temporary, and an impairment charge is deemed necessary according to generally accepted accounting principles. Received dividends and group contributions are recognised as other financial income. Investments in subsidiaries are derecognised at the time the company cease to have control. Gain/loss is calculated upon sale of investment in subsidiaries by received consideration less cost and any costs to sell.

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Dixons Stores Group Retail Norway AS

Notes to the accounts 2022/2023

Impairment of non-financial assets

The company assesses on each reporting date whether there are any indicators that an asset is impaired. In the event of any indicators the recoverable amount of the asset is estimated. Recoverable amount is considered the higher of fair value less costs to sell and value in use and is calculated for each asset or group of assets with independent cash flows. An asset is impaired when the book value exceeds the recoverable amount and in these circumstances an impairment is recognised. The impairment charge is recognised through profit and loss. On each reporting date the company assesses whether there are indicators that any impairment previously recognised for other assets than goodwill, no longer exists or are reduced. If any such indicators exist the recoverable amount is estimated and the impairment is reversed to an amount that does not exceed the recoverable amount less accumulated depreciation.

Events after the balance sheet date

New information after the balance sheet date about the company's financial position is reflected in the financial statements. Events that do not impact the financial position on the balance sheet date, but will have an impact on future financial position, are disclosed when material.

Note 2 Payroll costs, number of employees, benefits, loans to employees etc. (amounts in 1.000)

The company has no employees. The Board of Directors has not received any compensation in 2022/2023.

Auditor

Remuneration to KPMG AS and their associates is as follows:

	2022/2023	2021/2022
Statutory audit	75	140
Other services	0	399

Note 3 Investments in subsidiaries and associated companies (amounts in 1.000)

Subsidiaries and investments in associates are carried at cost

Company	Registered office	Year	Share capital	Voting and ownership share	Profit/loss latest financial statements	Equity latest financial statements	Carrying value (NOK)
Elkjøp Holdco AS	Oslo	2022/2023	5 000 000	100 %	863 782	8 141 642	6 100 036

During FY20/21 the company sold its shares in Elkjøp Nordic AS to Elkjøp Holdco AS which is a wholly-owned subsidiary. The shares were sold at TNOK 15 664 000 which corresponds to fair value. This transaction resulted in a gain of TNOK 9 825 045 which is presented as Income from investment in subsidiaries in FY20/21. The transaction was partially settled with cash payments and a debt conversion. The remaining purchase price of TNOK 3 300 000 is presented as a group receivable as of period end, at fair value which is calculated to TNOK 3 123 500 by discounting the receivable for one year (expected lifetime) with 5.65% as discount rate. The remaining purchase price is conditional and will be settled when a guarantee provided by Elkjøp Nordic AS is released. If the guarantee is not released by 25 March 2024 the right to consideration will expire.

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Dixons Stores Group Retail Norway AS

Notes to the accounts 2022/2023

Note 4 Share capital and shareholder information

The share capital in the company at 30 April 2023 consists of the following classes:

	Number	Nominal amount	Carrying value
Ordinary shares	1	250 000 000	250 000 000
Total	1		250 000 000

All shares are held by DSG European Investments Ltd. who also has 100 % of the voting rights of Dixon Stores Group Retail Norway AS.

Note 5 Equity (amounts in 1.000)

	Share capital	Other equity	Total
Equity at 30 April 2022	250 000	9 088 669	9 338 669
Profit/(loss) of the year	0	-118 852	-118 852
Equity at 30 April 2023	250 000	8 969 817	9 219 817

Note 6 Income tax expense (amounts in 1.000)

Specification of Income tax expense:	2022/2023	2021/2022
Current income tax payable	0	0
Adjustment in respect of prior years	121	0
Changes in deferred tax	-65	0
Sum of income tax expense	55	0

Specification of current income tax payable:

	2022/2023	2021/2022
This year's payable income tax expense	0	0
Prior year payable income tax	0	0
Adjustment in respect of prior years	0	-66
Current tax liability	0	-66

Reconciliation from nominal to actual income tax rate:

	2022/2023	2021/2022
Profit before tax	-118 796	-399
Estimated income tax according to nominal tax rate:	-26 135	-88
The tax effect of the following items:		
Permanent differences	26 070	88
Prior year adjustment	121	0
Income tax expense	55	0
Effective income tax rate	0 %	0 %

Specification of the tax effect of temporary differences and losses carried forward:

	30.04.23		30.04.22	
	Fordel	Forpliktelse	Fordel	Forpliktelse
Disallowed interest expenses	160	0	0	0
Loss carryforward	137	0	0	0
Deferred tax benefit/liability	65	0	0	0
Net deferred benefit/liability in the balance sheet	65	0	0	0

The deferred tax benefit is included in the balance sheet on the basis of future income.



Dixons Stores Group Retail Norway AS

Notes to the accounts 2022/2023

Note 7 Intercompany balances (amounts in 1.000)

	Current receivables		Current liabilities	
	30.04.23	30.04.22	30.04.23	30.04.22
Bank accounts in group cash pool	0	0	3 275	3 145
Group contribution	0	180	0	0
Other intercompany receivables / debts	3 123 500	3 242 000	0	0
Group companies	3 123 500	3 242 180	3 275	3 145

Note 8 Financial market risk

The company does not use financial instruments to manage its financial risk, but have access to capital through the group who uses such instruments.

Interest rate risk:

Interest rate risk occurs on short and medium-term basis as part of the company's debt has a floating interest rate. The company's debt is to other group companies, and according to group policy interest is calculated based on floating rate.

Currency Risk

The company trades mainly in Norwegian kroner and fluctuations in exchange rates represents only an indirect risk. As of 30.04.2023, the company has not joined any agreements to reduce this risk.

Note 9 Related-party transactions

The company is charged with interest from group cash pool and intercompany balances against Currys plc. These transactions are based on arm's length prices.

Besides this and the transaction described in note 3, the company has no additional transactions with related parties.

Note 10 Events after the balance sheet date

In the period between 30 April 2023 and the date of these financial statements, the board of directors is not aware of any matter or circumstance not otherwise dealt with in this report that has significantly affected, or may significantly affect, the operations of the Company.

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The following documents were signed Saturday, October 21, 2023



DSGRN annual accounts FY2223.pdf
(2728203 bytes)
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07ba3ac9eda4b511258a23a70e995894844832dde8b27
96a84829c1eed8cf7e1c70ca053e4555dne3456279e3

Signatures

10/21/2023 8:31:52 AM (CET)



Bruce Marsh
bruce.marsh@currys.co.uk
Signed with SMS

10/20/2023 7:25:39 AM (CET)



Fredrik Tønnesen
fredrik.tonnesen@elkjop.no
Signed by touch

10/21/2023 11:47:10 AM (CET)



Pedersen, Lill Beate
lil.beate.pedersen@elkjop.no
Signed with electronic ID (Norwegian BankID)

10/20/2023 8:08:38 AM (CET)



Hegerlund, Thomas Ørsal
thomas.hegerlund@elkjop.no
Signed with electronic ID (Norwegian BankID)

10/20/2023 9:09:50 AM (CET)



Hans Trolläng
hans.trollang@elkjop.no
Signed with electronic ID (BankID)



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Annual Accounts Dixons Store Group Retail Norway AS - FY22/23

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Til generalforsamlingen i Dixons Stores Group Retail AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Dixons Stores Group Retail AS som består av balanse per 30. april 2023, resultatregnskap, utvidet resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 30. april 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med forenklet anvendelse av internasjonale regnskapsstandarter etter regnskapsloven § 3–9.

Grunnlag for konklusjonen

Vi har gjennomfrt revisjonen i samsvar med International Standards on Auditing (ISA-ene). Vre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av rsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarter) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt vre vrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vr vurdering tilstrekkelig og hensiktsmessig som grunnlag for vr konklusjon.

vrig informasjon

Styret (ledelsen) er ansvarlig for informasjonen i rsberetningen. vrig informasjon omfatter informasjon i rsrapporten bortsett fra rsregnskapet og den tilhrende revisjonsberetningen. Vr konklusjon om rsregnskapet ovenfor dekker ikke informasjonen i rsberetningen.

I forbindelse med revisjonen av rsregnskapet er det vr oppgave  lese rsberetningen. Formlet er  vurdere hvorvidt det foreligger vesentlig inkonsistens mellom rsberetningen og rsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av rsregnskapet, eller hvorvidt informasjon i rsberetningen ellers fremstr som vesentlig feil. Vi har plikt til  rapportere dersom rsberetningen fremstr som vesentlig feil. Vi har ingenting  rapportere i s henseende.

Basert p kunnskapen vi har opparbeidet oss i revisjonen, mener vi at rsberetningen

- er konsistent med rsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for rsregnskapet

Ledelsen er ansvarlig for  utarbeide rsregnskapet og for at det gir et rettviseende bilde i samsvar med forenklet anvendelse av internasjonale regnskapsstandarter etter regnskapsloven § 3–9. Ledelsen er ogs ansvarlig for slik internkontroll som den finner ndvendig for  kunne utarbeide et regnskap som ikke inneholder vesentlig feilinformasjon, verken som flge av misligheter eller utilsiktede feil.

 KPMG AS, a Norwegian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.
Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslø	Elverum	Mo i Rana	Troms
Åha	Finnsnes	Molde	Trondheim
Årendal	Hamar	Sundefjord	Tysnt
Bergen	Hugsund	Slavanger	Utsink
Bod	Knrvik	Stord	Ålesund
Drammen	Kristiansend	Strme	



Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvikle selskapet eller legge ned virksomheten, eller ikke har noe realistisk alternativ til dette.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

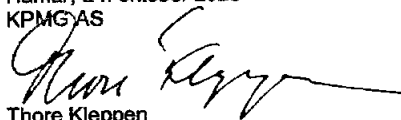
Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettvisende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Hamar, 24. oktober 2023
KPMG AS



Thore Kleppen
Statsautorisert revisor



**We help
everyone
enjoy
amazing
technology**

Annual Report & Accounts 2022/23



Currys
What we do

We are a leading omnichannel retailer of technology

Currys plc is a leading omnichannel retailer of technology products and services, operating online and through 823 stores in 8 countries.

We help everyone enjoy amazing technology, however they choose to shop with us. Our vision has a powerful social purpose at its heart.

We believe in the power of technology to improve lives and help people stay connected, productive, healthy, and entertained.

We're here to help everyone enjoy those benefits and, with our scale and expertise, we are uniquely placed to do so.



www.currysplc.com/investors

For the latest news visit our website.

Our Markets
4



Our Business
6



Our Strategy
16





2022/23 Highlights

Financial highlights

Revenue

2022/23	£9,511m
2021/22	£10,144m
2020/21	£10,344m

Free cash flow*

2022/23	£(74)m	2022/23
2021/22	£72m	2021/22
2020/21	£438m	2020/21

Adjusted profit before tax⁽¹⁾

2022/23	£119m
2021/22	£192m restated
2020/21	£156m

Statutory profit/(loss) before tax

2022/23	£(45.0)m	2022/23
2021/22	£126m	2021/22
2020/21	£33m	2020/21

Adjusted EPS⁽¹⁾

2022/23	8.3p
2021/22	12.4p
2020/21	10.7p

Statutory EPS

2022/23	(43.6)p	2022/23
2021/22	6.3p	2021/22
2020/21	1.0p	2020/21

→ See our Key Performance Indicators on pages 74 to 75.

Operational highlights

Group

- **Fredrik Tønnesen appointed as Chief Executive Officer** for the Nordics.
- Launched a Global Business Services and a strategic partnership with Infosys.
- Currys placed **8th** in the Financial Times' 'Europe's Climate Leaders 2023', **2nd amongst UK companies**.

UK&I

- Opened **new warehouse facility** in the UK.
- iD Mobile grew to 1.3m subscribers and renewed its **multi-year deal** with Three.
- Agreed **extension of exclusive multi-year partnership** with Vodafone.
- **Credit adoption grew** +44Obps to 17.7% with 1.9m active customers.
- Launched award winning **RepairLive service**, an on demand speedy repair service, available via video call.

International

- **Next generation retail platform** launched in Nordics.
- **K-Retail platforms** launched in Greece.

* Alternative performance measure (APM). In the reporting of financial information throughout the Annual Report and Accounts, the Group uses certain APMs that are not required under IFRS. We consider these to provide additional useful information on the performance of the business and trends to shareholders, consistent with those used internally and are disclosed in order to provide parity and transparency for readers of the Annual Report. Definitions, purpose and reconciliations to the closest statutory equivalent for our APMs are provided within the Glossary and definitions on pages 231 to 244.

(1) These figures have been restated. More information in Key Performance Indicators on page 74 to 75.

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Non-Financial Information Statement

We aim to comply with the Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. The requirements of this disclosure are addressed within this section by means of cross reference in order to avoid duplication and to help stakeholders understand our position on key non-financial matters:

Environmental matters (including impact of business on the environment)	pages 44-56
TCFD Report	page 56
Colleagues	pages 18-23
Social matters	pages 57-63
Respect for human rights	page 62
Anti-corruption and anti-bribery matters	page 62
Description of our business model	pages 8-9
Details of the principal risks relating to non-financial matters	pages 64-72
Non-financial KPIs	pages 74-75



Our Vision

We help everyone enjoy amazing technology

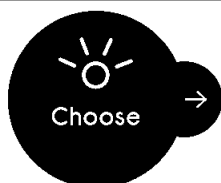
We help customers choose, afford and enjoy amazing technology.

As a market leading technology products and services retailer, our vision drives everything we do.

Many customers find technology exciting, but also confusing and expensive. We exist to help every customer choose, afford and enjoy technology to the full.

The assets, colleagues, capabilities and scale that we have means that no one is better placed than Currys to help customers do all this.

Our business model



We help customers choose the right technology, across a wide range of products, through stores or online. Our capable and committed colleagues provide expert advice to help customers make the right choice. We inspire customers to discover technology, through demo in stores and online.



We help everyone afford the technology they want. We won't be beaten on price and, we can spread the cost of tech through the responsible use of credit.



We help customers make the most of their amazing tech through our services. We help get customers started, help them give their tech a longer life and help them make the most out of their products. We are uniquely positioned to help customers throughout the life of their tech, building relationships that are long-lasting and more valuable to our customers and to us.

→ Read more about our Business model on page 8.

Our values

Our values bind us together in the pursuit of our vision.



We put our customers first

We listen to our customers.

We help our customers.

We deliver on our customer promises.



We win together

We keep our eyes on the prize.

We win by working together.

We get the best out of everyone.



We own it

We play our part.

We learn and we adapt.

We make things better.

→ Read more about our Values on page 19.



Our strategy



Capable and Committed Colleagues

Capable and Committed Colleagues are our greatest advantage. Happy **colleagues** make happy customers and happy shareholders, and none of our competitors can match our thousands of expert colleagues, or their engagement.

→ Read more about Our Colleagues on page 18.



Easy to Shop

For our customers, we will continue to be ever more easy to shop. We're strongest when we offer the best of both online and stores to customers; an **omnichannel** shopping experience.

→ Read more about Easy to Shop on page 24.



Customers for Life

We are building customers for life. We want to be more valuable to **customers**: this means doing more than selling them a box. It's helping them to afford and enjoy (as well as choose) their technology, for life. Our Credit and other Services, fuelled by data, help us build longer-lasting and more valuable customer relationships.

→ Read about Customers for Life on page 28.



Grow profits

Our progress for colleagues and customers must (and now can) be reflected in healthy returns for shareholders. We'll now protect our #1 share, while continuing to improve gross margins, reducing costs and improving cash conversion.

→ Read about Grow Profits on page 32.

Sustainability priorities

Net zero
by 2040

Help
eradicate
digital
poverty

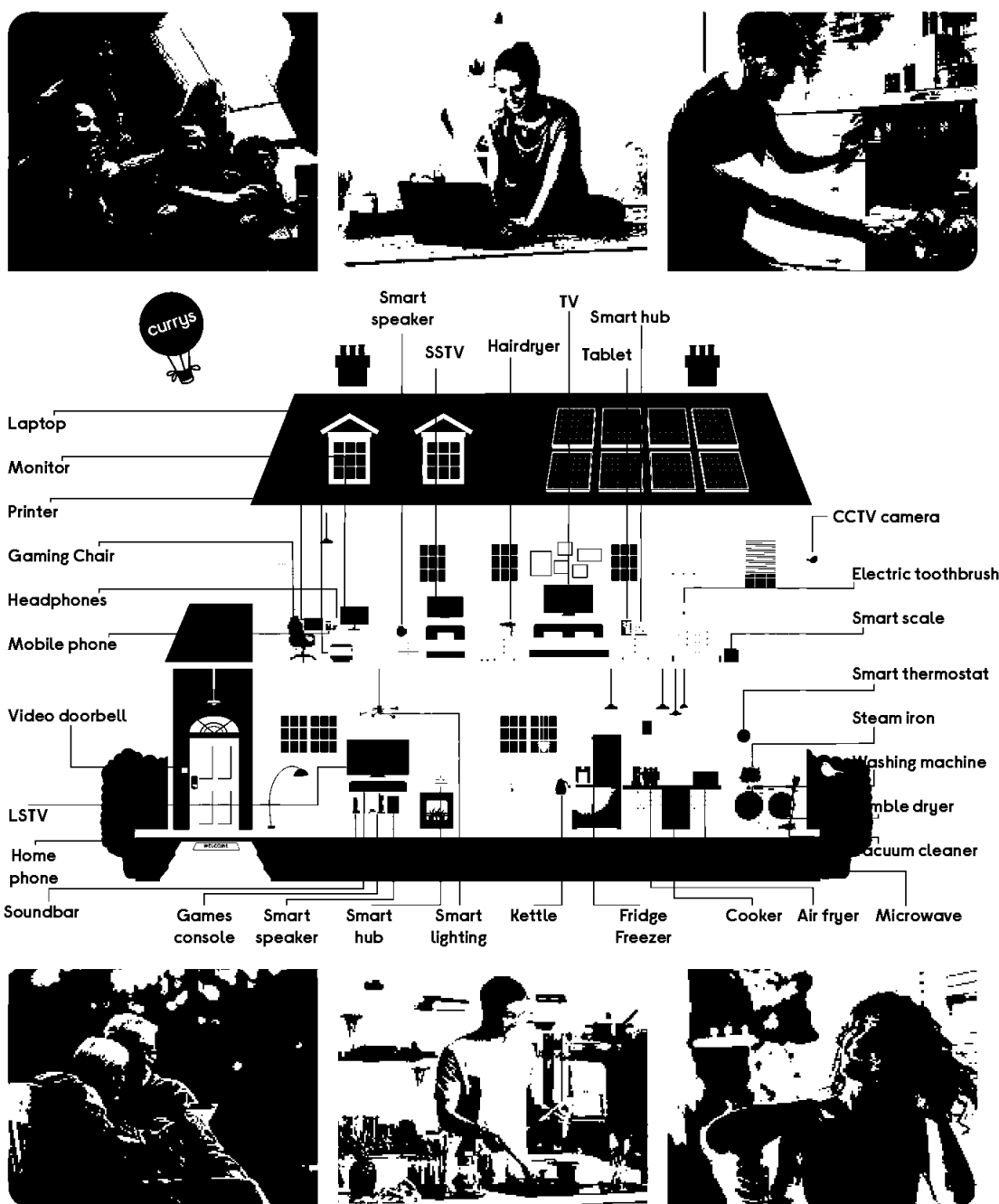
Grow our
Circular
Business
Model

→ Read more about our sustainable business on pages 40 to 63.

Our Markets and trends

Technology plays a more important role in our lives today than ever.

We believe in the power of technology to improve lives, help people stay connected, productive, fed, clean, healthy and entertained. We are here to help everyone enjoy these benefits and with our scale and expertise we are uniquely placed to do so.





Continuing growth drivers

Many of the trends that accelerated during the pandemic are enduring trends. Hybrid working is here to stay, with around 30% of the UK workforce based at home for at least some of their work, double the amount there were three years ago⁽¹⁾. In the same way, online learning and home entertainment continue to grow fast⁽²⁾⁽³⁾. As a result, there are more products in people's homes, and this drives more familiarity, reliance and greater use of tech. This growth is further underpinned by amazing supplier innovation, and we have several of the world's largest companies as trusted suppliers. We believe these trends provide long term upside for our markets and will make tech spend less susceptible to cyclical downturns.

1/5

UK consumers bought a new digital device as a result of spending more time at home during the pandemic⁽⁴⁾

7/10

top global R&D spend companies are suppliers to us⁽⁵⁾



Gaming is the largest category in the UK's home entertainment sector, with revenues that exceed £4.6bn. It sets the pace for innovation across the entire industry."

Ed Connolly
Chief Commercial Officer

2022/23 Trends

2022/23 saw tech spend decline globally after the rapid increases during the pandemic. In our markets, a combination of inflation and interest rate rises have resulted in consumer spending being squeezed.

Given the cost of living pressures and a sustained shift to more sustainable consumer behaviours, we have seen a higher demand for energy-efficient products such as air fryers, heat pump tumble dryers, microwaves and large capacity washing machines.

Innovation and premium products, such as foldable and flip phones or OLED and QLED TVs, continued to drive demand. Gaming continues to be strong driven by better console supply and new launches. "Sold with" bundling, such as selling accessories with computers, has also grown significantly.

2022/2023	Nordics	UK
Number of households ⁽¹⁾	13m	28m
Annual tech spend per household ⁽²⁾	£907	£732
Online share of tech market ⁽³⁾	30%	62%

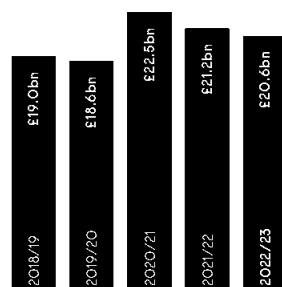
(1) Sweden, Norway, Denmark and Finland respective Offices of National Statistics. 2022 data.

(11) UK Office for National Statistics.

(111) The Annual tech spend per household for the Nordics has been converted to NOK using the exchange rate as at 29/04/2023 of 13.38 NOK per GBP.

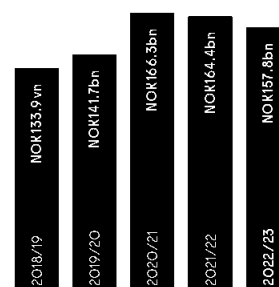
(1V) Gfk, both for Nordics and UK data.

UK electricals market size (£bn)



1. UK ONS; UK Parliament
2. Coursera.

Nordics electricals market size (bnNOK)



3. Digital Entertainment and Retail Association (ERA)
4. Deloitte UK

5. European Commission



Our Business

Currys plc is a leading omnichannel retailer of technology products and services, operating online and through 823 stores in 8 countries. We help everyone enjoy amazing technology, however they choose to shop with us.

In the UK&I we trade as Currys, in the Nordics under the Elkjøp brand and as Kotsovolos in Greece and Cyprus.

In each of these markets we are the market leader, employing 28,000 capable and committed colleagues. Our full range of services and support makes it easy for our customers to discover, choose, afford and enjoy the right technology for them, throughout their lives. The Group's operations are supported by a sourcing office in Hong Kong, state-of-the-art repair facilities and an extensive distribution network, enabling fast and efficient delivery to stores and homes.

Our vision, We help everyone enjoy amazing technology, has a powerful social purpose at its heart. We believe in the power of technology to improve lives, to help people stay connected, productive, healthy, and entertained. We're here to help everyone enjoy these benefits and, with our scale and expertise, we are uniquely placed to do so.

We're a leader in giving technology a longer life through protection, repair, recycling and reuse. We're reducing our impact on the environment in our operations and our wider value chain and will achieve net zero emissions by 2040. We offer customers products that help them save energy, reduce waste and save water, and we partner with charitable organisations to bring the benefits of amazing technology to those who might otherwise be excluded.

Key Stats

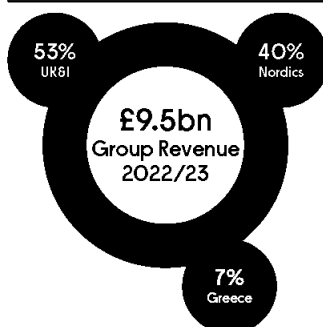
8
Countries

28,000
Colleagues

823
Stores

662m
Website visits

Group resilience is underpinned by diversification



UK&I

£5.1bn

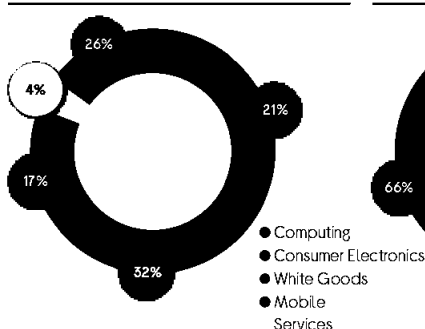
→ Read more about our performance review on page 76.

International

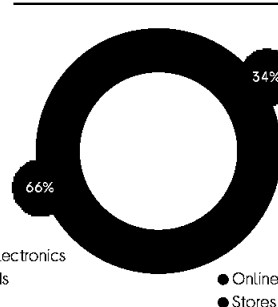
£4.4bn

→ Read more about our performance review on page 76.

Group Revenue by Product



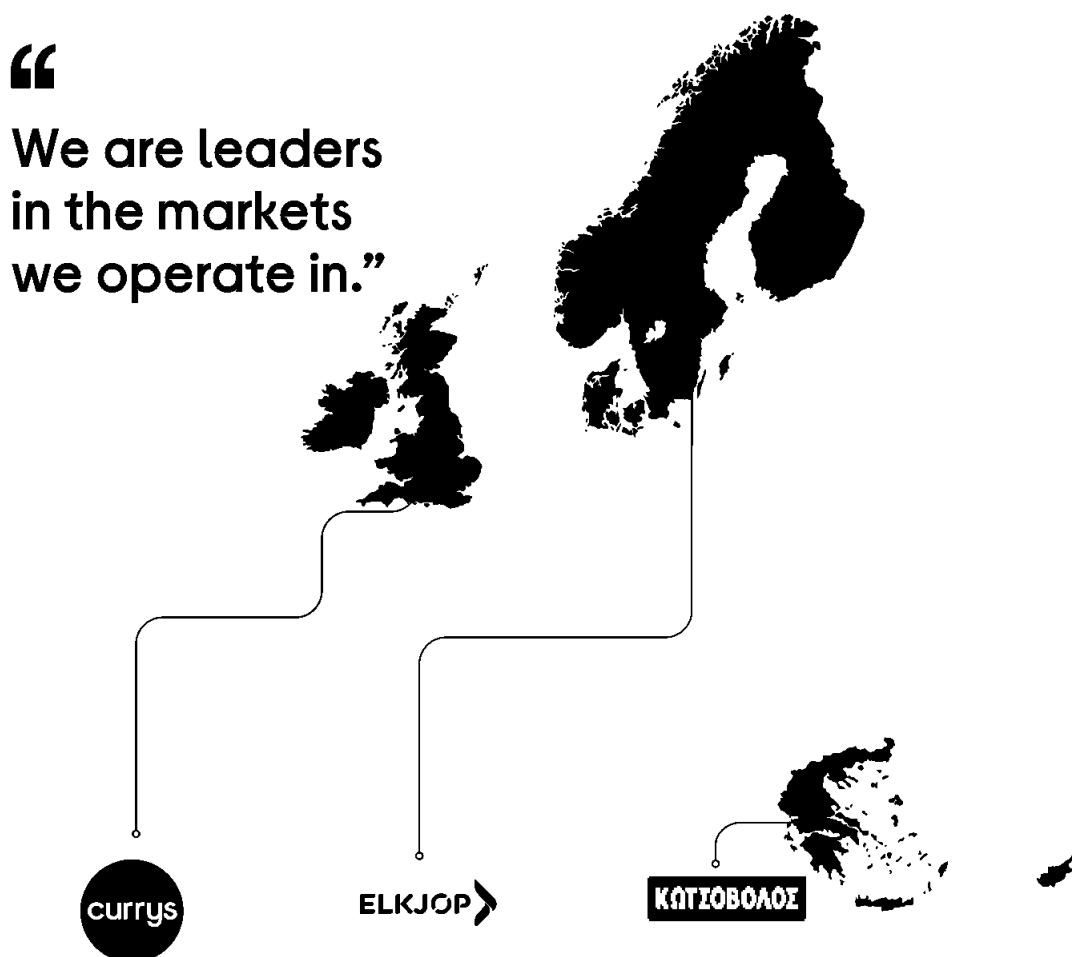
Group Revenue by Channel





“

We are leaders
in the markets
we operate in.”



UK&I Market share⁽¹⁾

24.1%

2022/23



Nordic Market share⁽¹⁾

27.6%

2022/23



Greek Market

Our Footprint	UK&I Market share ⁽¹⁾			Nordic Market share ⁽¹⁾			Greek Market		
	14,850			10,100			3,032		
	Colleagues (21/22: 16,763)			Colleagues (21/22: 10,966)			Colleagues (21/22: 3,011)		
	335m			290m			37m		
	Website visits (21/22: 391m)			Website visits (21/22: 322m)			Website visits (21/22: 37m)		
	301			426⁽²⁾			96		
	Stores (21/22: 309)			Stores (21/22: 427)			Stores (21/22: 94)		
	5.5m			4.8m			1.2m		
	Store area sq ft (21/22: 5.5m)			Store area sq ft (21/22: 4.8m)			Store area sq ft (21/22: 1.1m)		

(1) GfK.

(2) The Group operates franchise stores in Iceland, Greenland and the Faroe Islands.



Our Business continued

Our business model is to help everyone to choose, afford and enjoy technology.

Competitive strengths

Customers are at the heart of everything we do. We work constantly to improve the customer experience and deliver value for all stakeholders.

Modern omnichannel network

Our network of 823 stores are well located and well invested to provide an excellent customer experience, and together with our online channel we increasingly provide a true omnichannel experience.

[Read more on page 10](#)

Large and flexible infrastructure

Our extensive infrastructure can be flexed to support sales and provide services in any channel and wherever is most convenient for our customers.

[Read more on page 11](#)

Established and well loved brands

Each of our brands has a long history as the customers' preferred brand.

[Read more on page 12](#)

Strong supplier relationships

Our strong relationships with suppliers enable us to provide the best range and availability of relevant products at competitive prices.

[Read more on page 13](#)

Capable and committed colleagues

Our colleagues are our greatest advantage in helping customers choose, afford and enjoy the technology that is right for them.

[Read more on colleagues and culture on page 14](#)

Customers

We help customers choose the right technology across a huge range of products, through our stores or online. Our capable and committed colleagues provide expert face-to-face advice to help customers make the right choices.

Right Products

Large and relevant range of products including more sustainable products in every market

Expert Advice

Our 28,000 colleagues who help customers make the right and most sustainable choice

Omnichannel

We help customers choose the right technology, from the best range of products in stores or online

Demonstration

We inspire customers to discover technology, through demo in stores and online

Easy

When customers know what they want, we make it easy for them to get it

We are uniquely positioned to help customers enjoy their tech throughout their life, and by doing so we drive relationships that are long-lasting and more valuable to our customers and to us.

We help get you started

Delivery | Installation | Set up

We help you give your tech longer life

Protection | Repair | Refurbish
Trade in | Recycle

Choose

Enjoy



Value creation
for stakeholders

Value created
during the year



Customers find technology exciting but expensive. We help everyone afford the technology they need. We can spread the cost of tech through the responsible use of credit.

Afford

£

for life

We help you get the most out of your tech

Connectivity | Help and Support
Tutorials | Subscriptions

Delivering returns
for our shareholders

Our business is cash generative and we ensure sustainability of this cash generation through considered capital deployment.

[Read more on grow profits on page](#)

Satisfying our customers

Customers need the amazing technology we sell to keep connected, healthy, productive and entertained. Helping them choose from the vast range of products and making sure they can get the most out of it is at the heart of what we do.

[Read more on customers for life on page](#)

Engaging our colleagues

We can only keep our customers happy if we have happy colleagues. Paying colleagues fairly and building skills for life are essential to our long term success.

[Read more on colleague engagement on page](#)

Generating growth
for our suppliers

Our scale and our stores provide an omnichannel customer experience that our suppliers can find nowhere else, and because of that we have strong relationships with all the major manufacturers.

[Read more on our markets on page](#)

Environment &
Communities

We care for the world around us. We are proud to be a leading retail repairer and recycler of tech in all our markets. We will reduce our impact on the globe while investing in our communities and good causes.

[Read more on sustainable business on page](#)

Dividend per Share paid

3.15p

Group NPS

+1.0pt

Group eSat

78 +1.Opts

Revenue growth
(like-for-like)

(7)%

e-waste collected across our group for reuse or recycling

102,576Tns

Reduction in scope 1,2 & 3 emissions against a 2019/20 baseline

43%

Contributions to charities and communities through key programmes & initiatives

£550,000

Chair's statement

Currys exists to help everyone enjoy amazing technology



Introduction

I joined Currys in September 2022, excited by the opportunity to work with such a great business. We are number one in every market we operate in, have scale and capabilities that our competitors can't match, and provide products and services that are increasingly essential to our customers lives.

Review of Performance

While the medium to long term prospects for Currys remain strong, we are currently facing challenges from an inflationary environment which is impacting consumer confidence, particularly in our two main markets of the UK&I and the Nordics. This backdrop made 2022/23 a very challenging year for the Group, with revenues down 6% and a fall of 38% in Adjusted PBT YoY.

Our performance in the UK&I was very encouraging and shows that our transformation is working. Adjusted EBIT was up 45% YoY driven by increasing gross margins, not least through record Services adoption, and strong cost discipline. We're delighted with our growing momentum and believe we are well positioned to navigate the business through the current market environment. The success of our transformation can also be seen by our growing customer satisfaction scores and record levels of colleague engagement which put the UK&I business in the top 10% of all businesses.

We had a very difficult year in the Nordics. Margins were sharply down due to depressed demand, high cost inflation and unrelenting competitive intensity leading to Adjusted EBIT of £26m, 82% lower than the previous year. We have taken decisive

action to address these issues in order to protect our number one market share and to rebuild our profitability. In March, we appointed Fredrik Tønnesen as Nordics Chief Executive Officer, to take over from Erik Sønsterud and believe that his strong commercial and operational experience position him well to get the business back on track.

Our Greek business, Kotsovolos, again performed strongly and is an excellent business with a bright future. In June, we announced we are conducting a strategic review to assess how best to take Kotsovolos forward to maximise value for our shareholders.

Looking ahead, the economic environment in our two main markets is expected to remain challenging for some time. We are managing our business accordingly with



Our scale means we can make a real difference when it comes to giving tech longer life and we remain focussed on making the recycling, repairing and rehoming of unwanted tech easier for our customers.”

Ian Dyson
Chair of the Board

a focus on margins, costs and cash flow generation. We have also taken action to build the resilience of our balance sheet through the renegotiation of our bank covenants and through the reduction in pension contributions following the latest triennial review. In line with this approach, the Board has also taken the difficult decision not to declare a final dividend for this financial year.

Communities

We're staying true to our vision of helping everyone enjoy amazing technology and the strong social purpose that's embedded within it. Our colleagues across the Group are keen to be seen as a force for good and this can be seen in many ways, such as our determination to play a leading role in eradicating digital poverty through our work with the Digital Poverty Alliance in the UK, the Elkjøp Foundation in the Nordics, and the Second Home initiative in Greece.

Environment

Our scale means we can make a real difference when it comes to giving tech longer life and we remain focussed on making the repair, re-use and recycling of tech easier for our customers. I am very encouraged by the progress we are making against our target of net zero emissions by 2040. We have reduced our Scope 1 and 2 emissions by 43% between 2019/20 and 2022/23. We have also reduced our Scope 3 emissions, that account for over 99% of our total GHG emissions, by 43% since 2019/20. In the Financial Times' annual 'Climate Leaders Rankings', Currys rose to 8th place in this year's scores, becoming the highest ranked UK retailer in a list of 500 European companies.

Board

I would like to thank my predecessor, Ian Livingston, for his support and ensuring such a smooth transition. He chaired the Board with great professionalism and commercial acumen. We also say goodbye to Andrea Gisle Joosen who steps down as a Non-Executive Director after nine years on the Board. I would like to thank Andrea for her invaluable contribution.

I am delighted to welcome Magdalena Gerger and Adam Walker to the Board as Non-Executive Directors. Magdalena brings a strong consumer and retail background together with a deep knowledge and experience of the Nordic markets and Adam is an experienced finance executive with broad experience of UK public companies.

Looking ahead

I believe we have set ourselves up well to navigate through the current challenging market conditions. We will continue to build on our successful transformation in the UK&I and the actions we are taking in the Nordics give us confidence that profits will recover robustly when market conditions normalise. By focusing on the things we can control, and staying committed to our strategy, I'm confident in our ability to deliver sustainable long-term returns to our shareholders.

Finally, I would like to take this opportunity to thank our shareholders, colleagues, customers and suppliers for all your support this year.

Ian Dyson
Chair of the Board
6 July 2023

Chief executive's statement

We Help Everyone Enjoy Amazing Technology



The year has been mixed. We've shown, through our strengthening UK&I results, that our long-term strategy is working and is now delivering improved financial results as well as happier colleagues and customers. In the Nordics, our long track record of sales and profit growth was brought to an abrupt halt, but, as previously announced, we have taken decisive action and expect to see profits start to recover. Meanwhile Greece has delivered another solid year of performance in a prospering economy.

The UK&I's performance strengthened again, in the face of challenging circumstances. We maintained our #1 market share position and profits were up again despite like-for-like sales falling (7)%. Gross margins improved significantly as services growth, our increasing ability to charge for an improving customer experience, improved promotional understanding and discipline, and strong

cost efficiency in our supply chain and service operations, have all contributed to improvements. Overall, we reduced costs by £120m during the year, more than offsetting inflationary and tax headwinds.

We've been able to achieve this because our long-term strategy in the UK&I is working. We have supported colleagues with tools, training and rewards and now have world class colleague engagement scores to show for it. Customers tell us they're happier with another year of increased customer satisfaction scores. This reflects a strong year of progress in systematically taking pain out of the customer's experience, in purchase, delivery, installation, collection and returns, online and in-store. I'm proud of the team's work here. Years of necessary improvements in customer experience are increasingly allowing us to solve for improved profit and cash as well as customer satisfaction: the right range, at better availability, at the right price,

for us as well as the customer, and an easier customer experience, increasingly right first time, is lower cost to us and more satisfactory to the customer.

Our ambition is to turn all these more satisfied customers into customers for life. This year has seen increases in services adoption, and healthy growth in our Perks and iD Mobile customer bases.

Credit has never been more important for customers than during a cost of living crisis, as they've shown by adopting our credit in record numbers. Growing our credit customer base by +12%, and credit sales to up to 17.7% of total sales, as we did last year, has been important for society, as well as for our economics. Credit sales are partly incremental, tend towards higher priced products, attract higher levels of supplier support, carry a higher adoption rate of other services, and build stickier customers with a +52% higher likelihood to return to shop with us.



Likewise, Care & Repair is good for customers, society and for the business. In the current environment, customers can't afford for their (sometimes expensive) technology to go wrong, and value the peace of mind our protection offers. With 14 million protection plans, Europe's largest technology repair centre, and performing over 600,000 repairs last year, we can offer this protection better than any competitor. In giving longer life to customers' technology, we're a force for sustainability as well as affordability. These are powerful reasons for the customers to prefer shopping with us, as well as making a substantial economic contribution in their own right – purpose and profit going hand-in-hand, as we believe they must. So our success last year in returning our care and repair book to growth was important all round.

And iD, our own Mobile Virtual Network Operator, grew again to 1.3m subscribers. This is up +13% year-on-year, and up +24% year on three years. This growth reflects a mobile category back into profitable growth for us, and shows the competitive advantage iD Mobile enjoys from our much-improved deal with Three. This faster growth has continued into the current financial year and has clear value; mobile subscriptions produce more predictable, recurring revenues, reflected in £221 million of mobile receivables on the balance sheet.

So, between our large and growing books of credit customers, Care & Repair customers, and iD Mobile subscribers, we're building millions of stickier and more valuable customer relationships.

In the Nordics, the markets we operate across have been experiencing a painful period with softer demand coupled with cost of goods sold inflation, exacerbated by excess stock and some competitors pursuing strategies focussed on growth at the expense of profit or cashflow. This combination has eroded the market profit pool. We maintained our leading market share, but have not been immune from these pressures. We don't see anything structural or permanent in these pressures, intense though they are. The Nordics remain healthy, wealthy markets. Consumer confidence and disposable income will recover from current multi-decade lows, just as inflation and market stock levels will normalise. Competitors will need to

generate cashflow, just as we do. However, we're too cautious to put a time on this market recovery, and cannot merely wait for it. We have taken decisive actions on gross margin and costs, including making operational changes that will deliver at least £25m of annual saving and we have installed new local leadership who are bringing new clarity, grip and energy to this strategic plan.

In Greece, the combination of a strong economy and government subsidies has seen sales grow strongly, but the market has not been immune from inflation in cost of goods and operating costs, which have not been fully offset by the increased sales.

Altogether, this has delivered a financial performance that we are not happy with. The improvement in the UK&I have not offset the hole created by the Nordics profit decline. Furthermore, the fall in sales has driven a working capital outflow and our balance sheet has moved from net cash to net debt during the year.

Looking forward, our job is clear. We need to keep the UK&I on its current upwards trajectory and get the Nordics business back on track. We are doing this against an unfriendly and uncertain economic backdrop in our principal markets. So we are planning cautiously, expecting sales to decline, whilst setting the business to be resilient in the case of a downturn but ready to capitalise if the macro picture improves.

Our liquidity is strong, as the relaxed fixed charge covenant with our supportive lending group gives us plenty of headroom on our revolving credit facilities. Our balance sheet is robust, and certainly much stronger than three years ago, but we are planning to strengthen it further, even if trading stays weak, to make sure that we are prepared for a worst case scenario. This starts with maximising our operating cashflow even in a difficult environment. We are cutting costs in UK&I and Nordics and while this doesn't come for free, we target fast payback periods on any exceptional cash spend. We are also lowering capital expenditure significantly, and can do so without jeopardising the business because the majority of the transformation spend is now behind us and we are better at controlling the expenditure we do have. As well as

operational actions, we have lowered our pension contributions, with most of the benefit in the next two years. As a final sign of prudence, the Board has decided not to recommend a full-year dividend.

We believe that these actions will set us up for long-term success, achieving at least a 3.0% adjusted EBIT margin with a solid balance sheet that enables healthy returns to shareholders.

Grow Profits

We've recently added "Grow Profits" to turn our "big three" into the "big four" priorities internally. This is more than merely symbolic. We know that our improvements for the colleague and customer experience, substantial and essential though they have been, have yet to translate into improved cash generation. They must, and such has been their progress, that they now can. We believe we can now build on our progress on gross margins and cost while being confident in maintaining our top-line market leadership.

- Gross margin increased by +160bps in the UK&I as we saw improvement across all levers of gross margin (higher adoption of credit and services, better monetisation of improved proposition, not chasing less profitable sales and supply chain and service operation cost savings), alongside some benefit from mobile revaluation.
- In November 2021, we announced a plan to save £300m of annual costs in the UK&I by the end of 2023/24. We are progressing well with those initiatives and have saved almost £190m on a cumulative basis as at the end of 2022/23. We are on track to save over £300m by the end of 2023/24.

In the following sections you will find further detail on progress made and intended next steps under the four major pillars of our strategy: Capable & Committed Colleagues, Easy to Shop, Customers for Life and Grow Profits.

[Read more on our strategy on page 14](#)

Chief executive's statement continued

- In UK&I, our programmes drove £120m of savings with the largest areas of saving including supply chain efficiencies of £42m, store payroll of £36m, and central, IT and procurement savings of £26m.
- In Nordics, savings were spread across several areas including marketing, store and head office payroll, IT expenditure and consultant fees. These actions will see around £25m of costs permanently removed from the business.
- Infosys is a global leader in next-generation digital services and consulting. Our partnership with them commenced in July 2022, since then we have engaged Infosys to deliver a large range of activities across our business functions including IT, Data & Analytics, E-Commerce, Finance and Commercial, for our UK&I and Nordics businesses. This has involved moving 800 roles to Infosys so far, with significant potential

to extend the partnership in the future. In time, we expect these actions to result in an annualised cost saving of over £15m, with £5m saving realised in 2022/23.

Capable and Committed Colleagues

Expert face-to-face help is at the heart of why customers shop with us, and that takes skilled and dedicated colleagues. We know that happy colleagues make for happy customers, so we go above and beyond in making sure that our colleagues are rewarded for their hard work.

- Our colleagues are our strongest advantage. Our Group eSat (how happy you are to work at Currys) increased +1 to 78 and puts Currys in the top 25% of all businesses. In the UK&I eSat has increased to 81, putting the UK business in the top 10% of all businesses.

- All UK store colleagues moved on to a single contract, driving greater efficiency in store while allowing colleagues to retain expertise in chosen areas. This has enabled a +10% increase in customer facing hours while reducing store payroll costs by (14)%. At the same time we saw a +3ppt improvement in store colleague engagement and a +2ppt improvement in store customer satisfaction.
- In the UK&I our frontline colleague pay has increased by +14% in the last year and +37% over the past five years with 12,000 colleagues benefitting from these increases.

Easy To Shop

Omnichannel is the preferred model for customers in technology retail: two-thirds of customers prefer to shop using stores, underlined by the slight increase in our store share of business. We're continuing to build on this advantaged business model.

Online Share of Business	2022/23	2021/22	2019/20	Year-on-Year	Year-on-3-Year
UK & Ireland	45%	45%	32%	-pt	13pt
International	22%	23%	18%	(1)pt	4pt
– Nordics	25%	25%	19%	-pt	6pt
– Greece	7%	9%	8%	(2)pt	(1)pt
Group	34%	35%	27%	(1)pt	7pt

- We have reinvigorated our 'sold with' solution selling offer in the UK&I, which provides customers great value bundles when buying tech. It helps customers get more out of tech and provides additional revenue at good margins. Over the second half of the year we saw in-store adoption on relevant products increase +118Obps YoY driven by simplifying the bundles, colleague training and better in-store displays.
- We are continuously trying to find ways to reduce tasks in stores so we can spend more time selling and serving our customers to further improve NPS and Colleague engagement scores. A key change this year has been the introduction of digital pricing across laptops and TVs.
- Lease costs continue to fall, as we have closed another eight UK&I stores at the lease expiry, bringing net closures to 24 over three years, and also negotiated an average effective net rent reduction of more than 25% on the 23 leases renewed during the year.
- We maintain a flexible store portfolio and have average lease lengths of 4 years in the UK&I, less than 3.5 years in the Nordics and less than 2.5 years in Greece.
- During the year we have made significant improvements to our UK&I website, Colleague Hub, ShopLive and Store Mode, which means that we now have a website that is fast, future proof, and provides a richer, seamless, more personalised experience. It also enables better upsell, cross-sell credit and other service adoption online, all of which increase gross margins and 'level up' profitability between channels. By introducing the new Colleague Hub, and improving Store Mode and ShopLive, we're arming our colleagues in store with the tools, technology and information they need to have more meaningful conversations with customers.
- We started work on a new 870,000 sq ft warehouse in Jönköping, Sweden, increasing the total capacity at the Nordic Distribution Centre to 1,940,000 sq ft. This will facilitate the move of our Nordic kitchen distribution from Brno to Jönköping, as well as providing increased flexibility, faster deliveries and improved logistics. It is due to be operational during 2024/25.



Years of necessary improvements in customer experience are increasingly allowing us to solve for improved profit and cash as well as customer satisfaction.”

Alex Baldock
Group Chief Executive

Customers For Life

We help customers afford amazing technology:

- UK credit adoption increased +44Obps to 17.7%, well ahead of the 16% adoption we have targeted for 2023/24 as active credit accounts rose +12.5% to 1.93m. Online credit adoption increased +70Obps to 19.7% and store credit adoption +22Obps to 15.9%. The largest increases in adoption were from repeat customers, particularly online, as our easier to access accounts and targeted marketing have stimulated repeat spend. We take no risk on credit.
- Nordics launched integrated financing services in the online channel together with our consumer financing bank partners in Norway, Sweden and Finland. This has been a successful change, contributing to +17% growth in financed sales. We are aiming to increase financing sales even further by optimising the sales processes in stores.

Our Services help customers get tech started:

- During the year, we introduced charging for all two-person deliveries in the UK. The average delivery, installation and recycling revenue on the 3m big box deliveries we do each year is now more than £10 higher than before we introduced this charge. We have been pleased to see that it has not had a detrimental impact on sales, customer satisfaction or adoption rate of our services.
- Our installation services are becoming ever more valued by customers, and one-quarter of UK big box deliveries now include installation. Our in-home customer satisfaction is amongst the highest of all activities we carry out, highlighting how much customers value the service we provide.

We help give tech a longer life through protection, repair, trade-in and recycling services:

- Protection products performed well across the Group and we have 14m Protection (warranty and insurance) agreements in the Group.
- In the UK, our Care & Repair adoption climbed +31Obps compared to last year, with improvements in-store and online as customers look to benefit from our improved propositions, which we are doing a better job of highlighting.
- In Nordics, we launched insurance for devices with monthly payment in all our markets, initially on phones and tablets. Customers have welcomed this, and a high share choose this option over up-front payment. The recurring revenue this generates is growing month by month.
- In Greece, customers adopt care & repair on over one-third of eligible products.
- In Nordics, our trade-in business is still nascent, but growing rapidly, having more than doubled during the year, and quadrupling in Norway.
- In the UK, we collected over 1.6m items for recycling, up +51% YoY driven by our well-received “Cash for Trash” initiative. As customers become more aware of the environmental consequences of their actions, we are there to help them.

We help customers make the most out of their tech with connectivity and subscriptions:

- iD Mobile, our award winning MVNO, grew to 1.3m subscribers, +13% YoY and +24% Yo3Y, demonstrating the great value, flexibility and control it offers to our customers. iD Mobile is a growing source of recurring, predictable revenue and cashflow, so although accelerated growth in subscribers does negatively impact near term margins and cashflows, we will continue to drive growth.

We will collect, protect, and use data to build more valuable customer relationships:

- Our 11m Currys Perks members represented over half of UK sales, Perks customers are happier, shop more frequently, have higher average order values and greater adoption rate of credit and other services than non-Perks customers.
- Nordic customer club grew +13% YoY to 7.6m customers. Club members spend more with us at better margins as increased shopping frequency outweighs lower average order values.

Alex Baldock
Group Chief Executive
6 July 2023



Our Strategy

Our Strategy

We help everyone enjoy amazing technology. That's because customers find tech exciting, but also confusing and expensive. We're uniquely positioned as a market leading omnichannel retailer to help customers discover and choose the right technology online and in-store, help them afford it through Credit, and get the most out of it, for life, through our Services.

Our Strategy is working. It was severely tested during the Covid-19 pandemic, and it passed that test. If one thing is clear it's that our vision matters more now than ever. Technology has been critical to keeping customers connected, productive, healthy and entertained. And we've been there for our customers when they've needed us most, helping them afford, enjoy and get the most out of amazing technology.

We've done, and will continue to do this by focusing on four strategic priorities:



Capable and Committed Colleagues

Capable and committed colleagues are our greatest advantage. Happy colleagues make happy customers and happy shareholders, and none of our competitors can match our thousands of expert colleagues, or their engagement.

→ Read more about Our Colleagues on page 18.



Easy to Shop

For our customers, we will continue to be ever more easy to shop. We're strongest when we offer the best of both online and stores to customers, an omnichannel shopping experience.

→ Read more about Easy to Shop on page 24.



Customers for Life

We are building customers for life. We want to be more valuable to customers: this means doing more than selling them a box. It's helping them to afford and enjoy (as well as choose) their technology, for life. Our Credit and other Services, fuelled by data, help us build longer-lasting and more valuable customer relationships.

→ Read about Customers for Life on page 28.



Grow Profits

Our progress for colleagues and customers must (and now can) be reflected in healthy returns for shareholders. We'll now protect our #1 share, while continuing to improve gross margins, reducing costs and improving cash conversion.

→ Read about Grow Profits on page 32.

Our focus on the four pillars of the strategy will ensure we deliver more value to all our key stakeholders, and most importantly generate healthy cash flows for our shareholders.

Our scale is an advantage, and we intend to stay number one in all our markets. We can see many growth opportunities within our reach, which we'll go after, offering new products and services that our customers want from us. But our major focus is on generating revenues that are increasingly recurring and predictable from our existing customers.

We do this first by focussing on making sure our Capable and Committed Colleagues are engaged and motivated. Doing this helps us to provide customers with an enjoyable and Easy to Shop experience. Coupling this improving customer experience with our growing range of credit and services will drive more Customers for Life.

Gross margins will improve as we deliver products and services that enhance customers lives and become better at optimising our business to focus on those areas that drive most value-add. Equally, we must continue to reduce our costs, and always look for ways to be leaner. Doing this frees up money we can judiciously invest in colleagues, customers and infrastructure, to increase our already significant advantages.

Above all else, we will ensure that increased profits drive increased and sustained free cash flow by staying disciplined on capital expenditure, removing exceptional cash costs and tightly controlling working capital. Our balance sheet is strong, but we will aim to remove the historic pension liability as a source of uncertainty. If we achieve all this, our cash flow will be unencumbered for investment in high return projects or to significantly increase our cash returns to shareholders.



Our Strategy Capable and committed colleagues

Our capable and committed colleagues – our greatest advantage



Capable and committed colleagues

Our vision is to help everyone enjoy amazing technology. We know that our customers find technology exciting, but they also find it confusing and expensive. Our capable and committed colleagues provide the magic ingredient in helping our customers discover, choose and enjoy amazing technology.

Expert face-to-face help is at the heart of why customers shop with us, and that takes skilled and dedicated colleagues. We know that happy colleagues make for happy customers, so we go above and beyond in making sure that our colleagues are rewarded for their hard work.

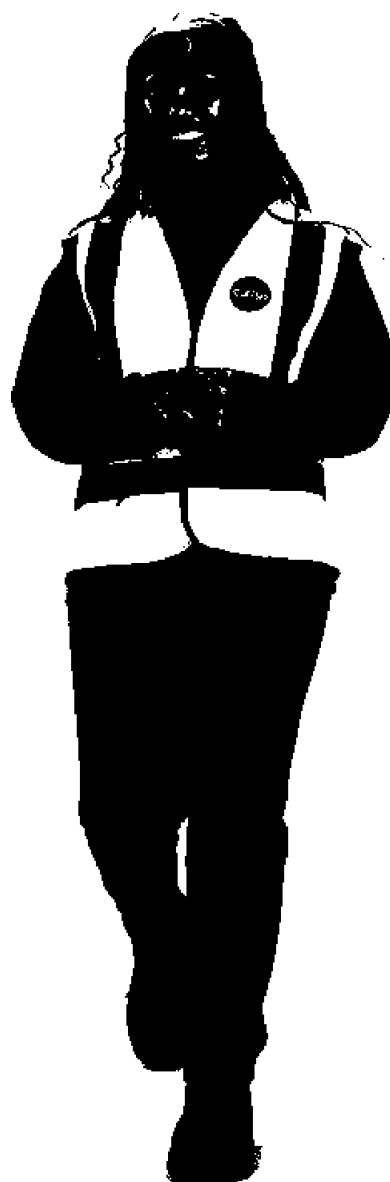
Through investing in our colleagues, we provide a better customer experience which ultimately drives market share gains and lower customer acquisition and retention costs. It also allows us to run the business more efficiently, with fewer, better trained, tooled and rewarded colleagues who we retain for longer.

We deliver results for our people by focussing on our strategy:

Great Place to Work

Ready for the Future

Home for the Best Talent





Great place to work

Our values

We put our customers first:

- Technology's amazing. And we're here to help everyone enjoy it. So we don't just sell products to people, we make sure they have the knowledge and confidence to get everything they can out of them.
- We know that our advice, our enthusiasm, our commitment to do what's right for customers brings them joy.
- And it's through this energy and determination that we'll keep more customers for life.

We win together:

- While there are thousands of us, in hundreds of roles and positions, we're all united by the same love for technology and helping people enjoy it.
- We value our differences and the difference we make because that's what makes us unique. When we come together amazing things happen and we win together as one.

We own it:

- We all take charge of our future and we are not afraid of change. It's how we succeed. So, we find what works well and we make it work better. We share ideas to help make our customers' lives easier and we go above and beyond to help others out.
- As individuals and as a business, we're committed to learning, growing and taking responsibility for making things happen.

We embed these values into our business.

We have created our values in collaboration with our thousands of colleagues. We have communicated them throughout our business and clearly defined expectations for everyone including our leaders. We shared these expectations at our UK&I 2022 Peak conference, alongside a series of leaders/managers workshops which was followed by a communications campaign for all colleagues in 2023, and recognised individuals and teams living our values through events such as the annual Curry's Amazing People Awards (formerly Chairman's Shield).

Our On the Pulse surveys show colleagues living our values has increased incrementally and is 3 points above global benchmarks, according to Glint.

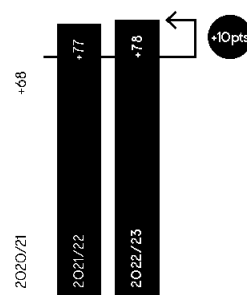
In the Nordics Elkjöp's company values are embedded in the majority of internal training material. In Leadership programs, we empower our leaders to create a culture in their teams based on company values and mindset.

We have embedded our values into our hiring and selection processes and ensured that our new colleagues are immersed in them. Through our All on board onboarding portal, colleagues in all business units are able to read and learn about what we as a company stands for. We believe in having our company values visible for our colleagues throughout the Nordics and we proudly present these in our stores, back offices and headquarters.

In Greece we revised our values in 2022. We trained Values Ambassadors to hold sessions with their teams and diffuse the new values. In addition, we deliver an 8-hour session as part of our onboarding journey.

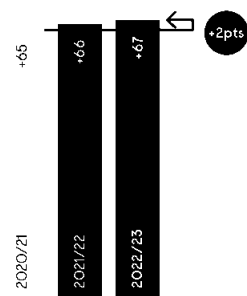
Happy colleagues...

Group Employee Satisfaction



...create happy customers

Group NPS





Our Strategy

Capable and committed colleagues continued

On the Pulse colleague engagement 2023 proof points

We use On the Pulse surveys to measure engagement bi-annually, covering over 28,000 group colleagues.

Our latest On the Pulse results show that we're continuing to go from strength to strength. Our eSat score (how happy you are to work at Currys) has gone up by another two points – to 81 from 79 last time, in the UK and Ireland. This is outstanding and puts us in the top 10% of Global businesses⁽¹⁾. Group eSat score was 78, +1pts higher than previous year, with increases across all regions and response rate trending up +4pts.

Colleague conference events

Each year we hold Peak and Campus events in the UK and Nordics which bring a large number of colleagues together in one location for communication and training:

In the UK, we brought together 12,000 colleagues and 120 suppliers. Our peak event saw engaging campaigns, collaboration between colleagues, speaker sessions from ExCo, breakout zones and more. Our Amazing Technology exhibition returned post Covid for colleagues to learn about the latest tech for Peak from 41 of our suppliers.

In the Nordics, we hosted our annual Campus gathering at Gardermoen. Over 3 weeks, approximately 4,000 employees visited Campus, where they were offered training sessions from 123 unique suppliers.

Creating a culture of well-being

At Currys we take colleague health and well-being very seriously and are creating an environment where all colleagues feel fully supported to be at their best, including during difficult times. Well-being has continued to be a priority area for the past year.

In UK and Ireland, our longer-term well-being strategy, which aims to drive a culture of keeping our colleagues safe, happy and well has landed across all parts of the business.

We have launched our Well-being partnership with Champion Health, a leading well-being provider offering colleagues

support across all areas of Well-being, tailored to their own individual needs. Colleagues have access to this platform along with being able to share with up to three family and friends.

Well-being Corner, our dedicated well-being site for colleagues, remains an integral part of our well-being agenda. Since it launched in 2018 it has been accessed over 500,000 times by colleagues.

We've continued to invest in mental health training by upskilling over 1,500 people managers and colleagues as mental health champions. This complements our 300+ colleagues across the business acting as Mental Health First Aiders.

In Nordics, we have performed several surveys to monitor engagement and well-being including 'On the Pulse' in April and October and 'Safe at Work' in August/September.

We continue to offer colleagues the possibility to get treatment and keep active as part of our well-being program.

In Greece, we are committed to creating a workplace that allows people to perform and develop in a safe and healthy environment. Therefore, we introduced a comprehensive framework of wellness programs under the brand 'Better Me Better Team', which focuses on safety, physical health, mental fitness and physical fitness.

Forums

We remain committed to ensuring our colleagues have a voice.

In UK and Ireland, we have 11 colleague forums representing colleagues from across the organisation which have played a key role across a number of business priorities throughout the year.

Working with our Colleague Forums this year we have introduced five new policies and manager guides to support our colleagues with significant life events such as Premature Birth and Pregnancy Loss. This means the Company has a comprehensive suite of policies in place, which includes our UK&I Dignity at Work and Group Inclusion and Diversity Commitment and Principles policies.

Creating a culture of diversity and inclusion

We exist to help everyone enjoy amazing technology, and we mean everyone. But we can only do that if we embrace and reflect the society and communities we live and work in, regardless of gender, what we look like, where we come from, or who we love. Recognising the strength we gain from being a diverse business, where everyone feels they belong, is fundamental to our future success.

In the UK, we built on the learnings from our 2021 Inclusion and Belonging survey, and saw improvements in all 17 questions – seeing significant improvements in leadership commitment, working in a harassment free environment, and colleagues feeling free to speak up without fear of negative consequences. The headline measure (I feel a sense of belonging at Currys) increased by 4 points year on year (from 64 to 68). Scores across all 17 questions increased by at least 2 points.

We launched an internal diversity census, allowing colleagues to update their HR record with ethnic background, religion, disability status and sexual orientation details. To date 46% of colleagues have submitted this information.

We have worked with external partners including everywoman, Business in the Community, Business Disability Forum, and Diversity in Retail.

After successfully trialing a new Quiet Hour across 21 stores to help neurodiverse colleagues and customers, we then launched the programme across all UK stores.

In the Nordics, we believe that Elkjøp is strongest when we embrace the full spectrum of society. That means we're striving to build a more diverse and inclusive workplace and promote engagement in our company and the communities we serve.

In Greece, to communicate our D&I policy to colleagues, we placed diversity walls and logos in all of our offices and stores, as well as hosting webinars and sharing leadership statements. We will continue this momentum through training programs for managers.

(1) Source: Glint



Ready for the future

Investment in learning

A focus on learning and development is key to success and essential to be a successful business. Our leaders have a key role in providing learning and development opportunities for our colleagues, nevertheless, we are all responsible for our own development, as individuals, as part of a team and as part of an organisation.

In the UK and Ireland, over 5,000 of our store colleagues have been multi-skilled as part of our new 'One Team' operating model, to further support our assisted selling journey. These include valuable and transferable life skills (e.g. listening, communication and influencing). We have designed and deployed learning to support our retail colleagues in digital selling and the omnichannel customer journey. Our Colleague Hub and On-Screen Tech learning highlights the benefits of using digital selling tools and provides guidance on seamlessly and compliantly integrating our digital selling tools into their customer conversations.

In the Nordics, our leaders have a key role in facilitating growth, both in business, teams and individuals. We invest in leadership development, and we have relevant programs whether our colleagues are already a leader, want to become a leader, or in general want to develop their leadership skills.

Through the Academy Learning Portal, over 600 training programmes were offered through more than 100 suppliers and in-house training programs. In total, over 21,740 training hours have been completed from e-learning alone. Over 2,100 colleagues participated in some form of digital or physical training session hosted by the local or Nordic people development department.

In Greece, we revised our manager training programme around the two pillars of Leadership skills and Process, tools and systems. In 2022/23 45 participants completed over 3,500 hours of training.

Hybrid working

In 2022/23 we launched our UK&I Hybrid Working Framework and Principles to help us get the very best out of in person and remote working, enabled by our new Currys London Campus at Waterloo, our partnership with WeWork providing access to locations across the UK and several refurbished meeting spaces in our stores and Customer Service Centres. This has been enormously successful with 92% of colleagues feeling positive about this change.

In the Nordics, a remote working policy has been established to meet colleagues' expectations for flexibility to work from home, based on an internal survey. The policy states that colleagues can work 40% from home, while office attendance should be 60%.

Learning Consumption – Currys UK&I 2022/23:



Our Strategy Capable and committed colleagues continued

Home for the best talent



“

Happy colleagues make for happy customers. Our people are at the centre of who we are because they make us what we are.”

Paula Coughlan
Chief People, Communications and Sustainability Officer

Attracting and developing colleagues

Our colleagues are the reason customers keep returning to shop with Currys, so it's vital we are not only an attractive place to work, but also a place where the best talent can grow and progress.

In the UK and Ireland we've seen a positive internal trend over the last 12 months in the way our colleagues think about careers at Currys. This is the result of our 'Take charge of your career' campaign, which sets out to provide our colleagues with all the information and resources they need for their ongoing development and career progression.

In May 2022 we launched a new careers site, 'Currys Career Fitness Hub', which is easy to access (with over 10,000 page views) and full of fantastic career resources.

In the past year, we have delivered more than 15 careers skills workshops and careers fairs that have supported cross functional moves and internal mobility. The workshops and fairs have reached over 3,000 colleagues across multiple business

areas and as a result, we have filled 18% of our corporate vacancies with colleagues from Retail and Supply Chain.

Investment in graduates and apprenticeships

2022/23 saw a broadening of emerging talent initiatives in the UK&I by placing apprentices across more business areas than ever before, supporting young people into employment, creating skills for life and applying increased focus on developing our existing talent.

New graduate trainees were hired across our Technology and Supply Chain functions, and we saw graduates moved into permanent roles across the business. We also increased our investment in this area by building new relationships with key universities to support and enhance the number of diverse applicants to our programmes with specific focus on 'women in tech'.

Investment in apprenticeships continued with the development of 20 new programmes across more business areas than ever before including new programmes in project management, finance, buying and merchandising.





urban driving and AI data, as well as continuing to develop skills across the business in existing core programmes.

123 new apprentices started on various programmes throughout the business in 2022/23 with a further 316 colleagues participating in existing programmes.

In the Nordics 3,700 new colleagues joined our business in the last year, using 'structured competency-based recruiting'. Our onboarding solution, 'All On Board' provides new hires and leaders with a bespoke process, tasks and communication to support the onboarding process.

In July 2022, Kotsovolos was certified as a "Great Place to Work" by Great Place to Work Institute Inc. Throughout the year, we hired approximately 1,000 employees, many of whom were hired during peak periods. In an effort to enhance our employer branding, we participated in university career days, national career days, and assessment centres of NGOs aimed at supporting candidates' employability.

Pay – Rewarding our colleagues

In the UK&I our frontline colleague pay has increased by 14% in the last year and 37% over the past five years with 12,000 colleagues benefiting from these increases. From 1 April 2023, we introduced a two tier hourly pay framework for store colleagues to differentiate between new starters (£10.50 an hour) and skilled colleagues (£10.80 an hour) as a first move in a 'pay for skills' framework. A lower entry rate recognises that new starters need time to

learn how to sell, serve and support in the Currys way. The higher rate recognises skilled colleagues that are already working at Currys, have been multi-skilled to sell, serve and support customers in our 'One Team' model and are performing well in their role.

For the first time, our annual Gender Pay Report reflects our one Currys brand, with all UK colleagues paid on one payroll. It is also the first year since 2020 where results have not been impacted by furlough or the pandemic. Our 4.5% median Gender Pay Gap continues to track well below the ONS national average (14.9%) and has improved for the third consecutive year. Similarly, our median Gender Bonus Gap decreased from 20.1% last year to 17.3%.

In the Nordics, all colleagues are included in our competitive bonus schemes. Store employees have a monthly bonus plan which has been reviewed and relaunched in FY 21/22 to better support our customer needs and increase employee engagement. The new store bonus relaunch is accompanied by a brand-new bonus app, developed in-house which offers our store colleagues the possibility to follow their bonus achievement in real time.

In Greece, we have focused on a Pay for Performance philosophy, designed to give incentives to our high-performers. This year we have also evaluated Being the Best Schemes for different areas of responsibility. We have validated and updated the respective criteria, elements & KPIs for existing areas, and have designed and implemented new ones.



Share ownership

We believe every colleague should be a shareholder and invested in our success. Awards granted in 2019 and 2020 have continued to vest and over 1,950 participants in 9 countries received their shares. In 2022/23 we also continued to offer our UK&I colleagues the opportunity to build a personal stake in the business through our annual Sharesave Scheme.

Number of employees as at 29/04/2023	Total	Female		Male	
PLC Board	8	3	38%	5	63%
Executive Committee	8	2	25%	6	75%
Direct Report of Executive Committee	65	25	38%	40	62%
ALL Employees	28,174	8,672	31%	19,502	69%



Our Strategy Easy to shop

Omnichannel is our way of bringing the strengths of stores and online to all our customers, however they want to shop



Easy to shop

We put the customer first in everything we do. We are clear on our promises to customers, including our commitments to play our part in society and to protect our environment.

We are committed to our stores because we're strongest when we offer the best of both online and stores to customers. But we are digital first – joining up all of our channels and touchpoints and making us easier to deal with. We are proud that we exist to sell to customers, to help each of them discover and choose the amazing technology that's right for them, however they shop with us.

We work relentlessly to remove, one by one, all of the pain points that our customers experience. There is huge value in getting this right and we have made progress. However, we are determined to keep working hard to take customer experience to the next level.

Improving the ease of shopping in both channels will help us grow market share, while delivering the best of both stores and online in a seamless omnichannel experience will help us grow sales and improve gross margins.

Customers prefer omnichannel⁽¹⁾



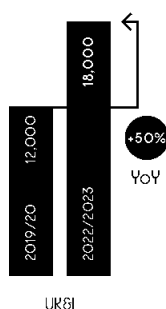
⁽¹⁾ Source: Company information – Customer survey of 1,264 UK&I customers in April 2023. Question: Which of the following best describes how you have browsed/shopped for electricals in the last 12 months?

Easy to shop starts with better retail basics

Easy to shop means we offer the best customer experience, both online and in stores. This starts by getting retail fundamentals right. We make continuous progress on increasing range and availability of products, keep our price promise and work hard to create an easy customer experience.

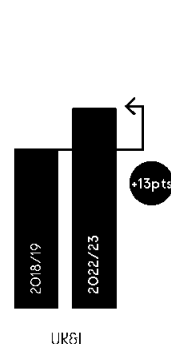
Rightsizing our product range

SKUs

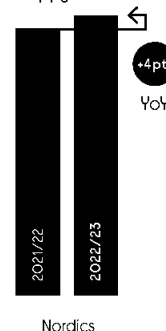


Deliver an easier experience

Delivery CSAT



Home Delivery HappyorNot





Customers prefer our omnichannel model

Tech customers prefer our omnichannel model as it offers them the best of both worlds. Store customers cite the ability to see, touch and feel products before buying, the expert advice and in-store services as main reasons to shop in store. Online customers cite convenience and availability as main reasons for using that channel. Providing both allows us to serve all customers across our markets, and also, to offer them the best experience.

Even in the depths of the pandemic, only a third of customers wanted to shop online only. And during the cost of living squeeze, stores have become even more important to customers as they need to give greater consideration to purchases that are increasingly essential but expensive. Omnichannel continues to prove itself the winning model for customers, with store share of business increasing on last year.

Omnichannel is the winning model. International peers show us that the clear market leader in every market is omnichannel.

Country	Market leader	Market share	Online SoB
		24%	
		28%	
		40%	
		41%	
		25%	n/a
		17%	
		43%	



Our Strategy Easy to shop continued

Omnichannel

Our omnichannel model provides better flexibility and benefits for customers. Customers in-store can access our full range of products and have them delivered to home, meaning we are never out of stock for these customers; our online customers can pick up products in-store shortly after ordering, providing an immediacy that online retailers cannot match, while ShopLive allows our customers to get the trusted face-to-face advice of our expert colleagues from the comfort of their own homes.

Benefits of our omnichannel model



Strategy in Action: Ship-from-store

In the Nordics we have introduced Ship-from-store this year. By utilizing our store network, we make even more products and services available for our customers.

In addition to increased availability, Ship-from-store has also led to increased sales of outlet products. Revenue from outlet is up 16.5% YoY which is good for the environment, good for customers and good for us.

In 2022/23 we shipped over 1 million parcels from our stores.

As a result of this, almost half of Nordic online sales are store supported either through Pickup-in-store or Ship-from-store showing the strength of our omnichannel offering.



Our progress

UK&I

- Made significant improvements to our website, making it faster, future proof, and able to provide a more personalised experience. This improves upselling, cross-selling into Credit and other Services, all of which increase gross margins and "level up" profitability between channels.
- At the beginning of 2023 we moved to a multiskilled colleague base whilst still retaining specialisms. This involved all store colleagues being upskilled to sell, serve and support our customers. Our store management teams leveraged this multiskilled capability to create a 'One Team' operating model using a framework applied across all stores to improve performance, customer satisfaction and profitability.
- Opened a new 355,000 sq ft warehouse facility in Harworth which has helped increase availability on domestic appliances, as well as serving as a new base for delivery & installation services in the surrounding area.

Nordics

- Next Generation retail project completed resulting in improved omnichannel experience for customers and has enabled the implementation of recurring revenue on insurance, self-service for customers (reducing customer contacts), flexibility in home deliveries and improved availability.
- Commenced work on our Nordic distribution centre expansion in Jönköping.

Looking ahead

UK&I

- Further improve "right first time" through better reporting and performance tracking to identify issues. Success will reduce direct costs to the business and improve customer satisfaction.
- Optimise customer journeys to increase bundling and higher margin products.

Strategy in Action: UK&I Bundling

The additional kit that helps customers enjoy tech

- Laptop + Softwear / Keyboard / Mice
- TV + Bracket / theatre kits / cables
- Gaming consoles + Game / memory card

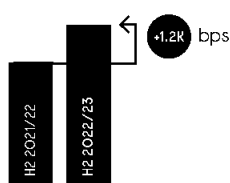
Improvements made

- Colleague are now trained to sell:
600hrs training for colleagues in 2021/22
£25m long-term investment in colleagues (2021/23)
- Simplified customer journeys



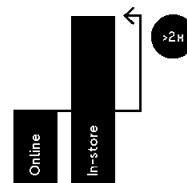
In-store bundling is up

Bundling adoption rate



Big Opportunities

Channel adoption rate H2 2022/23





Our Strategy Customers for life

Our credit and other services, fuelled by data, help us build longer-term customer relationships



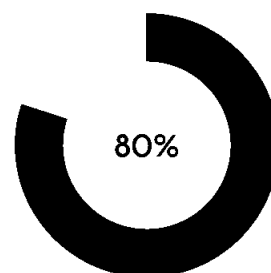
Customers for life

Making customers happy isn't just about helping them choose a product, it's much more than that. It's helping them to afford and enjoy their technology, for life. Credit and other Services help us build longer-lasting and more valuable relationships with customers.

Good data helps better understand, measure, track, target, and tailor our propositions to our most valuable customers over time. We are making progress on building this capability up to where it needs to be.

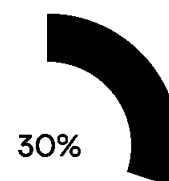
Services are profitable on their own, but more importantly they help customers make more sustainable choices and they drive increased customer loyalty. As the leading technology retailer in all our markets, with the ability to serve customers across both channels, we have a significant opportunity to increase customer loyalty and share of wallet.

~80% of UK households shop for electricals with us⁽¹⁾



...and significant headroom remains to grow share of wallet with our existing customers

But we only get a ~30% share of their wallet



We don't need to invest lots in acquiring new customers...

(1) Unique identifiable households who have shopped for electricals with Currys in the past three years.



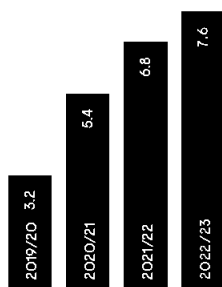


Loyalty programs

We are building a large and useful dataset on customers through our growing loyalty programs – Customer Club in the Nordics and Currys Perks in the UK.

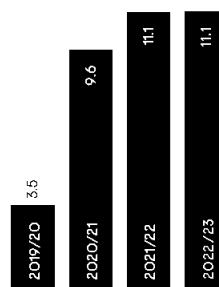
Nordics customer club members (m)

Equivalent to more than 50% of Nordic households being club member



UK Currys Perks members (m)

Equivalent to 40% of UK households being club member

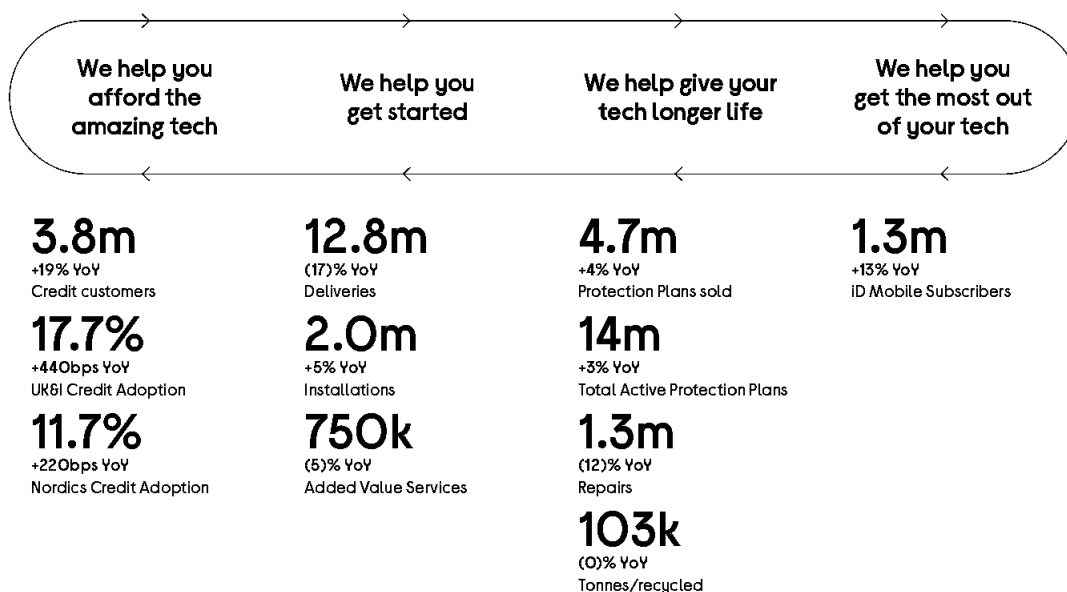


We offer a wide range of services, including connectivity

Our services help everyone enjoy amazing technology

Services enable us to keep talking to customers. We are uniquely positioned within tech retail to help customers afford tech through credit, help them get started with delivery, installation and set-up, help give tech a longer life through protection, repair, trade-in and recycling, and get the most out of tech through connectivity, subscriptions and tutorials.

2022/23 – Group

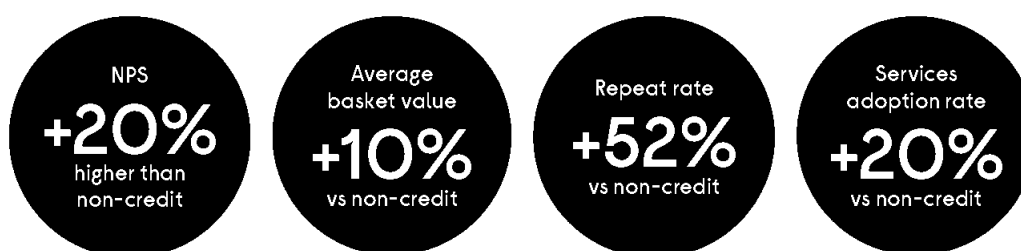




Our Strategy Customers for life continued

Strategy in Action: UK&I Credit growth

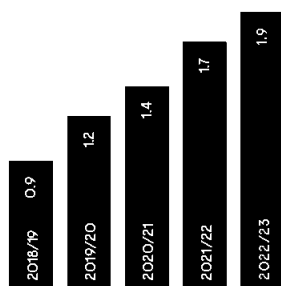
Responsible credit plays a vital role in helping customers afford the (sometimes expensive) technology that's so impactful to them. This is especially true during a costs of living squeeze. Growing the number of customers who can afford better tech through credit is the single most important way we can drive customer loyalty. Credit customers are happier, they spend more with us, they come back to us more often and they're more likely to buy our other services as well. And we take no risk on credit.



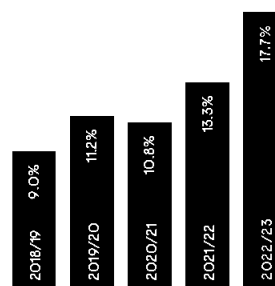
In 2022/23 we saw another record for credit in the UK. Our active credit customers grew to 1.9m, a +12% increase YoY. These customers used more of their existing balances and credit spend was up +24% YoY. This drove credit adoption to 17.7%, significantly above the 16% target for 2023/24. Adoption was strong in stores and online, and across all categories.

Active Customers

Active Credit Accounts UK (#m)



Credit Penetration





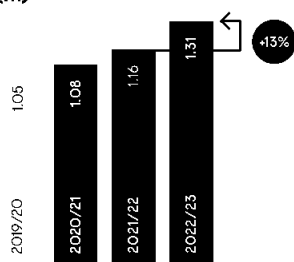
Strategy in Action: Monthly insurance

In the Nordics, our customers have so far only had the opportunity of purchasing fixed-period insurances when insuring their products (e.g. 12 or 24 months). As a first step in our 'Journey to Usership', we wanted to offer our customers the ability to buy insurances for their devices on a monthly basis, with full flexibility to self-service their contract and payment methods. In May 2022, this flexible service was launched on mobile phones as the first use case, and as part of the Back-to-School campaign the service was launched for other devices such as laptops and tablet. The flexible and recurring payment service has increased the adoption rates for these services, by around 60%, and helps Elkjøp steadily build a portfolio of recurring revenue.

Connectivity is a key Service

iD Mobile is our award winning mobile virtual network operator in the UK&I. In partnership with Three, iD Mobile offers a rounded proposition on customer value, flexibility and control. At the end of 2022, iD Mobile won two Trusted Review awards, for Best Value Network and Best Network for Roaming, and in 2023, it was recognised by Which? as a Great Value Network for our SIM only plans. This value has been recognised by consumers with subscriber numbers growing +13% to 1.3m active users, representing an important source of growing, recurring and predictable revenue.

iD Mobile subscribers (m)



Our progress

UK&I

- Credit adoption increased +440bps to 17.7%, well ahead of the 16% adoption we have targeted for 2023/24.
- 'TreviPay', our new B2B credit facility was rolled out.
- Introduced charging for all two-person deliveries. The average delivery, installation and recycling revenue on the 3m big box deliveries we do each year is now more than £10 higher than before we introduced this charge. We have been pleased to see that it has not had a detrimental impact on sales, customer satisfaction or adoption rate of our services.
- Currys started selling refurbished products through Currys website.
- Repair Live launch with CSAT trending at 4.8/5.

- Currys announced the signing of a new deal with Vodafone, extending their exclusive multi-year partnership, with a renewed focus on growing beyond mobile to include Home Broadband and the ever-expanding range of connected devices for around the home.
- iD Mobile, Currys' own mobile virtual network operator (MVNO), agreed a new multi-year extension deal to continue its partnership with Three.

Nordics

- Launched integrated financing services in the online channel together with our consumer financing bank partners in Norway, Sweden and Finland. This has been a successful change, contributing to +17% growth in financed sales.
- Also, we launched insurance for devices with monthly payment in all our markets.
- Started selling refurbished products; testing on big-box items as well.
- Introduced a new, high-quality calibration service for TVs.

Looking ahead

UK&I

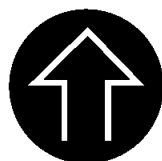
- Look to increase adoption rate of credit and other services, online and instore, through optimization of customer journeys.
- Continue to grow iD.
- Scale RepairLive and increase the volume of repairs resolved through this route, lowering costs of transporting products and generating quicker resolutions for customers. Extend to include TVs and In-home TV repairs.
- Salesforce Fusion platform into the CMC. Step forward in single view of customer.

Nordics

- Aims to increase financing sales even further by optimising the sales processes in stores.

Our Strategy Grow profits

We're doing a good job for colleagues and customers; we need to do the same for shareholders



Grow profits

We need to make more profit. More profit means we can invest more in colleagues and customers and make distributions to our shareholders. We have embedded growing profits at the heart of our strategy. Under our vision to help everyone enjoy amazing technology, we now have a Big Four priorities Capable & Committed Colleagues, Easy to Shop, Customers for Life and Grow Profits.

This reflects the need to raise margins and lower costs to grow profits. But we also need to continue to grow colleague engagement and customer satisfaction. The best businesses have happy colleagues and happy customers, which drives value for shareholders.



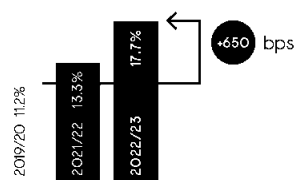


Gross margins

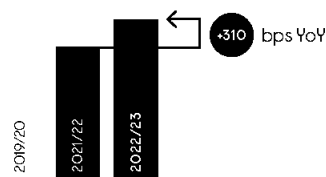
We're confident in sustaining our UK gross margin improvement and we expect to reverse the recent decline in the Nordics. We are focussed on four main areas to drive improved gross margins (the graphs below refer to UK&I):

1. Higher Services adoption

Credit adoption (%)

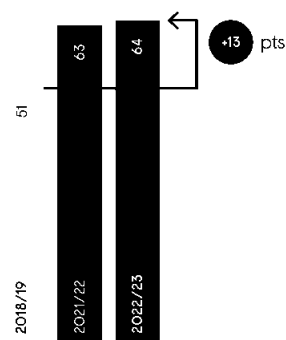


Care & Repair adoption (%)

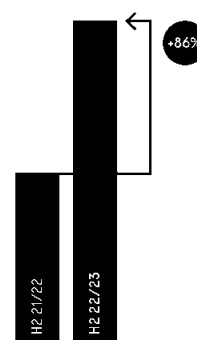


2. Monetising the improved customer experience

Delivery CSAT



Significant increase in Delivery, Installation & Recycling revenue per order



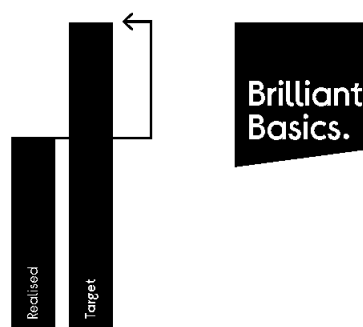
3. Not chasing less profitable sales

Monetising improved data & analytics

End-to-end profitability model

Improved marketing and promotional efficiency

4. Reduced supply chain and service operation costs



Brilliant Basics.

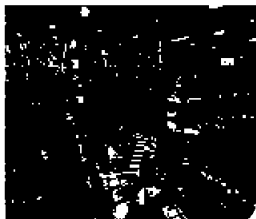
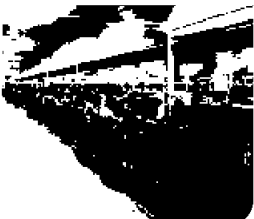
Our Strategy

Grow profits continued

Costs

We must take costs out of the business to reverse the impact of inflation and to increase our profits.

Our efforts are concentrated on four areas:

Supply chain	Stores	Goods not for resale	IT & Central
Getting our supply chain working as effectively as it possibly can be and also the outsourcing of our warehousing and logistics.	Retraining and multiskilling colleagues, removing tasks.	Retendering contracts and consolidating supply base.	Simplify processes, remove duplication and low value add, moved IT to the cloud.
			

Through these actions we are targeting £300m of annualised cost savings in the UK&I by the end of 2023/24. We had delivered £189m of this saving by the end of 2022/23.

Cost programme on track with £189m of £300m delivered

24 months cumulative to 29/04/2023

£m	Gross Margin	Combined Operating Expense	Total
Wages	(26)	(20)	(46)
Energy	(5)	(18)	(23)
Shipping costs	(15)	–	(15)
Other	(8)	(1)	(9)
Total Inflation	(54)	(39)	(93)
Business rates tax	–	(54)	(54)
Total cost headwinds	(54)	(93)	(147)
Supply chain	54	–	54
Stores	3	52	55
GNFR	3	8	11
IT & Central	–	56	56
Marketing	–	13	13
Total cost savings	60	129	189

Strategy in Action: Our partnership with Infosys

Infosys is a global leader in next-generation digital services and consulting. Our partnership with them commenced in July 2022, since then we have engaged Infosys to deliver a large range of activities across our business functions including IT, Data & Analytics, E-Commerce, Finance and Commercial, for our UK&I and Nordics businesses. This has involved moving 800 roles to Infosys so far, with significant potential to extend the partnership in the future. In time, we expect these actions to result in an annualised cost saving of over £15m, with £5m saving realised in 2022/23.

Infosys®



Our progress

Group

- Launched Global Business Services and strategic partnership with Infosys. The initial transfer of over 700 colleagues from the Brno office to Infosys took place in October 2022, alongside opening a new offshore delivery centre with Infosys in Pune, India.

UK&I

- Achieved total costs reductions of £42m, through Supply Chain efficiencies.
- Closed 8 UK stores at lease expiry and negotiated an average effective net rent reduction of more than 25% on 23 renewed leases.
- Focused on Right First Time to eliminate duplicate costs while improving the customer experience.
- Reduced store payroll costs by 14% while increasing customer facing hours by 10%.

Nordics

- In Nordics, our strong cost control, particularly in IT expenditure, has allowed us to offset inflationary increases of £(28)m and a further £(16)m of costs related to new stores. Savings were spread across several areas including marketing, store and head office payroll, IT expenditure and consultant fees. These actions will see around £25m of costs permanently removed from the business.
- Deepen relationship with Infosys
- Continue to focus on four major drivers of gross margin:
 - Adoption of credit and services.
 - Monetisation of improved customer experience.
 - Better analytics.
 - Supply chain and service operation cost savings.

Looking ahead

Group

- Deepen relationship with Infosys.
- Continue to focus on four major drivers of gross margin:
 - Higher services adoption.
 - Monetisation of improved customer experience.
 - Using data and analytics to reduce mix of less profitable sales.

Nordics

- We will close unprofitable stores.
- Deliver cost savings through:
 - Central:** Headcount reduction, offshoring and contractor removal.
 - IT:** Group CIO – procurement and synergies.
 - GNFR:** Consolidation and renegotiation with suppliers.
 - Stores:** Multiskilling colleagues for efficiency, lease renewals, store closures.
 - Marketing:** Reduction and optimisation.

UK&I

- Deliver our £300m costs saving target.

Our Stakeholders

Section 172 statement

This report sets out the Company's approach to stakeholder management.

Section 172(1) of the Companies Act 2006 requires each director to act in the way he or she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to the:

- likely consequences of any decisions in the long term;
- interests of the Company's employees;
- need to foster the Company's business relationships with suppliers, customers and others;

- impact of the Company's operations on the community and environment;
- desirability of the Company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the Company.

This statement explains how the Board has embedded stakeholder considerations and the duties of each of the directors under s172(1) into its decision-making more broadly, includes two case studies and details, for each of the Company's key

stakeholder groups, the matters that the Board considered during the year, including how decisions were reached and those stakeholder considerations which were central to discussions and outcomes.

There are different processes across the business to ensure stakeholder considerations are embedded into the Group's decision-making. The Board has identified its key stakeholder groups as being: (1) customers, (2) colleagues, (3) shareholders, (4) suppliers and partners, and (5) communities and environment.

How the Board gain feedback on stakeholder views and consider stakeholder interests in decision-making

Director context	Understanding stakeholder interests	Board decisions
The Group's purpose is embodied in its vision – We help everyone enjoy amazing technology, setting the overall context for the Company and the Board. The Company's values are embedded across the business, set out in the Colleague Code of Conduct and are described on page 19. At the heart of these values is a commitment to run a business which complies with all applicable laws and regulations while keeping colleagues and customers safe, respecting the diversity and dignity of everyone we interact with, protecting the business assets and reputation and delivering value for our stakeholders.	Non-executive directors receive stakeholder feedback and insights both through their direct access to the Group's key stakeholder groups and through regular reports from the management team, including weekly updates on customers including customer satisfaction metrics and comments.	Directors receive a briefing on s172(1) duties as part of their induction programme.
A clear corporate governance structure is in place which, together with the Group's Delegation of Authority Policy, ensures that business decisions are made by the appropriate people and in the appropriate forum (in accordance with the terms of reference of that forum).	Directors meet colleagues from a range of areas of the business during offsite Board meetings and store visits and receive colleague engagement survey results, and a non-executive director attends the International Colleague Forum, while another non-executive director attends the Leadership Inclusion Forum.	The pre-read for each Board and committee meeting includes, for reference, a summary of section 172(1) responsibilities immediately after the meeting agenda.
The Board acknowledges that decisions made will not necessarily result in a positive outcome for every stakeholder group. By considering the Group's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, the Board does, however, aim to make sure that all decisions are considered and made following reflection across a broader view of stakeholder considerations.	All Board members are available to meet with shareholders on request and several meetings including non-executive directors have taken place in the year. The Board receives an update from the Investor Relations team including shareholder feedback at every meeting and periodically meets with the Company's brokers.	To ensure that the impact on stakeholders is duly considered, Board and committee decision paper templates include fields for papers' authors to include an impact assessment on each stakeholder group.
	The Group Chief Executive's report at each Board meeting includes key updates on suppliers and partners, and the Group Chief Executive participates in key meetings with the Group's main suppliers.	The Chair of the Board ensures that stakeholder considerations are sufficiently discussed during Board decision-making in meetings.
	The Board has received training on the management of climate risks. Non-executive directors meet with management to discuss environment and communities topics at the new Environment, Social and Governance (ESG) Committee.	The Board challenges whether any decision made is the 'right thing to do' to ensure a fair long-term outcome for all stakeholders including relationships the Company has with external bodies and the impact on the communities the Group operates in.

CASE STUDY:

Strategic partnership decision

During the year, the Board approved entering into a strategic partnership with Infosys for the design and delivery of a next-generation Global Business Services operational capability for the UK & Ireland and Nordics.

The Board considered the impact on **our customers** and the customer experience. Customer contact roles were not involved in this change but the collaboration with Infosys gives the Group access to world-class technology, systems, and digital operations across the UK, Europe and India which support colleagues in meeting customer expectations.

The Board challenged the possible impacts of this partnership on **our colleagues**. The directors received assurance that Group colleagues based in Bmo would be offered new roles in Infosys' operations, including roles in which they would continue to support the Currys and Elkjøp operational teams. Colleagues were supported through the changes including townhall briefings, onboarding sessions and other support.

The directors agreed that **our suppliers and partners** would also benefit from access to next-generation digital services, enhanced operational capabilities and efficiency improvements which the Group would derive from the partnership with Infosys.

The Board challenged the possible impacts on **our communities and environment** and sought assurance that the partnership with Infosys would enable the delivery of the Group's ESG commitments, in particular the delivery of emissions targets.

The Board considered the impact of the partnership on **our shareholders**. The partnership would deliver cost efficiencies, help accelerate profitable growth of their business across key UK and European markets and provide competitive advantage for the Group.

The Board considered the impact of the partnership on **our shareholders**. The partnership would deliver cost efficiencies, help accelerate profitable growth of their business across key UK and European markets and provide competitive advantage for the Group.

CASE STUDY:

ESG Governance

During the year, the Board decided to establish an ESG Committee of the Board to lead the new governance framework for ESG in the Currys Group.

The remit of the ESG Committee includes the approval of the Group's ESG strategy, oversight of the delivery of this strategy by the Group Sustainability Leadership Team ('GSLT') and oversight of the management of ESG risks and opportunities.

The Board considered this change carefully and in the context of the Company's main stakeholder groups.

The Board considered the needs and expectations of **our customers** and in particular the appetite customers have for products and companies that have a lower impact on the environment and play a positive role in communities. The establishment of a committee of the Board would help elevate the profile of the Company's existing ESG agenda and activities, including offering customers products that help them save energy, reduce waste and save water, and the charitable partnerships in place to bring the benefits of amazing technology to those who might otherwise be excluded.

The Board agreed that increasing director focus and involvement in ESG matters would benefit **our colleagues** by demonstrating the importance of ESG to the Group's business and supporting the engagement and cross-Group collaboration of colleagues throughout our Supply Chain, Service Operations, Commercial and other teams, to deliver ESG goals.

The Board considered feedback from **our shareholders** including the increased interest in the ESG credentials of the business and the external recognition for climate-related efforts, including the Company's A- rating by CDP. The ESG Committee members would have valuable insights into shareholder perspectives and expectations and the Committee would help demonstrate the importance of ESG matters to the Group and support communication with investors on ESG topics.

The delivery of the ESG strategic priorities – growing our circular business models, achieving net zero emissions by 2040, and helping eradicate digital poverty – requires working closely with **our suppliers and**

partners to reduce the environmental impact of products sold and the operation of the supply chain. The independent oversight and contribution of the ESG Committee in challenging then sponsoring the ESG strategy, goals and key performance indicators would help suppliers and partners have confidence in the Group's ESG commitments.

The Board considered the social purpose at the centre of the vision – We help everyone enjoy amazing technology – and the important role for the Group to play for **our communities and environment** by providing technology to help people stay connected, productive, healthy, and entertained while giving technology a longer life through repair, recycling and reuse, and reducing the Group's impact on the environment including achieving net zero emissions by 2040.

Further information on the new ESG Committee is on page 123. The Sustainable Business report is on pages 40 to 63.



Our stakeholders continued

How we engage	Stakeholder focus	How we engaged in 2022/23
Our customers		
• In store • Online • ShopLive • Customer app • Customer centres • Email • Post-sales survey • Social media • Customer insight work including focus groups	• Product availability • Product range • Product value and affordability • Product sustainability and ethical sourcing • Customer journey experience • Services and Credit • Advice and support • Choice of how to purchase; online or in store • Seamless delivery experience	• UK stores introduced 'Quiet Hour' during the year to make stores more accessible for neurodiverse customers. This change was part of the Group's commitment to diversity and inclusion. Store colleagues have reported very positive feedback from customers. • In the Nordics we collaborated with Microsoft (who own the video game, Minecraft) on an initiative that rewards customers that are Minecraft players with in-game currency, Minecoins, for returning their e-waste to their nearest Elkjøp, Elgiganten or Gigantti store for recycling.
Our colleagues		
• Intranet • Emails • Executive Committee interactive videocalls and site visits • Team meetings • Meetings with line manager • Colleague surveys • Events including annual Peak event in the UK & Ireland and the Kampus event in the Nordics • Training at The Academy@Fort Dunlop • UK & Ireland and International Colleague Forums • Leadership Inclusion Forum	• Company culture and values • Well-being • Reward • Benefits • Flexible working • Health and safety • Training and development • Inclusion and diversity • Company social purpose and sustainability	• New store-based colleagues who join the business in the UK attend a training event at The Academy@Fort Dunlop centre before they start work serving customers in stores. Similar training is also provided in the Nordics and Greece. A separate induction programme is in place for corporate colleagues. • Regular colleague surveys are used to seek feedback which is then shared with the Board and used in decision-making. Surveys seek feedback on a range of issues and during the year topics included ways of working, diversity and inclusion, environment and communities. During the year, the Nordics and UK & Ireland used the same engagement survey for the first time. • Hourly paid store colleagues in the UK received pay increases during the year. Minimum hourly rates increased by 17% and this change benefited almost 10,000 colleagues.
Our communities and environment		
• Surveys, forums and web platforms • Website • Annual reports • Social media • Engagement meetings • Charity and supplier partnerships • Multi-stakeholder collaborations	• We help everyone enjoy amazing technology • Being a responsible contributor to society • Being a good employer • Having sustainable business practices • Minimising impact to the environment and addressing climate change	• An ESG Committee was established as a committee of the Board during the year to increase the focus and profile of ESG activities in the Group for internal and external stakeholders and our communities. More information is available on page 123. • The Company has a Sustainable Business team which oversees the Group's charitable partnerships and environment initiatives including engagement with these external stakeholders.
Our shareholders		
• Results announcements and presentations • Annual report and accounts • Annual general meeting • Investor roadshows • Shareholder meetings • Company website • Registrar contact • Consultation with major shareholders on key topics	• Ensuring the long-term sustainable future of the business • Financial and share price performance • Dividend policy and capital allocation • Current trading • Business strategy and vision • Director remuneration • Shareholder communications and engagement • ESG issues	• The Chair met with many of the Group's largest shareholders as part of his induction to better understand shareholder views and expectations, and shared feedback with the Board. • Following the Remuneration Policy receiving less than 80% support at the Company's annual general meeting in 2022, the Chair of the Remuneration Committee oversaw the process to consult with the shareholders representing 67% of the Company's issued share capital. The post-employment shareholding requirement for executive directors was amended following consideration of shareholder feedback.
Our suppliers and partners		
• Formal engagement strategy including regular visits and meetings • Supplier relationship management team • Supplier questionnaires • Due diligence process for new suppliers	• Strong customer demand • Good collaboration and communications • Reliability • Value • Health and safety • Compliance • Sustainability and ethical sourcing	• The Board receives regular feedback on substantive supplier and partner matters via the Group Chief Executive and the Chief Commercial Officer including a UK & Ireland Commercial deep dive in September 2022. • The Group Chief Executive participates in regular meetings with the Group's largest suppliers and partners and receives regular updates on all suppliers and partners from the Chief Commercial Officer.



How we engaged in 2022/23

- The Board receives an update on **customer** satisfaction metrics each week. Root cause analysis is carried out to understand and resolve any concerning trends. A Voice of the Customer dashboard is in place for the UK & Ireland. Nordics and Greece have a separate 'HappyorNot' satisfaction measure.
- Key **customer** issues are included in the Group Chief Executive's report at each Board meeting.
- Verbatim customer feedback is captured from thousands of customers each week to gain insights and help the business better understand **customer** expectations and concerns. Machine learning and AI solutions are used to quantify the sentiment of the comments. This information is reviewed internally and used to generate improvements to the customer experience.

- Directors visit stores and meet **colleagues** in person. The Board visited Stockholm for the October 2022 Board meeting and the Birmingham store for the March 2023 Board meeting. These visits included meeting many **colleagues** and receiving deep dive updates on the Nordics business and on the UK strategy for stores and Services.
- **Colleagues** that draft Board and committee papers include their contact details on papers submitted to the directors and directors frequently contact them directly when they have queries on papers or would like further detail.
- **Colleagues** have online access to all HR policies and guidance and a 'Well-being Corner' intranet site provides support and resources for mental, financial and physical well-being.
- The annual UK & Ireland Peak event was held in person during October 2022 to provide colleagues with strategic updates from the Executive Committee members and training.
- A central International Colleague Forum is in place as a single listening and engagement forum for all **colleagues**. Tony DeNunzio, the Deputy Chair and Senior Independent Director, attends these meetings with the Chief People, Communications and Sustainability Officer, Paula Coughlan. Non-executive directors met privately with representatives from the International Colleague Forum in January 2023 to receive direct feedback on current topics of interest and priorities for **colleagues**.

- The Company has achieved external recognition for sustainability activities in our **communities** including being awarded an A-, by global **environmental** non-profit CDP, for its leadership in corporate sustainability in tackling climate change.
- The Company continued to work with suppliers, partners and industry bodies to help drive industry action to improve its use of resources and create circular business models through design, repair, recycling and reuse. The Company is a member of the Circular Electronics Partnership, who maximise the value of components, products and materials throughout their lifecycle.
- As a founding member of the Digital Poverty Alliance (DPA) including a £1m donation to fund the first project, the Company has worked with the DPA during the year to lead sustainable action against digital poverty in our **communities**.

- The Board receives updates from the Investor Relations team at every Board meeting. These include updates on any material changes to the composition of the **shareholder** register, a summary of investor interactions that have taken place during the period including investor questions and topics discussed.
- The Investor Relations team manages a programme of regular meetings with the top 15 **shareholders** and most of these meetings are also attended by at least one Board director. For other **shareholders**, the primary point of contact is the Company's registrar, although any matters can be escalated to either the Investor Relations or Company Secretariat teams as appropriate.
- The Board receives updates from the Company's Brokers periodically and these include shareholder feedback and market sentiment. The Board last received an update from its Brokers in January 2023.

- The Commercial team put in place a formal engagement strategy with each large **supplier and partner**. This strategy is customised in each case but includes regular meetings and calls between the Group Chief Executive and his counterpart at the supplier company and between the Chief Commercial Officer and his counterpart. This is supported by a team of colleagues engaging regularly to assess progress against agreed business plans.
- A suite of policies and standards are in place to ensure that **suppliers and partners** adhere to high ethical standards including prevention of modern slavery and anti-bribery. More information on this is available in the Sustainable business report on page 62.

Future priorities

- Continue to improve the **customer** experience and build more **customers** for life by using data to build more valuable relationships and by growing Services.
- Support **customers** through cost-of-living pressures by competitive pricing and giving them access to responsible credit.
- Respond to **customers'** ever-increasing concerns on sustainability.

- Continue to build on high **colleague** engagement scores.
- Continue to upgrade the tools and information available to **colleagues** (including on the Colleague Hub) to enable even more effective conversations with customers.
- Support **colleagues** through cost-of-living pressures including guidance and tools such as the rollout of Champion Health support from the Company's well-being partner.

- Continue to deliver under the three ESG strategic priorities in our **communities**: growing our circular business models, achieving net zero emissions by 2040, and helping eradicate digital poverty.
- Continue to partner with external bodies to support the delivery of the strategic objectives including the DPA in the UK, partnerships in Nordics that fight digital exclusion and the Second Home initiative in Greece.

- Continue regular engagement with **shareholders**.
- Enhance disclosures in annual reports and accounts and on the Company's website to provide more information on topics of most interest to **shareholders** including ESG matters.

- Collaborate with **suppliers and partners** to drive shared ESG goals including minimising the Group's impact on the environment.
- Continue to maintain healthy reciprocal relationships that benefit each of the stakeholder groups.

Sustainable business Our approach

Our vision, to help everyone enjoy amazing technology, has a powerful social purpose at its heart. We believe in the power of technology to improve lives, help people stay connected, productive, fed, clean, healthy and entertained. We're here to help everyone enjoy those benefits and with our scale and expertise we are uniquely placed to do so.

At Currys we're fully committed to operating a responsible business. We talk to our stakeholders about their expectations, we search out best practice and we reflect these in the decisions we make.

Identifying our material issues

A wide range of sustainability issues can create risks and opportunities for Currys. Our Sustainability and Social Impact strategy reflects those issues that are most important for our business, our stakeholders and our value chain. Our stakeholder engagement activities help us to identify the issues which are most material. See pages 36–39.

In 2021/22 we reviewed our strategy and the extent to which it remained fit for purpose. This review included:

- Considering our performance on key sustainability issues, the connection between our strategy and our Group vision and the capabilities of our organisation.

- An analysis of questions asked by investors, both through questionnaires and direct engagement.
- Gauging colleague views on our approach to sustainability and reviewing customer insight.
- Benchmarking and competitor analysis over both the strategy and specific areas of focus.
- Conducting horizon scanning on the external context for macro trends as well as disruption and innovation examples in the marketplace.

We determined our most material issues by considering how important the issues that emerged from this analysis were to our stakeholders and how significant an impact they could have on our business. As a result of this review, we identified three material issues and communicated three strategic priorities for the Group in November 2021:

- We will improve our use of resources and create circular business models.
- We will help eradicate digital poverty.
- We will achieve net zero emissions by 2040.

We will drive meaningful difference through long-term objectives. Over the last financial year, we have developed the detailed plans that underpin each objective. In particular, we have increased our focus and embedded activity across the Group to amplify and bring to market new ways to help customers give their technology a longer life through trade-in, protection, repair, and recycling – a proposition the Group is uniquely positioned to offer. A proposition that is attractive to customers and positions the Group as a long-term sustainable business.

We report our progress against our material issues alongside updates on how our work is underpinned by a strong foundation of responsible sourcing, corporate governance and being a good employer.

Our priorities





Governance

During the financial year, the Board established the Environment, Social and Governance ('ESG') Committee of the Board to approve the Group's ESG strategy and oversee the delivery of it and the management of ESG risks and opportunities. The ESG Committee is comprised of three non-executive directors of the Board. Read more about the Committee on page 123.

Our strategy is driven and delivered by our colleagues – subject matter experts that are fully integrated across our business. Their work is coordinated by the Director of Group Sustainability and overseen by the Group Sustainability Leadership Team ('GSLT'). Chaired by Executive Committee member, Paula Coughlan, our Chief People, Communications and Sustainability Officer, the GSLT sets the Group's Sustainability and Social Impact strategy and recommends it to the Board for approval.

The GSLT also set and oversee the delivery of the Group's sustainability objectives and key performance indicators ('KPIs') including oversight of the management of ESG risks. They review and submit progress to the Executive Committee and ESG Committee.

Risk

The business has a systematic approach to ESG risk management. Our approach has been benchmarked against other leading organisations. Details on our principal risk relating to sustainability and our emerging risk on climate change is available on pages 70 and 72. These are monitored by the ESG Committee and the Executive Committee, with the aim of better managing the broad spectrum of ESG risks.

The ESG Committee, supported by the GSLT, regularly assess and quantify ESG risks (including identifying any new and emerging risks) and recommend to the Board and Audit Committee any changes required to those risks already identified. We look to ensure our ESG risk assessment and classification remains appropriate and suitable for our business.

Our performance

We make it easy to understand our progress. We set clear targets and commitments and report on progress and performance.

We're serious about our responsibilities and want to inspire more engaged colleagues and build a business investors feel good about investing in. Environmental targets continue to feature in our annual bonus scorecard with metrics on e-waste collection volumes (5%) and progress to net zero emissions (Scope 1 and 2) (5%). Read more about our remuneration on page 143.



→ Read more about governance at Currys, www.currysplc.com/about-us/governance/

→ Read the terms of reference for the ESG Committee, www.currysplc.com/media/hn5iq3oz/esg-committee-tor-october-2022.pdf

TCFD

→ Read our TCFD disclosures on pages 48–56.

Our priorities

→ Read more about our sustainability priorities, achievements and next steps on pages 42–43.

Policy

→ Details of our sustainability policies and standards, which are reviewed regularly, can be viewed on our website, www.currysplc.com

Tax

→ Read our Tax strategy on our website, www.currysplc.com

Our achievements

We're proud of our achievements. Our performance has been recognised in a number of ratings and assessments of our business, including:

- We continue to respond to the CDP questionnaire on Climate Change, demonstrating our continued commitment to identifying, assessing and managing climate-related risks and opportunities across the Group. In 2022, we achieved an 'A-' score.
- We rose to 8th place in the Financial Times ('FT') annual 'Climate Leaders Rankings', becoming the highest ranked UK retailer in a list of 500 European companies.
- As of 21 March 2023, Currys performed in the top quartile in the RTS Retailing industry in the S&P Global Corporate Sustainability Assessment with a score of 43 reflecting an improvement of 11 points over the last year.
- During the financial year we maintained our score in the MSCI ESG Ratings assessment, having achieved a BBB in July 2022.
- Currys received an ESG Risk Rating of 12.7 in April 2023 and was assessed by Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. They assessed our management of ESG Material Risk as 'Strong'.
- In June 2023, our progress was recognised with our repeated inclusion in the FTSE4Good UK Index.

Sustainable business Our priorities and achievements

Our Sustainability and Social Impact strategy is proposed by our Group Chief Executive and approved by our ESG Committee. Our strategy reflects those issues that are most important for our business, our stakeholders and our value chain.

Our material issues	What we do	Link to UN Sustainable Development Goals
Circular economy Objective: We will improve our use of resources and create circular business models.	- We are a leader in extending the life of technology through repair, recycling and reuse. - We work together with manufacturers and suppliers to offer customers more efficient and responsibly sourced products.	  

→ Read about our focus on circular economy on pages 44-47.

Climate change Objective: We will achieve net zero⁽¹⁾ by 2040.	- We are reducing our impact on the environment not only through the energy and resources used by our operations, but also in our wider value chain. - We report our energy and greenhouse gas ('GHG') emissions publicly, respond to the CDP questionnaire on Climate Change and support the Task Force on Climate-related Financial Disclosures ('TCFD') and its recommendations.	 
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→ Read about our focus on climate change on pages 48-56.

Our communities Objective: We will help eradicate digital poverty.	- We bring technology to everyone everyday. - We partner with charitable organisations to bring the benefits of amazing technology to those who might otherwise be excluded.	  
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→ Read about our communities on pages 57-61.

Assurance

→ We engaged KPMG LLP to undertake independent limited assurance under ISAE (UK) 3000 and ISAE 3410 for selected energy consumption, e-waste and Scope 1 and 2 GHG emissions which have been highlighted with an *. KPMG LLP's assurance opinion is qualified in respect of Scope 2 Market and Location Based emissions. KPMG LLP also assured selected data in 2021/22. For more details of the scope of their work, please refer to their assurance opinion on our website, www.currysplc.com/sustainable-business/policies-disclosures

(1) Net zero is defined in the Glossary and definitions section on page 244.



What we did this year

- Improved our pre-loved offering, with Elkjøp Norway selling refurbished white goods and Currys in the UK trialling selling pre-owned mobiles, laptops and Chromebooks.
- Expanded our e-waste collection services with Cash for Trash and Currys Collects in the UK & Ireland, Elkjøp and Microsoft's award-winning collaboration Urban Miner, and collections increasing by 55% in Greece in part due to a government subsidy programme.
- In the UK we introduced trade-in promotions on a wider range of categories including TV and small domestic appliances.
- Contributed to the Circular Electronics Partnership's (CEP) Roadmap review and action plans, and supported the design of a pilot to increase the takeback of electronics.

Achievements

103k*
tonnes e-waste collected across our Group for reuse or recycling

1.3m
repairs across our Group to keep tech working

14m
active care services and tech insurance plans across the Group

What we will do next

- Continue to build on our UK & Ireland Cash for Trash plans and explore ways to make it even easier for customers to recycle their tech with us.
- Focus on our trade-in offer, improving our capabilities, our offer and making the journey even easier for customers – including further proof of concepts.
- Review findings from our refurbished proof of concept trial and explore options of scaling this in the UK & Ireland.
- We will report e-waste as the number of units collected across the Group.

- Contributed to the Net Zero Review by Chris Skidmore and the UK Department for Business, Energy & Industrial Strategy.
- Prepared disclosures of the risks and opportunities faced by Currys over the short, medium and long-term.
- Continued to take steps to reduce emissions by trialling electric and low carbon heating systems and installing solar panels on vans.
- Introduced a new cross functional, Group-wide working group to develop and enhance our approach to reducing Scope 3 emissions.

A-
Currys' score for climate change in CDP

8th
Currys' position in the Financial Times annual Climate Leaders Rankings

18%
year-on-year reduction in Scope 1, 2 and 3 emissions

- Continue to increase our disclosure and publish a net zero roadmap and climate transition plan.
- Formalise our current TCFD working group into a TCFD Steering Committee.
- Assess the impact of key climate risks and opportunities of our supply chains.
- Continue to fit solar panels on new vans being delivered for use in the UK, learn from trials and increase the proportion of electric or alternative fuelled vehicles.
- Work with key suppliers to establish a best practice model and approach to Scope 3 emissions, sharing this across our supply chain.

- Worked with the Digital Poverty Alliance (DPA) to launch Tech4Families to support vulnerable families in need with life changing access to technology.
- Raised awareness and understanding of digital poverty through fundraising, surveys, in-store displays and speaking at fringe events at the party conferences in the UK in autumn 2022.
- Continued to support people to enjoy amazing technology through our Good Deed Day, relaunching our Kotsovolos Second Home programme and The Elkjøp Foundation.
- Established Group Social Impact Principles.
- Provided humanitarian aid through the Red Cross.

1,600
Kotsovolos colleagues organised and participated in 45 different projects for Good Deed Day

2
On average, each day we raise enough money in the UK to provide two families with a much needed device through Tech4Families

- Continue to raise awareness of digital poverty.
- Continue our work as a founding partner of the DPA.
- Expand Tech4Families into Northern Ireland and other areas identified by the DPA as having high levels of digital poverty.
- Continue to identify opportunities to support people to enjoy amazing technology through our annual Techno Trouble survey and the work of The Elkjøp Foundation.

Approach

- Read more about our approach on pages 40–41.



UN Sustainable Development Goals

- Read more about the 17 UN Sustainable Development Goals at: www.undp.org/sustainable-development-goals

Sustainable business Circular economy

We will improve our use of resources and create circular business models

Our relationship with tech needs to change and as the #1 tech retailer in all the markets we operate in, we're uniquely placed to lead the way in changing this relationship. We believe there's a far better way – better for customers, better for us, better for communities and better for the planet. And that better way is to give technology a longer life.

We all love new technology and want to feel good about buying a new piece of kit. But we also know that electronic waste is the world's fastest growing waste stream and is expected to grow to nearly 75 million tonnes by 2030. We have to face facts: we can't keep throwing stuff away.

At Currys, we don't just sell amazing technology; we save it too. It's not just good for the planet, it's also great for your pocket. For example, our UK & Ireland 'Cash for Trash' campaign encourages Brits to give Currys their unwanted tech in return for a £5 voucher.

As the leading technology retailer in all our markets, with the ability to serve customers in-store and online, we are in a prime position to make a difference and help our customers extend the life of their tech. So, here's how we're doing it at every stage of the product's life.

When you buy amazing technology

Expert face-to-face help is at the heart of why customers shop with us, and our colleagues are passionate about helping customers buy new technology and make decisions that are right for them. And for the planet.

We know our customers are looking to reduce their impact on the environment, and it's our job to make that easier. We help customers make more sustainable buying decisions. From energy efficient washing machines and ovens to water efficient dishwashers, we're working hard with our customers and suppliers to help everyone make better choices.

As part of our move towards circular business models Currys and Elkjøp have started selling refurbished tech through their online platforms. Elkjøp Norway have focused on selling refurbished white goods through their online platform in partnership with Norsk Ombruk. These are products Norsk Ombruk collect at Elkjøp stores, refurbish and prepare for a second life. Meanwhile Currys in the UK trialled selling pre-owned mobiles, laptops and Chromebooks with 80% of refurbished product lines sold-out within a week of being on sale. We sold more than 4,700 items in our refurbished tech trial on www.currys.co.uk.

When customers buy our amazing technology, we can help protect it from day one with our range of care services and tech insurance plans. Customers want to enjoy technology and that's why, through our care services and tech insurance plans, 14 million of our customers are getting peace of mind and giving their new technology longer life. This year we launched tech insurance in the UK. Our plans are a promise that we'll help customers give technology longer life if something goes wrong.





We welcome the European Commission's proposal on the Right to Repair and believe we are in a good position to meet the increased attention on repair services due to our repair capabilities through repair centres and service points in our stores."

Dean Kramer
Services Director

When you need help to repair it

Our care services and tech insurance plans are a promise that we'll help you give your technology longer life if something goes wrong. And we're delivering on that promise.

We've been repairing tech since the 80s. Last year, we made 1.3 million repairs across the Currys Group.

We have over 1,200 skilled colleagues working to giving tech longer life in the UK & Ireland, 999 of whom work in Europe's largest repair lab, our Customer Repair Centre in Newark. This year we've completed over 380,000 customer repairs in Newark and our 223 field engineers carried out over 225,000 repairs in home. 83% of those were completed on the first visit, up from 78% in 2021/22. Further, we launched RepairLive, an on demand speedy repair service, available via video call for laptops and TVs. Our repair experts help customers identify the cause of a fault, undertake DIY fixes and assist with arranging a repair. The team conducted over 10,000 video calls with customers in their first year, with almost half of the issues being resolved during the call, avoiding the need for a return. The initiative picked up the Retail Week Award for 'game-changing customer service' in March 2023.

Kotsovolos operate a 32,000 sq ft repair centre, a 13,000 sq ft spare parts warehouse and 58 service points in Greece. In 2022/23 more than 170,000 services were carried out at service points, in customers' homes and at our repair centre to give tech products longer life.

Elkjøp have repair centres, Elcare, that employ 268 skilled repairers in Norway, Sweden and Finland, with support specialists in over 400 stores.

We continue to explore how we can minimise the environmental impact of our repair operations. In the UK & Ireland we have repaired rather than replaced 24,000 parts, with the largest categories of activity being large screen TVs and computing. This reduces the requirement for new parts and e-waste, whilst saving over £2m in the process.

We have also continued our parts harvesting programme, taking useful parts for reuse from products that are no longer fully functional or economical to repair. We use the latest parts demand data to drive our harvesting requirements, which enables us to maximise the value of this activity. We have harvested 138,000 spare parts in 2022/23 in the UK, and to demonstrate how effective this can be, 16% of all parts used to repair customer TVs in 2022/23 were sourced through our harvesting initiative. A similar operation in Greece saw Kotsovolos harvest 19,500 spare parts from products.

We recognise that making repairs a natural choice requires convenience, competitive pricing and communicating the services available. Elkjøp have increased their focus on communicating their repair services, for example in-store signage encourages customers to consider "Can it be repaired instead of replaced?".

As well as providing repair services, Currys and Elkjøp also make spare parts available to customers via online platforms.

When you're ready for something new

Trade-in is the bridge between old and new tech. When you want to upgrade, we do it in a way that's good for your pocket by using the trade-in value to make sure your new technology is more affordable. We'll also give it longer life in a different form to somebody else. We'll try to refurbish and reuse the tech. We can sell it second hand or we'll donate it to those who need it most.

We have increased our focus on trade-in, where we offer gift cards or money for old devices. In the UK we're now offering trade-in promotions on a wider range of categories including TV and small domestic appliances. 108,000 products have been traded-in, with an average value of £130 being given to customers this year.

Whilst not yet available in Greece and Cyprus, our Kotsovolos team plan to introduce trade-in services to promote more circular business initiatives in the near future.

When we can, we repair and refurbish products to support local causes and low-income families. In the UK & Ireland we provided thousands of products for reuse last year. This was achieved through our partnership with the Reuse Network and the charities and social enterprises they support across the UK. This helped 9,311 low-income households save £1.75m in 2022/23. And through our work with the UK's largest independent recycler of e-waste and provider of reuse, Environcom, we have supported major UK charities with 4,039 refurbished white goods. We also provided refurbished items to specific causes, including those in need via our Tech4Families programme.

Sustainable business Circular economy continued

It's not just in the UK & Ireland that we're making a difference, either. Through the 'Second Home' programme in our Kotsovolos stores, more than 1,000 refurbished appliances have been distributed to families in need since 2017. This means our customers can enjoy our amazing technology even more, in the knowledge that they are using a product that is good for their pocket and better for the planet, and that can be enjoyed again by others. Read more on page 60.

When it's reached the end of life

We want everyone to bring their old or unwanted tech into our stores to be reused or recycled for free – whether they bought it from us or not. If we can't reuse it, then we can harvest the parts which can be put to good use by our amazing repair colleagues in our repair labs. Or we can recycle it.

Currys have worked on responsible recycling for many years. We provide free in-store drop off and collect our customers' unwanted electrical equipment and small electrical appliances for recycling when we deliver their new technology. We currently collect more than 100,000 tonnes of used tech for reuse or recycling every year across our Group – that's more than the combined weight of 50,000 London black cabs. In 2022/23 102,576* tonnes of e-waste were collected for reuse and recycling across our Group, meeting our bonus scorecard target for the year, with Kotsovolos also winning two gold awards for their achievements in this area.

We're proud of our achievements but we know there is more to do. In the Environmental Audit Committee's Electronic Waste and the Circular Economy report, it states that the UK is one of the world's largest producers of e-waste, with 23.9kg generated on average, per person, and that there are 190,000 tonnes, equivalent to 527 million small, old, unused electrical items, hoarded by UK households. New research undertaken by Currys this year found that over 50% of Brits bin their redundant tech products when they buy upgraded products. In order to incentivise recycling of e-waste we trialled a programme in the UK & Ireland, Cash for Trash; our first ever scheme that

rewarded customers with £5 for old and unwanted tech that they recycled with us. Following success of the trials, in January this year Cash for Trash was made a permanent feature, meaning any customer can head into their local store and hand in any tech, from keyboards to kettles, to receive a £5 voucher that they can then use in-store or online. The programme was also expanded with customers now also able to receive 'Cash for Trash' vouchers at home when Currys delivers a new appliance and the customer gives back any redundant products.

Currys also piloted a new collection service, Currys Collects, with experts on hand at drop-in sessions to raise awareness on how to recycle old tech correctly. The pilot in Bradford in the UK saw a Currys Collects electric van driving around the city collecting unwanted tech from people's front doors. The van was also parked up at the local community centre, Community Works, for drop-in sessions where experts answered questions people had, whilst collecting tech in exchange for £5 Cash for Trash vouchers.

We've also been working to incentivise recycling in the Nordics too. By combining the need for electronics recycling with the world's most played computer game, Minecraft, Elkjøp and Microsoft created Urban Miner. The campaign reached millions of people through social media and led to more than 17 tonnes of old gadgets being collected for recycling.

Collaborating with others

Giving technology longer life shows how purpose and profit can – and must – go hand in hand. We're doing the right thing and making a profit – and that means we're in it for the long-run. We're leading the way in changing everyone's relationship with tech for the better.

We are helping to accelerate industry change by working with others. We have continued our membership of the Circular Electronics Partnership ('CEP') which brings together experts, business leaders and global organisations to set a vision and roadmap to a circular economy for electronics by 2030. We've contributed to the roadmap review and action plans, and have supported the design of a pilot to increase the takeback of electronics.

Looking ahead

Key activities that we will focus on in the coming year include:

- Continuing to build on our UK & Ireland Cash for Trash plans and explore ways to make it even easier for customers to recycle their tech with us.
- Focusing on our trade-in offer, improving our capabilities, our offer and making the journey even easier for customers – including further proof of concepts.
- Reviewing findings from our refurbished proof of concept trial and explore options of scaling this.



* We engaged KPMG LLP to undertake independent limited assurance under ISAE (UK) 3000 and ISAE 3410 for selected energy consumption, e-waste and Scope 1 and 2 GHG emissions which have been highlighted with an *. KPMG LLP's assurance opinion is qualified in respect of Scope 2 Market and Location Based emissions. For more details of the scope of their work, please refer to their assurance opinion on www.currysplc.com/sustainable-business/policies-disclosures.



Key facts

72

the average number of elements a smartphone requires that are found in the periodic table – reusing technology reduces the need to mine for new sources of materials such as magnesium, cobalt, tungsten and rare minerals

75m

number of tonnes e-waste is expected to grow to globally by 2030

18k+

products made available for reuse across our Group

1.3m

repairs completed across our Group

103k*

tonnes of e-waste collected for reuse and recycling across our Group

Product packaging

Plastics and packaging is one of the key challenges we aim to solve, and we're prioritising a number of ways to help reduce, recycle and reuse it. We're working to reduce product packaging and encourage suppliers to eliminate unnecessary plastics and packaging.

We're committed to making all our own label and licensed brand packaging reusable or recyclable by 2023. At the end of 2022/23, over 99% was recyclable, with 81% recyclable at kerbside based on UK infrastructure. 69% of the remaining 19% of plastic that cannot be recycled at kerbside is expanded polystyrene ('EPS'). We remain committed to finding solutions that reduce environmental impact whilst also protecting the product from damage. We will report on our progress against this commitment at the end of 2023/24.

Whilst we continue to work on solutions, we provide an in-store takeback scheme for TV packaging, including EPS. In the UK & Ireland, we also offer our customers a free packaging recycling service when we deliver and unbox large household appliances.

We proactively work with suppliers of own label and licensed brand products to reduce packaging. In 2022/23 we removed 3.6m items of plastic packaging from own label and licensed brand products – over 120 tonnes. Since the start of the initiative in 2019/20 we have removed over 6m pieces equivalent to almost 180 tonnes. This equates to a 14% decrease in the percentage of plastic packaging used and the average weight of plastic per product has reduced by 28%.

We conduct trials to understand the lifecycle impacts of packaging changes. For example, we now have four microwave oven product lines being shipped with reduced plastic packaging and expect to save nearly 16 tonnes of plastic in 2023/24.

At our Customer Repair Centre in Newark we have successfully reviewed the packaging design for white goods products that we have screened and/or refurbished to sell on to customers through our Marketplace channels. We have redesigned the packaging and reduced the cardboard used in the manufacturing process and the plastic involved in the final product, and plan to further review packaging used for fully recycled and recyclable alternatives.

Collaborating with others

To increase our impact, we are continuing to help accelerate industry change by working with other retailers and suppliers to share best practice and reduce the industry's reliance on plastic packaging.

We continue to give unrestricted access to our Product Packaging Guidance to share best practice with the wider industry. This guide outlines preferred materials to use and which materials to avoid based on data sources and engagement with specialist organisations and experts.

Looking ahead

The costs of raw materials and shipping present challenges to the viability of some plastic reduction options. In 2023/24 we will continue to work with our suppliers to capture packaging data that will help us make further improvements. We will also continue to engage suppliers and investigate ways to get used packaging and other raw materials back to suppliers for circular production.



→ Read our Product Packaging Guidance on our website, www.currysplc.com

Sustainable business Climate change

We will achieve net zero⁽¹⁾ by 2040

The climate crisis remains one of the greatest threats to our planet and we recognise the impact this has on business and supply chains, including our own. Addressing our climate risks and opportunities is a part of our Sustainability and Social Impact strategy.

Climate change strategy

Our purpose, to help everyone enjoy amazing technology, goes beyond ensuring customers can choose, afford and enjoy the right technology.

We recognise our responsibility in ensuring that our corporate purpose is one which is sustainable and responds to our climate risks and opportunities. This is why we embed this thinking within our Sustainability and Social Impact strategy.

Our progress on the delivery of our strategy is recognised externally. We have responded to the CDP questionnaire on climate change since 2016, scoring an A- in the latest 2022 disclosure.

We recognise that the impacts of climate change are hard to predict with accuracy and that they will impact businesses in many different ways, at different times and these impacts may also be compounded by one another. We support the Task Force on Climate-related Financial Disclosures ('TCFD') and its recommendations. Understanding the impacts of climate change on our business provides us with the opportunity to develop a strategic response to mitigate the risks, whilst building on the opportunities this presents for Currys. We continue to make progress in strengthening our strategy and we disclose this in line with the recommendations of the TCFD.

We recognise that climate-related risks and opportunities cannot be assessed through traditional risk management processes only. We undertook a pilot scenario analysis in 2021/22 for the two most material climate-related risks for our operations, identified through internal workshops:

- Policy driven changes to energy costs, and their impacts on the cost of running our stores, distribution centres and vehicles.
- Increasing severity and frequency of extreme weather events, and their impacts on damage to facilities, stock and operational disruption.

The analysis considered each risk independently of the other, except for energy costs where we included the additional cost of cooling our facilities because of increasing average external temperatures. In each analysis we used consistent time horizons of 2025 (short term), 2030 (medium term) and 2040 (long term) to align with our current risk management time horizons and extending out to the target years of our climate goals. Analysis was based on the latest climate models and scientific understanding. We used the three climate scenario models developed by the IPCC⁽²⁾ (RCP 4.5 Low, RCP 4.5 High and RCP 8.5) using NEX-GDDP and EnerData datasets, across three different time horizons.

Following this work, we are seeking to improve our existing measures to adapt to and mitigate climate change with a strategy which is informed by scenario analysis. To support this we plan to formalise our current TCFD working group into a TCFD Steering Group, and we have already this year created a new ESG Committee.

We recognise the importance of collaborative action; we have committed our support to EV100 and the British Retail Consortium's Climate Action Roadmap. We have actively supported business commitments to climate action, including being signatories to the Business Ambition for 1.5°C.

Currys strongly supports the need for regulatory certainty and oversight of the net zero agenda, which will give greater confidence to businesses and investors to invest in low carbon technologies. Currys welcomed and strongly supported the conclusions reached by Chris Skidmore and the UK Department for Business, Energy & Industrial Strategy in the Net Zero Review, published in January 2023. Currys contributed to the Review, alongside over 1,800 organisations in late 2022, sharing our own experience of driving down emissions and creating a more circular approach through our Long Live Your Tech campaign. We recognise the challenges posed by the climate crisis, but strongly agree with the Review's identification of the historic opportunity facing the UK to deliver a low carbon future. We also welcome the call for greater ambition around renewable energy technologies and grid infrastructure, which can provide low-cost and low carbon energy. We proactively support policy changes and recommendations through our memberships of EV100 and the UK Electric Fleets Coalition.

→ More information on our Sustainability and Social Impact strategy and material issues is on pages 40-41.



(1) Net zero is defined in the Glossary and definitions section on page 244.

(2) IPCC, 2014: Climate Change 2014: Synthesis Report, Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.), IPCC, Geneva, Switzerland, 151 pp



Climate governance

In recognition of the importance of good governance during the year we established a new ESG Committee, chaired by Eileen Burbidge, Independent Non-Executive Director, to lead our management and response to issues including climate-related risks. The Committee considers, monitors and reviews climate change related issues in its meetings to ensure that the appropriate strategy, programmes and investments are in place to build robust and effective risk management. The ESG Committee meets at least two times a year with representation including at least three Board members.

Reporting to the ESG Committee, the Group Sustainability Leadership Team (GSLT) brings together representation from the UK & Ireland, Nordics and Greece, including one Board member and two Executive Committee members. The GSLT supports the ESG Committee in the development of the Group's Sustainability and Social Impact strategy and ensures it remains fit for purpose and aligned to the Group's vision. Chaired by Paula Coughlan, Chief People, Communications and Sustainability Officer, the GSLT also reviews and submits progress to the Group Risk and Compliance Committee, Executive Committee and Board. Further, the Regulatory Compliance Committee reports up to the main operating subsidiaries which report to the Board and our Group Risk and Compliance Committee also reports to the Executive Committee and in turn reports to the Board. A diagram of our governance structure is included on page 98 and a report from the ESG Committee is available on page 123.

In day-to-day operations, we have assigned management level responsibility for different climate-related issues in the business and climate-related risks and opportunities are incorporated into the ESG Risk Register. These risks and opportunities are included in Board agendas both through ESG update papers and Group Risk and Compliance Committee papers. Progress against our annual climate targets is reported to the Executive Committee quarterly. Regular reporting on progress against our climate targets is included within the CEO report at Board meetings.

The Board fully support Currys' science-based targets and commitment to net zero by 2040 across our Scope 1, 2 and 3 emissions and is continuously seeking to increase their knowledge on climate-

related risks and opportunities. For example, a climate-related risks and opportunities workshop was held for members of our Board and Executive Committee in May 2022. This included information and discussion on why net zero is so important, the impacts of climate change on businesses and the key learnings from a pilot scenario analysis exercise. The majority of the Board and Executive Committee attended and those that were unable to attend were provided with a recording of the session. This year we assessed our Board members skills, experience and expertise on environment issues including climate change; the results are available on page 91.

In 2022/23, emissions-related KPIs were again included in the annual bonus scorecard for employees and will continue to be a KPI for 2023/24. We have committed to introduce an ESG-related metric to Long Term Incentive Plans within the current three-year period of the Remuneration Policy.

Climate metrics and targets

We are fully committed to achieving net zero emissions by 2040 – 10 years ahead of the UK government – by reducing the impact of the energy and resources we use in our operations – but also in our wider value chain. This is an absolute reduction target for our total Scope 1, 2 and 3 emissions, measured against a 2019/20 baseline. Our net zero roadmap includes near-term emissions reduction targets to reduce Scope 1 and 2 GHG emissions by 50% absolute across the Group by 2029/30 from a 2019/20 base year, and to reduce absolute Scope 3 GHG emissions from purchased goods and services and use of sold products by 50% within the same timeframe. Our targets have been approved by the Science Based Targets initiative (SBTi).

The targets covering GHG emissions from Currys' operations (Scope 1 and 2) are consistent with reductions required to keep warming to 1.5°C, the most ambitious goal of the Paris Agreement. Currys' target for the emissions from its value chain (Scope 3) meet the SBTi's criteria for ambitious value chain goals, meaning they are in line with current best practice. In this way, our commitment to net zero meets a number of the requirements of the SBTi Corporate Net-Zero Standard.

2022/23 represented the second year with a Scope 1 and 2 emission-based KPI in the bonus scorecard for colleagues, affirming the importance of reducing emissions and tackling climate change as a business.

This target was met in 2022/23, as shown on page 145. This KPI will be present again in the 2023/24 bonus scorecard.

Our emissions reporting is based on the GHG protocol. Our Scope 1 and 2 emissions have been assured against the ISAE 3410 and ISAE (UK) 3000 standards by KPMG. An update on our progress against our targets is included on pages 53–55. Our data methodology and assurance opinion are available on our website, www.currysplc.com.

We use a range of KPIs to measure and monitor our progress and have identified further metrics to manage our response to energy cost increases such as percentage of vehicles converted to EVs or alternative fuels. We report on intensity metrics, MWh/1,000 sq ft for energy, the proportion of our business that uses renewable electricity and the number of electric vehicles ('EVs') in our fleet. We also report our Scope 3 emissions, the recyclability of product packaging and the weight of e-waste we collect for recycling and reuse.

We will refine the metrics that we monitor for the physical impacts from the identified material climate-related risks.

We are actively addressing wider climate-related risks and report on the key data we use to monitor our progress, for example moving towards circular business models (see pages 44–47).

Further information

→ Read about our energy and carbon data on pages 53–55.

→ Read about our bonus scorecard target on emissions on page 145.

→ Read about how we created value in 2022/23 on page 9.



→ Information on our Environmental Policy is available on our website, www.currysplc.com/sustainable-business/policies-disclosures

Sustainable business Climate change continued

Risk management and opportunities

Climate change risks are managed within Currys risk management approach detailed on pages 106–107. Group risk assessment criteria have been determined along with the net and gross risk profile. Priority risks have been agreed by the ESG Committee and reviewed by the Board. In 2022/23 we elevated climate-risk into an outright standalone emerging risk within the Group Emerging Risk Radar, in addition to various existing risks related to the impact of climate change. As referred to in more detail on page 41, through the ESG Committee and GSLT we will continue to monitor changes to risk (increase, decrease or no change), assess climate change as a principal risk within the business and identify new and emerging risks. We will continue to report risk annually in the Annual Report and Accounts.

We have an ESG Risk Register which incorporates short-, medium- and long-term physical and transitional climate-related risks. This ESG Risk Register includes climate-related risks covering both transitional and physical risks scored against impact and likelihood, along with further mitigation actions identified and assigned to the relevant management team. Actions identified as a result of this year's pilot scenario analysis exercise will be added to our ESG Risk Register.

In May 2022 a pilot exercise was conducted to identify the risks and opportunities faced by Currys over the short, medium and long term. In this report we are disclosing an overview of these and we will continue to work towards mitigating these risks and making the most of the opportunities as our understanding and response to climate change develops.

We are actively addressing wider climate-related risks and report on the key data we use to monitor our progress, for example our transition to renewable energy and moving towards circular business models (see pages 44–47).

For physical risk, extreme precipitation, extreme heat and wildfire were assessed in detail. Our modelling uses scenarios based on Intergovernmental Panel for Climate Change (IPCC) global climate model scenarios for different global temperature projections, to assess exposure up to 2050 of increasing frequency of extreme weather events (<2°C (RCP4.5 Low), 2–4°C (RCP4.5 High), 4°C (RCP8.5)).

The risk with the most financial impact is extreme heat which is driven by impacts to sales revenue as footfall adjusts during heatwaves. The country most affected by extreme precipitation is the UK. For extreme heat, the UK is also most affected financially, driven by impacts to sales revenue, while Greece is most impacted

climatically (the largest relative change in temperatures). Meanwhile Greece is the most likely region to be affected by wildfire.

For transitional risk, Enerdata was used to assess Currys exposure to change in energy / fuel costs under different levels of climate ambition: 'Limited policy' – policies lack climate ambition and we see warming of over 4°C by the end of the century, 'COP 15 NDCs' – climate policies are implemented based on the first nationally determined contributions objective and warming of between 2–4°C is seen by the end of the century, and 'Paris aligned' – an ambitious greenhouse gas emissions budget is set in line with the Paris Agreement's goals and warming is reduced to below 2°C. Our science-based targets and EV100 Commitment demonstrate intended resilience to energy and fuel costs, however this will be dependent upon whether the targets are met. The regions most likely to be affected by transition risk are the UK and Greece, due to hard-to-abate fleet emissions. Although the UK has a larger fleet, plans to meet its EV100 target are further advanced than in Greece.

For 2025 only we assessed the potential impact on profits arising from Physical risks. Minor means a profit impact of less than £1m.

Strategic risks

Type	Hazard	Scenario*	Potential financial impact		
			2025	2030	2040
Physical	Rising mean temperatures and variability – extreme heat	<2°C	Minor	>£10m	>£10m
		2–4°C	Minor	>£10m	>£10m
		4°C	Minor	>£10m	>£10m
	Changes in precipitation patterns – extreme precipitation	<2°C	Minor	<£1m	<£10m
		2–4°C	Minor	<£10m	<£10m
		4°C	Minor	<£10m	<£10m
	Changes in extreme fire risk days (wildfire)	<2°C	Minor	<£1m	<£1m
		2–4°C	Minor	<£1m	<£1m
		4°C	Minor	<£1m	<£1m
Transitional	Policy and market	Limited policy (EnerBase)	<£1m	<£1m	<£1m
		COP 15 NDCs (EnerBlue)	<£10m	<£10m	<£10m
		Paris Aligned (EnerGreen)	>£10m	>£10m	>£10m

* For physical risks, scenarios are temperature increases by 2100 compared to pre-industrial temperatures.



Strategic opportunities

Opportunity type	Climate-related opportunity	Potential financial impacts	Our response to address opportunity
Energy	Use of more efficient modes of transport.	Reduced operating costs.	Invest in low carbon fleet.
	Use of lower-emission sources of energy.	Reduced exposure to future fossil fuel prices.	Increase proportion of sites supplied by renewable energy and consideration of on-site renewables rather than off-site contracts.
	Reduction in energy usage to reduce consumption.	Reduced energy-associated operating costs.	Reduce number of display products switched on, reduce consumption (e.g. display screen brightness).
Products and services	Ability to diversify business practices.	Reputational benefits resulting in increased demand for goods and services.	Increase online sales promotions and collection opportunities.
	Shift in consumer preferences.	Better competitive position to reflect shifting consumer preferences, resulting in increased revenues.	Increase low carbon products and circularity, promote recycling schemes and work with suppliers to identify and seize opportunities.
	Increased footfall from consumers seeking air-conditioning for some regions on extreme heat days.	Upside in revenue sales from cooling customers.	Provide adequate heating, ventilation and air conditioning ('HVAC') sizing for cooling, ensure HVAC systems are well maintained with frequent checks.
	Increased online sales due to extreme weather events causing consumers to shop online more than in store.	Potential for increased delays of deliveries if consumers are reliant upon Currys to deliver in extreme weather events.	Updating website or caveating delays to deliveries during extreme precipitation, wildfires, storms, etc, to avoid increased customer complaints about delays and therefore increased refunds or reductions on sales costs.
	Reputation as one of the leading employers responding to how climate change could affect productivity, health, safety and well-being.	Benefits to workforce management and planning (e.g. improved health and safety, employee satisfaction) resulting in lower costs.	Well-being policies for staff related to weather related events, such as longer comfort breaks during extreme heat or flexible working.
Response	Reputation as one of the leading retailers responding to climate change for consumers.	Increased footfall / online sales as consumers see Currys as a retailer that takes sustainability and climate change seriously.	Low carbon advertising, avoiding greenwashing.
Resilience	Participation in renewable energy programmes and adoption of energy efficiency measures.	Increased market valuation through resilience planning (e.g. infrastructure, land, buildings).	Investment in energy efficiency and renewable energy.
	Diversified supply chain.	Increased reliability of supply chain and ability to operate under various conditions.	Decrease dependence on single suppliers whilst also decreasing carbon footprint across upstream supply chain.

Disclaimer: Scenario modelling has limitations. Modelling the impacts of climate change is subject to uncertainty and scientific debate. The further we look out, the more challenging it is to model external conditions. The results summarised in this section should be reviewed in the context of these limitations.

Sustainable business Climate change continued

Exactly what scenario the world takes is completely unknown but the impacts will be felt globally and could happen anywhere at any time, indeed many impacts are already being felt. Our scenario analysis work provides an insight into how exposed Currys could be to climate change.

Operational emissions Energy

We continue to take action to reduce our use of energy through the rollout of LED lighting, the optimisation of our building management system control for heating, ventilation and air conditioning ('HVAC') systems, and reducing lighting with various trials and improved reporting of consumption and monitoring.

We achieved recertification of our Energy Management system with ISO 50001:2018 for our UK & Ireland estate and fleet for a further three years. Elkjøp Norge, Kotsovolos and our UK Customer Repair Centre in Newark are all ISO 14001 certified, and we use the Environmental Management system to continuously improve our environmental performance. We plan to expand our ISO 14001 certification to also include our UK in-home repairs operation.

100% of our properties in the UK, Ireland, Greece, Cyprus, Sweden, Norway, Finland and Denmark are powered by renewable electricity, including sites where we aren't responsible for the supplier contract. We also have four UK sites with Solar PV installed, with a capacity of over 2MWp, reducing our emissions by approximately 303 tonnes of CO₂e.

In line with the British Retail Consortium's Climate Action Roadmap, we have set a target to operate 100% LED coverage in all new buildings by 2025 – we made progress in 2022/23 and now 85% of our UK & Ireland portfolio uses LED technology as the main source of lighting.

In the UK & Ireland, Building Management System optimisation of HVAC systems reduced the energy used in 187 stores with an electricity saving of 3,521,755kWh. We also improved our data reporting on energy use across the estate with automatic meter reading ('AAR') technology now in use at 89% of sites. We will continue to review lighting, building management systems and other energy

reduction initiatives. The implementation of hybrid working for our corporate colleagues and relocating our head office to a smaller facility has supported this. We are determined to reduce and eliminate our reliance upon gas. We have started a programme to replace gas heating with heat pumps in a number of retail store locations which remain gas heated. This programme significantly reduced the gas demand at three retail sites in 2022/23 which will deliver emissions benefits in 2023/24 onwards.

Elkjøp is also committed to reducing its environmental impact by implementing a range of energy reduction measures in stores across Sweden, Norway, Denmark and Finland. Our efforts include implementing an energy management system, unplugging white goods on display during non-business hours, replacing traditional lighting with energy efficient LED lighting in most stores, changing energy filters and upgrading ventilation systems for better air quality and energy efficiency, and developing our control and monitoring systems to optimise energy usage.

Kotsovolos has achieved 100% LED lighting installed in all stores and headquarters and control the lighting of external signs according to the season. Given the local climatic conditions, there is extensive use of shading systems with sensors that adjust use according to sunlight. The combination of external shading plus sunscreen films allows optimal HVAC energy efficiency. Store colleagues have also been trained in energy reduction behaviours like using lights only when needed and scheduling lighting per zone as well as temperature control instructions to both reduce consumption and protect HVAC so as to avoid damage and refrigerant gas leakages. We have installed building management systems in two stores in 2022/23 with differing consumption profiles in order to draw conclusions of the benefits and expand installation accordingly.

In November 2022, our first store obtained an A class energy efficiency certificate – one of very few in Greece – as it uses all new material technologies and equipment that guarantee high levels of energy saving, such as energy thermal break frames, external wall cladding with thermal insulation, roof thermal insulation, air conditioning with the installation of high thermal ('CPO') and cooling ('EER')

efficiency units, installation of ventilation systems for the store premises with 70% energy recovery and LED lighting sources with the least possible energy consumption.

Fuel

We are a signatory to the Climate Group's EV100 initiative and are fully committed to transitioning 100% of our company cars and small van fleet and 50% of our medium to heavy fleet to electric or alternative fuel by 2030. EV100 is a global initiative bringing together companies committed to accelerating the transition to EVs.

In 2022/23 we submitted our third progress update to EV100. We have four EVs in service across the Group, along with 69 charging points installed across 14 sites. In February 2023 we introduced our first 7.2 tonne delivery van powered by compressed natural gas ('CNG') to carry out home delivery and installation services from our Newark Campus in the UK. Whilst this represents a small proportion of the total vehicles in our owned fleet, our approach is to run trials for up to a year with a number of different drivers to give them a true on-the-job experience and to gain their feedback.

Solar panels are now operating on 209 of our 7.2 tonne Iveco Daily vans used for home delivery in the UK. In 2022/23 these vans avoided 126 tonnes of CO₂e and generated 23,500kWh of solar energy and saved over 47,000 litres of diesel.

Our partner Casa Delivery in Finland invested in several electric trucks in 2022 and are now delivering Gigantti goods in Kakkola, Vasa and Seinäjoki for 60 – 70% of the home deliveries. In early 2023 Bring started up with electric trucks in Trondheim, Norway, for our home deliveries with a rollout plan for Bergen and the Vestfold region in summer 2023.

For the last mile of Elkjøp home delivery of postal packages, in partnership with Bring, we offer 100% fossil fuel free home deliveries to customers in 27 cities/areas in Sweden (reaching 6 million people) and three cities/areas in Denmark. In late 2022 we introduced same day deliveries to customers in greater Oslo with EVs operated by Bring.



Kotsovolos have increased the use of hybrid and plug-in hybrid company cars and received an award for making city centre deliveries with e-bikes.

Across the Group we are continuing to target reductions through efficient routing, improved driver training, the use of telematics and our 'in-cab' driver alert system and – in the UK & Ireland – implementing ISO 50001.

We are in talks with many of the major vehicle manufacturers to continue trialling car and van options, with the plan to introduce more EVs at scale, as well as develop and test other innovations.

Moving to electric or alternative fuelled vehicles presents a number of challenges including the lead times for the supply of vehicles, the high cost of hydrotreated vegetable oil ('HVO') fuel and the fact that 7.5 tonne EV options are still limited at present with demonstrators hard to obtain for trials. Charging infrastructure is still relatively immature in the UK for commercial vehicles and this presents a significant challenge based on current range predictions for 4.25 tonne and 7.5 tonne EVs currently being marketed.

Looking ahead

We are committed to continuously exploring and implementing innovative energy reduction measures, expanding the use of building management systems for Kotsovolos and looking into more opportunities for solar panels across the Group.

We remain committed to reducing the environmental impact of our fleet and plan to:

- Fit solar panels on 110 new vans being delivered for use in the UK from May 2023.
- Increase the proportion of our fleet using electric or alternative fuels and collect data on the new 3.5 tonne EV and 7.2 tonne CNG van operating in the UK to understand their range and compatibility with routing.
- Continue to work with key partners to improve knowledge and awareness of all relevant developments with vehicle manufacturers and government policies on EV and alternative fuels.

Energy and carbon reporting

This section details the energy consumption and GHG emissions from the activities of Currys for the period 1 May 2022 to 29 April 2023, as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 ('the 2013 Regulations') and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the SECR Regulations').

An operational control approach has been used to define the GHG emissions boundary. This captures emissions associated with the operation of offices, retail stores, warehouses and distribution sites, plus transport including Company-owned, leased and employee-owned vehicles used for business travel. This includes emissions from the UK and Offshore including the Republic of Ireland, Greece, Sweden, Norway, Finland, Denmark, Czechia, Cyprus and Hong Kong.

There are no material omissions from the mandatory Scope 1 and 2 emission reporting requirements. This information was collected and reported using the methodology in Defra's updated GHG reporting guidance, Environmental Reporting Guidelines (ref. PB 13944), issued June 2019. Emissions have been calculated using the 2022 conversion factors provided by the Department of Business, Energy & Industrial Strategy for emissions in the UK and Association of Issuing Bodies ('AIB') and International Energy Agency ('IEA') for offshore electricity conversion factors. We engaged KPMG LLP to undertake independent limited assurance under ISAE (UK) 3000 and ISAE 3410 for selected energy consumption, e-waste and Scope 1 and 2 GHG emissions which have been highlighted with an *. KPMG LLP's assurance opinion is qualified in respect of Scope 2 Market and Location Based emissions. For more details of the scope of their work, please refer to their assurance opinion on our website, www.currysplc.com/sustainable-business/policies-disclosures.

We have achieved reductions in energy consumption and emissions in 2022/23. Read more about measures taken to improve energy and fuel efficiency on page 52.

Progress against our net zero target is positive, with a 43% reduction in Scope 1, 2 and 3 emissions achieved in 2022/23 against a 2019/20 baseline.

The Company-wide kWh energy consumption for the reporting period 1 May 2022 – 29 April 2023, are as follows:

Global energy consumption – Currys

Energy consumption (kWh)	UK and Offshore 2022/23	Global total 2022/23	Global change (%)	UK and Offshore 2021/22	Global total 2021/22 ⁽²⁾	UK and Offshore 2019/20	Global total 2019/20
Transport (including diesel, petrol, LPG)		57,960,124	-4.2%		60,508,453	63,377,377	71,261,546
Natural gas		15,888,132	-13.0%		18,261,838	20,301,590	22,142,355
Heating (district heating, oil and LPG) ⁽²⁾		11,612,545	267.9%		3,156,663	214,868	214,868
Electricity ⁽²⁾		178,872,412	-10.2%		199,104,731	131,070,522	236,971,131
Total	148,746,060	264,333,212*	-5.9%	163,863,416	281,038,428	214,964,357	330,589,900
Intensity (MWh/1,000 sq ft)⁽¹⁾		12.08*	-4.3%		12.63	18.02	16.24
Energy consumption (kWh)					2022/23	2021/22 ⁽⁶⁾	2020/21
Total renewable energy purchased or generated (G)					175,996,303*	192,285,791	159,436,764

Sustainable business Climate change continued

The GHG emissions for our business for the reporting period 1 May 2022 – 29 April 2023 are as follows:

Emissions on location basis – Currys

Category	Tonnes of CO ₂ e emitted 2022/23	Change (%)	Tonnes of CO ₂ e emitted 2021/22	Tonnes of CO ₂ e emitted 2019/20
Emissions from combustion of fuel ⁽⁴⁾ (Scope 1)	16,462	-2.9%	16,952	19,868
Emissions from the operation of facilities ⁽⁵⁾ (Scope 1)	890	-26.1%	1,205	874
Scope 1 emissions	17,352*	-4.4%	18,158	20,742
Emissions from purchase of electricity ^(3, 4) (Scope 2)	29,865*	-13.0%	34,318	51,131
Total	47,217	-10.0%	52,476	71,873
Intensity ratio: tCO₂e/1,000 sq ft occupied floor area⁽¹⁾	2.16*	-8.5%	2.36	3.53

Emissions on market basis – Currys

Category	Tonnes of CO ₂ e emitted 2022/23	Change (%)	Tonnes of CO ₂ e emitted 2021/22 ⁽⁶⁾	Tonnes of CO ₂ e emitted 2019/20
Emissions from combustion of fuel ⁽⁴⁾ (Scope 1)	16,462	-2.9%	16,952	19,868
Emissions from the operation of facilities ⁽⁵⁾ (Scope 1)	890	-26.1%	1,205	874
Scope 1 emissions	17,352*	-4.4%	18,158	20,742
Emissions from purchase of electricity ^(3, 4, 6) (Scope 2)	3,499*	-27.6%	4,834	16,121
Total⁽⁶⁾	20,851	-9.3%	22,991	36,863
Intensity ratio: tCO₂e/1,000 sq ft occupied floor area^(1, 6)	0.95*	-7.7%	1.03	1.81

Emissions on location basis – By region

Category	Tonnes of CO ₂ e emitted 2022/23	Change (%)	Tonnes of CO ₂ e emitted 2021/22	Tonnes of CO ₂ e emitted 2019/20	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2022/23	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2021/22	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2019/20
UK and Offshore (Scope 1 and 2)	31,241	-12.7%	35,791	51,866	2.76	2.75	4.35
Global (excluding UK and Offshore) (Scope 1 and 2)	15,976	-4.2%	16,684	20,006	1.52	1.80	2.37
Total	47,217	-10%	52,476	71,873	2.16	2.36	3.53

Emissions on market basis – By region

Category	Tonnes of CO ₂ e emitted 2022/23	Change (%)	Tonnes of CO ₂ e emitted 2021/22	Tonnes of CO ₂ e emitted 2019/20	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2022/23	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2021/22 ⁽⁶⁾	Tonnes of CO ₂ e emitted per 1,000 sq ft of floor area 2019/20
UK and Offshore (Scope 1 and 2)	15,399	-5.6%	16,305	21,762	1.36	1.25	1.82
Global (excluding UK and Offshore) (Scope 1 and 2) ⁽⁶⁾	5,451	-18.5%	6,686	15,101	0.52	0.72	1.79
Total⁽⁶⁾	20,851	-9.3%	22,991	36,863	0.95	1.03	1.81

(1) Overall floor area of the Currys plc for 2022/23 is estimated to be 21,881,331 sq ft.

(2) Data for 2021/22 has been restated with district heating energy consumption of 3,010,529 kWh now reported as 'Heating' rather than 'Electricity'.

(3) The electricity consumption figure includes Scope 2 generation emissions but not Scope 3 transmission and distribution losses.

(4) Electricity and gas usage is based on supplier bills. Manual gap filling was conducted for a small proportion of electricity supplies using an average of the consumption year to date or previous months. This is because this report was due before some electricity and gas bills had been provided by the suppliers. This report also includes electricity consumption through suppliers where the landlord procures the energy; some of this consumption has been estimated either based on the average energy consumption per floor area for site type or using last year's data estimation.

(5) Refrigerant data processing methodology and exclusions: Where refrigerant top-ups are reported, we assume this covers leakage across the estate under that contractor's responsibility to repair the leak and top-up the refrigerant, as such no estimation of leakage has been completed for units where no top-ups were carried out.

(6) Data for 2021/22 has been restated. The basis of calculation previously assumed that electricity used at a distribution site in Czechia was renewable. Additional information on this electricity source was obtained following the approval of the prior year Annual Report and so we have revised this assumption and a residual factor has now been used. As a result, the emissions from this site increased in 2021/22 from 0 to 1,646 tCO₂e, increasing our total scope 2 market-based emissions for the year from 3,188 to 4,834 tCO₂e. This also impacts our emissions intensity ratios: our Group emissions intensity for 2021/22 has increased by 0.07 tCO₂e from 0.96 tCO₂e to 1.03 tCO₂e and our Global (excluding UK and Offshore) emissions for 2021/22 has increased by 0.18 tCO₂e from 0.54 tCO₂e to 0.72 tCO₂e. Our 2021/22 reported consumption for renewable energy purchased or generated has reduced by 2,993,543 kWh from 195,279,334 kWh to 192,285,791 kWh. For 2022/23 we have applied the same residual factor in relation to this site. This site wasn't reported prior to May 2021 and therefore has no impact on the 2019/20 baseline.



Scope 3 emissions

Our Scope 3 emissions include the indirect emissions from across our value chain which account for over 99% of our total emissions. The most material impacts are within purchased goods and services and the use of sold products. We will achieve reductions in these emissions through a programme of activities involving our suppliers, our manufacturers and through colleague and customer engagement.

The following table details Currys' emissions.

Currys GHG emissions	Tonnes of CO ₂ e emitted 2022/23	% change from 2019/20 baseline	Tonnes of CO ₂ e emitted 2021/22 ^(a)	Tonnes of CO ₂ e emitted 2020/21	Tonnes of CO ₂ e emitted 2019/20
Scope 1 emissions	17,352*	-16.3%	18,158	20,952	20,742
Scope 2 emissions (location-based)	29,865*	-41.6%	34,318	36,817	51,131
Scope 2 emissions (market-based) ^(a)	3,499*	-78.3%	4,834	14,368	16,121
Scope 3 emissions total	19,796,215	-43.4%	24,058,161	22,923,580	34,983,753
Category 1: Purchased goods and services	2,861,970	-33.5%	3,384,944	3,250,795	4,300,532
Category 3: Fuel and energy related emissions	16,200	19%	18,632	13,085	15,905
Category 4: Upstream transportation and distribution	58,765	-64.4%	77,860	53,653	165,115
Category 5: Waste generated in operations	2,599	167.4%	2,698	2,588	972
Category 6: Business travel ⁽⁷⁾	3,574	29.8%	1,400	415	2,754
Category 7: Employee commuting ⁽⁷⁾	42,206	54.7%	31,705	19,390	27,275
Category 9: Downstream transportation and distribution ⁽⁸⁾	19,495	-45.7%	17,118	16,904	35,906
Category 11: Use of sold products	16,784,068	-44.8%	20,515,679	19,556,760	30,425,451
Category 12: End-of-life treatment of sold products	7,339	-25.4%	8,125	9,990	9,843
Total emissions from purchased goods and services and use of sold products (Category 1 and 11)	19,646,037	-43.4%	23,900,624	22,807,555	34,725,983
Total emissions (Scope 1, Scope 2 market-based and Scope 3)^(a)	19,817,066	-43.4%	24,073,016	22,958,900	35,020,616

Our Basis of Reporting, available on our website, www.currysplc.com, includes an assessment of the relevant Scope 3 categories for Currys.

(7) 2021/22 Category Six and Seven emissions have been recalculated to reflect the latest best practice reporting, increasing from 1,143tCO₂e and 27,889tCO₂e respectively.

(8) 2021/22 Category Nine emissions were recalculated to reflect more accurate third party transport data, increasing emissions from 13,054tCO₂e to 17,118tCO₂e.



→ Information on our emissions and e-waste data methodology is available on our website, www.currysplc.com



→ Information on external assurance on our Scope 1 & 2 emissions and e-waste data is available on our website, www.currysplc.com/sustainable-business/policies-disclosures

43%
Reduction in Scope 1, 2 and 3 emissions since 2019/20

We are so committed to reducing our absolute Scope 3 GHG emissions from purchased goods and services and use of sold products by 50% by 2029/30 from a 2019/20 base year. We have achieved a 43% reduction to date. This reduction is a result of continuing to increase granularity and use of more primary data to calculate our Scope 3 emissions, as well as changes in our product mix and grid greening.

We have introduced a new cross functional, Group-wide working group to develop and enhance our approach to

reducing Scope 3 emissions. The Group is focused on our Category 1 Purchased goods and services and Category 11 Use of sold products emissions and is led by our UK & Ireland Commercial team supported by specialists from across the Group.

We are leveraging Group-wide supplier relationships with a single approach to supplier emissions reduction management. We have identified various activities that are key to delivering this approach, by breaking down the target into its constituent parts.

This Group is utilising the work that we started in 2020 when we began our partnership with EcoVadis, one of the leading providers of business sustainability ratings. Using the EcoVadis platform helps us to measure supplier performance across a wide range of metrics, including carbon maturity through their Carbon Module. This has helped us to identify and start to build a group of like-minded suppliers with which we can identify ways we can champion positive activities, collaborate to improve performance, reduce our emissions, and benefit wider society.

* We engaged KPMG LLP to undertake independent limited assurance under ISAE (UK) 3000 and ISAE 3410 for selected energy consumption, e-waste and Scope 1 and 2 GHG emissions which have been highlighted with an *. KPMG LLP's assurance opinion is qualified in respect of Scope 2 Market and Location Based emissions. For more details of the scope of their work, please refer to their assurance opinion on our website, www.currysplc.com/sustainable-business/policies-disclosures.

Sustainable business Climate change continued

There are high levels of complexity within our Scope 3 emissions and it requires working closely with suppliers and manufacturers to help them decarbonise their own businesses and their supply chains, where we have varying degrees of influence. Further, due to the nature of our activity many of our suppliers are spread across the globe and at different stages of their individual carbon emission reduction journeys. Each country has different legislative environments with governmental net zero dates that differ from the UK and EU and there is no overarching global standard or requirement or ambition globally. But whilst challenging, this increases the imperative to act.

We aim to use the lens of customer, colleague and supplier:

- Helping customers live a low carbon lifestyle which links into our Go Greener and energy efficient products campaigns as well as our circular economy initiative – Long Live Your Tech.
- Colleague engagement on the why and how.
- Drive an open and transparent approach to Scope 3 management, sharing best practice across value chains and raising awareness of why it is important to all parties.

Looking ahead

We plan to build on our short-term plan for Scope 3 emissions, extending this to cover our business planning horizon and then set out a roadmap to 2030 and 2040 net zero during 2023/24.

Specifically, we will:

- Work with key suppliers who are more mature in their carbon emissions reduction activities and monitoring to establish a best practice model and approach. We will look to share this best practice across our supply chain to help those that are less developed in their journey.
- Gain an understanding of current and future data availability. We will introduce and expand Scope 3 data usage to support decision-making, measure upstream and downstream environmental impacts for targeted interventions, engage suppliers, set targets and track progress, mitigate risks and drive competitive advantage.
- As part of our governance, continue to track our progression on a regular basis.

TCFD Statement of Compliance

Currys is disclosing in accordance with the Financial Conduct Authority ('FCA') Policy Statement 20/17 and Listing Rule LR 9.8.6R(8). The main disclosures are set out on pages 48–56. The disclosures describe activity to date and future areas of focus to further strengthen our strategic approach and communication of climate-related issues. Requirements (e) and (f) of the Companies and LLPs Climate-related Financial Disclosure Regulations (2022) are omitted as they are not deemed necessary to understand Currys' strategy and operations in the context of climate change.

We align our disclosures with the TCFD's recommendations and recommended disclosures. We comply with seven of the recommendations and continue to work on fully addressing the remaining four where we believe we are currently partially compliant:

• 2b – Describe the impact of climate related risks and opportunities on the strategy, and financial planning.

We have identified the main risks and carried out an assessment of the potential impact but have yet to fully integrate this into our strategy. The spend associated with certain projects linked to climate related risks and opportunities has been incorporated into our budget. For example, our HVAC renewal programme to remove gas from our store estate in the UK.

• 2c – Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The pilot exercise in May 2022 described above included various scenarios including 2°C or lower. We need to conduct further work to assess the resilience of our strategy in line with the scenarios identified.

• 3a – Describe the organisation's processes for identifying and assessing climate-related risks.

As set out in more detail above the ESG Committee, supported by the GSLT is responsible for identifying and assessing climate-related risks and issuing recommendations to the Audit Committee to ensure that the most appropriate and up to date climate-related risks are both being identified and considered by the business.

• 3b – Describe the organisation's processes for managing climate related risks.

Whilst we have identified our material climate-related risks we need to establish and develop our processes for managing new and emerging climate related risks.

We plan to formalise a TCFD Steering Group which will focus on climate change risks and opportunities across the business, and support the business in developing a well-informed strategy that can meet the needs of the Paris Agreement and demonstrate performance improvements. This Steering Group will support us as we continue to embed climate scenario analysis into our governance, risk management and strategic approach. In time, we also intend to expand this to other areas of our value chain to further assess business resilience under different scenarios. It will also oversee our efforts to quantify the transitional and physical risk outputs from our scenario analysis and incorporate this into our business strategy.

We will continue to report our progress as part of our annual TCFD disclosures and intend to demonstrate full compliance with all recommendations in time for our 2025/26 TCFD disclosure.



Sustainable business Our communities

We will help eradicate digital poverty

We pride ourselves on bringing technology to more people through our competitive pricing, access to online and physical stores, and affordable and responsible Credit offering. But that's not all: because our social purpose is at the heart of what we do, we also support causes that help those who might otherwise be excluded.

We want everyone to be able to enjoy equal access to the benefits of technology. Operating across eight countries, our approach is tailored to meet the needs of each region and their relevant socioeconomic conditions. During the year we established and published new Group Social Impact Principles.



→ Read our Social Impact Principles on our website, www.currysplc.com/sustainable-business/

Wherever we operate we can help:

- Our colleagues help people in their local communities access and enjoy tech.
- Our customers help us raise funds to help those who are excluded.
- Our suppliers work collaboratively with us to be a force for good.

Digital poverty

We are committed to helping eradicate digital poverty, in all countries we operate in. We support the Digital Poverty Alliance's definition and consider digital poverty to be the inability to interact with the online world fully, when where and how an individual needs to.

In December 2022 research conducted by Currys, the Digital Poverty Alliance (DPA) and YouGov revealed 89% of UK adults believe that personally having access to the internet is important. 83% consider using digital devices important to accessing essential services such as GP appointments or local government services, 81% use them to communicate with friends and family via text or instant messaging and 72% to keep up to date with news and events. And our Techno Trouble survey in the Nordics this year highlighted that people over 60 worry the most about keeping up with digital development and one out of three respondents said they would stay more in touch with relatives over 75 if they were more active on social media.

Digital inclusion is no longer something that's a 'nice to have' – it's an essential. Being cut off from digital isn't just an inconvenience – it compounds and exacerbates poverty. Addressing digital poverty is our contribution to supporting progress on the UN Sustainable Development Goal to reduce inequality within and among countries.

Working to tackle digital poverty in the UK

We are one of three founding partners of the DPA (part of the Learning Foundation, registered charity number 1086306) alongside the Institute of Engineering and Technology ('IET'). We continue to be an active and engaged member of the DPA's Founders Board and Community Board, providing advice on strategy, longer-term capability and horizon scanning.

We're proud of our role in enabling them to convene, compel and inspire collaboration within the UK community to lead sustainable action against digital poverty. The DPA celebrated its first birthday this year and published a One Year On Report setting out their achievements in their first 12 months.



→ Read more in the DPA's One Year On Report on their website at <https://digitalpovertyalliance.org/one-year-on-report/>

Whilst it's important we continue to spotlight this issue and drive systemic change, it's also critical that we provide the financial backing to help support those in digital need in the short-term. That's why in May 2022 we launched our new Tech4Families programme in partnership with the DPA.

Key facts

26%
of young people do not have access to a laptop or similar device (Nominet Digital Youth Index, 2022)

2.6m
people are still offline (Lloyds Bank Consumer Digital Index, 2021)

83%
consider using digital devices important to accessing essential services such as GP appointments or local government services (Currys & the Digital Poverty Alliance, 2022)

Sustainable business Our communities continued



It really has made a huge difference already, his reading and writing skills have increased significantly, and he is far more confident in his course work using the laptop.”

Anonymous beneficiary of Tech4Families

Tech4Families

It's never been more important to make sure families can get online. One way we're doing this is to help families who need a laptop to get one. During the year funds collected from our stores in the UK have supported vulnerable families in need by providing life changing access to digital technology through Tech4Families.

This year we raised over £244,000 through Pennies. 10% of the donations made at the point of sale in Currys stores directly support Pennies to grow the micro-donation movement, the remaining 90% funds Tech4Families.

Over the festive period alone we generated over £70,000 through a nationwide fundraising campaign. As well as raising funds this helped raise awareness.

On average, each day we raise enough money to provide two families with a much-needed device. The scheme aims to support families with a child aged 4 to 16 years old who don't have access to a suitable device. Working with the DPA, our Tech4Families programme has delivered 586 laptops to families in areas of high digital poverty in 2022/23.

The scheme was one of three entries shortlisted for the Digital Leaders Impact Awards on digital poverty in March 2023. And our wider work with Pennies led to us being awarded an Outstanding Achievement Award in November 2022 for going above and beyond to make micro-donations matter.



→ Find out more about Tech4Families, including how to apply, at <https://digitalpovertyalliance.org/tech4families/>





Raising awareness

It's easy to look at a problem as big as digital poverty and just think it's too expensive and too difficult to fix. We are working to change that perception, to make people understand that addressing digital poverty is a huge opportunity – it's a huge opportunity both economically and societally.

One of the actions we are committed to taking is raising awareness. During the year we achieved this through a range of activities including:

- The DPA exhibited at our Peak conference event in Liverpool, where over 1,500 of our store managers across the country came together with suppliers to celebrate everything Currys, giving our colleagues a chance to really get to know more about digital poverty and to understand our relationship better, so that they feel super-charged about our mission – and encourage those all-important Pennies donations at the till.
- Over Peak selected shop window displays and in-store event spaces educated the public about the scale of the digital poverty issue and encouraged donations to the DPA to 'light up futures'. Sales of colleague-designed Christmas gift cards also saw money donated to the DPA for each card sold.

- Alongside colleague fundraising, we supported the DPA on Christmas Jumper Day and match funded Pennies donations on the day. And our fundraising festive drill rap video, Merry Techmas, donated 1p for every view to the DPA.
- Sponsoring the DPA to attend the Labour and Conservative party fringe events at the party conferences in autumn 2022. We joined them at these events to present the issues of digital poverty and compel the government and main opposition party to do more to tackle the issue.
- Having conversations with key suppliers to seek their support for Tech4Families and the DPA more broadly.

Looking ahead

Key activities that we will focus on in the coming year include:

- Expanding Tech4Families. The scheme has been in pilot in five areas across the UK: Staffordshire, West Cumbria, Norfolk Coast (all in England), Neath Port Talbot and Bridgend (Wales) and Ayrshire (Scotland). We aim to expand the scheme into Northern Ireland and other areas identified by the DPA as having high levels of digital poverty.
- Continue to identify opportunities to support people to enjoy amazing technology through our annual Techno Trouble survey and the work of The Elkjøp Foundation.

Age UK

We officially ended our partnership with Age UK, having raised £379,617 for them over the two years of our partnership. This money has funded the Tech Connected programme: digital instruction guides, provision of tech and Digital Champions programme delivered in four local communities, as well as support seed funding of their Digital Champion e-learning programme.

Fighting digital exclusion in the Nordics

Through our annual research, Techno Trouble, Elkjøp have identified a number of groups that due to age, socioeconomic status, disabilities, language and cultural barriers, or other matters, find themselves on the wrong side of the technological divide in the Nordics.

The survey enables us to keep track of customer challenges when it comes to technology. For example, this year the research showed:

- one out of three people in the Nordics find it difficult to keep up with the changes in technology;
- 42% say they have products at home that they do not know how to use;
- people over 60 worry the most about keeping up with digital development;
- one out of three respondents say they would stay more in touch with relatives over 75 if they were active on social media.

The Elkjøp Foundation was established to fight digital exclusion. It works to raise awareness, increase knowledge, and enable access to people who are falling behind in the rapid development of technology. To connect, play or learn with technology should be easy and fun but that is not always the case. That is why The Elkjøp Foundation supports organisations and associations with products and guidance – in addition to financial resources.

In addition, Elgiganten Denmark and Gigantti have held in-store training sessions for the elderly together with local senior organisations – showing them the amazing world of technology.

Sustainable business Our communities continued

We bring technology to everyone everyday

Technology plays a vital role in every aspect of our lives, whether it's helping you stay connected with friends and family, working from home, or keeping you fed, clean, fit, healthy and entertained. While our focus is on eradicating digital poverty, we also aim to support other causes, charities and communities that are important to our colleagues.

We want to be a business that colleagues are proud to work for and feel like they belong. Community fundraising is encouraged right across Currys, and each year our colleagues support many causes which resonate locally.

Giving tech a second home

Kotsovolos have relaunched its Second Home programme, designed to extend the life of customers' old products – functional or damaged – by providing them to people in need. Through Second Home, customers who have a product they do not use have the option to offer it to a family that cannot afford one. Kotsovolos undertakes collection, repair and disinfection of the product, and then offers it to another family. If the appliance cannot be repaired, the product is redirected to their e-waste handling process. The programme is a great example of the interconnection of sustainability issues and how circular economy solutions can generate positive social impact.

In December 2022, Kotsovolos implemented a strong PR campaign, relaunching its Second Home programme and highlighting the good causes behind the initiative. The relaunch was implemented with the support of the Central Union of Municipalities in Greece ('KEDE'), strengthening the programme's dynamics and our efforts to support families in need with the necessary products for their home.

We plan to develop an integrated communications plan in Greece in order to further promote the initiative and motivate more customers to offer products they don't need.

One million meals

Over the summer we supported FareShare by donating £5 for every fridge sold online and in store in the UK, up to a total of £250,000. We were pleased the campaign hit that target, enabling FareShare to provide 1 million meals to families in need.

Appliance poverty

In the UK we're teaming up with Iceland Foods, Birds Eye and Clarion Housing Group, the largest social landlord in the country, to help low-income families access the benefits of frozen food. This new partnership follows the publication of research from Manchester Metropolitan University showing that families switching from fresh to frozen food halve their food waste and reduce their household grocery bill by almost a quarter. Yet, it's estimated that 1.24 million people are living without a freezer, meaning frozen food is currently inaccessible to them.

Launched in February 2023, the pilot scheme provides low-income families with freezers, as well as information, recipes and support, to explore the impact on their household finances and eating habits. Currys have donated freezers to 29 families taking part in the study and will donate more in the coming months. The project is being evaluated by Manchester Metropolitan University as the academic partner, and families will be supported to better access and use frozen food in the hope that it will lead to the adoption of a more affordable and healthy diet.

Bringing together the expertise of frozen food specialists and the social housing sector, this innovative project will be replicable across other communities in the UK. The results of this project and a call to action will be shared with UK policymakers, social landlords, local authorities, retailers and charities in a white paper.

Humanitarian aid

Following our Group support of £100,000 to the Red Cross for their Ukraine Crisis appeal in 2021/22, we once again felt compelled to provide another donation to the British Red Cross to support those affected by the earthquake in Turkey and Syria in February 2023.

Colleagues lend a helping hand

Good Deed Day was established by Kotsovolos in 2013. It is the biggest volunteer action for Kotsovolos' colleagues and takes place once a year. Every year, more than 1,000 volunteers from our stores, offices, warehouses and distribution centre participate in multiple activities focusing on children, minority social groups, older persons or the environment. In 2022 more than 1,600 employees organised and participated in 45 different projects for the 9th consecutive Good Deed Day, held on 23 October. For example, 600 people joined together to carry out a beach cleaning activity at Schinia, a coastal ecosystem, with the guidance of iSea, an environmental organisation specialising in protecting the aquatic environment. 50 bags of litter were collected, of which 6.5kg were recyclables and 90kg were waste materials.

Good Deed Day will celebrate its 10th year in 2023 and the team are focused on encouraging yet more volunteers to participate and to motivate them to establish more sustainable habits in their lives.

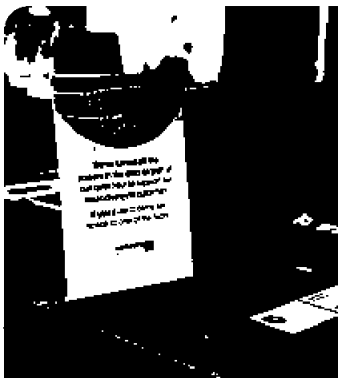


→ Watch a video of scenes of Good Deed Day 2022 online at <https://www.youtube.com/watch?v=fJE5ZaV9tY>

Helping everyone shop for new technology

The initiative 'Technology without Obstacles' highlights Kotsovolos' efforts to empower people to live a better life with technology by aiming to maximise access to technology for people with disabilities. The programme deals with accessibility in both the physical and digital world. Kotsovolos products and touchpoints such as stores, websites and call centres. For example, 14 accessible stores are already recognised by the Hellenic Society for Protection and Rehabilitation of Disabled Persons as accessible to people with disabilities and there are plans to achieve this for an additional 19 stores by the end of 2023/24. Further, a dedicated microsite explains all supportive technologies segmented into three categories: visual impairment, hearing disabilities and mobility impairment. More than 3,100 products with supportive technology specifications and filters have already been added to Kotsovolos' website.

In recognition that 5% of the Greek population is directly or indirectly affected by autism, the Kotsovolos team are also working to improve accessibility for people with autism in collaboration with TheHappyAct team. Kotsovolos mapped 11 of its stores and by providing sensory information through its website, such as sensory maps, the company creates the conditions for a safe visit for people on the spectrum. A video has been created that provides a virtual tour that people on the autism spectrum can consult before their visit, in order to familiarise themselves with the sensory stimuli and enjoy a safe shopping experience. And, with the support of TheHappyAct, all in-store colleagues have been trained on how to create an optimal experience for people on this spectrum, including effectively dealing with emergency-related incidents. Kotsovolos is the first retailer in Greece to integrate sensory accessibility into its business activity.



Our UK & Ireland team have also been considering the needs of neurodiverse customers. Following a highly successful trial across the North West of England and Wales, in January we launched 'Quiet Hour' in stores every Monday to Friday until 11am where we reduce noise in store, keep lights low and make sure there are no flashing screens to ensure a calmer place to shop. Our Kotsovolos team intend to learn from our experiences here in the UK and design and implement a Quiet Hour in their stores in the future.



→ Read more about work with Hidden Disabilities and Quiet Hour in the UK & Ireland on our website, www.currysplc.com



Our colleagues in the Republic of Ireland have continued working with their charity partner, My Canine Companion (Irish national charity RCN 20079147). The charity helps enhance the quality of life for people with difficulties, such as autism, through the provision of highly qualified service dogs. Currys have raised over £120,000 for the charity in 2022/23. To date, enough has been raised to train 14 dogs and we have pledged to raise money for 17 dogs in total, one for every one of the 16 Currys stores in the country and the 17th to represent our online presence.



→ Read more about work with My Canine Companion on our website, www.currys.ie/donate-to-my-canine-companion.html

Sustainable business Our suppliers and colleagues

Our suppliers

Bringing amazing and more sustainable tech to our customers isn't something we do alone. Our partnerships with suppliers make a big difference too.

Responsible sourcing

We collaborate with our manufacturers and suppliers to make sure the products we sell are safe and responsibly sourced. In addition to this, we consider their overall sustainability performance, particularly their energy efficiency and climate change impact.

Our standards

For customers to enjoy our amazing technology they need peace of mind that we're sourcing responsibly. With around 7,000 suppliers across the globe, we want to make sure we're using our size and unique capabilities to do good.

In addition to compliance with all relevant national and international legislation, we've created our own Standards for Responsible Sourcing alongside Child Labour Remediation and Conflict Minerals policies which set out our expectations for all suppliers, partners and subsequent supply chains. The Standards and policies reflect our commitment to acting with integrity in business relationships and we utilise our partnership with EcoVadis to review supplier performance and champion positive activities.

An Anti-Bribery, Gifts and Hospitality Policy is in place. The procedures in place to oversee the anti-corruption and bribery control environment is reviewed by the Audit Committee on at least an annual basis and most recently in July 2022. The full policy is reviewed by the Board periodically.

Modern slavery

We're committed to eradicating all forms of modern slavery and human trafficking. The fact that modern slavery still exists today is abhorrent and eradication requires collaboration and transparency.

Our Modern Slavery Policy has been issued to all our colleagues, suppliers and partners. It clearly states the actions to take if a case of modern slavery is discovered or suspected. We work with our suppliers to ensure they take appropriate steps and manage risks within their own supply chains.

We continue to expand our efforts to tackle the issue – collating existing actions and working on new initiatives across our business and supply chain to mitigate risk and identify areas that need additional focus.



Our policies and standards

→ Read our policies and standards on our website, www.currysplc.com/sustainable-business/

Modern slavery

→ Read our policy and Modern Slavery Statement on our website, www.currysplc.com/sustainable-business/



Our colleagues

Our capable and committed colleagues provide the magic ingredient in helping our customers discover, choose and enjoy amazing technology.

Expert face-to-face help is at the heart of why customers shop with us, and that takes skilled and dedicated colleagues. We know that happy colleagues make for happy customers, and happy shareholders too.

Read about how we are focused on being Ready for the Future, Home for the Best Talent and a Great Place to Work on pages 18–23.



Our progress

In 2022/23 we:

- Continued to invite suppliers to join the EcoVadis platform to enable us to measure their sustainability performance, with over 50% of Group spend now assessed for sustainability and 45% for carbon maturity.
- Worked with the Responsible Business Alliance to drive sustainable value for workers, the environment and business through global supply chains by engaging in their Responsible Minerals, Labour and Factories Initiatives to help us mitigate risks within our supply chain.
- Rolled out Responsible Sourcing training to Commercial and Procurement colleagues in the UK & Ireland and Nordics, and drove further reductions in working hours for own label and licensed brand suppliers.
- Collaborated with the Slave Free Alliance, part of the global anti-slavery charity Hope for Justice, to review processes and identify potential risks within last mile delivery contracts in the Nordics.

Looking ahead

Key activities that we will focus on in the coming year include:

- Reviewing our Standards for Responsible Sourcing.
- Working with the Slave Free Alliance and the Responsible Business Alliance to develop our approach for mapping and assessing risk in our supply chain for tier two and beyond.
- Continuing our focus on assessing suppliers on their sustainability commitments and progress, including GHG emissions.

Scope 3 emissions

➔ Read more about our work on Scope 3 emissions from our supply chain and products in use on pages 55–56.

Risk management Approach

Principal Risks

The Group recognises that taking risks is an inherent part of doing business and that competitive advantage can be gained through effectively managing risk. The Group has developed and continues to evolve robust risk management processes, and risk management is integrated into business decision-making. The Group's approach to risk management and risk governance framework is set out in the Corporate Governance Report on pages 97 to 109. The risks are linked to the strategic priorities on pages 16 to 35.

Our approach to horizon scanning and emerging risks

In order to promote sustainable success, the business continues to analyse the risks likely to emerge in the short, medium and longer term that may impact the delivery of our Strategy. To provide a view over the medium to longer term, a horizon scanning approach is required.

Our approach to undertaking horizon scanning is based on conducting both reviews of external thought leadership and also through obtaining the views of key business stakeholders on emerging risks. The horizon scanning exercise is updated at least semi-annually to ensure that the horizon is consistently scanned for developments and changes that may impact the business. The Group Risk and Compliance Committee is asked to review and discuss the horizon risks and to form a view as to whether any of these should be considered a Principal Risk.

Risks and potential impacts

The Group continues to develop its risk management processes, fully integrating risk management into business decision-making. The risk management process mirrors the operating model with each business unit responsible for the ongoing identification, assessment and management of their existing and emerging risks. The output of these assessments is aggregated to compile an overall Group-level view of risk.

The principal risks and uncertainties, together with their potential impacts and changes in net risk since the last report, are set out in the tables below along with an illustration of actions being taken to mitigate them.



Key changes to the Risk Profile

During 2022/23 a number of changes were made to the Group Risk profile, these included:

- As a result of changes in the macro economic environment, covering, inflation, the cost of living, consumer spending and competitor activity, this has been raised up to a principal risk.
- Following a reduction in the threat from Covid-19, and the impact on colleague safety and availability, the People risk was removed as a standalone risk with elements subsumed into other existing principal risks.
- The importance of long term access to, and diversification of, funding and liquidity has been recognised within the risk profile; and
- Our supply chain resilience risk has been split in two to recognise the importance of the key parts of that risk: sourcing and logistics.

RISK PROFILE

	Likelihood		Impact		Principal Risks
Increased	6	11			1 Breach of Financial Services
Decreased	1	3	1	6	2 Business continuity/IT DR
	13a		11	13a	3 Business Transformation
No change	2	4	2	3	4 Crystallisation of legacy tax
	5	8	4	5	5 Data Protection Compliance
	9	13b	8	9	6 Failure of IT systems and infrastructure
	12		13b	12	7 Financial, liquidity and treasury
New	7	10	7	10	8 Health and Safety
					9 Information Security
					10 Macroeconomic environment
					11 Our commitment to sustainability
					12 Product Safety
					13a Supply Chain resilience – Logistics
					13b Supply Chain resilience – Sourcing

Colour Key

Strategic Regulatory Technology Operational Financial

Principal risks and uncertainties

Risk movement

- ▲ Increased
- ▬ Stable
- ▼ Decreased

Link to strategy

- 👥 Colleagues
- 🛒 Easy to shop
- 👤 Customers for life
- 📈 Grow profits

1 Breach of Financial Services

Risk owner:
Chief Commercial Officer

Risk category:
Regulatory

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

Failure to manage the business of the Group in compliance with FCA regulation and other financial services regulation to which the Group is subject in a number of areas including the mobile insurance operations and consumer credit activities of Currys Retail Limited.

What is the impact?

- Enforcement action by the regulator
- Loss of authorisation and inability to trade regulated products
- Reputational damage
- Financial penalties
- Reduced revenues and profitability
- Deteriorating cash flow
- Customer compensation

How we manage it

- Board oversight and risk management structures monitor compliance and ensure that the Company's culture puts good customer outcomes first
- Senior Manager and Certification Regime and if required CBI/other regulators certification implemented.
- Regulatory Compliance Committee, Product Governance and other internal governance structures
- Control structures to ensure appropriate compliance
- Compliance monitoring and internal audit review of the operation and effectiveness of compliance standards and controls
- Recruitment, remuneration and training competency programmes
- Conduct risk and control framework, including defined minimum control standards

Changes since last report

The risk likelihood and impact has reduced over 2022/23.

2 Business Continuity and IT DR

Risk owner:
Chief Operating Officer

Risk category:
Operational

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

A major incident impacts the Group's ability to trade and business continuity plans are not effective, resulting in an inadequate incident response.

What is the impact?

- Reduced revenue and profitability
- Deteriorating cash flow
- Reputational damage
- Loss of competitive advantage

How we manage it

- Business continuity and crisis management plans in place and tested for key business locations
- Enablement of home working for office-based and contact centre colleagues
- Disaster recovery plans in place and tested for key IT systems and data centres
- Cross functional Crisis team appointed to manage response to significant events
- Major risks insured
- Group Business Continuity strategy

Changes since last report

This risk has remained stable over 2022/23.

3 Business Transformation

Risk owner:
Group Information Officer

Risk category:
Strategic

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

Failure to respond with a business model that enables the business to compete against a broad range of competitors on service, price and/or product range.

Failure to optimise Digital opportunities.

Failure to respond to changes in consumer preferences and behaviours.

What is the impact?

- Reduced revenue and profitability
- Deteriorating cash flow
- Reduced market share

How we manage it

- Continued strengthening of digital expertise as part of omni channel capability
- Transformation Programme office established and delivering key strategic objectives
- Development of customer credit propositions
- Development of omnichannel capabilities
- Enhancement of data analytics capabilities
- Robust portfolio governance

Changes since last report

The likelihood of the risk has decreased over 2022/23 whilst the impact has remained stable.



4 Crystallisation of legacy tax

Risk owner:
Group Chief Financial Officer

Risk category:
Financial

Risk movement:



Link to strategy



Considered in the Viability statement:
No

What is the risk?

What is the risk?
Crystallisation of potential tax exposures resulting from legacy corporate transactions, employee and sales taxes arising from periodic tax audits and investigations across the various jurisdictions in which the Group operates.

What is the impact?

- Financial penalties
- Reduced cash flow
- Reputational damage

How we manage it

- Board and internal committee oversight actively monitors tax strategy implementation
- Appropriate engagement of third-party specialists to provide independent advice where deemed appropriate
- The Group remains committed to achieving a resolution with HAARC in relation to open tax enquiries

Changes since last report

This risk has remained stable over 2022/23

5 Data Protection Compliance

Risk owner:
Chief Information Officer

Risk category:
Regulatory

Risk movement:



Link to strategy



Considered in the Viability statement:
No

What is the risk?

Major loss of customer, colleague or business sensitive data.

Adequacy of internal systems, policy, procedures and processes to comply with the requirements of EU General Data Protection Regulation ('GDPR').

What is the impact?

- Reputational damage
- Financial penalties
- Reduced revenue and profitability
- Deteriorating cash flow
- Loss of competitive advantage
- Customer compensation

How we manage it

- The operation of a Data Management Function to ensure compliance with GDPR compliant operational processes and controls
- The operation of a Data Protection Office to ensure appropriate governance and oversight on the Group's data protection activities
- Control activities operate over management of customer and employee data in accordance with the Group's data protection policy and processes
- Investment in information security safeguards
- IT security controls and monitoring

Changes since last report

This risk has remained stable over 2022/23.

6 Failure of IT systems and infrastructure

Risk owner:
Chief Information Officer

Risk category:
Technology

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

A key system becomes unavailable for a period of time.

What is the impact?

- Reduced revenue and profitability
- Deteriorating cash flow
- Loss of competitive advantage
- Restricted growth and adaptability
- Reputational damage

How we manage it

- Ongoing IT transformation to align IT infrastructure to future strategy
- PEAR planning and preparation to ensure system stability and availability over high-demand periods
- Individual system recovery plans in place in the event of failure which are tested in line with an annual plan, with full recovery infrastructure available for critical systems
- Long-term partnerships with 'tier 1' application and infrastructure providers established
- Strengthening of Technology Leadership team
- A mature IT Service Design & Transition process controls and manages the transition of new and changed services into production

Changes since last report

The likelihood of the risk has increased over 2022/23 whilst the impact has decreased.

Principal risks and uncertainties continued

Risk movement

- ▲ Increased
- ▬ Stable
- ▼ Decreased

Link to strategy

- 👤 Colleagues
- 🛒 Easy to shop
- 👥 Customers for life
- 📈 Grow profits

7 Financial, liquidity and treasury

Risk owner:
Group Chief Financial Officer

Risk category:
Financial

Risk movement:
N/A – new risk

Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

Failure to manage Currys' access to sufficient liquidity at any given time may impact our ability to meet our obligations and business growth plans.

What is the impact?

- Committed funding facilities could be fully utilised if not monitored limiting our ability to invest in the business, pension scheme or distribute to shareholders
- Knock on detrimental impacts on other areas of liquidity, for example credit insurers decreasing cover which could result in working capital outflow or suppliers reducing payment terms
- Given the external lending environment, the ability to raise further funding could be more difficult

How we manage it

- Regular monitoring of cash and liquidity levels takes place in the Tax and Treasury committee
- Bank facility and covenant cover levels have been reviewed and negotiated during the year
- A series of capex prioritisation sessions have been undertaken by the Executive Committee and cost saving initiatives in place
- The triennial pensions revaluation process undertaken

Changes since last report

This is a new risk

8 Health and Safety

Risk owner:
Chief Operating Officer

Risk category:
Operational

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

Failure to prevent injury or loss of life to customers, colleagues, contractors, franchisee partners, agency staff and the public which may have serious financial and reputational consequences.

What is the impact?

- Employee / customer illness, injury or loss of life
- Reputational damage
- Financial penalties
- Legal action
- Ongoing repercussions of Covid-19

How we manage it

- Group Health and Safety strategy
- Comprehensive Health and Safety policies and standards supporting continued improvement
- Health and Safety governance committee
- Operational Health and Safety teams located across business units
- Ongoing review of Pandemic controls to protect colleagues in the workplace and customers in the retail estate, including continuous monitoring of changing government regulation in all jurisdictions
- Risk assessment programme covering retail, support centres, distribution and home services
- Incident reporting tool and process
- Health and Safety training and development framework
- Health and Safety inspection programme
- Audit programme including factory audits for own brand products and third-party supply chains

Changes since last report

This risk has remained stable over 2022/23



9 Information security

Risk owner:
Chief Information Officer

Risk category:
Operational

Risk movement:



Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

Inadequate governance and control around information security could result in an information security breach compromising the confidentiality, integrity and/or availability of customer, colleague or supplier data.

What is the impact?

- Reputational damage
- Financial penalties
- Reduced revenue and profitability
- Deteriorating cash flow
- Customer compensation
- Loss of competitive advantage

How we manage it

- Significant investment in information security safeguards, IT security controls, monitoring, in-house expertise and resources as part of a managed information security improvement plan
- Information security policy and standards defined and communicated
- Information Security and Data Protection Committee and Technology Risk Forum with responsibility for oversight, co-ordination and monitoring of information security policy and risk
- Infosec training and awareness programmes for employees
- Audit programme over key suppliers' information security standards
- Introduction of enhanced security tooling and operations
- Ongoing programme of penetration testing
- Security Operations Centre implemented

Changes since last report

This risk has remained stable over 2022/23.

10 Macroeconomic environment

Risk owner:
Group Chief Financial Officer

Risk category:
Strategic

Risk movement:
N/A – new risk

Link to strategy



Considered in the Viability statement:
Yes

What is the risk?

The external macroeconomic environment in which we operate remains challenging with a range of existing, evolving and new emerging risks driving pressure on our financial performance.

What is the impact?

- The potential for increased operating costs to Currys plc
- The potential for external factors to impact consumer demand which may in turn result in electrical spend by customers

How we manage it

- Rolling forecast to analyse future expected performance across the financial year
- Monthly Business Plan updates to the Executive Committee to analyse the investment initiatives taking place and progress against delivery and financial benefits, alongside more detailed daily and weekly training performance.
- Cost flexibility in operating model
- Hedging strategy in place (for foreign exchange and energy)
- Expanding the availability of our credit and service offerings for customers in areas such as in order and collect

Changes since last report

This is a new risk.



Principal risks and uncertainties continued

Risk movement

- ▲ Increased
- ▬ Stable
- ▼ Decreased

Link to strategy

- 👥 Colleagues
- 🛒 Easy to shop
- 👤 Customers for life
- 📈 Grow profits

11 Our commitment to Sustainability			Risk owner: Chief People, Communications & Sustainability Officer	Risk category: Strategic
Risk movement: 	What is the risk? Our commitment to sustainability and being a good corporate citizen is either not delivered or not adequately communicated to, or recognised by, customers and investors.	What is the impact? • Reduced cash flow as customers shop elsewhere • Reputational damage • Loss of competitive advantage	How we manage it • Agreed strategic priorities for Group, with 12 month and three-year plans for UK&I shared with International Teams. • Roadmap to Net Zero by 2040 • Commitment to EV100 • Oversight from ESG Committee, ExCo and the Board • New Board ESG Committee supported by Group Sustainability Leadership Team • Group ESG strategy regularly reviewed • Maintenance of a brand tracker • Commitment to TCFD ahead of mandatory compliance • Independent reviews on environmental practices e.g. CDP • Group ESG team and in the line resource in key areas across business • Horizon scanning • Partnerships with reputable external agencies Circular Electronics Partnership (on circular economy), British Retail Consortium (on climate change), Digital Poverty Alliance. • ESG included in SOH project at Group and regional level. • Management reporting on progress against target for e-waste (monthly) and emissions (quarterly) with metrics for both included in annual bonus scorecard	Changes since last report The likelihood of the risk has increased over 2022/23 whilst the impact has decreased.
Link to strategy  				
Considered in the Viability statement: No				
12 Product Safety			Risk owner: Chief Operating Officer	Risk category: Operational
Risk movement: 	What is the risk? Unsuitable procedures and due diligence regarding product safety, particularly in relation to OEM sourced product, may result in poor quality or unsafe products provided to customers which pose risk to customer health and safety.	What is the impact? • Financial penalties • Reduced cash flow • Reputational damage	How we manage it • Factory Audits conducted over OEM suppliers • Technical Evaluation of OEM products prior to production • Product inspection of OEM products prior to shipment • Monitoring of reported incidents • Safety Governance reviews conducted by internal by Technical and Business Standards teams • Establish protocols and procedures to manage product recalls	Changes since last report This risk remains unchanged over 2022/23.
Link to strategy 				
Considered in the Viability statement: No				



13a Supply Chain resilience – Logistics

Risk owner:
Chief Operating Officer

Risk category:
Operational

Risk movement:



Link to strategy



**Considered in the
Viability statement:**
No

What is the risk?

Overall capacity reduction across the SC and SO impacting the customer proposition and increased costs reducing EBIT and impacting operation of the business.

What is the impact?

- Reduced revenue and profitability
- Deteriorating cash flow
- Reduced market share
- For equipment delays: direct impact on capacity which could impact our customer proposition
- Ongoing labour shortages and the Cost of Living crisis are increasing cost to serve across the Supply Chain and Service Operations impacting on overall profitability

How we manage it

- Longer term review of global sourcing to mitigate shipping costs with OEM teams as more volume moves to Europe
- Review of shift patterns to reduce reliance on agency colleagues within Logistics
- Long term strategy of using greater automation across the network.
- Central review of our response to the Cost of Living crisis ongoing
- Ongoing effort to De-risk next Peak to drive efficiency and reduce the requirements on temporary labour

**Changes since
last report**

This risk likelihood and impact has reduced over 2022/23

13b Supply Chain resilience – Sourcing

Risk owner:
Chief Commercial Officer

Risk category:
Strategic

Risk movement:



Link to strategy



**Considered in the
Viability statement:**
No

What is the risk?

Currys works closely with a number of key suppliers to ensure best in class. The Top 10 brands deliver 60% of our sales, and a larger proportion of our end to end profit. As a result, there are opportunities to manage by focusing on developing and maintaining strong ties with these brands.

What is the impact?

- Disruptions to supply of goods
- Pricing and stock availability terms could worsen, leading to decreasing sales/reduced margin
- Reduced revenue and profitability
- Deteriorating cash flow
- Reduced market share

How we manage it

- Ensuring alignment of key suppliers to future strategy: "Project Board Meetings" with strategic suppliers' management
- Continuing to leverage the scale of operations to strengthen relationships with key suppliers and maintain a good supply of scarce products
- Working with suppliers to ensure availability of products through Key Supplier Group engagement program
- Ethical supply chain due diligence over our supplier base
- Control structures to ensure appropriate Supplier Relationship Management for GFR, GNFR and OEM
- We are ensuring we still remain competitive on pricing, despite the high cost levels and are mitigating this by reviewing OEM/non competed pricing where possible
- In certain areas, we have a broad range of suppliers that can support when another supplier encounters shortages

**Changes since
last report**

This risk has remained stable over 2022/23.

Principal risks and uncertainties continued

Emerging Risk Radar: Climate Change

Risk description	We must manage our operations and influence our value chain towards a low-carbon future, to mitigate the physical and financial risks of climate change and capitalise on the opportunities the transition enables. The longevity and prosperity of our business depends intrinsically on the health of our planet. We can play our part in helping to mitigate the most extreme effects of climate change but we also need to be prepared and adapt to a changing climate.
Example of impacts	• Examples of the physical effects of climate change are already being experienced by Currys (including increasing temperatures requiring greater cooling of stores and flood damage together with weather impacts to shipping and logistics) and through our initial scenario analysis exercise we know that we can expect this to increase. • We must ensure compliance with evolving climate regulations. • Failure to incorporate climate change considerations into our business operations will have physical, financial, people and reputational implications.
Example of mitigating actions	• We have a Group-wide Sustainability Leadership Team and ESG Committee who have oversight and governance for monitoring our progress and plans • Reducing greenhouse gas emissions across our value chain is a vital action to play our part in mitigating the worst effects of climate change. We have publicly committed to be net zero by 2040 and reduce our emissions by 50% by 2030, thereby aligning to the climate science of a 1.5°C world. Activities and commitments to date include: – annual emissions reduction targets as part of our corporate bonus setting and we have committed to including ESG metrics in our LTIPs which may focus on emission reduction. – Signed up to EV100 fleet commitment. – Programmes to reduce energy usage at our sites as well as remove gas and reduce the impact of refrigerant gases from the UK&I estate. • Embedding climate-related scenario analysis insight into our risk management and strategic planning. The Group Strategy & Corporate Development Director has been appointed lead for TCFD which will progress our work in this area. • The development of products and services that reduce society's impact on the planet and promote a more circular economy. A working group has been established to address Scope 3 emissions. • Part of collaborations such as: the British Retail Consortium's Climate Action Roadmap to make the industry net zero by 2040 in the UK; and the Circular Electronics Partnership to reimagine the value of electrical products and materials using a lifecycle approach, reducing waste from the design stage through to product use and recycling.



Going concern and viability statement

Going concern is the basis of preparation of the financial statements that assumes an entity will remain in operation for a period of at least 12 months from the date of approval of the financial statements. The viability statement takes account of the Company's current position and principal risks, stating whether there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over a longer term than the going concern period.

Going concern

A review of the Group's business activities, together with the factors likely to affect its future development, performance, and position, are set out within this Strategic Report, including the risk management section. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are shown in the balance sheet, cash flow statement and accompanying notes to the Annual Report and Accounts. The directors have outlined the assessment approach for going concern in the accounting policy disclosure in note 1 of the consolidated financial statements. Following that review, the directors have concluded that the going concern basis remains appropriate.

Viability statement

In accordance with the UK Corporate Governance Code, the directors have assessed the viability of the Group over a period longer than the 12 months covered by the 'Going concern' provision above.

The directors, in making the assessment that three years was appropriate, considered the current financial and operational positions of the Group, the potential impact of the risks and uncertainties in the Strategic Report, and the macroeconomic environment (covering inflation, cost of living, consumer spending and competitor activity), plus the mitigating actions available to the Board.

The Board concluded that a period of three years was appropriate, noting that whilst the most recent strategic plan has a five-year outlook, this is not the typical planning horizon for the Group and is instead the result of current macroeconomic uncertainty. The Group's strategic plan is updated annually, and the period of three years reflects where there is greater certainty of cash flows associated with the Group's major revenue streams.

The strategic plan considers the forecast revenue, EBITDA, working capital, cash flows and funding requirements on a business by business basis, which are assessed in aggregate with reference to the available borrowing facilities to the Group over the assessment period including seasonal cash flow and borrowing requirements on a monthly basis and the financial covenants to which those facilities need to comply. The model assessed by the directors has been derived from the Board-approved annual Group budget for 2023/24, and Board-approved strategic plan for the remaining two periods. These forecasts have been subject to robust stress-testing, modelling the impact of a severe but plausible downside scenario based on those principal risks facing the Group, including specific consideration of a range of impacts that could arise from the continued short to medium term macroeconomic uncertainty. This scenario included a downside risk to sales across the Group to reflect the risk caused by the current macroeconomic environment with rising energy costs, interest rates, and inflation that could place additional pressure on consumer spending.

As part of this analysis, mitigating actions within the Group's control have also been considered. These forecast cash flows indicate that there remains sufficient headroom in the viability period for the Group to operate within the committed facilities and to comply with all relevant banking covenants, for which the Group obtained relaxation from October 2023 to October 2024.

As well as focusing on the potential downside to sales caused by the current macroeconomic environment, the scenario also included other principal risks such as regulation or information security incidents and reduced forecast profitability and cash flow as a result of a significant change in consumer behaviour. The model assumes no further funding facilities are required over and above those currently committed to the Group as disclosed in note 17 to the Annual Report and Accounts.

Based on the results of this analysis, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment. In doing so, it is recognised that such future assessments are subject to a level of uncertainty and as such future outcomes cannot be guaranteed or predicted with certainty.

FURTHER INFORMATION

Going Concern

→ For further information on Going Concern, see note 1 to the financial statements on page 174.

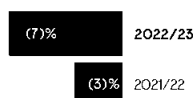


Key performance indicators

Financial

LFL Revenue growth⁽¹⁾

(7)%



2020/21

14%

What we measure and why it's key

Like-for-like (LFL) revenue growth is the revenue growth of the business using a constant currency, adjusted for new and closed stores and other changes in business. The metric enables us to measure the underlying trading performance of the Group on a consistent year-on-year basis.

Performance in 2022/23

LFL revenue decline due to weak consumer demand across most markets coupled with modest market share losses.

Revenue

£9,511m



2020/21

£10,344m

What we measure and why it's key

Revenue represents total revenue generated by the Group with sustainable growth being an important measure of our brands appeal and competitive position.

Performance in 2022/23

Group Revenue declined (6)% on a reported basis due to the LFL decline.

Free cash flow^{(1),(2)}

£(74)m



2020/21

£438m

What we measure and why it's key

Free cash flow represents available cash after operational cash outflows, cash tax and interest paid and capital investment but before pension contributions. It is a measure of the Group's ability to both generate cash and efficiently manage working capital such that it optimises cash resources available for the Group to invest in its future growth and to generate shareholder return.

Performance in 2022/23

Lower operating profits in the Nordics, combined with a working capital outflow due to sales decline led to a free cash outflow during the year.

Non-Financial

UK&I market share⁽ⁱ⁾

24.1%



2020/21

24.1%

What we measure and why it's key

Market share is the clearest indicator that the proposition we are delivering to customers is more appealing than the competition. Market share is defined as the Group's product sales relative to total consumer sales of technology products in each market.

Performance in 2022/23

We maintained our leading market share in both the UK and the Nordics despite increased competitive pressure in the Nordics, which was exacerbated by an excess of stock.

In the UK, our market share is down (100)bps compared to last year as we lost share in consumer electronics and computing but gained share in major domestic appliances.

In the Nordics, our market share was down (100)bps compared to last year.

(i) Source: GfK. UK total market has been expanded in 2022/23 to include additional retailers, figures for 2020/21 and 2021/22 have been restated.

(ii) Source GfK. Nordics Market Share calculation has been modified in 2022/23 and is based on B2C sales of Elkjøp, own and franchise stores to final customers, figures for 2020/21 and 2021/22 have been restated.

Nordics market share⁽ⁱⁱ⁾

27.6%



2020/21

29.1%

Net zero by 2040 (scope 1 & 2 tonnes CO₂e)

(43)%



2020/21

36,863

What we measure and why it's key

We calculate the reduction in Scope 1 and 2 greenhouse gas emissions, in line with the standards of the Green House Gas Protocol and using the methodology set out in Defra's Environmental Reporting Guidelines, by reference to the Groups total emissions in financial year 2019/20 (36,863 tonnes), as the clearest measure of our progress to achieving net zero emissions by 2040.

Performance in 2022/23

The Group have achieved reductions in energy consumption and Scope 1 and 2 emissions this year.



Our ten Key Performance Indicators (KPIs) comprise a balanced set of financial and non-financial metrics that are consistent with our strategy and vision and enable management to evaluate the Group's strategic performance. Statutory equivalents of our KPIs are provided where relevant.

Adjusted profit before tax^{(1), (5)}**£119m**

2022/23 £119m

2021/22 £192m

2020/21 £156m

Statutory profit/(loss) before tax⁽³⁾**£(450)m**

£(450)m 2022/23

2021/22 £126m

2020/21 £33m

Adjusted earnings per share^{(1), (5)}**8.3p**

2022/23 8.3p

2021/22 12.4p

2020/21 10.7p

Statutory earnings/(loss) per share⁽³⁾**(43.6)p**

(43.6)p 2022/23

2021/21 6.3p

2020/21 10p

What we measure and why it's key

Sustainable growth of profit before tax and adjusting items represents a clear measure of performance against our strategic priorities and an indication of how we create long term value for all stakeholders.

Performance in 2022/23

Adjusted profit before tax decreased during the year due to the deterioration in Nordics performance. Statutory profit before tax was further impacted by non-cash writedown of goodwill.

What we measure and why it's key

Adjusted basic EPS represents the profit after tax, but before adjusting items, attributable to each share after taking into account the change in number of shares in issue from year to year. The level of growth provides a clear measure of the financial health of the Group and its ability to deliver returns to shareholders each year.

Performance in 2022/23

The decrease in EPS was driven by the reduction in profit.

- (1) Alternative Performance Measure. Definitions, purpose and reconciliations to the closest statutory equivalent for our Alternative Performance Measures are provided within the Glossary and definitions on pages 231 to 244.
- (2) The directors consider free cash flow to be a useful measure as, unlike statutory equivalents, it is a good indicator of cash generated from continuing operations which is available to fund future growth or be distributed to shareholders.
- (3) Statutory profit/(loss) before tax and statutory earnings/(loss) per share are not KPIs but are presented to give additional useful information to users on the performance of the business.
- (4) Net zero is defined in the Glossary and definitions section on page 244.
- (5) Adjusted results and adjusting items for the comparative period ended 30 April 2022 has been restated to reflect the updated adjusting items policy which is used to determine whether an item is to be classified as adjusting. More information in Performance Review on page 76.

Colleague engagement**+78**

2022/23 +78

2021/22 +77

2020/21 +68

Net Promoter Score ('NPS')**+67**

2022/23 +67

2021/22 +66

2020/21 +65

Tonnes of electrical reuse and recycling**102,576**

2022/23 103k

2021/22 103k

2020/21 103k

What we measure and why it's key

Our capable and committed colleagues are our greatest advantage. Keeping colleagues engaged drives better experiences for customers. Our Employee Satisfaction measure is measured through our colleague's response to the question 'How happy are you working at Currys?' and forms just one part of our employee engagement survey that enables our colleagues to provide honest and open feedback.

Performance in 2022/23

Employee engagement continued to increase this year (+1 points) on the back of investment in training, well-being and reward. Group eSat score of 78 is +4 points above global benchmarks.

What we measure and why it's key

Customer satisfaction a key indicator how we're performing. NPS is the percentage of Promoters minus Critics answering the question 'How likely are you to recommend Currys.com to a friend or colleague?'

Performance in 2022/23

NPS improved 2.3 points in UK & Ireland which more than offset the marginal decline in Nordics and Greece.

What we measure and why it's key

Tonnes of e-waste collected across our Group for reuse or recycling is a key indicator of our progress in creating circular business models and reducing the impact that used electronics have on the environment. It is the sum of all electronics received including via trade-in and recycling services from customers.

Performance in 2022/23

The total tonnes of e-waste collected for reuse and recycling for the Group was flat year-on-year. In 2023/24 we will measure and report e-waste as the number of units collected across the Group.



Performance Summary 2022/23

Group sales decreased (7)% on a like-for-like basis with a decline in all markets except Greece driven by a fall in consumer spending due to persistent inflation and rising interest rates, as well as a normalisation of spend on technology after strong growth during the pandemic.

Revenue	2022/23 £m	2021/22 £m	Year-on-year		
			Reported % change	Currency neutral % change	Like-for-Like % change
UK & Ireland	5,067	5,485	(8)%	(8)%	(7)%
International	4,444	4,659	(5)%	(4)%	(7)%
– Nordics	3,807	4,105	(7)%	(6)%	(10)%
– Greece	637	554	15%	12%	12%
Group	9,511	10,144	(6)%	(6)%	(7)%

In UK&I adjusted EBIT increased +45% YoY. Improvements to gross margin were driven through higher adoption of credit and other services, better monetisation of our improved proposition, focus on more profitable sales through improved use of data and analytics to drive better marketing returns and cost savings in supply chain and service operations. Operating costs fell in absolute terms as savings more than offset inflationary cost pressures and increased business rates tax.

As previously announced, we have recorded a £(511)m non-cash impairment of UK&I goodwill arising out of the Dixons Carphone merger in 2014. This impairment was primarily driven by increased discount rates as a result of the sharp increases in UK bond yields, as well as more prudent economic assumptions within our internal valuation models.

In International, adjusted EBIT declined a disappointing (73)% YoY. In our Nordic markets, the consumer spending environment has deteriorated rapidly over the past 12 months, with falling consumer demand exacerbated by a general overstocking in the market. This has meant several competitors have heavily discounted products, preventing the pass-through of inflated cost of goods, resulting in lower profits.

Due to lower International profitability, Group operating cash flow declined (29)% YoY, while free cash flow was an outflow of £(74)m, reflecting the lower operating profitability, continued investment and a working capital outflow as a result of the sales decline.

Profit and Cash Flow Summary	2022/23 £m	2021/22 £m	2022/23 Adjusted £m	2021/22 Adjusted (restated) ⁽¹⁾ £m	Reported % change	Currency neutral % change
Segmental EBIT						
UK & Ireland	(353)	71	170	117	45%	44%
International	7	151	44	163	(73)%	(73)%
– Nordics	(11)	130	26	142	(82)%	(81)%
– Greece	18	21	18	21	(14)%	(18)%
EBIT	(346)	222	214	280	(24)%	(24)%
EBIT Margin	(3.6)%	2.2%	2.3%	2.8%	(50) bps	(60) bps
Net interest expense on leases	(68)	(70)	(68)	(70)	n/a	n/a
Other net finance costs	(36)	(26)	(27)	(18)	n/a	n/a
(Loss)/profit before tax	(450)	126	119	192	(38)%	(39)%
Tax	(31)	(55)	(27)	(52)		
(Loss)/profit after tax	(481)	71	92	140		
(Loss)/earnings per share	(43.6)p	6.3p	8.3p	12.4p	(33)%	
Operating cash flow			268	375	(29)%	(29)%
Operating cash flow margin			2.8%	3.7%	(90) bps	(90) bps
Cash generated from operations	386	524				
Free cash flow			(74)	72	n/a	
Net (debt)/cash			(97)	44	n/a	



Balance sheet and capital allocation

In November 2021, the Group laid out its capital allocation framework and priorities:

1. Maintain prudent balance sheet (defined as meeting banking covenants and meeting our own targets for indebtedness fixed charge cover of >1.5x and indebtedness leverage <2.5x)
2. Pay required pension cash contributions
3. Invest to grow business/profits/cashflow
4. Pay and grow ordinary dividend
5. Surplus capital available to return to shareholders

Since we set these priorities, trading conditions have deteriorated, particularly in the Nordics. At this year-end, net indebtedness leverage was 2.91x and total indebtedness fixed charge cover was 1.42x, outside of our targets. We are focussed on rebuilding these metrics over the next year and have accordingly taken actions to reduce costs and capital expenditure. We have agreed a covenant relaxation for the period to up to October 2024 and a reduction in contributions to the pension scheme over the next two years. Consistent with these actions and cognisant of the uncertain economic outlook, the Board has decided not to declare a final dividend for the 2022/23 financial year. Our capital allocation priorities remain unchanged.

Current year guidance

- Trading at the start of the year has been consistent with the Board's expectations
- Capital expenditure of around £80m, down more than 25% YoY due to tighter control and lower transformation spend
- Net exceptional cash costs around £50m, up YoY due to additional property costs and restructuring
- Pension contributions of £36m, reduced from £78m in 2022/23

Other technical cashflow items:

- Depreciation & amortisation of £320–330m
- Cash payments of leasing costs, debt & interest of £280–290m
- Cash interest of around £40m

Longer term guidance

- Group continuing to target at least 3.0% adjusted EBIT margin
- Exceptional cash costs expected to fall significantly from 2024/25 onwards
- Pension contributions will rise to £50m in 2024/25 and to £78m for the following three years before a final payment of £43m in 2028/29

(1) In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ('ESMA') and are consistent with those used internally by the Group's Chief Operating Decision Maker to evaluate trends, monitor performance, and forecast results.

We consider these additional measures to provide additional information on the performance of the business and trends to shareholders. Adjusted results and adjusting items for the comparative period ended 30 April 2022 have been restated to reflect the updated adjusting items policy that reflects management's belief that the revised classification provides greater clarity on the current and future performance of the Group's ongoing omnichannel retail operations. There has been no impact on statutory results as a result of the restatements.

The below, and supplementary notes to the APMs, provides further information on the definitions, purpose, prior period restatements and reconciliations to IFRS measures of those APMs that are used internally to provide parity and transparency between the users of this financial information and the CODM in assessing the core results of the business in conjunction with IFRS measures.

These APMs may not be directly comparable with other similarly titled measures of 'adjusted' or 'underlying' revenue or profit measures used by other companies, including those within our industry, and are not intended to be a substitute for, or superior to, IFRS measures.



Performance Review 2022/23 continued

The business is managed and evaluated across three reporting segments; UK & Ireland, Nordics and Greece. The table below shows the combined Group results, with fuller explanation following under each of the individual segments.

Income Statement	2022/23 £m	2021/22 (restated) £m	Reported % change	Currency neutral % change
Revenue	9,511	10,144	(6)%	(6)%
Adjusted EBITDA	524	594	(12)%	(12)%
Adjusted EBITDA margin	5.5%	5.9%	(40) bps	(40) bps
Depreciation on right-of-use assets	(194)	(190)		
Depreciation on other assets	(52)	(62)		
Amortisation	(64)	(62)		
Adjusted EBIT	214	280	(24)%	(24)%
Adjusted EBIT margin	2.3%	2.8%	(50) bps	(60) bps
Interest on lease liabilities	(68)	(70)		
Finance income	2	2		
Adjusted finance costs	(29)	(20)		
Adjusted PBT	119	192	(38)%	(39)%
Adjusted PBT margin	1.3%	1.9%	(60) bps	(70) bps
Adjusted tax	(27)	(52)		
Adjusted Profit after tax	92	140		
Adjusted EPS	8.3p	12.4p		
Statutory Reconciliation				
Adjusting items to EBITDA	(537)	(34)		
EBITDA	(13)	560	n/a	n/a
Adjusting items to depreciation and amortisation	(23)	(24)		
EBIT	(346)	222	n/a	n/a
EBIT Margin	(3.6)%	2.2%	(580) bps	(580) bps
Adjusting items to finance costs	(9)	(8)		
PBT	(450)	126	n/a	n/a
Adjusting items to tax	(4)	(3)		
Profit after tax	(481)	71		
EPS – total	(43.6)p	6.3p		



Cash flow	2022/23 £m	2021/22 (restated) £m	Reported % change	Currency neutral % change
Adjusted EBITDAR	536	608	(12)%	(11)%
Adjusted EBITDAR margin	5.6%	6.0%	(40) bps	(40) bps
Cash payments of leasing costs, debt & interest ⁽¹⁾	(283)	(263)		
Other non-cash items in EBIT	15	30		
Operating cash flow⁽¹⁾	268	375	(29)%	(29)%
Operating cash flow margin	2.8%	3.7%	(90) bps	(90) bps
Capital expenditure	(111)	(133)		
Adjusting items to cash flow ⁽¹⁾	(40)	(23)		
Free cash flow before working capital	117	219	(47)%	(47)%
Working capital	(127)	(112)		
Segmental free cash flow	(10)	107	n/a	n/a
Cash tax paid	(38)	(18)		
Cash interest paid	(26)	(17)		
Free cash flow	(74)	72	n/a	n/a
Dividend	(35)	(46)		
Purchase of own shares – share buyback	–	(32)		
Purchase of own shares – employee benefit trust	(4)	(41)		
Pension	(78)	(78)		
Other	50	–		
Movement in net cash/(debt)	(141)	(125)	n/a	n/a
Net cash/(debt)	(97)	44	n/a	n/a

(1) APM defined in Glossary.



Performance review 2022/23 continued

UK and Ireland

Income Statement	2022/23 £m	2021/22 (restated) £m	Reported % change	Currency neutral % change
Revenue	5,067	5,485	(8)%	(8)%
Adjusted EBITDA	325	286	14%	14%
Adjusted EBITDA margin	6.4%	5.2%	120 bps	120 bps
Depreciation on right-of-use assets	(98)	(100)		
Depreciation on other assets	(21)	(29)		
Amortisation	(36)	(40)		
Adjusted EBIT	170	117	45%	44%
Adjusted EBIT margin	3.4%	2.1%	130 bps	130 bps
Adjusting items to EBIT	(523)	(46)		
EBIT	(353)	71	n/a	n/a
EBIT margin	(7.0)%	1.3%	(830) bps	(830) bps
Cash flow				
Adjusted EBITDAR	332	295	13%	13%
Adjusted EBITDAR margin	6.6%	5.4%	120 bps	120 bps
Cash payments of leasing costs, debt & interest ⁽¹⁾	(161)	(155)		
Other non-cash items in EBIT	10	26		
Operating cash flow⁽¹⁾	181	166	9%	9%
Operating cash flow margin	3.6%	3.0%	60 bps	60 bps
Capital expenditure	(58)	(65)		
Adjusting items to cash flow ⁽¹⁾	(36)	(23)		
Free cash flow before working capital	87	78	12%	12%
Working capital	(71)	31		
Segmental free cash flow	16	109	(85)%	(85)%

(1) APM defined in Glossary.

Total UK&I sales declined (8)%, driven by like-for-like sales decline of (7)% and the online share of business was 45%, flat YoY.

Domestic appliances and mobile were the strongest performing categories due to our investment in these areas and improved availability, but only grew marginally compared to last year. We are enjoying a higher mix of iD Mobile which is good over the long-term, but due to accounting for the ownership this will likely cause a short-term impact to profit and cash. Computing saw sales decline and was around the level of pre-pandemic. Consumer electronic sales also declined and are now lower than pre-pandemic.

The UK market shrank (6)% during the year with the online market reducing by (8)% and the store channel declining around (2)%. Our market share is down (100)bps compared to last year as we lost share in consumer electronics and computing but gained share in major domestic appliances.

Gross margins increased +160bps (1H: +160bps, 2H: +160bps), as the investment in long-term transformation activities has yielded higher adoption rate of credit and other services and allowed us to better monetise the improvements in customer proposition. Alongside this, improved understanding and analysis of the end-to-end P&L has allowed for more selective promotional activity and we have driven £42m of cost savings within supply chain. The operating expense to sales ratio worsened by (30)bps as costs reduced in absolute terms, but not enough to offset the decline in sales. A £(15)m headwind from the lowering of UK & Ireland business rates tax reliefs, energy cost inflation of £(12)m and wage inflation of £(12)m were more than offset by £75m of cost savings across supply chain, store operations and central costs.

Adjusted EBIT increased to £170m at 3.4% margin, up +130bps YoY.

In the period, adjusting items to EBIT totalled £(523)m due to £(511)m impairment of goodwill, predominantly due to increased discount rates as a result of the increases in UK gilt yields and more prudent assumptions within our valuation models due to the increased macroeconomic uncertainty. The cash costs in the period related to leases on previously closed stores and the cash impact of ongoing strategic change and cost saving initiatives.



	2022/23 £m		2021/22 (restated) £m	
	P&L	Cash	P&L	Cash
Acquisition/disposal related items	(11)	–	(12)	–
Strategic change programmes	(8)	(36)	1	(56)
Impairment losses and onerous contracts	(511)	–	(54)	(20)
Regulatory	7	–	–	–
Other	–	–	19	53
Total	(523)	(36)	(46)	(23)

Operating cash flow was up +9% to £181m due to the higher operating profit offset by higher cash lease payments and lower non-cash expenses. Capital expenditure was down slightly compared to last year at £58m, with significant expenditure focussed on IT and upgrading our omnichannel platform. Adjusting items are described above. Working capital cashflow as the sales decline drove a natural outflow of working capital. In combination, this resulted in segmental free cash inflow of £16m, £(93)m lower than last year.



Performance review 2022/23 continued

Nordics

Income Statement	2022/23 £m	2021/22 £m	Reported % change	Currency neutral % change
Revenue	3,807	4,105	(7)%	(6)%
Adjusted EBITDA	156	264	(41)%	(40)%
Adjusted EBITDA margin	4.1%	6.4%	(230) bps	(230) bps
Depreciation on right-of-use assets	(81)	(76)		
Depreciation on other assets	(25)	(27)		
Amortisation	(24)	(19)		
Adjusted EBIT	26	142	(82)%	(81)%
Adjusted EBIT margin	0.7%	3.5%	(280) bps	(280) bps
Adjusting items to EBIT	(37)	(12)		
EBIT	(11)	130	n/a	n/a
EBIT margin	(0.3)%	3.2%	(350) bps	(350) bps
Cash flow				
Adjusted EBITDAR	159	267	(40)%	(39)%
Adjusted EBITDAR margin	4.2%	6.5%	(230) bps	(230) bps
Cash payments of leasing costs, debt & interest ⁽¹⁾	(100)	(90)		
Other non-cash items in EBIT	4	4		
Operating cash flow	63	181	(65)%	(65)%
Operating cash flow margin	1.7%	4.4%	(270) bps	(270) bps
Capital expenditure	(45)	(56)		
Adjusting items to cash flow	(4)	–		
Free cash flow before working capital	14	125	(89)%	(88)%
Working capital	(56)	(113)		
Segmental free cash flow	(42)	12	n/a	n/a

(1) APMA defined in Glossary.

Revenue declined by (6)% on a currency neutral basis, with like-for-like sales decline of (10)%. Online share of business was broadly stable compared to last year.

Except for mobile, all product categories saw sales decline, with computing and consumer electronics declining the most.

Compared to last year, the Nordic market declined around (4)%. Our market share was 27.6%, down (100)bps compared to last year.

Cost of goods inflation was high and not fully passed on to customers due to an excess of stock in a market that declined more than was expected. Aggressive competition meant there was a lot of heavy discount and clearance activity which drove a gross margin decline of (200)bps (1H: (200)bps, 2H (210) bps). The operating expense to sales ratio worsened by (80)bps as a small decrease in absolute costs was not enough to offset operating deleverage. Our strong cost control has allowed us to offset inflationary increases of £(28)m and a further £(16)m of costs related to new stores. Cost savings were

generated across many areas including marketing, store and head office payroll, IT expenditure and consultant fees. As a result, adjusted EBIT declined (82)% to £26m.

In the period, adjusting items to EBIT totalled £(37)m, with £(12)m due to the amortisation of acquisition intangibles and £(7)m of asset impairments which have no cash impact, and £(18)m restructuring costs. The cash cost of restructuring was £(4)m in the year with the balance expected to be incurred in 2023/24.

	2022/23 £m		2021/22 £m	
	P&L	Cash	P&L	Cash
Acquisition/disposal related items	(12)	–	(12)	–
Strategic change programmes	(18)	(4)	–	–
Impairment losses and onerous contracts	(7)	–	–	–
Total	(37)	(4)	(12)	–

The operating cash flow decreased by (65)% to £63m, driven by the lower profit outturn and higher cash lease costs. Capital expenditure was £45m, with significant areas of expenditure including

our Next Generation Retail omnichannel platform and store refits. We have also started work on our Nordic Distribution Centre expansion in Jönköping. The total spend was down on last year as spend on

some strategic projects was paused. Working capital outflow of £(56)m was due to changes in timing of stock buy-in and the associated timing of VAT payments.



Greece

Income Statement	2022/23 £m	2021/22 £m	Reported % change	Currency neutral % change
Revenue	637	554	15%	12%
Adjusted EBITDA	43	44	(2)%	(4)%
Adjusted EBITDA margin	6.8%	7.9%	(110) bps	(120) bps
Depreciation on right-of-use assets	(15)	(14)		
Depreciation on other assets	(6)	(6)		
Amortisation	(4)	(3)		
Adjusted EBIT	18	21	(14)%	(18)%
Adjusted EBIT margin	2.8%	3.8%	(100) bps	(100) bps
Adjusting items to EBIT	-	-		
EBIT	18	21	(14)%	(18)%
EBIT margin	2.8%	3.8%	(100) bps	(100) bps
Cash flow				
Adjusted EBITDAR	45	46	(2)%	(2)%
Adjusted EBITDAR margin	7.1%	8.3%	(120) bps	(100) bps
Cash payments of leasing costs, debt & interest ⁽¹⁾	(22)	(18)		
Other non-cash items in EBIT	1	-		
Operating cash flow	24	28	(14)%	(17)%
Operating cash flow margin	3.8%	5.1%	(130) bps	(140) bps
Capital expenditure	(8)	(12)		
Adjusting items to cash flow	-	-		
Free cash flow before working capital	16	16	0%	(6)%
Working capital	-	(30)		
Segmental free cash flow	16	(14)	n/a	n/a

(1) APMA defined in Glossary.

Revenue increased +12% on a currency neutral basis, with like-for-like sales growth of +12%. During the year we opened one outlet store and relocated two stores. Online (including call centre) share of sales fell slightly compared to last year.

Mobile performed strongly mainly due to Apple phone launches. Cooling and air conditioning sales were partially aided by the start of a government subsidy programme, but this also saw high promotions and mix shift towards lower end products. Computing sales fell compared to the strong sales last year when sales benefited from government subsidies for students.

Gross margin declined (80)bps over prior year as increases in cost of goods were not fully passed on to customers due to high stock positions and competitive intensity in the market, the increased mix of mobile which has a lower gross margin, and promotions on delivery and installation. Operating expense ratio worsened by (20) bps, mainly due to increased energy costs, increased colleague reward and removal of government rent subsidies. As a result, adjusted EBIT decreased to £18m. There were no adjusting items to EBIT.

The operating cash flow was £24m, down £(4)m from the prior year due to lower operating profit. Capital expenditure was £8m, with significant areas of expenditure including stores, IT and distribution. Working Capital was broadly neutral.

Performance review 2022/23 continued

Finance Costs

Interest on lease liabilities was £(68)m, a slight decrease on prior year due to timing of amortisation on the lease portfolio; the cash impact of this interest is included within "Cash payments of leasing costs, debt & interest" in segmental free cash flow.

The adjusted net finance costs were higher than last year as the Group moved into an average net debt position. The net cash impact of these costs was £(26)m, from £(17)m in the prior year.

The finance costs on the defined benefit pension scheme is an adjusting item and was broadly flat year-on-year in line with the assumptions used in the valuation of the pension obligations.

	2022/23 £m	2021/22 £m
Interest on lease liabilities	(68)	(70)
Finance income	2	2
Finance costs	(29)	(20)
Adjusted net finance costs	(95)	(88)
Finance costs on defined benefit pension schemes	(7)	(8)
Other finance costs	(2)	–
Net finance costs	(104)	(96)

Tax

The full year adjusted effective tax rate of 23% was lower than the previous year rate of 27% due to a lower proportion of overseas profits, which are taxed at higher tax rates, and because the prior period included the deferred tax impact of the change in the UK tax rate to 25% from 19%. Taxation payments of £38m (2021/22: £18m) were higher due to the reversal of the Norwegian payments that were deferred in the prior period following an internal reorganisation.





Cash flow

	2022/23 £m	2021/22 (restated) £m	Reported % change	Currency neutral % change
Operating cash flow	268	375	(29)%	(29)%
Capital expenditure	(111)	(133)		
Adjusting items to cash flow	(40)	(23)		
Free cash flow before working capital	117	219	(47)%	(47)%
Working capital and network commissions	(127)	(112)		
Segmental free cash flow	(10)	107	n/a	n/a
Cash tax paid	(38)	(18)		
Cash interest paid	(26)	(17)		
Free cash flow	(74)	72	n/a	n/a
Dividend	(35)	(46)		
Purchase of own shares – share buyback	–	(32)		
Purchase of own shares – employee benefit trust	(4)	(41)		
Pension	(78)	(78)		
Other	50	–		
Movement in net cash	(141)	(125)	n/a	n/a
Opening net cash/(debt)	44	169	(74)%	
Closing net cash/(debt)	(97)	44	n/a	n/a

Segmental free cash flow was an outflow of £(10)m (2021/22: inflow of £107m) and interest and tax outflows totalled £(64)m as described above, resulting in a free cash outflow of £(74)m (2021/22: inflow of £72m).

A £24m (2.15p per share) final dividend for the 2021/22 financial year and £11m (1.0p per share) interim dividend for 2022/23 was approved by shareholders and paid during the period. The employee benefit trust acquired £4m worth of shares to satisfy colleague share awards.

Pension contributions of £78m (2021/22: £78m) were flat with prior year and in line with the contribution plan agreed with the pension fund Trustees.

Other movements predominantly relate to currency translation differences. The NOK has significantly weakened against sterling particularly in the final quarter of the financial year, which has caused a positive reported translation difference.

The closing net debt position was £(97)m, compared to a net cash position of £44m at 30 April 2022. This included £30m of restricted cash (30 April 2022: £30m). The average net debt for the year was £(96)m, compared to an average net cash position of £290m in 2021/22.

Performance review 2022/23 continued

Balance sheet

	29 April 2023 £m	30 April 2022 £m
Goodwill	2,270	2,814
Other fixed assets	1,500	1,554
Working capital	(230)	(342)
Net cash / (debt)	(97)	44
Net lease liabilities	(1,228)	(1,263)
Pension	(249)	(257)
Deferred tax	8	74
Provisions	(48)	(59)
Income tax payable	(34)	(64)
Net assets	1,892	2,501

Goodwill declined £(544)m during the year ended 30 April 2023, of which £(511)m related to an impairment over goodwill allocated to UK & Ireland, primarily driven

by a material increase in the discount rate used as explained in the UK&I performance review. Currency revaluations of £(35)m impacted goodwill allocated to Nordics.

Other fixed assets decreased by £(54)m since 30 April 2022 as capital expenditure and the increases in present value of leases due to lease renewals were more than offset by depreciation and amortisation of £(310)m.

	29 April 2023 £m	30 April 2022 £m
Inventory	1,151	1,286
Trade Receivables	299	336
Trade Payables	(1,439)	(1,614)
Trade working capital	11	8
Network commission receivables and contract assets	116	190
Network accrued income	105	40
Network receivables	221	230
Other Receivables	259	253
Other Payables	(731)	(850)
Derivatives	10	17
Working capital	(230)	(342)

At year-end, total working capital was £(230)m (30 April 2022: £(342)m). Group inventory was £1,151m, (10)% lower than last year as inventory across markets has been lowered in response to lower sales. The lower sales resulted in stock days increasing from 57 to 63 compared to 30 April 2022. Trade payable days remained broadly flat at 76 since 30 April 2022 as trade payables decreased significantly by £(175)m to £(1,439)m (30 April 2022: £(1,614)m) due to the reduced stock purchases compared to the prior year.

Total network receivables are down £(9)m compared to last year as reduced volume has been offset by positive revaluations. Due to changes in customer ownership at iD mobile, debtors associated with iD Mobile are now recorded as accrued income.

Other receivables was broadly flat year-on-year. Other payables fell by £68m due to lower VAT payable, lower accrued expenses, and lower amounts from sale of goods not yet delivered to customers.

Lease liabilities are broadly unchanged against 30 April 2022 as the store portfolio has now normalised following the closure of Carphone Warehouse stores in previous periods, with all Ireland stores now exited and only 14 remaining within the UK.

The IAS 19 accounting deficit of the defined benefit section of the pension scheme amounted to £249m (30 April 2022: £257m). The deficit is broadly flat to 30 April 2022 as the declining market value of the underlying assets was offset by a decrease in liability due to higher discount rates linked to long-term bond yield returns.

During the period, the liability-driven investments held by pension scheme functioned as intended, but in order to provide additional collateral in the event of a further sudden spike in gilt yields, the Group put in place an arrangement that allowed short-term lending to the scheme. This facility was not utilised and has now terminated.

The triennial valuation as of 30 March 2022 has now been completed and shows a deficit of £(402)m, a substantial improvement on the £(645)m deficit at 31 March 2019. The improvement has been driven by company contributions of £164m, and investment outperformance, offset by changes in inflation and other assumptions. At end April 2023, the actuarial deficit was around £(300)m due to further company contributions and favourable movement of scheme assets and liabilities.



As the scheme is ahead of funding targets, the trustee has agreed a reduction in company contributions to £36m and £50m in 2023/24 and 2024/25 respectively. Contributions will then resume at £78m per annum until December April 2028 with a

final payment of £43m in 2028/29, when deficit is scheduled to be closed.

As part of the triennial valuation, the Group has agreed to matching on shareholder distributions such that

distributions above Enil for 2023/24, above £12m for 2024/25 and above £60m for 2025/26 onwards will be matched by equal additional contributions to the pension scheme.

	29 April 2023 £m	30 April 2022 £m	1 May 2021 £m
Net cash / (debt)	(97)	44	169
Restricted cash	(30)	(30)	(35)
Net lease liabilities	(1,228)	(1,263)	(1,322)
Pension liability	(249)	(257)	(482)
Total closing indebtedness	(1,604)	(1,506)	(1,670)
Less: year-end net cash / (debt)	97	(44)	(169)
Add: average net cash / (debt)	(96)	290	280
Total average indebtedness	(1,603)	(1,260)	(1,559)

	29 April 2023 £m	30 April 2022 (restated) £m	1 May 2021 £m
Operating cashflow	268	375	338
Cash payments of leasing costs, debt & interest	283	263	288
Operating cash flow plus cash payments of leasing	551	638	626
Bank covenant ratios			
Fixed charges (cash lease costs + cash interest)	309	280	312
Fixed charge cover	1.78x	2.28x	2.01x
Net cash excluding restricted funds	(127)	14	134
Net debt leverage	0.47x	(0.04)x	(0.40)x
Net indebtedness ratios			
Fixed charges (cash lease costs + cash interest + pension contributions)	387	358	359
Total indebtedness fixed charge cover	1.42x	1.78x	1.74x
Total closing indebtedness	(1,604)	(1,506)	(1,670)
Total indebtedness leverage	2.91x	2.36x	2.67x

At 29 April 2023 the Group had net debt of £(97)m (2021/22: net cash £44m) and average net debt for the year of £(96)m (2021/22: net cash £290m). The Group also has access to £501m across two longer term revolving credit facilities that expire in October 2026, and two additional short-term credit facilities totalling £135m that expire in October 2023, taking total available credit from revolving credit facilities to £636m. The covenants on the debt facilities are net debt leverage <2.5x (2022/23: 0.47x) and fixed charge cover >1.75x (2022/23: 1.78x). In April 2023 the Group's supportive lending syndicate agreed to relax the fixed charge cover covenant to >1.5x until April 2025.

The deferred tax asset reduced by £(66)m in the period, largely as a result of the derecognition of the UK deferred tax asset, which has been prudently assessed during the period based on the current macroeconomic uncertainty.

Provisions primarily relate to property, reorganisation and sales provisions. The balance reduced by £(11)m during the year as the utilisation of reorganisation provisions for central and retail operations, sales provisions and property related onerous contract costs for closed stores more than offset additions. Onerous property contract costs of £5m were released during the period following the

completion of negotiations to exit stores closed as part of previously announced property rationalisation projects.



Performance review 2022/23 continued

Comprehensive income/Changes in equity

Total equity for the Group decreased from £2,501m to £1,892m in the period, driven by a loss of £(481)m, the actuarial loss (net of taxation) on the defined benefit pension deficit for the UK pensions scheme of £(96)m, dividends paid of £(35)m, hedging losses of £(5)m, £(5)m for the translation of legacy overseas operations now disposed of and purchase of own shares by the EBT of £(4)m. This was marginally offset by movements in relation to share schemes of £17m.

Share count

The weighted average number of shares used for basic earnings reduced by 26m to 1,104m as the weighted average number of shares in issue fell 32m following the repurchase of shares in 2021/22, offset by a small decrease in the average number of shares held by the Group EBT to satisfy colleague shareholder schemes.

The dilutive effect of share options and other incentive schemes decreased as several schemes' performance underperformed against vesting conditions.

	29 April 2023 Million	30 April 2022 Million
Weighted average number of shares		
Average shares in issue	1,133	1,165
Less average holding by Group EBT and treasury shares held by Company	(29)	(35)
For basic earnings / (loss) per share	1,104	1,130
Dilutive effect of share options and other incentive schemes	20	45
For diluted earnings / (loss) per share	1,124	1,175

Prior period restatement

As disclosed in the Performance Review the adjusted results and adjusting items for the comparative period ended 30 April 2022 has been restated to reflect the updated adjusting items policy which is used to determine whether an item is to be classified as adjusting.

Management believes the revised classification policy, with the main change being the removal of mobile network debtor revaluations, provides greater clarity on the current and future performance of the Group's ongoing omnichannel retail operations.

The impact of the restatement on the Group's adjusted results for the respective comparative periods is outlined below with additional reconciliations and information on the revised policy included within the glossary and definitions section of this report. There is no impact on statutory results as a result of the restatements.

Approval of Strategic Report

This Strategic Report was approved by the Board and signed on its behalf by:

Alex Baldock
Group Chief Executive
6 July 2022



Year ended 30 April 2022

	2021/22 as previously reported £m	Policy adjustment £m	2021/22 restated £m
Income Statement			
Adjusted revenue	10,122	22	10,144
Adjusting items to revenue	22	(22)	–
Revenue	10,144	–	10,144
Adjusted EBITDA	588	6	594
Adjusted EBITDA margin	5.8%	+10 bps	5.9%
Depreciation on right-of-use assets	(190)	–	(190)
Depreciation on other assets	(62)	–	(62)
Amortisation	(62)	–	(62)
Adjusted EBIT	274	6	280
Adjusted EBIT margin	2.7%	+10 bps	2.8%
Interest on lease liabilities	(70)	–	(70)
Finance income	2	–	2
Adjusted finance costs	(20)	–	(20)
Adjusted PBT	186	6	192
Adjusted PBT margin	1.8%	+10 bps	1.9%
Adjusted tax	(51)	(1)	(52)
Adjusted Profit after tax	135	5	140
Adjusted EPS	11.9p	0.5p	12.4p
Cash flow			
Adjusted EBITDAR	602	6	608
Adjusted EBITDAR margin	5.9%	+10 bps	6.0%
Cash payments of leasing costs, debt & interest	(263)	–	(263)
Other non-cash items in EBIT	22	8	30
Operating cash flow	361	14	375
Operating cash flow margin	3.6%	+10 bps	3.7%
Capital expenditure	(133)	–	(133)
Adjusting items to cash flow	(33)	10	(23)
Free cash flow before working capital	195	24	219
Working capital	(88)	(24)	(112)
Segmental free cash flow	107	–	107
Cash tax paid	(18)	–	(18)
Cash interest paid	(17)	–	(17)
Free cash flow	72	–	72
Dividend	(46)	–	(46)
Purchase of own shares – share buyback	(32)	–	(32)
Purchase of own shares – employee benefit trust	(41)	–	(41)
Pension	(78)	–	(78)
Other	–	–	–
Movement in net cash	(125)	–	(125)
Net cash	44	–	44

Governance at a glance

Compliance with the UK Corporate Governance Code 2018 (the 'Code')

The Board confirms that throughout the year ended 29 April 2023 and as at the date of this report, the Company applied the principles of, and was fully compliant with the provisions of the Code other than provision 38 (alignment of executive director pension contribution rates to those of the workforce) with which it became compliant from December 2022 when Alex Baldock's pension contributions were reduced to 3% to align to those of the wider workforce.

A copy of the Code is available from the website of the Financial Reporting Council, www.frc.org.uk.

Further information on how the Company has implemented each of the Code provisions can be found as follows:

Board Leadership and Company Purpose	Page 97
Division of Responsibilities	Page 101
Composition, Succession and Evaluation	Page 103
Audit, Risk and Internal Control	Page 106
Remuneration	Page 125

Magdalena Gerger Non-Executive Director

Magdalena joined the Board as a non-executive director after the end of the financial year on 1 May 2023. She will be a member of the Company's Remuneration, Nominations, and Environment, Social and Governance ('ESG') Committees from 6 July 2023.



Magdalena's former roles include president and CEO of Systembolaget, senior vice president of Arla Foods, category head for Nescafe and Retail Coffee at Nestle UK, and UK marketing director at Tambrands (now Procter & Gamble) and ICI Paints. Magdalena has over 20 years' non-executive director experience, and her past roles include Ingka Holding BV (IKEA), Husqvarna AB and Ahlsell AB. She is currently a non-executive director of Peab AB and Investor AB, and chair of Nefab Group, the Business Council of The Royal Swedish Academy of Engineering Sciences and the British Swedish Chamber of Commerce.

Adam Walker Non-Executive Director

Adam joined the Board as a non-executive director after the end of the financial year on 8 June 2023. He is a member of the Company's Audit and Remuneration Committees.



Adam is currently a non-executive director and the chair of the audit committee of Tritium DCFC Limited (listed on Nasdaq). Prior to that, he was a non-executive director and the chair of the audit committee of Kier Group plc.

His former executive roles include executive vice president and chief financial officer of IHS Holding Limited (IHS Towers), chief financial officer of GKN plc, group finance director at Informa PLC, and finance director at National Express Group PLC.

Board highlights from 2022/23

- Enhanced focus on the Nordics business – additional deep dives and updates.
- Approved the Three-Year Plan.
- Approved entering into a strategic partnership with Infosys to establish a world class business services capability.
- Received updates from the Nominations Committee on Board succession, the process to recruit additional non-executive directors and approved the appointments of Magdalena Gerger and Adam Walker.
- Evaluated strategic profit levers and value acceleration options.
- Appointed new brokers and received updates on the external market.
- Received deep dive updates including on the Company's pension scheme liability, the strategy for UK Mobile, pricing and colleague listening.
- UK store visit including presentations from stores colleagues, a deep dive on the strategy for UK stores and the Services business.

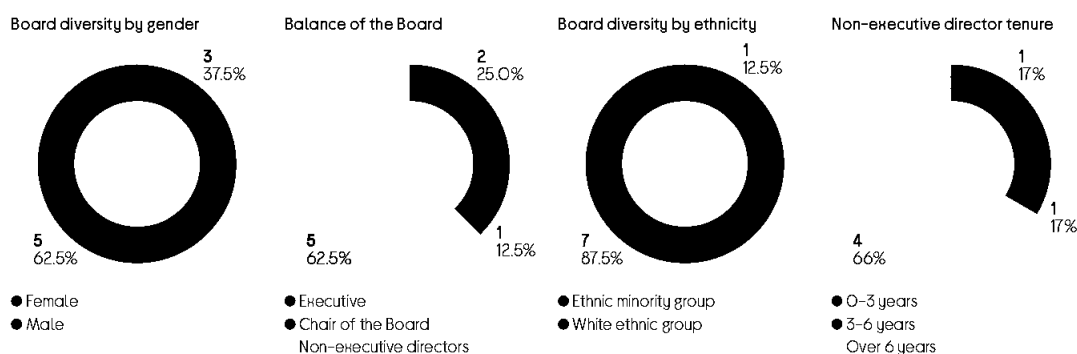
Board meeting attendance in 2022/23

Directors	Meetings attended
Alex Baldock	
Eileen Burbidge MBE	
Tony DeNunzio CBE ⁽¹⁾	
Ian Dyson	
Andrea Gisle Joosen ⁽¹⁾	
Bruce Marsh	
Fiona McBain ⁽¹⁾	
Gerry Murphy	
Company Secretary	Meetings attended
Nigel Paterson	

(1) Three directors missed one Board meeting that was scheduled at short notice to consider the management of short-term liquidity issues in the pension fund caused by the macroeconomic environment. The three directors that were unable to attend the meeting each provided their input on the proposal to the Chair of the Board in advance of the meeting.



Board composition at 29 April 2023



Board skills and experience (no score = general understanding to 3 = deep subject matter expertise)

Directors	Ian Dyson Board Chair and Nominations Committee Chair	Eileen Burbridge Independent Non-Executive Director and ESG Committee Chair	Tony DeNunzio Deputy Chair, Senior Independent Director and Remuneration Committee Chair	Andrea Gisle Joosen Independent Non-Executive Director	Fiona McBain Independent Non-Executive Director and Audit Committee Chair	Gerry Murphy Independent Non-Executive Director	Alex Baldock Group Chief Executive	Bruce Marsh Group Chief Financial Officer
General retailing experience	3	2	3	3	3	2	3	3
E-commerce	2	2	2	2	2		3	2
Commercial / supplier management	1	1	2	1	1	1	2	2
Supply chain / logistics	1	1	3	1		1	2	2
Environment including climate change	2	2	1	3	1	1	2	1
Social impact in communities	1	3		2	2		2	
Strategy (development and implementation)	3	2	3	3	3	3	3	3
Accounting, finance and audit	3	1	3	2	3	3	2	3
Corporate transactions	3		2	2	3	3	3	2
Risk management	3		2	1	3	3	3	2
Listed company governance	3		2	3	3	2	2	2
Remuneration	2	1	3	2		2	2	2
Compliance / Regulatory	2		1	2	3	2	2	1
People / corporate culture / organisational design	2	3	2	2	2	1	2	2
IT and technology	1	3	1	1	2	2	2	2
Marketing / advertising	1	2	1	3	2	1	2	1
Consumer financial services	1	3	1	1	3	2	3	2
International businesses	2	2	3	3	1	1	3	1
Current executive leadership	N	Y	N	N	N	N	Y	Y

Board of Directors

Committee membership

- Audit Committee
- Disclosure Committee
- Nominations Committee
- Remuneration Committee
- ESG Committee
- Ⓒ Committee Chair

				
	Ian Dyson (61) Chair of the Board Ⓒ	Tony DeNunzio CBE (63) Deputy Chair and Senior Independent Director ● ●	Alex Baldock (52) Group Chief Executive ●	Bruce Marsh (55) Group Chief Financial Officer Ⓒ
Appointed	September 2022	December 2015 (as Senior Independent Director and Non-Executive Director) April 2017 (as Deputy Chair, Senior Independent Director and Chair of the Remuneration Committee)	April 2018	July 2021
Current external roles	Non-executive director of JD Sports Fashion plc.	Chairman of the British Retail Consortium, chairman of Evri UK, senior advisor at Kohlberg, Kravis, Roberts & Co L.P. and a non-executive director of PrimaPrik SL.	Non-executive director of RS Group plc including membership of the Audit and Remuneration Committees.	None.
Skills and experience	Skills: Ian has more than 20 years' experience in the public market arena. He brings strong, extensive leadership experience from his previous senior executive and financial roles, and non-executive directorships at both FTSE 100 and FTSE 250 levels which equips him to effectively lead the Board. Experience: Ian's past roles include chair of ASOS plc, chief executive of Punch Taverns plc, group finance and operations director at Marks & Spencer Group plc, group finance director of Rank Group Plc and group financial controller and finance director for the hotels division of Hilton Group plc. He was a non-executive director of SSP Group plc and senior independent non-executive director of Flutter Entertainment plc. More recently, Ian was a non-executive director, and audit committee chair, of InterContinental Hotels Group plc (2013-2023).	Skills: Tony has extensive experience in the European retail and consumer goods sectors in finance, CEO and chair roles. Experience: Tony was non-executive chairman of Pets at Home Group Plc from 2014 to May 2020 and president and chief executive officer of Asda / Walmart UK from 2002 to 2005, having previously served as chief financial officer of Asda PLC. He started his career in the fast-moving consumer goods sector with financial positions in Unilever PLC, L'Oréal and PepsiCo, Inc. Tony was also previously non-executive director of Alliance Boots GmbH, chairman of Makeda Retail Group BV, and deputy chairman and senior independent director of MFI Furniture Group plc (now Howden Joinery Group Plc). He was chairman of the advisory board of Manchester Business School and was awarded a CBE for services to retail in 2005.	Skills: Alex has an outstanding track record in leading large, complex consumer-facing businesses. He led the delivery of the digital transformation of Shop Direct, now the Very Group, from a catalogue retailer to the UK's second largest e-commerce pure-play, delivering four consecutive years of record growth in sales, profits, customer satisfaction and colleague engagement. Before that, he led the successful transformation of Lombard. Alex is particularly valued for his strategic clarity, relentless execution of strategy and his ability to inspire individuals around him. Experience: Alex has been Group Chief Executive of Currys since 2018 and was CEO of Shop Direct (2012-2018). Before that, Alex was managing director of Lombard (2008-2012), and commercial director at Barclays. He started his career in strategy and operations consulting with KPMG and Bain & Company.	Skills: Bruce brings to the Board a strong financial track record over many years in retail, and in the successful delivery of large complex business transformations in rapidly changing environments. He has extensive experience in leading high-quality finance teams, maintaining robust financial controls and improving planning and performance. Experience: Bruce joined Currys from Tesco plc, where he was finance director, UK & Ireland. Before that, Bruce was at Kingfisher plc where he was managing director of Kingfisher Future Homes and group strategy director. Previously, Bruce held several senior finance roles at Dixons Retail plc.
Board meeting attendance	6/6 Ian attended all six Board meetings since his appointment. He also attended a Board meeting as an observer prior to joining the Board.	9/10 Tony was absent from one meeting convened at short notice (to consider short-term liquidity issues in the pension scheme), but provided his input prior to the meeting.	10/10	10/10



Andrea Gisle Joosen (59)
Independent
Non-Executive Director



August 2014 (having served on the Dixons Retail plc board since March 2013)

Andrea will step down from the Board on 6 July 2023.

Chair of Bilprovingen AB, chair of Charge Amps AB, non-executive director of 888 Holdings plc, Logent AB, Neopitch AB and Stadium AB.

Skills: Andrea has an MSc in Business and International Marketing from The Copenhagen Business School (CBS). She brings to the Board extensive international business experience in a variety of sectors including marketing, brand management, business development and consumer electronics.

Experience: Andrea's former roles include chair of Acast AB, Teknikmagasinet AB, non-executive director of James Hardie Industries plc, ICA Gruppen AB, Billeud AB, chief executive of Boxer TV Access AB in Sweden and managing director (Nordic region) of Panasonic, Chantelle AB and Twentieth Century Fox. Her early career involved several senior marketing roles with Procter & Gamble and Johnson & Johnson.

9/10
Andrea was absent from one meeting convened at short notice (to consider short-term liquidity issues in the pension scheme), but provided her input prior to the meeting.



Eileen Burbidge MBE (52)
Independent
Non-Executive Director



January 2019

Eileen co-founded Passion Capital in 2011 where she is a partner and represents as non-executive / investor director at Monzo Bank and Butternut Box along with several other Passion Capital portfolio companies.

Skills: Eileen has a strong technology background and is a leader in the development of the UK's fintech industry. Eileen brings a constructive, challenging, and balanced perspective to the Board including a focus on technology innovation, value creation and an informed perspective on the digital consumer. Eileen is an advocate for a range of social impact issues including increasing the number of females in tech, as well as diversity and inclusion and sustainability.

Experience: Eileen has a university degree in computer science and has held various roles at Apple, Sun Microsystems, Openwave, PalmSource, Skype, Yahoo! and Verizon Wireless. Eileen was a member of the Prime Minister's Business Advisory Group, chair of Tech Nation – a UK government-supported technology industry group, HM Treasury Special Envoy for Fintech and Tech Ambassador for the Mayor of London's office. She was made an MBE for services to business in the Queen's Birthday Honours in 2015.

10/10



Fiona McBain (62)
Independent
Non-Executive Director



March 2017

Non-executive director of Direct Line Insurance Group plc (chair of the investment committee) and Monzo Bank Limited (senior independent director and chair of the audit committee).

Skills: Fiona is a chartered accountant and has over 30 years' experience in retail financial services, both in the industry and as an auditor. She has an outstanding record of business leadership and is an experienced CEO and chair.

Experience: Fiona was the chair of Scottish Mortgage Investment Trust plc until the end of June 2023. She was chief executive officer of Scottish Friendly Group until December 2016, having joined the company in 1998. She has worked in the finance functions at Prudential plc and Scottish Amicable and, earlier in her career, across a number of industry sectors in the UK and then in the US. She qualified as a chartered accountant with Arthur Young (now EY).

9/10
Fiona was absent from one meeting convened at short notice (to consider short-term liquidity issues in the pension scheme), but provided her input prior to the meeting.



Gerry Murphy (71)
Independent
Non-Executive Director



April 2014

Non-executive board member of the Department of Health and Social Care.

Skills: Gerry is a chartered accountant. He brings to the Board his extensive audit and finance experience in consumer business, retail, technology, media and communications sectors.

Experience: Gerry was a non-executive director of Capital & Counties Properties PLC from 2015 to 2018 and the senior independent director from 2018 to 2020. Gerry is a former Deloitte LLP partner and was leader of its Professional Practices Group with direct industry experience in consumer business, retail and technology, media and telecommunications. He was a member of the Deloitte board and chairman of its audit committee for a number of years and was chairman of the Audit & Assurance Faculty of the Institute of Chartered Accountants in England and Wales.

10/10



Nigel Paterson (56)
General Counsel and
Company Secretary



April 2015

None.

Skills: Nigel is a qualified solicitor and brings extensive legal, risk and governance experience to the Board. Nigel also has a strong background in UK and international telecommunications.

Experience: Nigel held several senior legal roles at BT Group plc including general counsel for UK and major transactions. Prior to BT, Nigel was engaged as legal counsel at ExxonMobil International Limited. He trained and qualified as a solicitor with Linklaters.

10/10

Directors' Report

The Directors' Report required by the Companies Act 2006 (the 'Act'), the Corporate Governance Statement as required by the Financial Conduct Authority's ('FCA') Disclosure Guidance and Transparency Rules ('DTRs') DTR 7.2 and the management report required by DTR 4.1 comprises the Strategic Report on pages 1 to 89, the Corporate Governance Report on pages 97 to 109, together with this Directors' Report on pages 94 to 96. All information is incorporated by reference into the Directors' Report.

Directors

The names, biographies, committee memberships and dates of appointment of each member of the Board are provided on pages 92 and 93. During the year, Ian Livingston stepped down as a director and Chair of the Board on 8 September 2022. On 1 September 2022, Ian Dyson was appointed as a non-executive director and was appointed as Chair of the Board and Nominations Committee with effect from 8 September 2022. After the end of the financial year, on 1 May 2023, Magdalena Gerger was appointed as a non-executive director of the Board. She will become a member of the Remuneration, Nominations, and Environment, Social and Governance ('ESG') Committees on 6 July 2023. On 8 June 2023, Adam Walker was appointed as a non-executive director of the Board and member of the Audit and Remuneration Committees. Andrea Gisle Joosen will step down from the Board on 6 July 2023.

The Board is permitted by its Articles of Association (the 'Articles'), to appoint new directors to fill a vacancy as long as the total number of directors does not exceed the maximum limit of 15. The Articles may be amended by special resolution of the shareholders and require that any director appointed by the Board stand for election at the following annual general meeting. In accordance with the UK Corporate Governance Code 2018, all directors submit themselves for election or re-election on an annual basis.

The Remuneration Report provides details of applicable service agreements for executive directors and terms of appointment for non-executive directors. All the directors proposed by the Board for election or re-election are being unanimously recommended for their skills, experience and the contribution they bring to Board deliberations.

During the year, no director had any material interest in any contract of significance to the Group's business. Their interests in the shares of the Company, including those of any connected persons, are outlined in the Remuneration Report on pages 125 to 157.

The Board exercise all the powers of the Company subject to the Articles, the Act and shareholder resolutions. A formal schedule of matters reserved for the Board is in place and is available on the Company's website, www.currysplc.com.

Directors' responsibilities

The directors' responsibilities for the financial statements contained within this Annual Report and Accounts and the directors' confirmations as required under DTR 4.1.12 are set out on page 158.

Directors' indemnities and insurance

The Company has made qualifying third-party indemnity provisions (as defined in the Act) for the benefit of its directors during the year; these provisions remain in force at the date of this Directors' Report.

In accordance with the Articles, and to the extent permitted by law, the Company may indemnify its directors out of its own funds to cover liabilities incurred as a result of their office. The Group holds directors' and officers' liability insurance cover for any claim brought against directors or officers for alleged wrongful acts in connection with their positions, to the point where any culpability for wrongdoing is established. The insurance provided does not extend to claims arising from fraud or dishonesty.

Information required by Listing Rule 9.8.4R

Details of long term incentive schemes as required by Listing Rule 9.4.3R are located in the Directors' Remuneration Report on pages 125 to 157. There is no further information required to be disclosed under Listing Rule 9.8.4R.

Dividend

The Board has not proposed a final dividend for the year ended 29 April 2023. Details of the final and interim dividends for the year are included in the below table.

As at 6 July 2023, the Company's Employee Benefit Trust ('EBT') held 26,685,537 ordinary shares. The right to receive the final dividend for 2022/23 will be waived by the trustees of the EBT in respect of the balance of shares held as at the dividend record date on 4 August 2023.

	Year ended 29 April 2023	Year ended 30 April 2022
Interim dividend	1.00p	1.00p
Final dividend	nil	2.15p
Total dividends	1.00p	3.15p



Colleague involvement

The Group has a comprehensive communications programme in place to provide colleagues with information on matters of concern to them. This includes regular publications on the Group's intranet, email updates from the Group Chief Executive and other Executive Committee members and regular meetings with line managers. There is a colleague forum in place in UK & Ireland and an International Colleague Forum representing all other countries in the Group. The Colleague Forums form the basis of the colleague listening framework and enable colleague feedback to be received effectively and consistently across all countries in the Group. The Colleague Forums make valuable contributions to transformation and business change programmes and provide input on a wide range of business and people topics. Details of the colleagues' involvement in the Group's share plans are disclosed in the Remuneration Report on pages 125 to 157.

Employment of disabled people

The business is committed to providing equal opportunities in recruitment, training, development and promotion. We encourage applications from individuals with all forms of disabilities. All efforts are made to retain disabled colleagues in our employment, including making any reasonable adjustments to their roles. Every endeavour is made to find suitable alternative employment and to retrain and support the career development of any employee who becomes disabled while serving the Group.

Information on greenhouse gas emissions

The information on greenhouse gas emissions that the Company is required to disclose is set out in the Sustainable Business report on pages 40 to 63. This information is incorporated into this Directors' Report by reference and is deemed to form part of this Directors' Report.

Political donations

No political donations were made by the Group during the period. It remains the policy of the Company not to make political donations nor incur political expenditure as those expressions are normally understood. As the definitions of political donations and political expenditure in the Act are very wide, and could extend to bodies such as those involved with policy review, law reform and the representation of the business community, the directors seek shareholder authority for political donations and political expenditure each year on a precautionary basis to avoid inadvertent infringement of the Act.

Capital structure

The Company's only class of share is ordinary shares. Details of the movements in issued share capital during the year are provided in note 21 to the Group financial statements. The voting rights of the Company's shares are identical, with each share carrying the right to one vote. The Company does not hold any shares in treasury.

Details of employee share schemes are provided in note 4 to the Group financial statements. As at 29 April 2023, the EBT held 26,786,947 shares.

Restrictions on transfer of securities of the Company

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles and prevailing legislation. The directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

Change of control – significant agreements

All of the Company's share incentive scheme rules contain provisions which may cause options and awards granted under these schemes to vest and become exercisable in the event of a change of control.

The Group's main committed borrowing facility has a change of control clause whereby the participating banks can require the Company to repay all outstanding amounts under the facility agreement in the event of a change of control. There are a number of significant agreements which would allow the counterparties to terminate or alter those arrangements in the event of a change of control of the Company. These arrangements are commercially confidential, and their disclosure could be seriously prejudicial to the Company.

Furthermore, the directors are not aware of any agreements between the Company and its directors or employees that provide for compensation for loss of office or employment in the event of a takeover bid.

Directors' Report continued

Significant shareholdings

As at 29 April 2023, the Company had been notified of the following voting interests in the ordinary share capital of the Company in accordance with the FCA's DTR 5. Percentages are shown as notified, calculated with reference to the Company's disclosed share capital as at the date of the notification.

Name	Number of shares	Percentage of share capital
RWC Asset Management LLP	180,867,222	15.95%
Cobas Asset Management	90,735,430	8.00%
Artemis Investment Management LLP	88,211,458	6.89%
Schroders plc	59,677,996	5.26%
D P J Ross	55,738,699	4.80%
Ruffer	52,373,898	4.62%
Greater Manchester Pension Fund	45,040,040	3.97%
Majedie Asset Management	44,288,264	3.80%
Equiniti Trust (Jersey), trustee of the EBT	33,788,905	2.90%
Odey Asset Management LLP	31,851,616	2.81%

On 3 May 2023, Artemis Investment Management LLP disclosed a holding of 78,066,112 shares or 6.89%.

On 19 June 2023, Frasers Group Plc disclosed a holding of 100,785,000 shares or 8.89% and then on 21 June 2023 disclosed that this holding had increased to 106,395,278 shares or 9.39%.

On 23 June 2023, Artemis Investment Management LLP disclosed a holding of 56,419,795 shares or 4.97%.

On 26 June 2023, Frasers Group Plc disclosed a holding of 117,773,451 shares or 10.39%.

On 6 July 2023, being the last practicable date prior to the publication of this Annual Report and Accounts, no further changes to the shareholdings reported above had been notified to the Company in accordance with DTR 5.

Directors' interests in the Company's shares and the movements thereof are detailed in the Remuneration Report on pages 125 to 157.

Issue of shares

In accordance with section 551 of the Act, the Articles and within the limits prescribed by The Investment Association, shareholders can authorise the directors to allot shares in the Company up to one third of the issued share capital of the Company.

Accordingly, at the annual general meeting in 2022, shareholders approved a resolution to give the directors authority to allot shares up to an aggregate nominal value of £377,832. The directors have no present intention to issue ordinary shares, other than pursuant to obligations under employee share schemes.

This resolution remains valid until 29 October 2023, or, if earlier, until the conclusion of the Company's Annual General Meeting ('AGM') in 2023. The Company will seek the usual renewal of this authority at the AGM 2023.

Purchase of own shares

Authority was given by the shareholders at the annual general meeting in 2022 to purchase a maximum of 113,349,465 shares, such authority remaining valid until 29 October 2023, or, if earlier, until the conclusion of the Company's AGM in 2023. The authority was not exercised during the year. The Company will seek the usual renewal of this authority to purchase its own shares at the AGM in September 2023.

Use of financial instruments

Information about the use of financial instruments is given in note 23 to the Group financial statements.

Post-balance sheet date events

Events after the balance sheet date are disclosed in note 29 to the Group financial statements.

Auditor

Each director at the date of approval of this Annual Report and Accounts confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Act.

KPMG LLP was appointed as external Auditor for the 2022/23 financial year. KPMG LLP has expressed its willingness to continue in office as auditor and a resolution for their reappointment will be proposed at the Company's AGM in September 2023.

Certain information required to be included in this Directors' Report may be found within the Strategic Report.

By Order of the Board

Nigel Paterson
Company Secretary
6 July 2023



Corporate Governance Report

Chair of the Board statement



I am pleased to present my first Corporate Governance Report as Chair of the Board for the year to 29 April 2023.”

Ian Dyson
Chair of the Board

This Corporate Governance Report describes the governance framework in place to ensure that the Board is operating effectively and supporting and challenging management to maintain high standards of corporate governance across the Group. Robust corporate governance is essential to deliver the right outcomes for our shareholders, our customers, our colleagues, our partners and suppliers, and our communities.

Throughout the financial year, the Board has been compliant with all provisions of the UK Corporate Governance Code 2018 (the 'Code') other than achieving compliance with its provision 38 (alignment of executive director pension contribution rates to those of the workforce) in December 2022. Alex Baldock's pension allowance was reduced to 3% with effect from December 2022 to align to the pension contributions of the majority of the workforce.

Board Leadership and Company Purpose

Role of the Board

The Board is responsible for the overall leadership and promotion of the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. The Board sets the Company strategy and oversees its implementation within a framework of efficient and effective controls that allow the key issues and risks facing the business to be assessed and managed. The Board considers the impact on, and the responsibility it has to, the Company's stakeholders as part of its decision-making. The Board delegates clearly defined responsibilities to its committees and the terms of reference for these committees are available on the Company's website, www.currysplc.com/investors.

The Company's vision, purpose, values and strategy are described in more detail in the Strategic Report on pages 1 to 87. The Board oversees the delivery of the strategy within the context of the values and culture.

Culture

The directors monitor the culture in the business and receive regular updates on the results of colleague 'pulse surveys'. In January 2023, non-executive directors met privately with representatives of the UK & Ireland and International Colleague Forums to learn more about current issues impacting colleagues. In addition, all non-executive directors have access to the Company's intranet and have corporate email addresses and receive all communications sent to UK colleagues. The non-executive directors frequently have direct contact with Executive Committee members and their direct reports. Non-executive directors are invited to Company events such as the annual Peak event. The Board also visit key sites and stores. The October 2022 Board meeting was held in Stockholm and included store visits and the opportunity to meet office and store colleagues. The March 2023 Board meeting was held at the Junction 9 Birmingham store in the UK, and included a site tour and opportunities for directors to interact directly with store colleagues. One non-executive director attends Leadership Inclusion Forum meetings and another non-executive director attends International Colleague Forum meetings. Non-executive directors therefore have multiple opportunities to hear feedback directly from colleagues across different geographies and areas of the business and gain insights into corporate culture.

Corporate governance framework

The Currys plc Board is supported by five committees:

- **Audit Committee** – oversees financial reporting, risk management, internal controls and the relationship with the external Auditor;
- **Disclosure Committee** – oversees the procedures and controls for the identification and disclosure of price sensitive information;
- **Environment, Social and Governance ('ESG') Committee** – established as a formal committee of the Board during the financial year and approves the Group's ESG strategy and oversees the delivery of this strategy including the management of ESG risks;
- **Nominations Committee** – oversees the composition of the Board and its committees and that a diverse pipeline is in place for succession planning; and
- **Remuneration Committee** – oversees the remuneration of the executive directors and senior management and the structure of remuneration for the workforce.



Corporate Governance Report continued

These committees are each comprised of directors of the Currys plc Board with the exception of the General Counsel and Company Secretary who is a member of the Disclosure Committee. The day-to-day management of the business is delegated to the Group Chief Executive who is responsible for leading the implementation of the strategy that has been approved by the Board. The Group Chief Executive is supported by an Executive Committee comprised of seven senior leaders in the business. A wider Group Leadership Team of approximately 50 colleagues supports the Executive Committee in driving the management agenda.

The Group Risk and Compliance Committee comprises the members of the Executive Committee and oversees the management of principal and emerging risks (see page 106 for further information). The Group Sustainability Leadership Team ('GSLT') also reports into the Executive Committee. The GSLT oversees the Group's performance against ESG targets and is responsible for the delivery of the strategy approved by the new ESG Committee (see page 121 for further information).

Currys plc is the ultimate beneficial owner of the main operating subsidiaries in the Group. In the UK, the Regulatory Compliance Committee oversees the management of risks in relation to regulated products and the Product Governance Committee oversees the development of, and any subsequent material changes to, such products. Similar governance frameworks for regulated products are replicated in Ireland and the International businesses.

Board reserved matters

The formal schedule of matters reserved for the decision of the Board is considered by the directors on an annual basis. This was last approved on 17 January 2023 and the directors agreed that the balance of matters reserved and matters delegated remain

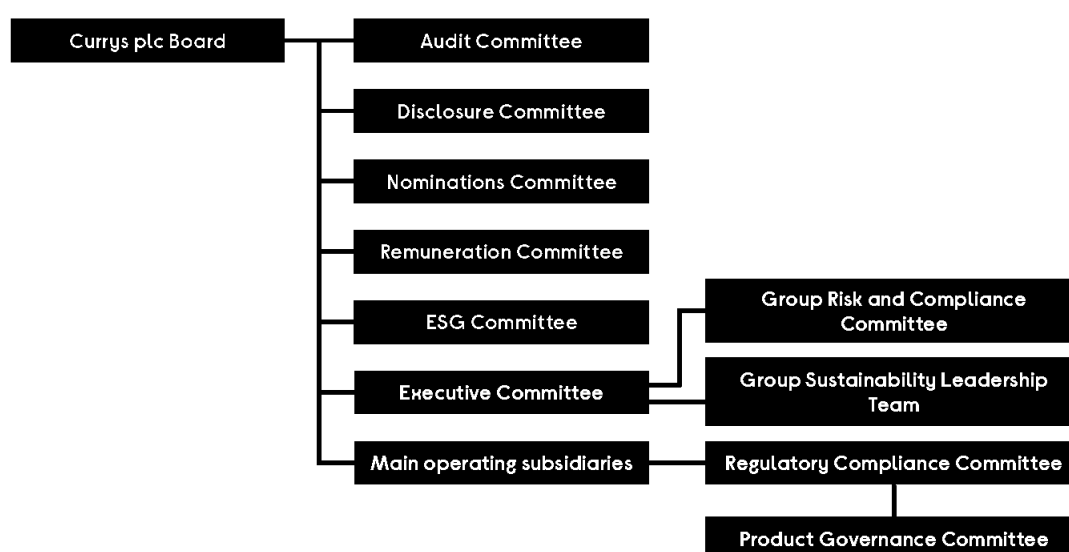
appropriate. The matters reserved for Board decision are available on the Company's website, www.currysplc.com and these include:

- approval of published financial statements, dividend policy and other disclosures requiring Board approval;
- declaration of interim and recommendation of final dividends;
- approval of budget and Group strategy and objectives;
- appointment and remuneration of directors, the Company Secretary and other senior executives;
- approval of major acquisitions and disposals;
- approval of authority levels for expenditure;
- approval of certain Group policies; and
- approval of shareholder communications.

Key areas of focus for the Board during the year

- Enhanced oversight of the Nordics business – additional updates.
- Approved the Three-Year Plan.
- Oversight of liquidity management and bank covenant renegotiation.
- Approved entering into a strategic partnership with Infosys to establish a world-class business services capability.
- Received updates from the Nominations Committee on Board succession, the process to recruit additional non-executive directors and approved the appointments of Magdalena Gerger and Adam Walker.
- Reviewed Group strategy and evaluated opportunities to accelerate value creation for shareholders.
- Appointed new brokers and received updates on the external market.
- Received deep dive updates including on the Company's pension scheme liability, the strategy for UK Mobile, pricing, and colleague listening.
- UK store visit including presentations from stores colleagues, a deep dive on the strategy for UK stores and the Services business.

The Board and committees structure





Board activities during 2022/23

Strategy	• Oversight of Group performance against strategy and delivery of transformation projects. • Nordics business deep dives. • Services business deep dive.	• UK & Ireland stores deep dive. • UK & Ireland commercial update. • ESG governance. • Pricing deep dive.
Financial and operational performance	• The Company's preliminary and interim results, trading statements and the annual report and accounts. • Going concern and viability statements. • Fair, balanced and understandable assessment. • Dividend, treasury and tax strategies. • Budget approval.	• Three-year plan approval. • New banking facility arrangements approval. • Capital expenditure approvals. • International business updates. • Capital allocation strategy. • Consideration of short-term Pension Fund liquidity issues.
Committee updates	• Detailed updates from each Committee Chair – Audit, Disclosure, ESG, Nominations and Remuneration – following committee meetings.	
Stakeholders		
Customers	• Customer experience updates and insights. • Customer feedback and metrics. • Consumer Duty implementation updates.	
Shareholders	• Annual general meeting documents. • Investor Relations updates and feedback. • Feedback from the Chair on meetings with the Company's major shareholders.	• Feedback from shareholder consultation on Directors' Remuneration Policy (following receiving below 80% support for the resolution at the annual general meeting in September 2022). • Interim dividend approval.
Colleagues	• Meeting of the non-executive directors with UK & Ireland and International Colleague Forum representatives in January 2023. • Health and safety review. • Colleague Share Schemes. • People strategy and plan.	• Talent, succession planning and leadership. • Inclusion, diversity, culture and values update. • Colleague engagement and colleague listening updates. • Gender pay gap reporting.
Communities and Environment	• Establishment of the ESG Committee as a committee of the Board as part of enhanced ESG governance framework. • Modern slavery update and statement.	• Partnership with Digital Poverty Alliance. • ESG measures in bonus scorecard metrics for 2023/24.
Governance and risk	• Risk framework and internal control review. • Principal risks and uncertainties review. • Risk horizon scanning. • Regulatory compliance updates. • Litigation and disputes updates. • Insurance review. • Conflicts of Interest & new appointments.	• Group Delegation of Authority Policy. • Board Reserved Matters and committee terms of reference review. • Role descriptions of the Chair of the Board, the Group Chief Executive and the Senior Independent Director review. • Internally facilitated Board effectiveness process completed.



Corporate Governance Report continued

Communication with investors

The Board supports the initiatives set out in the Code and the UK Stewardship Code 2020 and encourages regular engagement with both existing and potential shareholders and other stakeholders. The Board believes that it is important to explain business developments and financial results to the Company's shareholders and to understand shareholder concerns. The principal communication methods used to impart information to shareholders are results announcements, news releases, investor presentations and updates on the Company's website. In addition, the Chair of the Board invites each of the Company's largest shareholders to attend an engagement meeting on at least an annual basis. Ian Dyson has met with many of the Group's largest shareholders during this year as part of his induction. All shareholders are invited to submit any questions they have for the Board to cosoc@currys.co.uk or ir@currys.co.uk at any time of the year.

The Board receives a report from the Investor Relations team at every scheduled meeting and this includes a summary of investor interactions during the period and a synopsis of shareholder questions and feedback. The Board also met with the Company's brokers twice during the financial year to hear their perspective on shareholder interactions and feedback.

The Group Chief Executive has principal responsibility for investor relations. He is supported by an Investor Relations department that, amongst other matters, ensures there is a full programme of regular dialogue with major institutional shareholders and potential shareholders as well as with sell-side analysts throughout the year. In all such dialogue, care is taken to ensure that no price-sensitive information is released.

The Chair of the Board and non-executive directors are available to meet with major shareholders as required. During the year, the Chair of the Remuneration Committee met with several major shareholders to discuss remuneration matters and the Chair of the Audit Committee was asked to join a shareholder meeting to discuss oversight of cyber.

The Company is committed to fostering effective communication with all members, be they institutional investors, private or employee shareholders. The Company communicates formally to its members when its full year and half year results are published. These results are posted on the corporate website, as are other external announcements and press releases.

The annual general meeting provides an opportunity for the Company to engage with shareholders and for the Board to provide an account of the progress made by the business during the year, along with a synopsis of current issues facing the business.

Our stakeholders

The directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172(1) of the Companies Act 2006 (the 'Act'). The Board considers the impact on, and the responsibility it has to, all the Company's stakeholders as part of its decision-making. The Group communicates with external stakeholders, including industry bodies and regulators on the management of risks and issues.

Workforce

The Board remains committed to ensuring that it gives due regard to the interests of all of its stakeholders, including colleagues, including as set out under 'Culture' above. In its discussions, the Board has sought to understand and take account of the views of our colleagues. Further details are available in the Capable and committed colleagues section on pages 18 to 23. Further information on workforce policies and practices and how the Company invests in and rewards colleagues is also available in this section.

Authorisation of conflicts of interest

Each director has a duty under the Act to avoid a situation where they have or may have a conflict of interest. They are also required to disclose to the Board any interest in a transaction or arrangement that is under consideration by the Company. The General Counsel and Company Secretary supports the directors in identifying potential conflicts of interest and reporting them to the Board. The Board is permitted by the Company's Articles of Association to authorise conflicts when appropriate. Potential conflicts are approved by the Board, or by two independent directors if authorisation is needed urgently, and then reported to the Board at its next meeting. A register of directors' conflicts is maintained and reviewed at least annually. Directors are asked to confirm periodically that the information on the register is correct. The Board is satisfied that the Company's procedures to identify, authorise and manage conflicts of interest have operated effectively during the year.



Division of Responsibilities

Board structure

At the end of the financial year, the Board was comprised of two executive directors, five independent non-executive directors and the Chair of the Board to limit the ability for any individual or small group to dominate Board decision-making. After the end of the financial year, Magdalena Gerger joined the Board on 1 May 2023 and Adam Walker joined the Board on 8 June. Andrea Gisle Joosen will step down from the Board on 6 July 2023. The Board size will therefore temporarily increase from eight directors to ten to manage the implementation of an orderly succession plan. There is a clear division of responsibilities between the executive leadership of the business and the leadership of the Board.

Director responsibilities

In accordance with the Code, there is a clear division of responsibility between the Chair of the Board and the Group Chief Executive. Role descriptions are in place for the Chair of the Board, Group Chief Executive and Senior Independent Director and the Nominations Committee reviews and considers these on an annual basis and recommends any changes to the Board. The role descriptions were last approved by the Board on 17 January 2023 and are available on the Company's website, www.curreysplc.com. The main responsibilities of the different components of the Board are set out below.

Chair of the Board's responsibilities

- overall Board effectiveness and leadership;
- Board culture, including the encouragement of openness and debate and constructive relations between the executive and non-executive directors;
- the appropriate balance of skills, experience and knowledge on the Board;
- oversight of the induction, development, performance evaluation, and succession planning of the Board;
- promotion of diversity and equality of opportunity across the Group;
- representation of all stakeholders' interests; and
- promotion (with the support of the Company Secretary) of the highest standards of corporate governance.

Group Chief Executive's responsibilities

- formulation and proposal of the Group strategy and delivery of the strategy approved by the Board;
- delivery of Group financial performance;
- leadership of the Group and senior management including effective performance and succession planning;
- representation of the Company to key stakeholders;
- communication of Company culture and ensuring operational practices drive appropriate behaviours;
- communication to the Board of views of the workforce;
- promotion of diversity and equality of opportunity across the Group;

- identification of business development opportunities;
- management of Group risk profile and ensuring internal controls and risk mitigation measures are in place;
- ensuring compliant management of the Group's business; and
- oversight of the operational and support functions.

Senior Independent Director's responsibilities

- available to communicate with shareholders;
- annual appraisal of the performance of the Chair of the Board;
- oversight of an orderly succession for the position of chair of the Board;
- support the Chair of the Board in the performance of their duties; and
- work with the Chair of the Board, other directors and shareholders to resolve significant issues and to maintain Board and Company stability in periods of stress.

Independent non-executive director's responsibilities

- provision of an independent perspective;
- ensuring constructive challenge of management;
- considering the effectiveness of the implementation of the strategy within the risk appetite; and
- contribution of diversity of experience and backgrounds to Board deliberations.

General Counsel and Company Secretary's responsibilities

- trusted advisor to the Board on corporate governance matters;
- support for the Chair of the Board and non-executive directors;
- ensuring that the Board and committees have the appropriate type and quality of information they need to make sound business decisions; and
- ensuring that the corporate governance framework and practices remain fit for purpose.



Corporate Governance Report continued

Time commitment and attendance

The Nominations Committee has considered the commitment shown by the non-executive directors to the Company and is satisfied that all directors devote appropriate time to their roles. The Nominations Committee considers the external appointments of each of the directors on at least an annual basis. It was concluded again for 2022/23 that none of the directors had external commitments that would hinder their ability to devote sufficient time to discharging their Board role. Details of the directors' attendance at the Board meetings that took place during the year can be found on page 91. There were no absences from any scheduled Board or committee meetings during the year. Three directors were unable to attend one Board meeting convened at short notice to discuss the management of short-term liquidity issues in the Company's pension fund but each director unable to attend the meeting provided their input to the Chair of the Board in advance of the meeting.

Board meetings and information

The Chair of the Board is responsible for ensuring that all directors are properly briefed on issues arising at Board meetings and that they have full and timely access to relevant information. A comprehensive rolling forward agenda is in place for the Board and each committee to ensure that all regular updates and approvals can be considered in sufficient detail whilst leaving appropriate space on meeting agendas for the consideration of current issues. The Company uses an electronic board paper system which enables the safe and secure dissemination of quality information to the Board. Paper templates and guidance are provided to ensure that directors are provided with the information they need to be able to discharge their duties. Formal minutes of the Board and committee meetings are prepared by the General Counsel and Company Secretary, or their nominee, and are reviewed and approved by the Board or committee at the next meeting.

The Chair of the Board maintains regular communications with the non-executive directors in between meetings. Time is provided before and after every Board meeting for the non-executive directors to meet without the executives present. Board dinners are held periodically on an evening prior to a Board meeting to provide the opportunity to discuss corporate strategy, business performance and other matters in an informal setting.

Board meetings are usually held at the Company's office in London. Where appropriate, at the discretion of the chair of the meeting, some Board or committee meetings are held via videoconference in accordance with the UK & Ireland hybrid working policy. The Board usually holds meetings at other Group locations twice each year. This enables directors to visit stores and operational centres throughout the portfolio, meet colleagues and gain a deeper understanding of the business. The October 2022 Board meeting was held at the Group's office Stockholm and the visit included a dinner with the local management team and store visits. The March 2023 Board meeting was held at the Company's store in Birmingham and included a store tour and updates on UK store strategy and the Services business.



Composition, Succession and Evaluation

Board composition and independence

At year end, the Board comprised eight members: the Chair of the Board, two executive directors and five non-executive directors, each of whom is determined by the Board to be independent in character and judgement and who provide effective challenge to the Board. Biographical information for these Board members is available on pages 92 and 93. The Nominations Committee considers the criteria set out in the Code when considering independence, as well as contributions made during Board deliberations.

More than half of the Board (excluding the Chair of the Board, Ian Dyson) is considered to be independent in accordance with the Code. Every year the Board, supported by the Nominations Committee, considers the collective skills, experience and the composition of the Board and assesses whether or not the Board membership enables the effective delivery of the Company's strategy.

The Nominations Committee, considered the composition of the Board and its committees during the year. The Board approved the establishment of an ESG Committee during the year given the increased importance of the ESG agenda to each of the Company's stakeholders and business strategy. The Chair keeps Board composition under regular review and addressed this with each director during the Board effectiveness review process. Overall, the Board is satisfied that the current composition of the Board and committees is appropriate given the needs of the business.

In accordance with the Code, all directors other than Andrea Gisle Joosen will stand for re-election or election at the Company's AGM 2023. Biographical information for each of the directors submitting themselves for election or re-election is shown on pages 90, 92 and 93.

Board succession and changes to the Board

On 8 September 2022, Ian Livingston stepped down from the Board and Ian Dyson became Chair of the Board and Nominations Committee.

At the end of the financial year, the average director tenure was six years. Andrea Gisle Joosen and Gerry Murphy have been on the Board since the formation of the Company in 2014, and will have served for nine years in August 2023. The Board, with the support of the Nominations Committee, completed searches during the year to identify suitable candidates to take over as non-executive directors when Andrea and Gerry step down. This has included considering longer-term succession plans and the Board skills matrix.

After the year end, Magdalena Gerger and Adam Walker were appointed as directors on 1 May 2023 and 8 June 2023 respectively. Andrea Gisle Joosen will step down as a director on 6 July 2023. Gerry has been asked to remain on the Board for an additional year in order to support Audit Committee succession planning and provide valuable continuity and support to the Board as the Chair completes his first year and during the induction of the two new non-executive directors.

Further information on Board succession planning is available in the Nominations Committee report on pages 120 to 122.

In respect of senior management succession planning, the Board received a detailed talent review update at the Board meeting in October 2022. The Executive Committee complete a detailed talent review of Group Leadership Team members on a quarterly basis and have succession plans in place for the top 30 critical roles in the business. This includes to monitoring diversity in the senior team and ensuring that strong development plans are in place including training and mentoring. The Board also receive regular updates on talent and succession planning via the Group Chief Executive and the Chief People, Communications and Sustainability Officer.

Annual Board evaluation

2021/22 process

The Code recommends that the performance of the Board be reviewed externally every three years and an external evaluation of the Board was carried out in 2021/22. Clare Chalmers Limited was engaged to carry out this evaluation. The process included a document review, director and key stakeholder interviews and the observation of Board meetings held on 18 January and 9 March 2022 and an Audit Committee meeting held on 7 March 2022.

The process addressed all matters relating to the performance of the Board and included the roles of the executive and non-executive directors, the Board, committees, the effectiveness of each director and the Chair of the Board, leadership, culture, strategy and corporate governance. A report summarising the findings of the review was tabled at the Board meeting on 27 April 2022. Overall, the directors provided positive feedback on the performance of the Board, highlighting in particular that:

- the Board had a good mix and balance of skills, good gender and cognitive diversity, and the non-executive directors contributed valuable experience and insights;
- the Board was led by a supportive and collaborative Chair who had a strong understanding of the business and made valuable contributions whilst ensuring that all Board members contributed, and meeting time was used effectively;
- the Board was inclusive of the wider management team and received regular presentations from a variety of colleagues across the business;
- sharing an early view of the three-year plan in June 2022 and giving the Board the opportunity to discuss this with the full Executive Committee ahead of the submission of the final plan in November 2022 had worked well and increased the transparency of the process for non-executive directors;
- performance reporting had improved during the year including key performance indicators (KPIs) and performance against the three strategic priorities;
- risk governance had improved considerably with better integration of risk into business planning and monitoring; and
- the Board had a strong customer-centric mentality.

Corporate Governance Report continued

The process identified some further actions to help enhance effectiveness:

- ensure more time is spent on Chair and non-executive director succession planning given the number of directors due to step down from the Board in the next three years and the need to enhance Board diversity – the full Board to be involved in this process;
- enhance the Board skills matrix to distinguish the level of expertise directors have in each skill area to support Board succession discussions;
- increase the number of Board training sessions, to keep directors updated on evolving and technical topics;
- the Board to receive more granular information on external insights, market trends, competitors and market share;
- enhance performance and programme oversight by way of dashboards that include the main metrics and improve the view the Board has of progress against strategic goals and how effectively investments are delivering;
- increase the frequency of reporting on colleague matters including workforce engagement and invite a representative from the International Colleague Forum to interact directly with the non-executive directors in the absence of management; and
- take a more structured approach to evaluation of and feedback from suppliers.

Each of the follow up actions were successfully implemented. More Board and Nominations Committee time was devoted to succession planning during the year including the scheduling of additional Nominations Committee meetings attended by the full Board and used to brief directors on the recruitment of additional non-executive directors. The Board skills matrix was enhanced and used by the Nominations Committee for succession planning discussions and a copy of this is available on page 91. The Board received training on climate risks during the year. The feedback on the Group Chief Executive's report was reflected and the directors met with representatives from the UK & Ireland and International Colleague Forums in January 2023 and agreed that this meeting would be repeated periodically.

2022/23 process

The 2022/23 process was carried out by way of the circulation of questionnaires to directors supported by individual interviews between the Chair of the Board and each director.

Overall, the directors provided positive feedback on the operation of the Board and its committees. The key findings of the process are summarised below:

- the Board collectively and effectively promotes the long-term sustainable success of the Company;
- Board members work together effectively and constructively to achieve the Board's objectives;
- each committee has the right composition, with the right mix of knowledge and skills to maximise performance;
- time is used effectively at Board and committee meetings and meeting agendas cover the appropriate and relevant topics;
- the level of delegation of matters to Board committees is appropriate and the role, remit and authority of each committee is appropriately defined with effective reporting back to the Board; and
- the Board has established formal and transparent policies and procedures to ensure the independence and effectiveness of the internal and external audit functions.

The Board considered the results of the process at the meeting held on 26 April 2023. The following actions were agreed:

- the frequency and depth of Nordics updates to be increased to enhance Board focus on this area of the business;
- the Board to continue to focus on succession planning and the recruitment of additional non-executive directors; and
- additional training sessions and updates from external speakers to be included in Board meetings.

An externally facilitated Board effectiveness review will next be completed during 2024/25.

Chair of the Board performance

The Senior Independent Director collated feedback from the Board on the performance of the Chair of the Board and carried out his annual performance review. The directors provided positive feedback on the Chair of the Board's leadership since his appointment during the year. The Board is of the opinion that the Chair of the Board had no other commitments during the year that adversely affected his performance, that his effectiveness in leading the Board was not impaired and that he cultivated an atmosphere that enabled challenging and constructive debate.

Individual director performance

Following the results of the internal evaluation, the Board confirms that all directors, including the Chair of the Board, continue to be effective and demonstrate commitment to the role, including having time to attend all necessary meetings and to carry out other appropriate duties.

Board diversity

The Board composition review takes account of all forms of diversity, including gender, social and ethnic backgrounds, and cognitive and personal strengths.

At the end of the financial year, the Board had three female directors (37.5% of the Board), one director that is based outside the UK, one director that meets the ethnic minority criteria as set out in the Parker Review and the majority of the directors have substantial international business experience. 25% of the Executive Committee members are female. At the date of this report, the appointments of Magdalena Gerger and Adam Walker have increased the Board size from 8 directors to 10 with 40% of the Board female.

The review this year again concluded that the Board possessed the necessary personal attributes, skills and experience to discharge its duties fully and to challenge management effectively.

The Company is committed to developing a diverse workforce and equal opportunities for all. The Board recognises that enhancing diversity in all its forms is a critical part of having an effective and engaged workforce which in turn supports the long-term sustainable success of the business. Whilst the Board is strongly supportive of enhancing all forms of diversity across the Board and workforce as a matter of priority, the Board does not currently set specific targets on gender balance or ethnicity. The Committee and the Board continue to be very mindful of the benefits of greater diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths, in all appointments.



In accordance with DTR 7.2.8A, the Committee confirms that the Board has adopted the same diversity policy as in place for UK & Ireland colleagues and senior management. The Equality, Inclusion & Diversity: Dignity at Work Policy was last approved by the Nominations Committee in October 2022.

Board induction and training

New directors appointed to the Board receive a personal induction programme, together with guidance and training appropriate to their level of previous experience. Each director is given the opportunity to meet with senior management and store colleagues and to visit the Group's key sites. This enables familiarisation with the businesses, operations, systems and markets in which the Group operates. New directors also meet with the Group's external Auditor and advisors. An example of a typical induction programme is included in the table below. The Chair of the Board will meet with a new director (or the Senior Independent Director in the event of a new chair) on appointment to agree any appropriate changes to be made

before the start of the induction. Directors are provided with a comprehensive induction pack on appointment. In addition, Group information and policies are maintained within the electronic board paper portal to ensure directors have access to current resources. Ian Dyson joined the Board on 1 September 2022 and has completed his induction during the year. Ian has met with several of the Group's largest shareholders and the Group's external Auditor and advisors since his appointment. At the date of this report, the induction programmes for Magdalena Gerger and Adam Walker are underway.

The directors are invited to nominate topics that they would like to receive training on. During the year, the directors received training on climate change and the management of climate-related risks. Directors arrange individual meetings with Executive Committee members as required when they require additional information or context on a specific topic.

Standard induction programme briefings and information

Induction plans are customised for each incoming director depending on their individual requirements but will usually cover the following key areas, meetings and locations as a minimum:

Business and strategy	• Business model and strategy. • Markets and competitive landscape. • Overview of each business area. • ESG matters.
Finance	• Finance, treasury and tax overviews. • Budget, forecast and Three Year Plan. • Key accounting issues.
Audit	• Internal audit reports and findings. • Risk and internal controls. • Risk horizon.
Investor relations	• Shareholder base and communications. • Analyst coverage and perspectives. • Communication policies.
Governance	• Overview of committees. • UK Corporate Governance Code and best practice guidance. • UK listed company requirements including Market Abuse Regime. • Companies Act and directors' duties. • Company Articles of Association and the role of the Board.
People to meet	• Directors. • Committee chairs. • General Counsel and Company Secretary. • Members of the Executive Committee. • Senior management, including the Group Director of Internal Audit, Risk and Insurance. • Members of the external audit team. • Store and distribution centre colleagues.
Sites to visit	• Different format stores in the UK & Ireland, Nordics and Greece. • The Newark Distribution Centre. • The store colleague training centre The Academy@FortDunlop.

Corporate Governance Report continued

Risk management and internal control

The Board has overall responsibility for the Group's system of risk management and internal control and for reviewing its effectiveness. The Board is supported by the Audit Committee, the Group Risk and Compliance Committee, the Regulatory Compliance Committee, business unit risk committees and the Risk team in delivering on this responsibility.

The Group operates a process of continuous identification and review of business risks. This includes the monitoring of principal risks, undertaking horizon scanning to identify emerging risks, evaluating how risks may affect the achievement of business objectives and, by taking into account risk appetite, reviewing management's treatment of the risks.

The main business units, locations and functions are responsible for preparing and maintaining risk registers and operating risk management processes for their areas of responsibility. Risk registers and the risk processes are undertaken in accordance with a consistent Group risk management methodology and process.

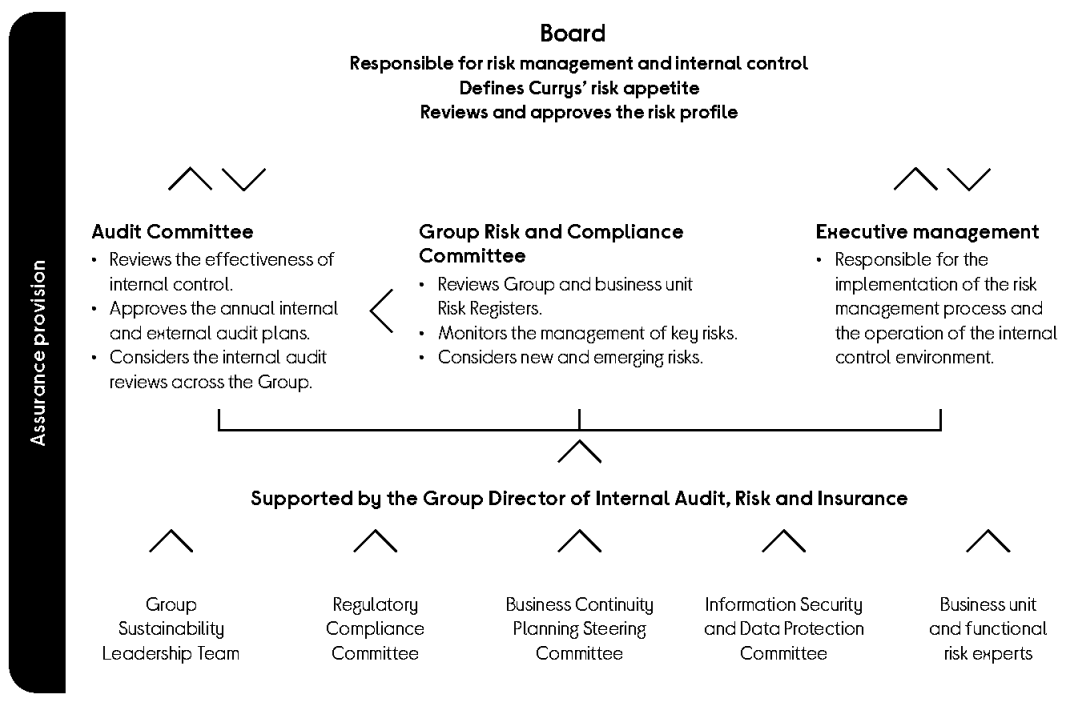
The Group Risk and Compliance Committee meets at least four times annually and there are additional meetings on risk appetite or deep dive topics as required. The work of the Group Risk and

Compliance Committee includes: assessing and challenging the consolidated risk profile, agreeing and monitoring the Group's principal risks; determining the prioritisation of mitigating actions; reviewing the Company's horizon-scanning processes and its emerging risks; and providing reports and recommendations to the Audit Committee and Board including to assist with the setting of risk appetite with regard to the principal risks.

Our approach to risk management continues to evolve as part of our organisational focus on transformation and how we continue in optimal decision-making in an increasingly fast-moving environment. The Group Risk team has continued to facilitate the evaluation of the principal risks facing the Group.

In addition to the Group's principal risks, the business faces emerging threats which have been identified through horizon scanning that may potentially impact the business in the longer-term. The Group Risk and Compliance Committee evaluates the appropriateness of management planning to address such emerging risks. In some areas, there may be insufficient information to understand the scale, impact or velocity of these risks. Emerging risks continue to be monitored as part of the ongoing risk management process in order to ensure that action is taken at the right time.

Group risk management structure





The Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. A description of the principal risks, together with details of how they are managed or mitigated, is set out on pages 64 to 72.

The system of risk management and internal control can only provide reasonable and not absolute assurance against material errors, losses, fraud or breaches of laws and regulations.

The Board also monitors the Company's system of risk management and internal control and conducts a review of its effectiveness at least once a year. This year's review covered all material controls during the year and up to the date of approval of the Annual Report and Accounts 2022/23, which were approved by the Audit Committee and the Board.

The diagram on page 106 shows the governance structure in place over the Group's risk management activities, as at 6 July 2023.

Risk appetite

Currys faces a broad range of risks reflecting the business environment in which it operates. The risks arising from Currys' business environment and operating model can be significant. Successful financial performance for the business is achieved by managing these risks through intelligent decision-making and an effective control environment that details the processes and controls required to mitigate risk.

The Company's risk appetite is set by the Board and governs the amount of acceptable risk within which we operate. Our Group risk appetite is further disaggregated by principal risk and takes into consideration the acceptable level of risk across strategic, operational, financial and regulatory risks faced by the business. Reference to our appetite in business decisions provides guidance for objective, risk-aware decision-making. A three-point scale is used to assess the risk appetite for each of our principal risks. If levels of risk in excess of appetite are being taken, mitigating actions are identified to bring the risk back within an acceptable level.

Currys' general risk appetite is a balanced one that allows taking measured risk as the Company pursues its strategic objectives, whilst aiming to manage and minimise risk in its operations. Currys recognises that it is not possible or necessarily desirable to eliminate all of the risks inherent in its activities. Acceptance of some risk is inherent in operations and necessary to foster innovation and growth within its business practices.

Committed to effective risk management

The Board has overall responsibility for the system of internal control and for reviewing its effectiveness. It relies on the Audit and Risk Committees to assist in this process. In addition, members of the Executive Committee, operating through the Risk Committee, are accountable for identifying, mitigating and managing risks in their area of responsibility. Management is also responsible for implementing controls that are designed to ensure regulatory compliance, financial and operational control and to confirm that these operate effectively to protect the business from loss.

The Audit Committee reviews aspects of the internal control environment as outlined in the Audit Committee Report on page 110 to 118 and the Board has considered the controls findings raised in the Independent Auditor's report on pages 159 to 168. No significant failings or weaknesses were identified during the period ending 29 April 2023. Where areas have been identified that require improvement, plans are in place to ensure that necessary actions are taken and that progress is monitored. A report of the principal risks together with the viability statement can be found on pages 64 to 73.

Controls, by their very nature, are designed to manage rather than eliminate risk and can only provide reasonable assurance against material misstatement or loss.



Corporate Governance Report continued

Our System of Internal Control

Our system of internal control is built on the pillars of Governance, the Tone from the Top, Control Activities, Risk Management and Assurance. These are more fully described below:

Governance	• The Board has defined a risk appetite which sets the boundaries within which risk-based decision-making can occur and outlines the expectations for the operation of the control environment. • A Delegation of Authority Policy operates across the Group. • Business planning, annual budgeting process and the setting of personal business objectives are aligned to ensure focus on delivery of activities to support the delivery of strategic objectives. • Policies and procedures are in place outlining the requirements for the control in finance, operational, technology, regulatory and people areas. These include detailed standards for the operation of Infosec, PCI and data compliance. • Across the business, central functions and business committees support the operation of an effective risk and control environment.
The Tone From The Top	• The Tone from the Top communicates a clear commitment to do the right thing for customers, colleagues and shareholders. Colleague behaviours are outlined in the Code of Business Conduct. • The organisation demonstrates its commitment to ethical values through its range of ESG initiatives and programmes. • The business is committed to maintaining an ethical supply chain and undertakes activities to ensure that our suppliers satisfy our Responsible Sourcing policy. • All senior managers and colleagues engaged in FCA-regulated activities are required to complete an annual Ethical Conduct declaration. • The operation of a 24/7 whistleblowing hotline to enable the reporting of breaches of ethical or policy requirements.
Control Activities	• All major capital and change programmes are evaluated by the Change Board. This includes consideration of the risk involved to the achievement of successful delivery and the achievement of projected benefits. • A Programme Management Office operates to oversee delivery of our major Perform and Transform change initiatives. • Control activities operate to manage risk associated with our technology and information security. These continue to evolve in line with the deployment of new systems and to meet the challenges posed by external threats. • A minimum controls framework is in place defining the key financial controls that are expected to operate across the businesses core processes and activities. • A financial services risk and control framework identifies control objectives for activities that underpin customer outcomes in our financial services regulated activities. • Training and development is provided to colleagues to cover their responsibilities for risk management, compliance, and their operational obligations. • Our performance management process holds colleagues accountable for their responsibilities. • Fraud and loss prevention processes operate across our omnichannel and Supply Chain activities. • Continuous improvement takes place throughout the organisation to improve the operation of processes and controls. This is informed by actions identified through internal audit and compliance monitoring reviews as well as customer feedback, the results of quality assurance and through the complaints management process. • The business is working towards compliance with potential UK SOX requirements.



Risk Management

- A risk identification process operates in accordance with the Group risk management methodology. This ensures that risk management takes place consistently across the Group to identify and evaluate the significant risks faced by the Group.
- The Group Risk Register covers the principal risks faced by the business, their potential impact and likelihood of occurrence and the key controls or actions established to mitigate these risks.
- The risk management framework operates across the business with key business units undertaking risk assessment and risk management activities.
- The Group Risk team undertakes horizon scanning reviews to identify emerging risks and opportunities that may impact the business.
- The Group Risk and Compliance Committee meets at least four times a year to review the management of risk arising out of the Group's activities and to monitor the status of risk and actions at the Group and business unit level.
- The Board carries out an assessment of the principal risks, emerging risks together with matters that would threaten the business model, future performance, solvency and liquidity.

Assurance

- The Audit Committee approves the annual internal audit programme. The progress of the plan and the results of the audits are reviewed throughout the year.
- A compliance monitoring function reviews operation of financial services regulated activities.
- Annual evaluations are undertaken by business management against the minimum control framework in order to ensure that the control environment operates as intended. Any deficiencies identified are subject to remedial action.
- A broad range of assurance activities are undertaken across the business by functional management to review the management of key risks.
- The Group communicates with external stakeholders, including industry bodies and regulators on the management of risks and issues.

Internal audit

The Group has an internal audit department which conducts audits of selected business processes and functions. The Group's internal audit plan sets out the internal audit programme for the year and is agreed at the April Audit Committee meeting for the year ahead. The internal audit plans are prepared taking into account the principal risks across the Group with input from management and the Audit Committee. The internal audit plan is designed each year to test the robustness of financial and operational controls and to determine whether operating procedures are designed and operating effectively. The Audit Committee considers the alignment of the internal audit plan with the principal risks faced by the Group as part of its approval process. The Audit Committee approved the 2023/24 internal audit plan in April 2023, having considered the audit priorities.

The Chair of the Audit Committee receives and reviews all reports from the internal audit department detailing its material findings from testing performed and any recommendations for improvement. The Audit Committee receives each audit report with a summary at each meeting. The internal audit team tracks and reports on the progress against the audit plan and the implementation of action plans agreed with management. Once closed, the action plans agreed with management can be reviewed to determine whether any new controls and procedures have been implemented effectively.

The Audit Committee considered the effectiveness of the internal audit department by considering: scope, resources and access to information as laid out in the internal audit charter; the reporting line of internal audit; the internal audit three-year strategy; the annual internal audit work plan; and the results of the work of internal audit. The Audit Committee concluded that the internal audit function operated effectively during the year.

Capital and constitutional disclosures

Information on the Company's share capital and constitution required to be included in this Corporate Governance Statement is contained in the Directors' Report on pages 94 to 96. Such information is incorporated into this Corporate Governance Statement by reference and is deemed to be part of it.

The annual general meeting provides an opportunity for the Company to engage with shareholders and for the Board to provide an account of the progress made by the business during the year, along with a synopsis of current issues facing the business. Shareholders can also submit any questions to the Board at any time of the year via the General Counsel and Company Secretary at cosec@currys.co.uk. We look forward to receiving your feedback and questions.

Further financial and business information is available on the Group's corporate website, www.currysplc.com.

Ian Dyson
Chair of the Board
6 July 2023

Audit Committee Report

Committee members	Meeting attendance
Fiona McBain (Chair)	6/6
Eileen Burbidge	6/6
Gerry Murphy	6/6

Number of meetings

6

Audit Committee topics coverage 2022/23

- Anti money laundering: 1
- Bribery and corruption: 1
- Compliance: 5
- Data protection: 1
- Fraud and loss: 1
- Information and cyber security: 3
- Internal controls: 3
- IT general controls: 3
- Risk review: 3
- Whistleblowing: 5



2022/23 HIGHLIGHTS

- Consideration of accounting and management judgements including the assessment of impairment of Nordics and UK & Ireland goodwill
- Induction of new external Audit team.
- Business deep dives including supplier management and delivery partner strategy and controls.

Chair's statement

I am pleased to present the Audit Committee (the 'Committee') Report for the year ended 29 April 2023. This report describes how the Committee has carried out its duties to provide independent scrutiny of the Group's financial reporting, risk management and internal control systems during the year, in order to determine whether these remain effective and appropriate.

During the year, I met regularly with the Group Chief Financial Officer, the Chief Information Officer and the Group Director of Internal Audit, Risk and Insurance between scheduled Committee meetings and in the absence of management to discuss their reports as well as any relevant issues. The other Committee members also frequently contacted members of management directly when they had questions on Committee papers received.

I met regularly with members of the KPMG LLP ('KPMG') audit team including additional meetings to provide support and induction as 2022/23 has been the first year that KPMG has been the external Auditor.

This year, the Committee has considered accounting and management judgements particularly in respect of the challenging external trading environment. The Committee has continued to oversee the information security and cyber security programmes. Regulatory compliance, including the Financial Conduct Authority's ('FCA') new Consumer Duty requirements, continues to be an important area of Committee focus in addition to accounting matters and other duties. The Committee continues to have oversight across the international footprint of the Group.

The only significant change to the responsibilities and role of the Committee during this financial year was that the oversight of ESG data in the Group's annual report and accounts has become the responsibility of the Environment, Social and Governance ('ESG') Committee which was established as a committee of the Board during the year. Prior to this change, the Committee received an update on the plan for ESG reporting and assurance in October 2022. The Committee continues to have responsibility for ensuring that the annual report as a whole is fair, balanced and understandable notwithstanding that it will no longer be involved in the oversight of the detailed assurance process for the preparation of ESG data. The Committee continues to monitor with interest the external market reforms designed to enhance the quality of audits and anticipates that there will be an evolution of the duties of audit committees.

The Committee considered the requirements arising from the Companies (Miscellaneous Reporting) Regulations 2018 and the UK Corporate Governance Code 2018 (the 'Code') as part of the process to review the non-financial information included in this Annual Report and Accounts, including in particular the section 172(1) statement on pages 36 and 39.

FURTHER INFORMATION



www.currysplc.com

→ Committee Terms of Reference last approved: 17 January 2023 and available on www.currysplc.com

→ The biographical details for each Committee member are available on pages 92 and 93.



Meetings and membership

The Committee met six times during the period under review and each of these were scheduled meetings. Since the year end, there has been two further Committee meetings. The Chair of the Board, Group Chief Executive, Group Chief Financial Officer, Group Financial Controller, Group Director of Internal Audit, Risk and Insurance, General Counsel and Company Secretary and representatives from KPMG, the external Auditor, have a standing invite from the Committee Chair to join all Committee meetings. Other members of senior management attend Committee meetings by invitation including team members with responsibility for information security and data management and those with responsibility for internal controls including from the international businesses. The Committee's deliberations are reported by its Chair at the next Board meeting and the minutes of each meeting are circulated to all members of the Board.

There have not been any changes to the membership of the Committee during the financial year. After the end of the financial year, Adam Walker was appointed as a director and member of the Committee on 8 June 2023. In compliance with the Code, the Committee continues to consist exclusively of independent non-executive directors. The Board continues to be satisfied that the Chair of the Committee, a member of the Institute of Chartered Accountants in England and Wales (ICAEW), and Gerry Murphy, also a member of the ICAEW, meet the requirement for recent and relevant financial experience. The Committee, as a whole, has competence relevant to the sector in which the Company operates. The biographical details outlining the relevant experience of the Committee members can be found on pages 92 and 93. The Company Secretary, or their nominee, acts as Secretary to the Committee and attends all meetings.

The Committee members meet without management present before and after each Committee meeting. The Group Director of Internal Audit, Risk and Insurance and representatives of KPMG are invited to these private discussions periodically to allow discussion of matters which they may wish to raise in the absence of management.

In undertaking its duties, the Committee has access to the services of the Group Director of Internal Audit, Risk and Insurance, the Group Chief Financial Officer, the General Counsel and Company Secretary and their respective teams, as well as external professional advice as necessary. The Board makes funds available to the Committee to enable it to take independent legal, accounting or other advice when the Committee believes it necessary to do so.

Looking ahead

The Committee will continue to focus on the Company's financial reporting and key accounting judgements and monitor the operation of internal controls and management of risks. The Committee will also continue to support the business by reviewing and challenging the governance, risk and control environments relating to strategic plans. The Committee will oversee the implementation of Consumer Duty requirements and plans to comply with the updated UK Corporate Governance Code including the development of an audit and assurance policy.

Responsibilities

The Committee assists the Board in fulfilling its oversight responsibilities by acting independently from the executive directors. There is an annual schedule of items which are allocated to the meetings during the year to monitor that the Committee covers fully those items within its terms of reference. These items are supplemented throughout the year as key matters arise.

Key matters considered

The principal activities of the Committee during 2022/23 included:

- considering significant accounting and reporting judgements including the UK & Ireland and Nordics Goodwill impairment assessment, the appropriateness of taxation disclosures and the appropriateness of the Group's going concern position and longer-term viability statement;
- considering and recommending that the Annual Report and Accounts 2022/23, when taken as a whole, are fair, balanced and understandable;
- reviewing the interim results in December 2022;
- considering the presentation, fairness, and balance of the Group's alternative performance measures ('APMs');
- reviewing the Group Risk Register and considering the effectiveness of the risk management system and internal controls, operated by management;
- considering updates on IT general controls, information security, IT infrastructure and data management;
- providing oversight of the businesses regulated by the FCA and receiving reports from the Head of Compliance;
- approving the internal audit annual plan, internal audit three-year strategy, considering internal audit reports and management actions, and monitoring the effectiveness of internal audit in line with the approved internal audit charter;
- considering the external audit plan, audit reports and updates from KPMG;
- monitoring the effectiveness of the external Auditor; and
- receiving presentations and challenging management on matters such as system access controls, data management, regulatory compliance-related customer claims, minimum control standards assessments, whistleblowing and procedures in place to prevent bribery and corruption.

Audit Committee Report continued

Accounting and financial reporting matters

The Committee is responsible for considering reports from the external Auditor and monitoring the integrity of the interim statement and annual report and accounts in conjunction with senior management. During the year ended 29 April 2023,

consideration was given to the suitability and application of the Group's accounting policies and practices, including areas where significant levels of judgement have been applied or significant items have been discussed with the external Auditor.

Principal duties of the Committee

Accounting and financial reporting matters

- monitoring the integrity of the interim statement and annual report and accounts, and any formal announcements relating to the Group's financial performance, reporting to the Board on significant reporting issues and judgement contained in them;
- reviewing significant financial reporting judgements and accounting policies;
- reviewing the Committee's report outlining the Committee's activities for inclusion in the Company's annual report and accounts;
- advising the Board on whether, as a whole, the annual report and accounts are fair, balanced and understandable;
- considering the going concern statement;
- considering and reviewing the statement of the Group's viability over a specified period; and
- having regard to the applicable legal, regulatory and best practice requirements and standards for reporting including the UK Corporate Governance Code, the UK Financial Reporting Council, the FCAs Disclosure Guidance and Transparency Rules and Listing Rules and the recommendations of the Taskforce on Climate-related Financial Disclosure.

Risk management and internal control

- reviewing the Group's financial controls and internal control effectiveness and maturity;
- reviewing the Group's risk management systems and risk appetite; and
- reviewing and approval of the statements to be included in the annual report and accounts concerning internal control, risk management and the viability statement.

Compliance, conflicts, whistleblowing and fraud

- reviewing the adequacy of the Company's whistleblowing arrangements;
- reviewing the Company's procedures to detect and manage fraud;

- reviewing the Company's systems and controls for the prevention of bribery; and
- considering the effectiveness of the Company's compliance function.

Internal audit

- approving the appointment of the Group Director of Risk, Internal Audit and Insurance;
- monitoring and assessing the effectiveness of the Group's internal audit function;
- approving the internal audit three-year strategy and internal plan;
- considering the reports of work performed by internal audit and reviewing the actions taken by management to implement the recommendations of internal audit; and
- considering the major findings of internal investigations.

External audit

- considering recommendation of the external Auditor's appointment, reappointment and removal to the shareholders in the annual general meeting and approving their remuneration;
- reviewing the results and conclusions of work performed by the external Auditor; and
- reviewing and monitoring the relationship with the external Auditor, including their independence, objectivity, effectiveness and terms of engagement.

General matters

- any specific topics as defined by the Board; and
- referring matters to the Board which, in its opinion, should be addressed at a meeting of the Board.



Accounting and financial reporting matters

Matters considered and how the Committee discharged its duties

Going concern and viability statements

The Committee reviewed the processes and assumptions underlying both the going concern and longer-term viability statements made on page 73 of the Annual Report and Accounts 2022/23.

In particular, the Committee considered:

- the impact in respect of uncertainties including macroeconomic downturn, the cost of living pressures and high inflation;
- management's assessment of the Group's prospects including its current position, assessment of principal business risks and its current business model, future cash forecasts, historical cash flow forecasting accuracy, profit projections, available financing facilities, facility headroom and banking covenants;
- the appropriateness of the three-year time period under assessment, noting that while the most recent strategic plan has a five-year outlook, this is not the typical planning horizon for the Group and is instead the result of current macroeconomic uncertainty. The Committee has also considered the shorter-term nature of the retail market in which the Group operates; and
- the robustness and severity of the stress-test scenarios with reference to the Group's Risk Register, those principal risks and mitigating actions as described on pages 64 to 72 of the ARA 2022/23, the latest Board-approved budgets, strategic plans, and indicative headroom under the current facilities available – examples of which included the impact of regulatory, taxation or information security incidents, and reduced forecast profitability and cash flow as a result of a market downturn.

The Committee concurred with management's conclusions that the viability statement, including the three-year period of assessment, disclosed on page 73 of the ARA 2022/23 is appropriate. The Board was advised accordingly.

Fair, balanced and understandable

In ensuring that the Group's reporting is fair, balanced and understandable, the Committee reviewed the classification of items between adjusting and non-adjusting items including consideration of the £568m pre-tax adjusting items disclosed in note A4 in the glossary and definitions section of the Annual Report and Accounts 2022/23, and the tax impact thereon. The assessment considered whether items fell within the Group's definition of adjusting items as well as the consistency of treatment of such items year on year.

The Committee gave due consideration to the integrity and sufficiency of information disclosed in the Annual Report and Accounts 2022/23 to ensure that they explain the Group's position, performance, business model and strategy. An assessment of narrative reporting was included to ensure consistency with the financial reporting section, including appropriate disclosure of material adjusting items, and appropriate balance and prominence of statutory and non-statutory performance measures. In response to the guidelines on APMs issued by the European Securities and Markets Authority ('ESMA'), the Committee considered the use of such measures and the additional information on those APMs used by the Group is provided in the glossary on pages 231 to 244.

The Committee concluded that the Annual Report and Accounts 2022/23, taken as a whole, are fair, balanced and understandable, and that the measures used and disclosures made are appropriate to provide users with a meaningful assessment of the performance of the underlying operations of the Group; the Board was advised of the conclusion.

Matters of significance and areas of judgement

The Committee received reports and recommendations from management and the external Auditor setting out the significant accounting issues and judgements applicable to the following key areas. These were discussed and challenged, where appropriate, by the Committee. Following debate, the Committee concurred with management's conclusions.

Audit Committee Report continued

Accounting and financial reporting matters	Matters considered and how the Committee discharged its duties
Impairment testing of non-financial assets	The Group discloses impairment of non-financial assets as a 'key source of estimation uncertainty' as set out in note 1(d) to the Group financial statements. The Group has significant goodwill, intangible assets and fixed asset investments which are reviewed for impairment annually, or where there is an indicator of impairment. The Committee reviewed appropriateness and accuracy of cash flow forecasts, discount rates and long-term growth rates used in the impairment review performed at both the interim and year end dates. Specific attention was paid to cash flow forecasts in light of uncertainties such as the macroeconomic downturn, cost of living pressures, high inflation, climate risk and the level of sensitivities applied by management in determining reasonably possible changes to cash flows. An impairment of £511m against Goodwill was recognised in the period and further detail on the sensitivity analysis are provided in note 5 to the Group financial statements. In addition, the assumptions and approach to calculating the impairment of the Company's investment were reviewed in detail. This included assessing the components of the subsidiaries' value in use ('VIU') and ensuring consistency with the Goodwill impairment models. As highlighted in note C4 to the Company financial statements an impairment over the investment of £332m was recognised in the year which was eliminated on consolidation. Further detail on the sensitivities of this impairment test are provided in note C4 to the Company financial statements.
Taxation	The Group operates across multiple tax jurisdictions. The complex nature of tax legislation in certain jurisdictions can necessitate the use of judgement. The Committee reviewed the judgements and assumptions concerning any significant tax exposures, including progress made on matters being discussed with tax authorities and, where applicable, advice provided by external advisors. The total provisions recognised at the balance sheet date amounted to £59m (2021/22: £66m). The Committee also reviewed the appropriateness of the disclosures made around tax provisions, contingent liabilities, and deferred tax balances. The Group discloses tax provisions and contingent liabilities in relation to uncertain tax positions as a 'critical accounting judgement' as set out in note 1(d) to the Group financial statements.

Financial Reporting Council

During 2023, the Group received notification of the outcome of the Financial Reporting Council's ('FRC') Corporate Reporting Review team's review of the Group's annual report and accounts for the period ended 30 April 2022.

This review was undertaken in accordance with part 2 of the FRC Corporate Reporting Review Operating Procedures, and is based solely on the annual report and accounts, and does not benefit from detailed knowledge of our business or an understanding of the underlying transactions entered into. The review does not provide assurance that the annual report and accounts are correct in all material respects. A small number of areas for disclosure improvement were noted as part of the review, and management have briefed the Committee on how these have been addressed. The outcome of the enquiry is that the Group revisited the calculation of the recoverable amount of parent company investments and has restated the disclosure of the headroom in the prior year as set out in note C4 of the parent company financial statements. The Committee is satisfied that this has been properly addressed and the FRC has acknowledged that it has concluded its consideration of the annual report and accounts for the period ended 30 April 2022.



Risk management and internal control

The Audit Committee is responsible for reviewing the Group's risk management and internal control systems. Details of the overall risk management and governance policies and procedures are given in the Corporate Governance Report on pages 97 to 109. The Committee reviewed management's assessment of risk and internal control, results of work performed by the second lines of defence and internal audit, and the results and controls observations arising from the interim review procedures and the annual audit performed by the external Auditor. The Committee also ensured that all risk topics were covered, as defined by its terms of reference, with detailed reviews of risk topics scheduled throughout the year monitoring potential areas of concern.

Specific matters considered by the Committee to discharge its duties are detailed below:

Risk management and internal control	Matters considered and how the Committee discharged its duties
Bribery and corruption	The Committee reviewed the arrangements put in place to satisfy requirements to comply with regulation for anti-bribery and corruption.
Anti-money laundering	The Committee reviewed the arrangements put in place to satisfy requirements to comply with regulation for anti-money laundering.
Data protection	The Committee reviewed data protection compliance throughout the Group, particularly in relation to the embedding of policies, procedures and processes implemented to comply with the requirements of EU General Data Protection Regulation.
Compliance	The Committee reviewed the nature of financial services regulated activities across the Group's business operations and the governance and oversight arrangements for the operation of an effective FCA compliance regime in the business including the implementation of the FCA's Consumer Duty requirements. The Committee considered compliance and regulatory reports prepared by the Regulatory Compliance Committee and monitored key developments and ongoing activities for the Compliance team in areas of governance, policy and compliance monitoring.
Information security and IT controls framework	- The Committee regularly reviews the progress of the ongoing security improvement programme and periodically considers and reviews the IT general controls framework and related improvement initiatives progressed by the management team, in order to monitor that appropriate actions are taken. - The Company is currently undergoing a large transformation programme across many areas of the business including its IT infrastructure. All transformation programmes are managed in line with the Group risk management methodology to manage the risk appropriately in order to provide reasonable reassurance against material losses.
Internal controls	As per the obligations placed on the Committee under the Code, the Committee formally considered a review of the system of risk management and internal control. The Committee noted developments in the system of risk management and internal control, management plans for 2022/23 and agreed the statements contained in the Annual Report and Accounts 2022/23. The Committee reviewed the results of internal audit reviews and minimum controls standards assessments.
Whistleblowing	The Committee reviews a summary of all whistleblowing calls received by the Group, both through the independently operated hotline and other channels. The Committee confirmed that the calls had been appropriately dealt with (both individually and in aggregate) in accordance with the Group's Whistleblowing Policy.

Audit Committee Report continued

Internal audit

Internal audit is an independent, objective assurance function that impartially appraises the Group's control activities. Internal audit works with management to help improve the overall control environment and assist Group management, the Committee and the Board in discharging their respective duties relating to maintaining an adequate and effective system of internal control and risk management, and safeguarding the assets, activities and interests of the Group.

Internal audit	Matters considered and how the Committee discharged its duties
Audit reviews of significant risk areas	- The Committee considered the alignment of the annual internal audit plan with the key risks of the business. - During the period, internal audits included coverage of the following significant risk areas of the business: - cyber and data; - business transformation; - customer experience; - relationships with major suppliers and third-party contracts; - business continuity and disaster recovery; - International business; - financial controls; and - financial services regulatory compliance. - The Committee considered the key trends and material findings arising from internal audit's work and the adequacy of the agreed management actions in relation to those findings.
Assurance programme	- The Committee approved the annual internal audit plan and received an update relating to the execution of the annual plan at each Committee meeting. It also considered and approved the internal audit three-year strategy. - As part of the rolling assurance programme, audits were performed over the following processes to provide assurance to the Committee that controls were operating within these areas: - general business controls relating to UK & Ireland operations including cloud governance and controls, information security operations, financial services compliance, major third-party governance, delivery partner governance, business continuity and disaster recovery arrangements, transformation processes, and financial controls; - Nordics cloud governance and controls, information security operations, business continuity and disaster recovery arrangements, financial services compliance and financial controls; and - Greek cloud governance and controls and financial controls. - The Committee considered the actions taken by management in relation to the audit findings. - The Committee considered the results from these audits during its assessment of the effectiveness of the system of internal control operated by management. The Committee concluded that the system of internal control was appropriately monitored and managed.
Effectiveness of internal audit and adequacy of its resources	- The Committee approved the internal audit charter, concluding the role and mandate were appropriate to the current needs of the organisation. - The Committee monitored the work of internal audit and formally reviewed the effectiveness of internal audit and the adequacy of its resources, considering: - scope, resources and access to information as laid out in the internal audit charter; - the reporting line of internal audit; - the annual internal audit work plan; and - the results of the work of internal audit. - The Committee concluded that the internal audit department had in all respects been effective during the period under review and performed its duties in accordance with its agreed charter. - The process to undertake an External Quality Assessment over the internal audit department was commenced.



External audit

The external Auditor is appointed by shareholders to provide an opinion on the annual report and accounts and certain disclosures prepared by Group management. KPMG acted as the external Auditor to the Group throughout the year. The Committee is responsible for oversight of the external Auditor, including approving the annual audit plan and all associated audit fees. The key matters in relation to external audit that were considered by the Committee were:

External audit	Matters considered and how the Committee discharged its duties
Effectiveness of the external Auditor	• The Committee reviewed and agreed the annual audit plan, specifically considering the appropriateness of the key risks identified and proposed audit work, the scope of the audit and materiality levels applied which are detailed in the Independent Auditor's report on pages 159 to 168. • As part of the reporting of the half year and full year results, the Committee reviewed the reports presented by KPMG in assessing the Group's significant accounting judgements and estimates, and considered the audit work undertaken, level of challenge and quality of reporting. • Following due consideration of the above, the Committee continues to be satisfied with the quality and effectiveness of the external audit.
Auditor independence	• The Committee considered the external Auditor's assessment of and declaration of independence presented in the annual audit plan and final audit report, and the safeguards in place to make such declarations. • The Committee considered the annual audit fee and fees for non-audit services, with due regard to the balance between audit and non-audit fees and the nature of non-audit fees undertaken in accordance with the policy as set out below. • The Committee reviewed and approved the Group policy on the employment of former employees of the external Auditor in March 2023.

Audit Committee Report continued

Policy on provision of non-audit services provided by the external Auditor

Under the Group's policy on auditor independence, the external Auditor may only provide services which include:

- a) audit services comprising issuing audit opinions on the Group's consolidated financial statements and on the statutory financial statements of subsidiaries and joint ventures;
- b) audit-related services comprising review of the Group's consolidated interim financial statements, and opinions / audit reports on information provided by the Group upon request from a third party such as prospectuses, comfort letters and rent certificates, etc; and
- c) services otherwise required of the external Auditor by local law or regulation.

Any exceptions are subject to pre-approval by the Group Chief Financial Officer, and such permission is only granted in exceptional circumstances. Where the non-audit assignment is expected to generate fees of over £100,000, prior approval must be obtained from the Committee.

During the period under review, the non-audit services performed by the external Auditor primarily arose from the interim financial review procedures, the requirement in Greek law for the external auditor of the company to provide tax compliance services and the assurance of e-waste collection, energy consumption and emissions data in the Annual Report & Accounts 2022/23. The Committee has reviewed the services performed by the external Auditor during the year and is satisfied that these services did not prejudice the external Auditor's independence and that it was appropriate for them to perform these services.

The level of non-audit fees paid to the current external Auditor, and approved by the Committee, is set out in note 3 to the Group financial statements and amounted to £0.4m (2021/22: £0.3m) compared with £2.0m (2021/22: £1.8m) of audit fees. The non-audit fees as a percentage of audit fees were 20% in 2022/23 (2021/22: 16.7%), which reflects the restrictive policy governing the use of the appointed external Auditor for non-audit services.

Consideration of external Auditor appointment and independence

Deloitte LLP had been the Company's external Auditor since the Company was formed on 7 August 2014 by the merger of Carphone Warehouse and Dixons Retail. Deloitte LLP was the external Auditor of both Carphone Warehouse and Dixons Retail prior to 2014.

In accordance with the Competition and Markets Authority ('CMA') Statutory Audit Services Order, which is designed to align with provisions of the EU Regulations on external audit tender and rotation, and current guidance, the last period that Deloitte LLP could have remained as external Auditor was the 2022/23 financial year.

During 2020/21, the Committee led a comprehensive tender process to select a new external Auditor for the 2022/23 financial year. A full description of the process is available in the annual report and accounts 2020/21. KPMG LLP were appointed as the external Auditor of the Company for the financial year 2022/23 and this received shareholder approval at the Company's annual general meeting in September 2022.

Where necessary, any non-audit services provided by KPMG to the Company ceased by 1 May 2021 in order to meet specified 'cooling-in' requirements in the year before appointment.

The Committee considers the appropriateness of the appointment of the external Auditor each year, including the rotation of the audit partner. KPMG have formally confirmed to the Board its independence as external Auditor of the Company.

In determining whether to recommend the external Auditor for reappointment for this year, the Committee considered the external Audit firm's internal control procedures, the audit effectiveness review and tenure and agreed that the audit processes are effective and that KPMG LLP continues to be independent.

Accordingly, the Company confirms that it has complied with the CMA Statutory Audit Services Order for the financial year under review and the Committee concluded that it was in the best interests of the Company's shareholders to reappoint KPMG as the external Auditor for 2023/24. The Committee's recommendation that a resolution to reappoint KPMG be proposed at the Company's Annual General Meeting in September 2023 has been accepted and endorsed by the Board.



Fiona McBain
Chair of the Audit Committee
6 July 2023



Disclosure Committee Report

Committee members	Meeting attendance	Number of meetings
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Bruce Marsh (Chair)	5/5	5
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Alex Baldock	5/5
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Nigel Paterson	5/5
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Alternate members:

Ian Dyson*, Chair of the Board and Tony DeNunzio, Senior Independent Director

2022/23 HIGHLIGHTS

- Assessments of whether the Company was in possession of inside information.
- Preliminary results for the financial year ended 30 April 2022.
- Trading updates.
- Interim results for the half year ended 29 October 2022.

Chair's statement

I am pleased to present the Disclosure Committee (the 'Committee') Report for the year ended 29 April 2023. The principal role of the Committee is to ensure that adequate procedures, systems and controls are maintained to enable the Company to fully meet its legal and regulatory obligations regarding the timely and accurate identification and effective disclosure of all price-sensitive information.

The Committee is comprised of the Group Chief Financial Officer (Committee Chair), the Group Chief Executive and the General Counsel and Company Secretary. The Chair of the Board and the Senior Independent Director have access to the papers for all meetings and are able to act as 'alternates' to the Committee members in the event that the quorum of three members cannot be met. This has not been necessary during the year and all Committee members have been able to attend all meetings. The Company Secretary, or their nominee, acts as Secretary to the Committee. The minutes of each Committee meeting are circulated to all members of the Board.

The Committee was considered as part of the internal Board and committee effectiveness review that was carried out this year and this review concluded that the Committee discharges its duties effectively.

Meetings

There were five scheduled Committee meetings during 2022/23 and three additional meetings held after the end of the financial year. Committee meetings are scheduled in advance of preliminary and interim results announcements and in advance of scheduled trading updates. Meetings can be convened by the Company Secretary, or their nominee, as requested by the Committee Chair at other times as required. The Committee receives input as appropriate from the other Board directors, the Company's brokers and senior management and invites the Director of Investor Relations to attend all meetings.

FURTHER INFORMATION

→ The biographical details for each Committee member are available on pages 92 and 93.

Responsibilities

The principal duties of the Committee are to:

- establish and maintain adequate procedures, policies, systems and controls to enable the Company to fully comply with its legal and regulatory obligations regarding the timely and accurate identification and disclosure of all price-sensitive information;
- determine whether information is inside information and if it requires immediate disclosure or whether disclosure can be delayed;
- keep under review the adequacy of the Disclosure and Communications policies, implement and monitor compliance;
- monitor communications received from any regulatory body in relation to the conduct of the Group, and review any proposed responses;
- consider generally the requirement for stock exchange announcements, including in relation to the delayed disclosure of inside information, substantive market rumours, and leaks of inside information;
- consider and give final approval for trading statements and/or results to be released to meet legal and regulatory requirements; and
- review the content of all material regulatory announcements, transactional shareholder circulars, prospectuses, and any other documents issued by the Company, and ensure that these comply with all applicable requirements.

Key matters considered

During the year ended 29 April 2023, the Committee met to consider the following key matters:

- an assessment as to whether the Company was in possession of inside information;
- the preliminary results for the financial year ended 30 April 2022;
- the interim results for the 26 weeks ended 29 October 2022;
- the Peak trading update for the ten weeks to 7 January 2023; and
- updates on trading and full year outlook.

After the year end, the Committee met to consider an update on regulatory proceedings in Norway and the strategic review of the Group's business in Greece.

Bruce Marsh
Chair of the Disclosure Committee
6 July 2023

* Ian Dyson joined the Board on 1 September 2022. Ian Livingston stepped down from the Board on 8 September 2022.

Nominations Committee Report

Committee members	Meeting attendance	Number of meetings
Ian Dyson (Chair)*	5/5	5
Tony DeNunzio	5/5	
Andrea Gisle Joosen	5/5	

2022/23 HIGHLIGHTS

- Completed the search process for a new Chair of the Board and recommended the appointment of Ian Dyson.
- Considered succession planning for key Board roles.
- Led the process to recruit a new non-executive director and recommended the appointments of Magdalena Gerger and Adam Walker to the Board.

Chair's statement

I am pleased to present my first Nominations Committee (the 'Committee') Report for the year ended 29 April 2023. The Committee has continued to oversee the structure, size and composition of the Board during the year, having regard to the collective skills, knowledge, experience and diversity in all its forms. This report sets out the key responsibilities of the Committee and describes how it has discharged its duties.

The Committee received an update on the external governance and best practice standards that relate to its remit in October 2022. These requirements were discussed, and the Committee concluded that the Board's size and composition and the balance of skill, knowledge and experience remained appropriate to meet the current leadership needs of the Group and in compliance with the 2018 UK Corporate Governance Code (the 'Code'). The Committee considered the time commitments of each director, director independence, director tenure, the diversity of the Board, the collective skills and experience of the Board, directors' external appointments and potential conflicts of interests and concluded that these remained appropriate for the effective function of the Board.

The Board currently meets the voluntary diversity targets set by the Hampton-Alexander Review and Parker Review, although is not complacent about diversity. The Board supports the recommendations set out in the FTSE Women Leaders Review published in February 2022, and will continue to seek opportunities to further increase diversity on the Board, including gender diversity, as part of board succession planning. A Leadership Inclusion Forum is in place to focus on increasing the diversity of the workforce. All directors receive updates on colleague issues including diversity at Board meetings.

Succession planning and the oversight of the development of a diverse pipeline for succession have been a key focus of the Committee and the Board during the year. The Board received a comprehensive talent review update in October 2022 and updates on culture, values, diversity and inclusion in April 2023.

Meetings and membership

The Committee meets as and when required and at least twice a year. The Committee held five meetings during the financial year. The majority of the members of the Committee are independent non-executive directors as required by the Code. Other members of the Board or senior management can attend meetings at the invitation of the Committee Chair. The Company Secretary, or their nominee, acts as Secretary to the Committee. The Committee's deliberations are reported by its Chair at the next Board meeting and the minutes of each meeting are circulated to all members of the Board. All directors (including those that are not members of the Committee) were invited to join all Committee meetings during the year to be updated on the process to recruit additional non-executive directors.

Responsibilities

The principal duties of the Committee are to:

- review the structure, size and composition of the Board, and recommend changes to the Board as necessary;
- evaluate the balance of skills, independence of thinking, experience, knowledge and diversity at both Board and senior management levels and make recommendations to the Board as necessary;
- give full consideration to orderly succession planning for both the Board and senior management positions and oversee the development of a diverse pipeline for succession;
- identify and nominate candidates to fill vacancies on the Board when they arise;
- carry out a formal, rigorous and transparent selection process of candidates, giving due regard to promoting the benefits of diversity on the Board and senior management team, including gender, social and ethnic backgrounds, and cognitive and personal strengths; and
- review all the recommendations from the annual Board effectiveness process that relate to Board composition, diversity or how effectively Board members work together.

FURTHER INFORMATION



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→ Committee Terms of Reference last approved: 17 January 2023 and available on www.currysplc.com

→ The biographical details for each Committee member are available on pages 92 and 93.

* Ian Dyson was appointed Chair of the Board and Committee Chair on 8 September 2022.



Key matters considered

The principal activities of the Committee during 2022/23 included the:

- evaluation of the size, composition and structure of the Board and its committees;
- consideration of director tenure and board succession for key board roles;
- oversight of the process to recruit a new Chair of the Board and two new non-executive directors then consideration of candidates and recommendation of the appointments of Ian Dyson, Magdalena Gerger and Adam Walker;
- consideration of the independence and time commitments of the directors;
- evaluation of director effectiveness during the year and approval that each director wishing to submit themselves for election or re-election be recommended to shareholders for election or re-election at the Annual General Meeting 2023;
- confirmation that the Board composition was compliant with the Parker Review and Hampton-Alexander voluntary diversity targets and noting the recommendations of the FTSE Women Leaders Review, February 2022;
- approval and adoption of the Company's Equality, Inclusion, & Diversity: Dignity at Work Policy;
- approval of the director external appointments policy;
- approval of Committee's Terms of Reference;
- approval of the role descriptions of the Chair of the Board, Senior Independent Director and the Group Chief Executive; and
- consideration of the external corporate governance developments relating to the remit of the Committee.

Board evaluation

The Board effectiveness review for 2022/23 was facilitated internally through questionnaires and then individual meetings with each director and the Chair of the Board. The evaluation process concluded that overall, the Committee is operating effectively. Further details on the outcomes of the Board effectiveness review are available on page 103.

Appointments to the Board

The Committee has a formal, rigorous and transparent procedure for the appointment of new directors. Appointments are made to the Board based on objective criteria and with due regard to the benefits of diversity and the leadership needs of the Company. External search firms are used to support the recruitment of new directors.

The Committee uses a skills matrix tool when assessing the skills and capabilities required in a new director, taking into account the existing experience and expertise on the Board. The Committee then develops candidate profiles describing the skills, knowledge and experience required for each new role.

Ian Dyson joined the Board on 1 September 2022 and became Chair of the Board and the Committee on 8 September 2022. Magdalena Gerger joined the Board as a non-executive director on 1 May 2023 and will become a member of the Remuneration, Nominations and Environment, Social & Governance Committees on 6 July 2023. Adam Walker joined the Board as a non-executive director and member of the Audit and Remuneration Committees on 8 June 2023.

The search process for a new Chair of the Board is described in the annual report and accounts 2021/22. The process to recruit the new non-executive directors was led by the Chair of the Board and supported by executive search firm, Korn Ferry. The Committee agreed role profiles taking into consideration the knowledge, skills and experience of the Board, in particular, the existing directors who were approaching their nine-year tenure. Members of the Committee, and members of senior management, participated in the candidate interviews and discussions with Korn Ferry. Both search processes included consideration of a number of candidates. The group of candidates shortlisted in both searches included candidates with diverse characteristics. Magdalena Gerger was the candidate who best met the criteria in the role profile for the Nordics based non-executive director. Adam Walker best met the criteria for the role profile of the non-executive director with financial expertise. The Committee kept the Board updated during the search processes and recommended the appointments of Magdalena Gerger then Adam Walker to the Board.

Succession planning

The Group requires a talented Board with appropriate experience, expertise and diversity. The Committee regularly monitors the size and composition of the Board, leads the recruitment of new directors and proposes any suitable candidates to the Board for approval.

The Committee continue to be satisfied that a Board size of eight directors is appropriate and effective for the leadership of the Group although increasing to a Board size of nine or ten temporarily is appropriate to enable succession planning for key Board and committee roles. During the year, the Committee considered Board tenure, in particular, that two non-executive directors would reach their nine-year tenure prior to the Company's Annual General Meeting in 2023 and the Senior Independent Director would reach a nine-year tenure in December 2024.

The Committee has completed searches to manage the Board succession planning needs for 2023, but remains aware that additional non-executive directors are approaching nine-year tenures from 2024.

The Executive Committee carry out a detailed talent review process across every area of the business. Succession plans are in place for every member of the Executive Committee. The full Board including the Committee members receive regular updates on talent and succession from the Chief People, Communications and Sustainability Officer. The Chair of the Board, who is also the Committee Chair, receives regular updates during the year directly from the People team on key appointments and initiatives. The Committee, together with the Board, is focused on ensuring that credible succession plans are maintained and that there is a diverse talent pipeline for future business leaders.

Nominations Committee Report continued

Diversity

The Company is committed to developing a diverse workforce and equal opportunities for all. The Board recognises that enhancing diversity in all its forms is a critical part of having an effective and engaged workforce which in turn supports the long-term sustainable success of the Company.

The Board meets the voluntary targets set by the Hampton-Alexander Review and the Parker Review. At the end of the financial year 37.5% of the Board (3 directors out of 8), and 25% of the Executive Committee (2 out of 8 members), are female. One member of the Board meets the criteria as set out in the Parker Review. At the date of this report, 40% of the Board are female (4 directors out of 10).

During the year, the Board was not compliant with the requirement under LR 9.8.6 that at least 40% of the individuals on the Board be female and at least one of the four senior Board positions (chair, chief executive, senior independent director or chief financial officer) be a female. The Board and Committee will remain cognisant of this requirement for future appointments. The Board was mindful of this requirement during the recruitment of a new Chair of the Board during the year, and the candidate long list and short list had both included candidates with a range of diverse characteristics including gender. Following careful consideration by the Board, Ian Dyson was selected for appointment as he best met the criteria for the Chair of the Board role and his appointment was considered to be in the best interests of the long-term sustainable success of the Company.

Whilst the Board is strongly supportive of enhancing all forms of diversity across the Board and wider workforce as a matter of priority, the Board does not currently set specific targets on gender balance or ethnicity. The Committee and the Board continue to be very mindful of the benefits of greater diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths, in all appointments. The Board will actively seek to enhance diversity on the Board during 2023/24 by taking steps to increase the number of diverse candidates to be included in the process. A Leadership Inclusion Forum is in place to seek to enhance diversity across the wider workforce.

In accordance with DTR 7.2.8A, the Committee confirms that a diversity policy is in place (the Equality, Inclusion, & Diversity: Dignity at Work Policy) and was last reviewed and approved by the Committee in October 2022. The Board no longer has a separate policy that only applies to the Board but has approved the adoption of the UK & Ireland policy to include all Board and senior management appointments. The policy is in place to encourage diversity and to ensure an inclusive culture is in place and the principles of the UK & Ireland policy are replicated in similar policies in the International businesses. The Board considers the celebration of diversity and an inclusive culture to be a competitive differentiator for the business. The policy establishes clear values and behaviour standards for colleagues and confirms that any form of bullying, harassment or discrimination is unacceptable. The policy does not include any quotas and emphasises the need for appointments to be made on the basis of merit.

Election and re-election

At the forthcoming annual general meeting, (AGM) in September 2023, all directors as listed on pages 92 and 93 will present themselves for re-election other than Andrea Gisle Joosen who will step down from the Board on 6 July 2023.

Magdalena Gerger and Adam Walker will present themselves for election and their biographical information is available on page 90 and in the Notice of AGM.

Gerry Murphy has been a director since the Company was formed in 2014, and will have served on the Board for nine years in August 2023. Gerry has been asked to remain on the Board for a further 12 months to help manage succession planning on the Audit Committee and to provide stability and continuity on the Board following the recent directorate changes. At the date of this report, the Chair has been on the Board for less than a year and Magdalena Gerger and Adam Walker have been on the Board for 2 months and 1 month respectively. Gerry has comprehensive knowledge of the business and will be able to provide valuable support and context to Magdalena and Adam as they start their new committee roles.

Each of the directors submitting themselves for election or re-election is being unanimously recommended by the other members of the Board due to their experience, knowledge, wider management and industry experience, continued effectiveness and commitment to their role, and significant contribution to the Board. More information on the individual contributions of each director is available within their biographies on pages 90, 92 and 93 and in the Notice of AGM.



Ian Dyson
Chair of the Board
6 July 2023



Environmental, Social and Governance ('ESG') Committee Report

Committee members	Meeting attendance	Number of meetings
Eileen Burbidge (Chair)	1/1	1 (since established as a committee of the Board)
Andrea Gisle Joosen	1/1	
Tony DeNunzio	1/1	

2022/23 HIGHLIGHTS

- Formation of the ESG Committee as a Committee of the Board.
- Review of plans to ensure progress against the Company's ESG strategy and objectives.
- Review of ESG disclosures in the Annual Report and Accounts 2022/23 including the assurance process.

Chair's statement

I am pleased to present my first ESG Committee (the 'Committee') Report for the year ended 29 April 2023. During the financial year, the Board established the ESG Committee as a committee of the Board, a decision which elevates further the focus on ESG at Board level and embodies the Company's mission to help everyone enjoy amazing technology. The remit of the Committee includes the approval of the Group's ESG strategy, oversight of the delivery of this strategy and monitoring of ESG risks and opportunities.

The Group previously had an ESG Committee that was a management committee reporting to the Executive Committee and this was in place and operating for part of the financial year. The annual report 2021/22 included a report of the work of this legacy forum that has since been renamed as the Group Sustainability Leadership Team ('GSLT'). The GSLT is comprised of several senior leaders in the business and attended by representatives from teams including Supply Chain, Risk, Sustainability, Services and Commercial. The GSLT will continue to report into the Executive Committee and manage the day-to-day oversight of the Group's sustainability agenda and metrics and will also now be subject to the independent oversight and support of the ESG Committee. During the year, the work of the GSLT included putting in place a governance framework and assigned roles and responsibilities to ensure delivery of the three ESG strategic priorities, developing a deeper understanding of the drivers of the Group's Scope 3 emissions and completion of emissions forecasts.

As part of my induction, I have received comprehensive updates on the achievements of the GSLT, the Group's ESG strategy, metrics, and commitments during 2022/23. I have also been updated on the expectations that our key stakeholder groups have for our ESG programme and I have observed a meeting of the GSLT.

I am very excited about the important role this Committee will play in building on the work of the GSLT and accelerating the Group's ESG priorities – growing our circular business, achieving net zero by 2040 on climate, and alleviating digital poverty.

I look forward to working with other stakeholders in the year ahead as this Committee evolves to embed ESG in all aspects of the operations of the Group.

Meetings and membership

The Committee meets as and when required and at least twice a year. There were three GSLT meetings then one meeting of the newly established Committee during the financial year 2022/23. A further Committee meeting was held after the financial year end in June 2023. All members of the Committee are independent non-executive directors. Other members of the Board or senior management can attend meetings at the invitation of the Committee Chair. The Company Secretary, or their nominee, acts as Secretary to the Committee. The Committee's deliberations are reported by its Chair at the next Board meeting and the minutes of each meeting are circulated to all members of the Board. The Committee will also make any recommendations to the Board as it deems appropriate within its remit where action or improvement is needed.

The Committee did not take part in this year's overall Board and Committee's effectiveness review since the Committee was newly formed during the financial year. From next financial year, the Committee will review its performance, constitution and procedures at least annually in accordance with its terms of reference.

FURTHER INFORMATION



www.currysplc.com

→ Committee Terms of Reference last approved: 17 January 2023 and available on www.currysplc.com

→ The biographical details for each Committee member are available on pages 92 and 93.

Environmental, Social and Governance ('ESG') Committee Report continued

Responsibilities

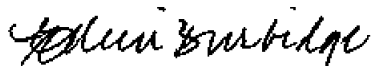
The principal duties of the Committee are to:

- oversee the development of the Group's ESG strategy, ensure it remains fit for purpose and aligned to the Group's vision: We help everyone enjoy amazing technology, and recommend it to the Board for approval;
- oversee and challenge the objectives and key performance indicators required to deliver the Group's ESG strategy and review reporting against these at Committee meetings;
- oversee the management of ESG risks;
- review the ongoing appropriateness of the Group's approach to ESG issues in the context of external best practice;
- approve the Group's policies and practices relating to ESG matters to ensure that they remain effective and compliant with legal and regulatory requirements and industry standards;
- receive reports from Group Responsible Sourcing & OEM Standards Manager over the operation of processes and controls in place to ensure compliance with requirements of Modern Slavery regulation;
- review all ESG content and data to be published in the Company's annual report and accounts including the process for the assurance of this data by third parties or the Company's auditors and make any recommendations to the Board as appropriate;
- review all ESG content on the Company's website, approve any material changes and make recommendations to the Board as appropriate; and
- make any recommendations to the Board on any area within its remit.

Key matters considered

During the year ended 29 April 2023, the Committee considered the following key matters:

- ESG framework and strategic approach;
- ESG emissions and e-waste bonus scorecard metrics;
- ESG disclosures in the Annual Report and Accounts 2022/23;
- achievements and plans for net zero emissions;
- achievements and plans for circular economy and next steps on 'Long Live Your Tech';
- achievements and next steps for helping eradicate digital poverty;
- a review of the People Plan, including colleague well-being, inclusion and diversity; and
- the operation of the Committee, including its terms of reference; and ESG policies and procedures.



Eileen Burbidge, MBE
Chair of the ESG Committee
6 July 2023



Remuneration Report

Introduction

On behalf of the Board, I am pleased to present the 2022/23 Directors' Remuneration Report (the 'Report') setting out our philosophy and proposed policy for directors' remuneration, together with the activities of the Remuneration Committee (the 'Committee') for the financial year ending 29 April 2023.

Our Directors' Remuneration Policy (the 'Policy') was approved by shareholders at the annual general meeting in September 2022. We would like to thank shareholders for their engagement during 2021 and 2022 as we consulted on this Policy and then for the 65.95% vote in favour of the Policy. We welcomed the vote in favour but acknowledged that a minority of shareholders did not support this resolution. Since the annual general meeting in 2022, we have sought further engagement with many of our shareholders to discuss the specific rationale for the votes against our Policy. I wrote to shareholders representing 67% of the Company's issued share capital, inviting them to meet with me or provide feedback, and met with all the shareholders that accepted this offer to hear their views.

Following careful consideration of all feedback received, the Committee and the Board agreed to increase the post-employment shareholding requirement for our Executive Directors. Executive directors will be required to retain at least 100% of their Currys plc shares for two years post-employment (the lower of actual shareholding or the shareholding requirement immediately prior to departure, in line with The Investment Association guidelines). The previous requirement was for directors to retain at least 100% of their Currys plc shares for one year and then at least 50% in the following year. This new post-employment shareholding was effective immediately from the date of the RNS issued in March 2023, notwithstanding the wording in the approved Directors' Remuneration Policy. We intend to formally incorporate this post-employment shareholding requirement into the binding Remuneration Policy the next time that an amended version is put to a shareholder vote. We will also continue to annually review the weight of financial measures in both the short and long term incentives as part of our ongoing remuneration activities.

We believe that the Company's Directors' Remuneration Policy is appropriate in the context of incentivising our executive team, as they continue to deliver the Group's strategy and welcomed the 86.90% vote in favour of the Remuneration Report at the annual general meeting in 2022.

In determining the executive directors' remuneration outcomes, the Committee had a clear focus on ensuring alignment of pay with performance and was equally attentive to the need to take into consideration the experience of all our key stakeholders throughout the year.

Remuneration in context

Corporate performance

This has been another challenging year in a rapidly changing business and economic environment.

Summary

- Group full year profits at top end of guided range
- Transformation in UK&I delivering improved colleague and customer experience, and better profits
- Very challenging year for Nordics business, but decisive action underway with new leadership team
- Prudent and proactive measures in place have secured liquidity and will further strengthen balance sheet

Financial performance

- Group LFL (7)%; Revenue (6)%
- Group adjusted profit before tax £119m, at top end of guidance, down £(73)m YoY due to lower Nordic profits
- UK&I adjusted EBIT £170m, +45% YoY – gross margin improvement and costs savings offset sales decline
- Nordic adjusted EBIT £26m, (82)% YoY – decisive action now underway
- Greece adjusted EBIT £18m, (14)% YoY – delivering another year of robust profits
- Statutory loss before tax of £(450)m, driven by previously announced non-cash goodwill impairment of £(511)m
- Year-end net debt of £(97)m, from £44m net cash in prior year

Stakeholder experience

Our colleagues

In March 2023, we announced that from 1 April 2023 we were increasing our minimum hourly rates for all UK colleagues for the fourth time in 18 months. The new minimum rate is £10.50 per hour (£11.50 in London), which represents a 13.6% increase over the 18-month period to 1 April 2023. Looking back over a two-year period, our minimum hourly rate has increased by 20.6%. Approximately 12,000 of our colleagues will benefit from this change. This is testament to the value our colleagues bring to our business and the critical role they play.

In addition, we introduced a new Pay For Skills programme which recognised the changing role of our now multi-skilled UK & Ireland store colleagues. This programme means that our store colleagues who pass their induction and are performing well, will see their minimum hourly rate increase to £10.80 per hour (£11.80 in London). This is on top of any extra reward available through our Be Amazing bonus programme, which can also boost hourly rates significantly by an average 8% for all sales colleagues and over 26% for some of our top UK sales colleagues.

We have also invested in a new induction and extended onboarding programme, called 'What's in Store'. This exciting programme gives new store colleagues six months' quality time to develop their L.I.F.E (Listen, Inspire, Find, Enjoy) selling framework skills, as well as an in-depth understanding of how to serve and support our customers in the best possible way.

Remuneration Report continued

In our Supply Chain and Services Operations, we already have existing skills-based pay scales with higher hourly rates for skilled colleagues and bonus schemes to reward delivery of our metrics that matter. And in our Customer Management Centres we're recognising the important customer-facing role our colleagues play, by introducing a skilled rate for colleagues who resolve the most complex customer issues.

Our customers

Customer satisfaction metrics have continued to improve this year and we are building more 'Customers for Life' with strong services growth. Our customers have been impacted by the cost of living squeeze in all our markets and we have supported them through keeping prices low, giving customers access to responsible credit, and offering more products that save them money through lower energy costs. Our customers are becoming increasingly conscious of ethical and environment issues and we have offered them more sustainable choices such as our popular Go Greener range.

Our shareholders

Currys UK & Ireland performance has continued to strengthen this year, reflecting good progress in the execution of our strategy and goal to increase the value of our business for shareholders. The Board approved the payment of an interim dividend during 2022/23. Unfortunately, the Nordic business, which had consistently delivered growth in sales and profits over many years, had a very challenging year due to lower demand and excess of stock in the market that led to heavy discounting. Although market conditions remain difficult, the trajectory of improving UK & Ireland profitability, strong progress with cost efficiency work and ensuring a robust recovery of profitability in the Nordic business makes us confident that we can deliver long-term cash flow and value to our shareholders.

Our communities

We have continued to support the work of the Digital Poverty Alliance (DPA) this year providing advice on strategy, longer-term capability and horizon scanning. In May 2022 we worked in partnership with the DPA to launch a new Tech4Families programme. During the year, funds collected from our UK stores through Pennies have supported vulnerable families in need by providing access to digital technology and we will continue to expand this scheme in the year ahead.

Our environment

We continue to be the largest recycler for e-waste volumes in the UK and Greece. This year we expanded our 'Cash for Trash' programme to collect e-waste in stores, and customers who receive deliveries of new products can now also hand in unwanted technology for recycling. During the year, Currys and Elkjøp started selling refurbished technology through online platforms. We have continued to grow our repairs service and our parts harvesting programme – to take useful parts from products for reuse from products that cannot be repaired. Our bonus scheme includes two environmental measures to align with reward. Targets are based on increasing e-waste recycling and the reduction of Scope 1 and Scope 2 emissions.

2022/23 remuneration

Base salary

The Committee reviewed both Alex Baldock's and Bruce Marsh's salary as at 30 April 2022 and applied an increase of 3% taking their salaries to £906,400 and £427,450 respectively, effective 31 July 2022. The average increase for the UK & Ireland corporate head office population was also 3%, effective 31 July 2022, and 3.7% for the Nordics, effective 1 April 2022. From 1 August 2022, a minimum base hourly rate of £10 was paid to all hourly paid UK colleagues. This was above the Real Living Wage for colleagues outside London. The London rate continued to align to the Real Living Wage rate of £11.05 per hour. This resulted in an average increase of 5.2% for our hourly paid UK colleagues.

In January 2023, the Committee reviewed the base salary of Bruce Marsh, in light of the fact that he had taken on the additional role of overall management for the Company's business in Greece as well as the additional responsibility of leading the Global Business Solutions, Investor Relations and Strategy teams. Taking the increased scope of the role into account, the Committee determined to apply a 14% adjustment to his base salary increasing his salary from £427,450 to £487,400. This increase also took into account the expected 31 July 2023 annual pay budget of 4% planned for the UK & Ireland corporate head of office colleagues and the 8% increase for hourly paid colleagues over the period from 1 August 2022 to 1 April 2023. On the basis of the increase received in January 2023 Bruce will not receive any additional increase in respect of 2023/24.

Pension

Bruce Marsh receives a 3% pension allowance, in line with the wider workforce and Alex Baldock's pension allowance was reduced from 10% to 3% effective 1 January 2023, to ensure alignment with the majority of the wider UK workforce and the Investment Association guidelines.

Annual performance bonus

As discussed previously, this has been a challenging year for the Nordic business and the formulaic outcome given the above performance was 33.39% of maximum for the executive directors. Full details on the targets set and performance against them can be found on page 145 of this Report. The Committee considered whether or not to adjust the formulaic outcome and noted that the UK & Ireland bonus will pay out to the majority of UK & Ireland corporate colleagues at between 72% to 81%. The Committee was satisfied that the formulaic outcome is both fair and appropriate given the financial performance delivered and the wider stakeholder experience outlined above and no Committee discretion was applied.

In accordance with the current Remuneration Policy, executive directors must defer one third of their awarded bonus into shares for a period of two years. Being mindful of his current shareholding position, as set out on page 154 of the report (beneficial interest of 150% at year-end or 296% on an initial acquisition price basis), Alex Baldock proposed to the Committee that he would take 100% of his bonus in shares. The Committee commends his commitment to building an even stronger alignment with shareholders and accordingly, were happy to accept this request.



One third of the bonus will be deferred for a period of two years in line with the Policy, with the remaining two-thirds provided in shares immediately, which must be retained (net of tax) while he builds towards the 250% of salary shareholding requirement. In total, Alex's shareholding will be 211% of base salary in August 2023 after the inclusion of the 2022/23 annual bonus and vesting of the 2020 LTIP.

Long Term Incentive Plan ('LTIP')

The 2019 LTIP award was subject to relative TSR (50%) and cumulative free cash flow (50%) targets measured over three years. Based on the achieved level of performance, the threshold required for vesting for the TSR element was not met but the free cash flow achieved a vesting percentage of 100%. The cumulative cash flow achieved was £436m against a maximum of £423m. Overall, LTIP vesting was therefore 50%.

Again, the Committee considered whether or not to make an adjustment to the formulaic outcome. The Committee concluded that overall, it was satisfied that the outcome is both fair and appropriate given the cash flow performance delivered and the wider stakeholder experience outlined above.

Vested shares will be subject to a further two-year holding period.

Full details on the targets set and performance against them can be found on pages 147 and 148.

2023/24 remuneration

Base salary

The Committee reviewed Alex Baldock's salary for 2023/24 and applied an increase of 4%, increasing his salary to £942,650, effective 31 July 2023. This salary increase is in line with the 4% pay budget applied to the UK & Ireland corporate head office population effective on the same date and is below the 8% increase for hourly paid colleagues received in the period from 1 August 2022 to 1 April 2023. The average increase for the Nordics Head Office population is 5%, effective 1 May 2023.

As discussed above, Bruce Marsh received an additional pay increase in January 2023 and on this basis, no further adjustment will be made in respect of 2023/24.

Annual performance bonus

The annual performance bonus in respect of 2023/24 will be based on achievement of stretching targets against five metrics of EBIT (55%), free cash flow (15%), Net Promoter Score (10%), employee engagement (10%) and environmental targets (10%).

The increase in the weighting of EBIT and substitution of free cash flow for the previous average net debt metric is intended to support the Company's increased focus on driving profitability and cash flow. The reweighting of metrics also takes into account the feedback from our shareholder engagement exercise. To

accommodate the increase in the EBIT weighting, the colleague and customer measures will be reduced from 15% to 10% for each measure. These metrics remain critically important to the business but the Committee is satisfied that the Company's improvements in engagement and customer scores have been demonstrated by the achievements against the 2022/23 annual bonus targets, and we now recognise the need to emphasise shareholder outcomes with an increased focus on the financial measures. The environmental measures will remain at 10% giving equal weighting to each of our environment, social and governance measures, reflecting the core elements of our sustainability strategy.

The targets and performance against all the scorecard elements will be fully disclosed in next year's Remuneration Report.

LTIP

The Committee also reviewed the performance measures to be applied for the 2023/24 LTIP awards and took into account feedback received during the investor engagement exercise that EPS is a key performance measure for our shareholders. We are therefore introducing an EPS measure alongside existing free cash flow and relative TSR, the weightings will be 30%, 40% and 30% respectively.

The Committee also considered introducing an environmental metric into the 2023/24 LTIP design. We concluded not to include this metric for the current year given that it is already included in the annual performance bonus but the Committee commits to including an ESG metric(s) into the LTIP during the course of the current Policy duration.

The Committee is mindful of the current volatility in the market and ensuring LTIP awards are aligned with shareholder experience. As at the date of this Report, the Committee has not yet finalised the decisions on LTIP award levels (within the Policy limits) or the calibration of applicable free flow cash flow and EPS targets. We will confirm the conditions and make the awards after we have announced our annual results, to ensure that we have targets in place that are both stretching for participants and also fully reflective of how shareholders and the market view the long-term performance of the business. We will fully disclose the award details and targets at the time of the grant announcement and will include them in next year's Remuneration Report.

Non-executive director changes and fees

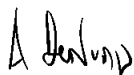
As announced in March 2023, we are pleased to confirm the appointment of Magdalena Gerger as an independent non-executive director with effect from 1 May 2023. Magdalena will become a member of the Remuneration, Nominations and ESG Committees with effect from 6 July 2023. In addition, Adam Walker has also joined the Board as an independent non-executive director and a member of the Remuneration and Audit Committees with effect from 8 June 2023.

Remuneration Report continued

The Company also announced that Andrea Gisle Joosen will be stepping down as a non-executive director on 6 July 2023, as she approaches a nine-year tenure on the Board. I would like to welcome both Magdalena and Adam to the Board and the Remuneration Committee and thank Andrea for her contribution to the Committee during her tenure.

In addition, although not a matter for the Remuneration Committee (being a matter reserved for the Board), the Board carried out a review of the non-executive directors' fees in 2021/22. As a result of that review the Board decided to increase fee levels for the non-executive directors by 2%, effective 1 May 2022, as detailed on page 155. This was the first increase in fees to the non-executive directors since the merger of Dixons and Carphone Warehouse in 2014. The Chair of the Board and I, as Deputy Chair, waived the increase to our fees, and these remain unchanged. The Board reviewed non-executive director fees again in March 2023 and agreed that there should not be any increase, although new fees have been put in place for membership of the newly established ESG Committee of the Board. Further detail can be found on page 155.

I hope you find that this Report clearly explains the remuneration approach we have taken and how we will implement the Policy in 2023/24. We have sought to ensure that a balanced approach has been taken for all stakeholders based on their experiences and feedback during the year. As always, we would welcome any comments on this Report. We look forward to your continued engagement and thank you for the feedback provided to date.



Tony DeNunzio CBE
Chair of the Remuneration Committee
6 July 2023

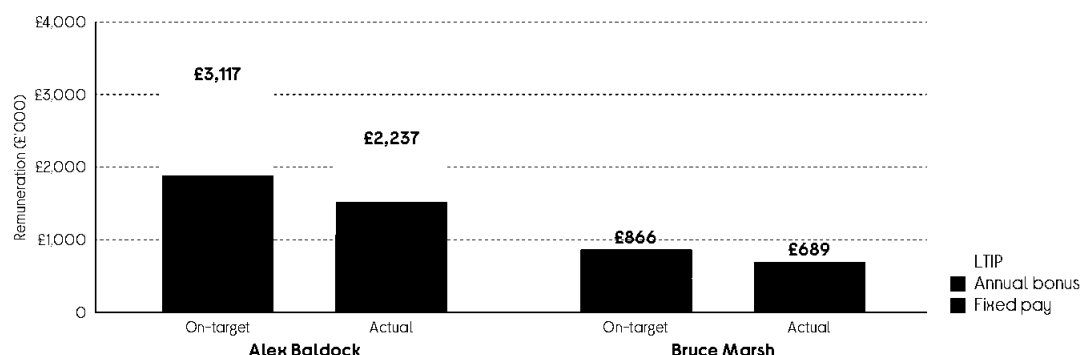


Remuneration at a glance

		2022/23	2023/24 proposed
Annual performance bonus	Base salary	- CEO (Alex Baldock) – £906,400 - CFO (Bruce Marsh) – £427,500, increased to £487,400 (January 2023)	- CEO (Alex Baldock) – £942,650 - CFO (Bruce Marsh) – £487,400
	Maximum opportunity	150% of base salary - One-third deferred into shares for a period of two years	150% of base salary - One-third deferred into shares for a period of two years
	Performance metrics (weighting)	- EBIT (45%) - Average net debt (15%) - ESG (40%) - Net Promoter Score (15%) - Employee engagement (15%) - Environmental (10%) - E-waste take back volumes (5%); and - Progress to net zero (5%) - EBIT underpin and 'Treating Customers Fairly' clawback	- EBIT (55%) - Free cash flow (15%) - ESG (30%) - Net Promoter Score (10%) - Employee engagement (10%) - Environmental (10%) - E-waste take back volumes (5%); and - Progress to net zero (5%) - EBIT underpin and 'Treating Customers Fairly' clawback
	Maximum opportunity	250% of base salary	250% of base salary
LTIP	Performance metrics (weighting)	- Cumulative free cash flow (50%) - TSR relative to the FTSE 250 (50%)	- Cumulative free cash flow (40%) - Cumulative EPS (30%) - TSR relative to the FTSE 250 (30%)
	Share ownership guidelines	250% of salary to be achieved within five years of appointment - Shares to the value of 250% of salary must be retained for the first year post-cessation and 125% for the second year	250% of salary to be achieved within five years of appointment - Shares to the value of 250% of salary must be retained for two years post-cessation

Total remuneration earned in the year

The chart below reflects the on-target and actual remuneration outcomes for 2022/23.



Remuneration Report continued

Introduction

The purpose of this Report is to inform shareholders of the Company's directors' remuneration for the year ended 29 April 2023 and the Remuneration Policy for subsequent years.

This report is divided into two sections:

- the Remuneration Policy; and
- the Annual Remuneration Report.

The current Remuneration Policy was approved by shareholders at the annual general meeting on 8 September 2022 and was effective from that date. The Annual Remuneration Report will be put to an advisory vote at the Annual General Meeting ('AGM') 2023.

The role of the Committee is to determine on behalf of the Board a remuneration policy for executive directors and senior management which promotes the long-term success of the business through the attraction and retention of executives who have the ability, experience and dedication to deliver outstanding returns for our shareholders.

The Committee has adopted the principles of good governance relating to directors' remuneration as enshrined in section 5 of the UK Corporate Governance Code 2018 (the 'Code') and has paid close regard to the principles of clarity, transparency, risk management, proportionality and alignment to culture and strategy. The Committee has complied with those principles in the year under review.

This report has been prepared by the Committee on behalf of the Board in accordance with the Companies Act 2006, Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and the Listing Rules of the Financial Conduct Authority. The Remuneration Policy (which is not subject to audit) details the role of the Committee, the principles of remuneration and other matters. The Annual Remuneration Report (elements of which are audited) details the directors' and former directors' fixed and variable pay, share awards, share options and pension arrangements.

Remuneration Policy

Remuneration strategy

Put simply, our aim is to generate superior returns for our shareholders and the key to achieving this is our colleagues. Our remuneration strategy is therefore designed to motivate high-performing colleagues to deliver our business strategy. The objectives of our remuneration strategy are to:

- attract, motivate and retain high quality talent;
- be transparent and align the interests of senior management and executive directors with those of shareholders, by encouraging management to have a significant personal stake in the long-term success of the business;
- weight remuneration to variable pay so that it incentivises outperformance particularly over the long term whilst discouraging inappropriate risk-taking;
- ensure that superior rewards are only paid for exceptional performance against challenging targets;
- apply policies consistently across the Group to promote alignment and teamwork;
- recognise the importance of delivering across a balanced set of metrics to ensure the right behaviours are adopted and the long-term health of the business is protected; and
- avoid rewarding failure.

In developing its policy, the Committee has regard to:

- the performance, roles and responsibilities of each executive director or member of senior management;
- the remuneration arrangements and policy which apply below senior management levels, including average base salary increases across the workforce;
- information and surveys from internal and independent sources;
- the economic environment and financial performance of the Company; and
- good corporate governance practice.

For reference, our workforce is comprised of full-time and part-time colleagues and fixed-term contractors that are directly employed by the Group. Our workforce is supported by people employed by third parties that use Currys' IT systems and work on Currys' premises but are not directly employed by the Group.

Guidelines on responsible investment disclosure

In line with The Investment Association guidelines on responsible investment disclosure, the Committee is satisfied that the incentive structure and targets for executive directors do not raise any ESG risks by inadvertently motivating irresponsible or reckless behaviour. The Committee considers that no element of the remuneration package will encourage inappropriate risk-taking by any member of senior management.



Remuneration Policy table

The individual elements of the remuneration packages offered to executive directors are summarised in the following table:

Base salary (fixed pay)	
Purpose and link to strategy	To aid the recruitment, retention and motivation of high-performing colleagues. To reflect their skills, experience and importance to the business.
Operation	Normally reviewed annually. The review reflects a range of factors including merit levels, internal relativity, external market data and cost. Our overall policy, having due regard to the factors noted, is normally to target salaries at market level taking into consideration FTSE 51-150 and retailers of a similar size. Salaries for new appointments as executive directors will be set in accordance with the recruitment policy set out on pages 138 and 139. The Committee takes into consideration the impact of base salary increases on the package as a whole, as other elements of pay (such as pension contributions) are generally based on a percentage of salary.
Maximum opportunity	Ordinarily, increases for executive directors will be in line with increases across the Group. Increases beyond those granted across the Group may be awarded in certain circumstances, such as changes in responsibilities, progression in the role and significant increases in the size, complexity or value of the Group. Salary levels for current directors are shown in the Annual Remuneration Report.
Performance assessment / targets	Salaries are normally reviewed annually by the Committee at the appropriate meeting having due regard to the individual's experience, performance and added value to the business.
Benefits (fixed pay)	
Purpose and link to strategy	In line with the Company's strategy to keep remuneration weighted to variable pay that incentivises outperformance, a modest range of benefits is provided. Benefits may vary based on the personal choices of the director. Provision of relocation or other related assistance may be provided to support the appointment or relocation of a director.
Operation	Executive directors are entitled to a combination of benefits which include, but are not limited to: • car allowance or the use of a driver for Company business; • private medical cover; • life assurance; • holiday and sick pay; and • a range of voluntary benefits including the purchase of additional holiday. Executive directors will be eligible for other benefits which are introduced for the wider workforce on broadly similar terms. Any reasonable business-related expenses (including the tax thereon) can be reimbursed if determined to be a taxable benefit. Should an executive director be recruited from, or be based in, a non-UK location, benefits may be determined by those typically provided in the normal country of residence and/or reflect local market legislation. Relocation or other related assistance could include, but is not limited to, removal and other relocation costs, tax equalisation, tax advice and accommodation costs.



Remuneration Report continued

Maximum opportunity	The cost to the Group of providing such benefits will vary from year to year in accordance with the cost of providing such benefits, which is kept under regular review.
Performance assessment/targets	Not applicable.
Pension (fixed pay)	
Purpose and link to strategy	A pension is provided which is consistent with that provided to other corporate employees in the UK and in line with our strategy to keep remuneration weighted to variable pay that incentivises outperformance.
Operation	Defined contribution plans are offered to all employees. A defined benefit pension plan continues in operation for ex-Dixons' longer-serving employees, which is now closed to new participants and future accrual. Executive directors may choose to receive a cash allowance in lieu of pension contributions.
Maximum opportunity	Executive directors will receive a pension contribution in line with the level paid to the majority of the UK workforce across the Group, up to 10% of base salary, which can be taken in whole or in part as a cash allowance in lieu of pension.
Performance assessment/targets	Not applicable.
Annual performance bonus (variable pay)	
Purpose and link to strategy	Annual performance bonuses are in place to incentivise the delivery of stretching, near-term business targets based on our business strategy. These bonuses provide a strong link between reward and performance and drive the creation of further shareholder value. The principles and approach are consistently applied across the Group ensuring alignment to a common vision and strategy. They are based on a balanced approach ensuring appropriate behaviours are adopted and encouraging a longer-term focus.
Operation	Bonus payments are determined after the year end and subject to a minimum profit threshold being achieved before payment is due. For threshold level of performance, a bonus of up to 20% of the maximum potential award is payable. A sliding scale determines payment between the minimum and maximum bonus payable. The annual bonus is typically determined in June based on the audited performance over the previous financial year. One-third of any bonus earned will be deferred into shares for a period of two years, with the remaining two-thirds paid in cash. Any bonus earned is non-pensionable. Where any bonus is deferred dividends (or equivalents) may accrue. Performance is reviewed by the Committee using its judgement where necessary to assess the achievement of targets. The Committee retains the discretion to adjust downwards bonus payments where achievement of targets would result in a payment of a bonus at a level which would not be consistent with the interests of the Company and its shareholders. Recovery and withholding provisions apply for material misstatement, misconduct, calculation error, reputational damage, corporate failure, material failure of risk management and internal controls and unreasonable failure to protect the interests of employees and customers, enabling performance adjustments and/or recovery of sums already paid. These provisions will apply for up to three years after payment.



Maximum opportunity	Maximum annual bonus potential for all executive directors is 150% of base salary. No bonus is payable if the minimum profit threshold is not achieved.
Performance assessment / targets	All measures and targets are reviewed and set by the Committee at the beginning of the financial year with a view to supporting the achievement of the Group strategy. The bonus scheme has targets based on a balanced scorecard. The balanced scorecard may include both financial and non-financial measures, such as employee, customer and strategic measures. The weighting of measures will be determined by the Committee each year. Financial measures (such as profit and cash) will represent the majority of the bonus opportunity, with other measures representing the balance.
Long term incentive scheme (variable pay): Long Term Incentive Plan ('LTIP')	
Purpose and link to strategy	Long term incentive schemes are transparent and demonstrably aligned with the interests of shareholders over the long term. The LTIP is designed to reward and retain executives over the longer-term, whilst aligning an individual's interests with those of shareholders and in turn delivering significant shareholder value.
Operation	Discretionary awards of nil-priced options or conditional share awards are granted over Currys plc shares. Awards will be granted annually and will usually vest after three years subject to continued service and the achievement of performance conditions. The level of vesting is dependent on achievement of performance targets, usually over a three-year period. No more than 25% of the maximum will be payable for threshold level of performance. The post-tax number of share awards vesting will be subject to a further two-year holding period, during which they cannot be sold, unless in exceptional circumstances and with the Committee's permission. Dividend equivalents may be accrued on the shares earned from any award. Awards will be subject to recovery and withholding provisions for material misstatement, misconduct, calculation error, reputational damage and corporate failure, material failure of risk management and internal controls and unreasonable failure to protect the interests of employees and customers, enabling performance adjustments and/or recovery of sums already paid. These provisions will apply for up to three years after vesting. If employment ceases during the vesting period, awards will ordinarily lapse in full, unless the Committee exercises its discretion. The Committee has the discretion in certain circumstances to grant and/or settle an award in cash. For the executive directors this would only be used in exceptional circumstances. In the event of a change of control, any unvested awards will vest immediately, subject to satisfaction of performance conditions and reduction on a time-apportioned basis.
Maximum opportunity	Grants under the LTIP are subject to overall dilution limits. The normal maximum grant per participant in any financial year will be a market value of 250% of base salary, with up to 375% in exceptional circumstances, e.g. recruitment. More details on the proposed award levels for executive directors in 2023/24 are set out in the Annual Remuneration Report on page 156 and full details will be disclosed at grant.

Remuneration Report continued

Performance assessment / targets	Performance targets are reviewed by the Committee prior to each grant and are set to reflect the key priorities of the business at that time. The Committee determines the metrics from a range of measures, including but not limited to, market-based performance measures such as TSR and financial metrics such as free cash flow. The Committee retains the flexibility to introduce new measures in the future if considered appropriate given the business context, although financial measures in total will not be weighted any less than 60% of the total award. Material changes will be subject to consultation with major shareholders. The actual metrics applying for each award will be set out in the Annual Remuneration Report and any changes in the metrics will be explained.
All employee share plans	
Purpose and link to strategy	Encourages employees to make a long-term investment in the Company's shares and therefore be aligned to the long-term success of the Company.
Operation	Executive directors are eligible to participate in the Group all-employee share schemes, but not the Colleague Shareholder Scheme, on the same terms as other eligible employees.
Maximum opportunity	The same limits apply to executive directors as to all other participants in the schemes and are in line with the appropriate regulations. The Committee reserves the right to increase the savings limits for future schemes in accordance with the statutory limits in place from time to time.
Performance assessment / targets	None of the schemes are subject to any performance conditions.
Share ownership guidelines	
Purpose and link to strategy	Provides close alignment between the longer-term interests of executive directors and shareholders in terms of the Company's long-term success.
Operation	The Company requires executive directors to retain a certain percentage of base salary in the Company's shares, with a five-year period in which to reach these limits. Executive directors are also required to retain a proportion of these shares post the cessation of employment. The shares which count towards this requirement are beneficially owned shares (both directly and indirectly).
Maximum opportunity	Not applicable.
Performance assessment / targets	The Company requires all executive directors to retain 250% of base salary in the Company's shares during employment. On leaving, an executive director will also be required to retain shares equivalent to 250% of their base salary on leaving for a period of 12 months and then 125% of their base salary for a further period of 12 months. <i>Note: As described in the Committee Chair's introductory letter, following consideration of feedback received from shareholders, the post-employment shareholding requirement for executive directors has been increased such that they will be required to retain at least 100% of their Currys plc shares for two years post-employment (the lower of actual shareholding or the shareholding requirement immediately prior to departure). This change will be formally incorporated into the binding Remuneration Policy the next time that an amended version is put to a shareholder vote.</i>
Details of the directors' shareholding are shown in the table on page 154.	



Non-executive directors and chair of the Board / deputy chair fees

Purpose and link to strategy	To provide a competitive fee for the performance of non-executive director duties, sufficient to attract high calibre individuals to the role.
Operation	The fees are set to align with the duties undertaken, taking into account market rates, and are normally reviewed on an annual basis. Factors taken into consideration include the expected time commitment and specific experience. Additional fees are payable for acting as the senior independent director or as chair of any Board committee, and for membership of a Board committee. Non-executive directors do not participate in the annual performance bonus or the long term incentive plans or pension arrangements. Any reasonable business-related expenses (including the tax thereon) can be reimbursed if determined to be a taxable benefit. For material, unexpected increases in time commitments, the Board may pay extra fees on a pro-rated basis to reflect additional workload.
Maximum opportunity	Aggregate annual limit of £2,000,000 imposed by the Articles of Association for Directors' fees (not including fees in relation to any executive office or chair of the Board, deputy chair, senior independent director or committee chair fees).
Performance assessment / targets	Not applicable.

Selection of performance metrics

The Policy provides flexibility for the Committee to determine the measures to be used in the annual performance bonus and the LTIP. The measures used currently, and their purposes are set out below.

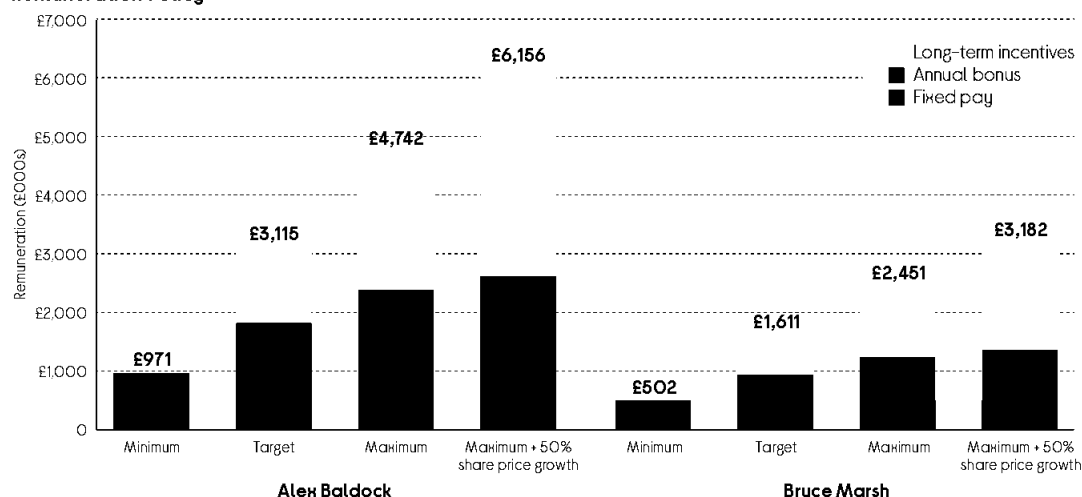
Measure	Where used	Purpose
EBIT	Annual performance bonus	Key measure of annual financial delivery.
Free cash flow	Annual performance bonus	A principal measure of the financial health of the business including the management of working capital, captured over a one-year period.
Net promoter score	Annual performance bonus	Captures the overall perception of our business in the eyes of our customers.
Employee engagement	Annual performance bonus	Reflects how well we engage our colleagues – a factor which we know to be a key driver of retention and performance.
Environmental	Annual performance bonus	Reflects our focus on the climate agenda.
Cumulative free cash flow	LTIP	A principal measure of the financial health of the business including the management of working capital, captured over a multiyear period.
EPS	LTIP	A key measure of the ongoing earnings of the underlying Group.
Relative TSR	LTIP	Seeks to measure the growth in shareholders' investment in Currys (share price movements plus dividends paid) relative to other similar companies.

Remuneration Report continued

Illustration of Remuneration Policy

The Remuneration Policy scenario chart below illustrates the level and mix of potential total remuneration the ongoing executive directors could receive under the Remuneration Policy at three levels of performance: minimum, target and maximum.

Remuneration Policy



- (1) Fixed pay is based on the base salary payable at 1 August 2023, taxable benefits and pension contributions.
- (2) Annual variable pay represents the annual performance bonus entitlement. No bonus is assumed at the minimum performance level. Target performance assumes a payment of 90% of salary (i.e. 60% of maximum) and at maximum performance a payment of 150% of base salary.
- (3) Long term incentives relate to the LTIP. No awards vest at the minimum performance level. Target performance assumes a vesting of 137.5% of salary (i.e. 55% of maximum award) and maximum performance vesting of 250% of salary.
- (4) The chart above does not take into account the impact of share price appreciation, other than the fourth bar, which assumes a growth in the share price of 50% over the vesting period for LTIP and Deferred Share Bonus Plan awards.

Alignment of the Remuneration Policy to the 2018UK Corporate Governance Code (the 'Code')

The table below explains how the Remuneration Committee has addressed the factors set out in Provision 40 of the Code when determining the Remuneration Policy.

Clarity	Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	The Remuneration Committee has aimed to incorporate simplicity and transparency into the design and delivery of our Remuneration Policy. The remuneration structure is simple to understand for both participants and shareholders and is aligned to the strategic priorities of the business. We aim for disclosure of the Policy and how it is implemented to be in a clear and succinct format.
Simplicity	Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Our remuneration arrangements for executive directors are purposefully simple, comprising fixed pay (salary, benefits, pension / pension allowance), a short term incentive plan (annual performance bonus) and a long term incentive plan (LTIP).



Risk	Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	The Remuneration Policy includes a number of points to mitigate potential risks: • There are defined limits on the maximum opportunity levels under incentive plans. • Performance targets are calibrated at appropriately stretching but sustainable levels. • The Remuneration Committee considers formulaic incentive outcomes and determines whether to make any adjustments, including to take into account the experience of wider stakeholders such as employees and shareholders. • Incentive plans include provisions to allow malus and clawback to be applied, where appropriate. • The use of bonus deferral, LTIP holding periods, in-employment and post-employment shareholding requirements ensure that there is an alignment of interests between executive directors and shareholders and encourage sustainable performance.
Predictability	The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the Policy.	We aim for our disclosure to be clear to allow shareholders to understand the range of potential values which may be earned under the remuneration arrangements. Our Remuneration Policy clearly sets out relevant limits and potential for discretion.
Proportionality	The link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	A significant part of an executive's reward is linked to performance with a clear line of sight between business performance and the delivery of shareholder value. The Remuneration Committee may adjust formulaic outcomes of incentive arrangements if they do not appropriately align with performance achieved or the experience of wider stakeholders such as employees and shareholders.
Alignment to culture	Incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	The incentive arrangements and the performance measures used are strongly aligned to those that the Board considers when determining the success of the implementation of the Company's purpose, values and strategy. Please see our Strategic Report for an explanation of our strategy and key performance indicators.

Remuneration Committee discretions

The Committee operates the annual performance bonus plan, LTIP and all-employee plans in accordance with their respective rules, the Listing Rules and HMRC rules (or overseas equivalent) where relevant. The Committee retains discretion, consistent with market practice, over a number of areas relating to the operation and administration of these plans. These include but are not limited to:

- entitlement to participate in the plan;
- when awards or payments are to be made;
- size of award and/or payment (within the rules of the plans and the approved Policy);
- determination of a good leaver for incentive plan purposes and the appropriate treatment based on the rules of each plan;
- discretion as to the measurement of performance conditions and pro-rating in the event of a change of control;
- any adjustment to awards or performance conditions for significant events or exceptional circumstances; and
- the application of recovery and withholding provisions.

Shareholder consultation

The Committee has a policy to consult with its major shareholders when making any significant changes to the Remuneration Policy of the Company. Any feedback received is taken into consideration when determining future policy. The Committee also takes into consideration remuneration guidance issued by leading investor bodies, in addition to the principles of good governance relating to directors' remuneration as set out in the Code.

Employee engagement and consultation

When considering remuneration arrangements for executive directors, the Committee takes into account, as a matter of course, the pay and conditions of colleagues at all levels throughout the Company, to ensure appropriate alignment. The Committee receives regular updates regarding any major changes to colleague remuneration during the year and reviews information on internal measures, including details of our gender pay gap and the ratio of Group chief executive remuneration to UK colleagues' remuneration. The Committee considers how these compare externally and change over time. The Committee is also kept informed of general employment conditions across the Group, including the annual pay review outcomes.

Remuneration Report continued

The Company communicates regularly with colleagues by way of email updates, live Q&A sessions and intranet posts to provide information about our strategy, our performance and on operational matters as well as asking for feedback on how colleagues are feeling via regular employee surveys.

The Committee and the Board places great importance on listening to the views of our colleagues on a range of issues including pay and benefits, and the International Colleague Forum is in place to unify country forums into a single listening and engagement forum for colleagues. Tony DeNunzio, the Remuneration Committee Chair attends UK forum meetings with the Chief People Communications and Sustainability Officer, and Andrea Gisle Joosen, Independent Non-Executive Director and Remuneration Committee member, attends Nordics colleague forum meetings. Attendance at these forums provides a welcomed opportunity to directly engage with the wider workforce and to bring colleagues' views to both the Committee and Board discussions. Colleague feedback from this forum has been used to develop the Company culture and values and resulted in a range of initiatives including, for example, the establishment of colleague mental health first aiders. This year the Chief People, Communications and Sustainability Officer held a session at one of the colleague listening forums to discuss the Company's pay philosophy. At the session it was discussed how the Company takes a consistent approach to remuneration across the entire workforce, including for the executive directors and how this philosophy aligns the wider workforce pay to executive pay. The Remuneration Committee Chair also attended this session and feedback from the session was reported to the Committee at the subsequent meeting.

Many of our colleagues are also shareholders and as such are able to attend annual general meetings, vote on all of the resolutions and share their views on the policy in the same way as other shareholders.

Remuneration policy for the wider workforce

Currys employs a large number of colleagues across different countries. Our reward framework is structured to suit the needs of the different businesses, employee groups and locations. Reward packages differ for a variety of reasons including the impact on the business, local practice, custom and legislation.

For management, the current bonus and LTIP structure cascades down to around 200 managers ensuring management are focused on delivering on strategic objectives and are aligned to overall shareholders' experience.

In determining salary increases to apply across the wider workforce, the Company takes into consideration Company performance and other market metrics as necessary. When determining salary increases for executive directors, the Committee takes into consideration salary increases throughout the Company as a whole.

The Company actively encourages wide employee share ownership. The Colleague Shareholder Scheme has provided the opportunity for all colleagues, subject to eligibility criteria, to become shareholders in the Company. In addition, the Group's UK & Ireland employees, who meet the eligibility criteria, are invited to join the Company's SAYE schemes.

Discretionary share plans are also extended to both senior management and other key members of the workforce, as the Company feels that it is important to incentivise and retain these employees over the longer-term in order for the Company to continue to grow.

Recruitment or promotion policy

On appointment or promotion, base salary levels will be set taking into account a range of factors including market levels, experience, internal relativities and cost. If an individual is appointed on a base salary below the desired market positioning, the Committee retains the discretion to realign the base salary over one to three years, contingent on individual performance, which may result in a higher rate of annualised increase above ordinary levels. If the Committee intends to rely on this discretion, it will be noted in the first Remuneration Report following an individual's appointment. Other elements of annual remuneration will be in line with the policy set out in the Remuneration Policy table. As such, variable remuneration will be capped as set out in the Policy table.

The following exceptions will apply:

- in the event that an internal appointment is made or an executive director joins as a result of a transfer of an undertaking, merger, reconstruction or similar reorganisation, the Committee retains the discretion to continue with existing remuneration provisions and the provision of benefits. This discretion will not be used in respect of pension contributions in excess of the Committee's commitment to ensure that any newly appointed executive director will receive a pension contribution in line with the level paid to the majority of the UK workforce;
- as deemed necessary and appropriate to secure an appointment, the Committee retains the discretion to make additional payments linked to relocation (including any tax thereon);
- for an overseas appointment, the Committee will have discretion to offer cost-effective benefits and pension provisions which reflect local market practice and relevant legislation;
- the Committee may set alternative performance conditions for the remainder of the initial annual bonus performance period, taking into account the circumstances and timing of the appointment; and
- the Committee retains the discretion to provide an immediate interest in Company performance by making a long term incentive award on recruitment (or shortly thereafter if in a prohibited period) in accordance with the Policy table under its existing long term incentive schemes or such future schemes as may be introduced by the Company with the approval of its shareholders. The Committee will determine, at the time of award, the level of the award, the performance conditions and time horizon that would apply to such awards, taking into account the strategy and business circumstances of the Company.



Service contracts will be entered into on terms similar to those for the existing executive directors, summarised in the recruitment table below. However, the Committee may authorise the payment of a relocation and/or repatriation allowance, as well as other associated international mobility terms and benefits, such as tax equalisation and tax advice.

In addition to the annual remuneration elements noted above, the Committee may consider buying out, on a like-for-like basis, bonuses and/or incentive awards that an individual forfeits from a previous employer in accepting the appointment. The Committee will have the authority to rely on Listing Rule 9.4.2(2) or exceptional limits of awards of up to 375% of base salary within the LTIP. If made, the Committee will be informed by the structure, time horizons, value and performance targets associated with any forfeited awards, while retaining the discretion to make any payment or award deemed necessary and appropriate.

The Committee may also require the appointee to purchase shares in the Company in accordance with its shareholding policy.

With respect to the appointment of a new chair of the Board or non-executive director, terms of appointment will be consistent with those currently adopted. Variable pay will not be considered and as such no maximum applies. With respect to non-executive directors, fees will be consistent with the policy at the time of appointment. If necessary, to secure the appointment of a new chair of the Board not based in the UK, payments relating to relocation and/or housing may be considered.

Elements of remuneration on appointment are set out in the recruitment table below.

A timely announcement with respect to any director's appointment and remuneration will be made to the regulatory news services and posted on the Company's corporate website.

Recruitment table for executive directors

Area	Feature	Policy
Service contract and incentive plan provisions	• Notice period	• Up to 12 months from either side.
	• Entitlements on termination	• As summarised in the Policy on loss of office.
	• Restrictive covenants	• Provisions for mitigation and payment in lieu of notice.
	• Variable elements	• Garden leave provisions.
Annual remuneration	Base salary	• Non-compete, non-solicitation, non-dealing and confidentiality provisions.
	Salary progression	• The Committee has the discretion to determine whether an individual shall participate in any incentive in the year of appointment.
		• The Committee shall have the discretion to determine appropriate bonus performance targets if participating in the year of appointment.
	Benefits and allowances	• To be determined on appointment, taking into account factors including market levels, experience, internal relativities and cost.
		• If appointed at below market levels, salary may be realigned over the subsequent one to three years subject to performance in role. In this situation, the Committee reserves the discretion to make increases above ordinary levels.
		• This initial market positioning and intention to increase pay above the standard rate of increase in the Remuneration Policy table (subject to performance) will be disclosed in the first Remuneration Report following appointment.
		• The Committee retains the discretion to provide additional benefits as reasonably required. These may include, but are not restricted to, relocation payments, housing allowances and cost of living allowances (including any tax thereon).

Remuneration Report continued

Policy on loss of office

Service contracts contain neither liquidated damages nor a change of control clause.

The Company shall have a right to make a payment in lieu of notice in respect of base salary, benefits, including car allowance and pension contributions, only for the director's contractual period of notice or, if termination is part way through the notice period, the amount relating to any unexpired notice to the date of termination. There is an obligation on directors to mitigate any loss which they may suffer if the Company terminates their service contract. The Committee will take such mitigation obligation into account when determining the amount and timing of any compensation payable to any departing director.

A director shall also be entitled to a payment in respect of accrued but untaken holiday and any statutory entitlements on termination. No compensation is paid for dismissal, save for statutory entitlements.

A director shall be entitled to receive a redundancy payment in circumstances where, in the judgement of the Committee, they satisfy the statutory tests governing redundancy payments. Any redundancy payment shall be calculated by reference to the redundancy payment policy in force for all employees in the relevant country at the time of the redundancy and may include modest outplacement costs.

If a director's employment terminates prior to the relevant annual performance bonus payment date, ordinarily no bonus is payable for that financial year. The Committee shall retain discretion to make a pro-rated bonus payment in circumstances where the Committee considers them to be a 'good leaver' and it would be appropriate to do so having regard to the contribution of the director during the financial year, the circumstances of the departure and the best interests of the Company.

Any entitlements under long term incentive schemes operated by the Company shall be determined based on the rules of the relevant scheme. The default position of the LTIP is that awards will lapse on termination of employment, except where certain good leaver circumstances exist (e.g. death, ill-health, injury, disability, redundancy, transfer of an undertaking outside of the Group or retirement or any other circumstances at the Committee's discretion) whereby the awards may vest on cessation, or the normal vesting date, in both cases subject to performance and time pro-rating. Although, the Committee can decide not to pro-rate an award (or pro-rate to a lesser extent) if it regards it as appropriate to do so in the particular circumstances.

The Committee shall be entitled to exercise its judgement with regard to settlement of potential claims, including but not limited to wrongful dismissal, unfair dismissal, breach of contract and discrimination, where it is appropriate to do so in the interests of the Company and its shareholders.

In the event that any payment is made in relation to termination for an executive director, this will be fully disclosed in the following Annual Remuneration Report.

A timely announcement with respect to the termination of any director's appointment will be made to the regulatory news service and posted on the Company's corporate website.

Service agreements

Service agreements for executive directors

Each of the executive directors' service agreements provides for:

- the reimbursement of expenses incurred by the executive director in performance of their duties;
- 25 days' paid holiday each year;
- sick pay; and
- a notice period of 12 months from either party.

In situations where an executive director is dismissed, the Committee reserves the right to make additional exit payments where such payments are made in good faith, such as:

- in discharge of a legal obligation; and
- by way of settlement or compromise of any claim arising in connection with the termination of the director's office and employment.

Letters of appointment

Each of the non-executive directors has a letter of appointment. The Company has no age limit for directors. Non-executive directors derive no other benefit from their office, except that the Committee retains the discretion to continue with existing remuneration provisions, including pension contributions and the provision of benefits, where an executive director becomes a non-executive director. It is Company policy not to grant share options or share awards to non-executive directors. The Chair of the Board, Deputy Chair and the other non-executive directors have a notice period of three months from either party.

Appointments are reviewed by the Nominations Committee and recommendations made to the Board accordingly.

External appointments

The Board supports executive directors should they chose to take non-executive directorships as a part of their continuing development and agrees that the executive directors may retain their fees from one such appointment. Further details on current external directorships and fees can be found in the Annual Remuneration Report on page 153.

Dilution limits

All the Company's equity-based incentive plans incorporate The Investment Association's current Share Capital Management Guidelines ('Guidelines') on headroom which provide that overall dilution under all plans should not exceed 10% over a ten-year period in relation to the Company's issued share capital (or reissue of treasury shares). In addition, the LTIP operates with a 5% in ten-year dilution limit (excluding historic discretionary awards). The Company regularly monitors the position and prior to making any award the Company ensures that it will remain within these limits. Any awards which will be satisfied by market purchase shares are excluded from such calculations. As at 6 July 2023, the Company's dilution position, which remains within the current Guidelines, was 4% for all plans (against a limit of 10%) and 1.3% for the LTIP (against a limit of 5%).



Remuneration Committee Report

Committee members Meeting attendance

Tony DeNunzio (Chair)	6/6
Andrea Gisle Joosen	6/6
Gerry Murphy	6/6

Number of meetings

6

2022/23 HIGHLIGHTS

- Approving the amended Directors' Remuneration Policy.
- Engaging with shareholders on the annual general meeting 2022 Remuneration Policy voting outcome.
- Engaging with the wider workforce on executive pay.

Remuneration Committee purpose

The Board has delegated to the Committee responsibility for determining policy in relation to the remuneration packages for executive directors, the Chair of the Board and other senior management that promote the long-term sustainable success of the business through the attraction and retention of executives who have the ability, experience and dedication to deliver outstanding returns for our shareholders. This delegation includes their terms and conditions of employment in addition to the operation of the Group's share-based employee incentive schemes. The Committee also makes recommendations and monitors the level and the overall reasonableness of the structure of remuneration for the general workforce. The Committee approves the service agreements of each executive director, including termination arrangements and considers the achievement of the performance conditions under annual and long term incentive arrangements.

Meetings

Only members of the Remuneration Committee are entitled to attend Committee meetings. The Chair of the Board, Group Chief Executive, Group Chief Financial Officer, General Counsel and Company Secretary, Chief People, Communications and Sustainability Officer, Group Reward Director, Head of Executive Reward and Share Plans and other members of senior management, and representatives from the Company's remuneration advisor (Willis Towers Watson) attended the relevant Committee meetings by invitation.

No directors participate in discussions about their own remuneration.

The Company Secretary, or his nominee, acts as Secretary to the Committee and attends all meetings. The Committee's deliberations are reported by its Chair at the subsequent Board meeting and the minutes of each meeting are circulated to all members of the Board following approval.

The Committee meets as and when required and at least twice a year. The biographical details for each Committee member are available on pages 92 and 93.

The Committee has the following principal duties:

- making recommendations to the Board on the Company's framework of executive remuneration;
- determining the fees of the Chair of the Board and Deputy Chair;
- considering and making recommendations to the Board on the remuneration of the Executive Directors and senior management relative to performance and market data;
- approving contracts of employment which exceed defined thresholds of total remuneration or have unusual terms or termination periods;
- considering and agreeing changes to the Remuneration Policy or major changes to employee benefit structures;
- reviewing the reward and benefits structures across the Group for all levels of colleagues; and
- approving and operating employee share-based incentive schemes and associated performance conditions and targets.

FURTHER INFORMATION



www.currysplc.com

→ Committee Terms of Reference last approved: 17 January 2023 and available on www.currysplc.com

→ The biographical details for each Committee member are available on pages 92 and 93.

Remuneration Committee Report continued

Activities during the year

The principal activities of the Committee during 2022/23 included:

Executive directors remuneration and governance

- **2022 Directors' Remuneration Policy** updates, consulting with shareholders on the annual general meeting 2022 voting outcome for the Remuneration Policy and agreed subsequent changes to the post-employment holding requirement;
- **Directors' Remuneration Report** reviewed and approved;
- **Annual performance bonus:**
 - 2021/22 – assessed the performance of the executive directors against targets;
 - 2022/23 – agreed the design including the performance measures and targets;
- **LTIP:**
 - 2019/20 – assessed the performance against targets and approved the vesting outcome;
 - 2022/23 – agreed the design including the performance measures;
- benchmarking and approval of base pay changes for the Group Chief Financial Officer and Executive Committee roles; and
- monitoring the developments in the corporate governance environment and investor expectations.

Wider workforce across the Group

- approval of the February 2020 Colleague Shareholder Award vesting;
- approval of the UK Gender Pay Gap reporting and assessing the international reporting obligations, including the first year of filing of the Irish Gender Pay Gap Report;
- review and approval of various senior management arrangements on joining and leaving the Company;
- approval of share awards to senior management under the 2016 Long Term Incentive Plan and reviewing the share award design for senior management levels;
- assessing the retention options for senior management top talent and Executive Committee members and approval of the grant of a special award;
- approval of the new scheme rules for the Irish and UK Sharesave Schemes and the 2022 grant;
- approval of a Nordics specific retention bonus;
- benchmarking and approval of base pay changes for Executive Committee roles;
- engaging with the wider workforce on executive pay;
- reviewing the wider workforce pay and bonus arrangements; and
- monitoring and ensuring alignment of remuneration practices across the Group.



Remuneration

Remuneration details for 2022/23

The following sections set out how the Remuneration Policy was implemented during 2022/23 and how it will be implemented for the following year.

Single figure of directors' remuneration for the year ended 29 April 2023 (audited information)

	Base salary and fees £'000	Pension contributions ⁽¹⁾ £'000	Taxable benefits ⁽²⁾ £'000	Total fixed remuneration £'000	Annual performance bonus £'000	Deferred Share Bonus Plan award £'000	LTIP payments ⁽⁴⁾ £'000	Total variable remuneration £'000	Total remuneration £'000
Executive									
Alex Baldock	900	67	102	1,069	300 ⁽³⁾	150 ⁽³⁾	717	1,167	2,236
Bruce Marsh	442	13	13	468	147	74	0	221	689
	1,342	80	115	1,537	447	224	717	1,388	2,925
Non-executive									
Eileen Burbidge	67	0	0	67	0	0	0	0	67
Tony DeNunzio	140	0	2	142	0	0	0	0	142
Ian Dyson ⁽⁵⁾	196	0	1	197	0	0	0	0	197
Andrea									
Gisle Joosen	73	0	5	78	0	0	0	0	78
Fiona McBain	77	0	6	83	0	0	0	0	83
Gerry Murphy	71	0	0	71	0	0	0	0	71
Former non-executive directors									
Lord Livingston of Parkhead ^(6,7)	117	0	0	117	0	0	0	0	117
	741	0	14	755	0	0	0	0	755
	2,083	80	129	2,292	447	224	717	1,388	3,680

(1) Pension contributions comprise the Company's contribution or allowance in lieu. The contribution amount was 3% for Bruce Marsh and 10% for Alex Baldock, reduced to 3% from 1 January 2023.

(2) Taxable benefits for the executive directors include private medical insurance and car allowance or driver benefit amounts. £100,746 for Alex Baldock relates to the provision of a car and driver and includes the grossed-up element payable to cover the tax liability arising from business activities considered taxable by HMRC. In addition, the benefits for both Alex Baldock and Bruce Marsh includes the gain resulting from the 2022 Sharesave grant, in which they participate on the same basis as all eligible employees. For non-executive directors they include routine travel expenses relating to travel, accommodation and subsistence costs incurred in connection with attendance at Board meetings and other Board business during the year, which are considered taxable by HMRC.

(3) One third of the bonus is deferred into shares for a period of two years. The remaining two-thirds awarded as immediately available shares.

(4) Share plans vesting represent the value of LTIP awards where the performance period ends on 29 April 2023 and are based on a share price of £0.6668, being the three-month average to 29 April 2023 and an estimate of the accrued dividend equivalent up to 29 April 2023 using the same share price. The proportion of the value of the LTIP that is attributable to share price depreciation (the depreciation being the difference between the face value at the date of award and the vested value of the award) is 23%.

(5) Ian Dyson was appointed to the Board on 1 September 2022.

(6) Ian Livingston stepped down from the Board on 8 September 2022.

(7) Ian Livingston has a deferred pension in the Dixons Retirement and Employee Security Scheme.



Remuneration

Remuneration details for 2022/23 continued

Single figure of directors' remuneration for the year ended 30 April 2022 (audited information)

	Base salary and fees £'000	Pension contributions ⁽³⁾ £'000	Taxable benefits ⁽⁴⁾ £'000	Total fixed remuneration £'000	Annual performance bonus £'000	Deferred Share Bonus Plan award £'000	LTIP payments £'000	Total variable remuneration £'000	Total remuneration £'000
Executive									
Alex Baldock	877	88	75	1,040	735	367	352 ⁽⁵⁾	1,454	2,494
Bruce Marsh ⁽¹⁾	337	10	11	358	279	140	775 ⁽⁶⁾	1,194	1,552
Former directors									
Jonny Mason ^(1,2)	397	9	4	410	0	0	127 ⁽⁵⁾	127	537
	1,611	107	90	1,808	1,014	507	1,254	2,775	4,583
Non-executive									
Eileen Burbidge	65	–	0	65	–	–	–	–	65
Tony DeNunzio	140	–	1	141	–	–	–	–	141
Andrea Gisle Joosen	70	–	2	72	–	–	–	–	72
Lord Livingston of Parkhead ⁽⁷⁾	300	–	1	301	–	–	–	–	301
Fiona McBain	75	–	1	76	–	–	–	–	76
Gerry Murphy	70	–	0	70	–	–	–	–	70
	720	0	5	725	0	0	0	0	725
	2,331	107	95	2,533	1,014	507	1,254	2,775	5,308

(1) Remuneration is shown for the period served on the Board. Jonny Mason stepped down from the Board on the 9 July 2021. Bruce Marsh was appointed to the Board on 12 July 2021.

(2) Jonny Mason was on a 12-month notice period to be given by the Company, and notice was given on 20 January 2021. After termination, payment in lieu of notice of £291,064, was paid in instalments until the end of his notice period. He also received accrued holiday pay of £16,226. These amounts are included in the base salary figure.

(3) Pension contributions comprise the Company's contribution or allowance in lieu. The contribution amount was 10% of salary for Alex Baldock and Jonny Mason, and 3% for Bruce Marsh.

(4) Taxable benefits for the executive directors include private medical insurance and car allowance or driver benefit amounts. £73,937 for Alex Baldock relates to the grossed-up element payable to cover the tax liability for his car and driver, arising from business activities considered taxable by HMRC. For non-executive directors they include routine travel expenses relating to travel, accommodation and subsistence costs incurred in connection with attendance at Board meetings and other Board business during the year, which are considered taxable by HMRC.

(5) Share plans vesting represent the value of LTIP awards and associated accrued dividend equivalents where the performance period ends on 30 April 2022. This figure has been restated from last year's report to reflect the actual share price on the vesting date of 25 July 2022, being £0.71. Jonny Mason's award has been pro-rated for service to his termination date. The proportion of the value of the LTIP that is attributable to share price depreciation (the depreciation being the difference between the face value at the date of award and the vested value of the award) is 42%.

(6) Bruce Marsh received a buy-out award and cash payment to compensate for bonus and awards lost from his previous employer. The total value of the award has been restated from the prior year report and the reported value of £774,968 is made up from the cash payment of £271,449 paid on joining and the buy-out award value of £503,519. The buy-out award comprised of nil cost options over 410,366 shares granted on 22 October 2021 valued at £503,519 using the share price of £1.227, being the mid-market price on the day of grant on 22 October 2021. 72,693 vested immediately on grant and the remaining 337,673 shares vest in July 2024.

(7) Ian Livingston has a deferred pension in the Dikons Retirement and Employee Security Scheme.



Annual performance bonus for 2022/23 (audited information)

The maximum bonus opportunity for executive directors was 150% of base salary based on performance in the 12-month period to the end of the financial year. The maximum is payable at the maximum level of performance, 20% of the maximum opportunity is payable on achievement of threshold performance (30% of base salary) and 60% on achievement of target performance (90% of base salary). No bonus is payable if the minimum EBIT threshold is not achieved.

The Committee determined at the beginning of the year that the disclosure of performance targets was commercially sensitive and therefore these were not disclosed in last year's Directors' Remuneration Report. This was because targets were set within the context of a longer-term business plan and consideration of scenario analysis resulting from the uncertainty surrounding the macroeconomic environment and consumer confidence. Consideration was given to the anticipated market decline due to these external factors whilst also factoring in external market consensus at the time. In addition to this, significant factors not expected to repeat from the prior year including inflows such as Business Rate reliefs and network commissions settlements, as well as outflows including supply chain related wages and shipping costs were reflected. It was determined that this disclosure could give information to competitors to the detriment of business performance. The Committee has, however, disclosed in the table below the targets on a retrospective basis and the actual performance against these. The Committee has a robust process for considering and calibrating performance targets, taking into account internal and external expectations, which ensures that they represent a significant stretch which corresponds to the creation of value for shareholders. The uncertain external factors explained above are the driving factors behind the reduction in financial targets compared to the prior year.

Measure	As a percentage of maximum bonus opportunity	Threshold	Target	Maximum	Actual	Potential bonus percentage achieved
Adjusted EBIT	45%	£210m	£235m	£260m	£216m (vs £277m 2021/22)	13.32%
Average net (debt)	15%	£(70)m	£(10)m	£50m	£(96)m (vs £290m 2021/22)	0%
Customer Net Promoter score	15%	66.64%	68.21%	69.72%	67.36% (vs 66.12% 2021/22)	5.76%
Employee engagement score	15%	77	78	79	77.50 (vs 77 2021/22)	6%
Environmental:						
• E-waste take back volumes (tonnes)	5%	97,774	101,929	106,103	102,576 (vs 102,839 2021/22)	3.31%
• Progress to net zero (tonnes of CO ₂ e emitted)	5%	22,132	21,481	21,071	19,277 (vs 21,221 2021/22)	5%
Total						33.39%
Total awarded						33.39%

Throughout the year the Nordics performance has been very challenging, facing into a tough consumer environment, high-cost inflation and unrelenting competitive intensity. These factors were the driver behind significant reductions in previously healthy levels of profit and cash generation which was the predominant issue impacting the outcomes against the Adjusted EBIT and average net debt metrics. This was partially offset by the strong performance across the UK & Ireland business, with significantly improved profits driven by continued gross margin improvements and management focus on cost efficiencies. The UK performance also includes inflows from the inflationary uplifts applied to the sale of mobile connectivity contracts. These inflationary price increases result in revaluation of previously sold mobile contracts with recognition of this increased contractual revenue within the year. These mobile related uplifts helped to offset the wider cost inflation incurred across the business, with particular increases seen within fuel and utilities.

Customer satisfaction metrics have continued to improve this year and we are building more Customers for Life with strong services growth. Colleague engagement also continues to improve year on year, maintaining our status as benchmarking equal to the Global Top 25% Companies. The challenging Nordics market has materially impacted e-waste recycling volumes over the year. However, Kotsovolos benefitted from a government subsidy scheme which encouraged consumers to replace and recycle old air-conditioning units. Progress in Scope 1 & 2 emissions reduction has continued in 2022/23, largely driven by the purchasing of renewable electricity or certificates across all regions and energy reduction initiatives. Read more about our activities on e-waste and our progress against emissions reduction targets on pages 44 to 47 and 48 to 56 respectively.

The Treating Customers Fairly withholding condition applies to all executive directors. This states that the Company must perform at a rate of 90% or better on the 'Must Do' assessment regarding regulated products. If this isn't met, then 10% of the bonus must be withheld. The Treating Customers Fairly outcome for 2022/23 was 91.2%, and therefore, no withholding is required.

The Committee considered whether or not to adjust the formulaic outcome of 33.39% of maximum and decided it was satisfied that the outcome is both fair and appropriate given the financial performance delivered and the wider stakeholder experience outlined in the Remuneration in context section on pages 125 and 126. Therefore, for the avoidance of doubt, no Committee discretion was exercised in respect of the formulaic outcome outlined above.

Remuneration

Remuneration details for 2022/23 continued

In accordance with the current Remuneration Policy, executive directors must defer one third of their awarded bonus into shares for a holding period of two years. Being mindful of his current shareholding position, Alex Baldock proposed to the Committee that he would take 100% of his bonus in shares. The Committee accepted this request on the basis that it reflects a commitment to building a stronger alignment with shareholders. One third of the bonus will be deferred for a period of two years in line with the Policy, with the remaining two-thirds provided in shares immediately, which must be retained (net of tax) while he builds towards the 250% of salary shareholding requirement.

LTIP and other share awards (audited information)

LTIP awards made during 2022/23

Nil cost option awards of 250% of base salary were made to the executive directors on 25 July 2022.

The performance period for the awards is the three financial years up to the end of the 2024/25 financial year and they have two equally weighted performance conditions. Half of the awards are subject to the achievement of a relative TSR performance condition, measured against the companies ranked in the FTSE 250 at the start of the performance period.

The relative TSR condition will be assessed over the three-year performance period, with vesting determined as follows:

Rank of Company TSR against comparator group TSR	Percentage of TSR element vesting
Below Median	0%
Median	25%
Between Median and Upper Quartile basis	Pro rata between 25% and 100% on a straight-line basis
Upper Quartile or above	100%

Following a review of the TSR peer group element of the awards the Committee decided to change the TSR peer group from the bespoke retail sector group used in prior years to the constituents of the FTSE 250 index. The new peer group provides more appropriate alignment with our shareholder base, given differing investor views on who the relevant peers are and more relevance in terms of similarity of external factors including the nature of business / sector, share price correlation and volatility.

The free cash flow performance condition is measured cumulatively over the three-year performance period. The percentage of the award vesting will be as follows:

Cumulative free cash flow up to the end of the 2024/25 financial year	Percentage of the free cash flow element vesting
Below £340m	0%
£340m	10%
Between £340m and £400m basis	Pro rata between 10% and 25% on a straight-line basis
£400m	25%
Between £400m and £460m	Pro rata between 25% and 100%
Above £460m	100%

The free cash flow targets were set taking into account a number of inputs including market consensus at the time of the award and the external environment within which the Company is operating. The medium-term targets set were reduced when compared to the prior year. This was a result of the intervening change in macroeconomic impacts of the Russian invasion of Ukraine in February 2022, resulting in disruption to supply chains, increased interest rates and inflation, and a negative shift in consumer sentiment. As always, the Committee will consider the level of performance achieved at the end of the performance period and would be prepared to exercise discretion if the formulaic outcome was not appropriate or aligned with the shareholder experience.

Calculations of the achievement against the targets will be independently performed and approved by the Committee. Free cash flow is defined in the Glossary and definitions section on page 239; however, the Committee retains discretion to adjust for exceptional items which impact cash flow during the performance period and will make full and clear disclosure of any such adjustments in the Directors' Remuneration Report, together with details of the achieved levels of performance, as determined by the above definitions, at the end of the performance period.

Awards will be subject to recovery and withholding provisions for material misstatement, misconduct, calculation error, reputational damage and corporate failure, enabling performance adjustments and/or recovery of sums already paid. These provisions will apply for up to three years after vesting.

The awards are subject to a two-year post vesting holding period, during which the executive director is not permitted to sell any shares vesting, other than those required to settle any tax obligations.



The table below sets out the LTIP awards made to the executive directors in 2022/23:

	Nil cost options awarded	Share price at date of award (£)	Face value ⁽¹⁾ (£)	End of performance period	Vesting date	Minimum value at threshold vesting ⁽²⁾ (£)
Alex Baldock – 250% of salary ⁽³⁾	3,083,824	0.71	2,200,000	4 May 2025	25 July 2025	£383,165
Bruce Marsh – 250% of salary ⁽³⁾	1,454,303	0.71	1,037,500	4 May 2025	25 July 2025	£180,697

- (1) Due to market volatility, the share price used to determine the number of shares making up the award was calculated using the average mid-market price at the close of business since the announcement of the Company results on 6 July 2022 up to the business day prior to grant, being 22 July 2022 (71.34p).
 (2) The minimum value at threshold vesting is calculated on 50% of the award operating with a threshold vesting of 25% of maximum, and 50% with a threshold vesting of 10% of maximum. Value calculated using the share price at the grant date of the award (71p), being 25 July 2022.
 (3) Nil cost option awards were made to Alex Baldock and Bruce Marsh on 25 July 2022 and the share price used to calculate the number of shares granted was the average mid-market price at the close of business since the announcement of the Company results on 6 July 2022 up to the business day prior to grant, being 22 July 2022 (71.34p).

Deferred Share Bonus Plan awards made during 2022/23

On 25 July 2022 the following nil cost options were granted to Alex Baldock and Bruce Marsh under the Company Deferred Share Bonus Plan ('DSBP'):

	Nil cost options awarded	Share price used to grant award ⁽¹⁾ (£)	Face value ⁽²⁾ (£)	Vesting date
Alex Baldock	523,659	0.7015	367,347	25 July 2024
Bruce Marsh	198,979	0.7015	139,584	25 July 2024

- (1) The share price used to calculate the numbers of shares granted was using the mid-market price on the business day prior to grant, being 22 July 2022.
 (2) The face value is calculated based on the number of options awarded multiplied by the share price used to grant the award.

The awards represent one-third of the 2021/22 annual performance bonus entitlement granted in accordance with the Company's approved Remuneration Policy, approved by shareholders at the annual general meeting 2019. Details of the 2021/22 annual performance bonus were disclosed in the 2021/22 Directors' Remuneration Report.

Each award (a nil cost option) will be satisfied using market purchase shares and will ordinarily vest and become exercisable on the second anniversary of grant.

Vesting of awards made under 2016 LTIP (audited information)

Nil cost option awards equivalent to 250% of base salary were made to Alex Baldock and Jonny Mason on 19 August 2020. The performance period for the awards was the three financial years up to the end of the 2022/23 financial year and there were two equally weighted performance conditions. Half of the awards are subject to the achievement of a relative TSR performance condition, measured against a bespoke comparator group comprised of 21 European Special Lines Retailers and other comparable companies at the start of the performance period. The list of companies included in the group is provided below.

The remaining half of the awards was subject to the achievement of a cumulative free cash flow target. The performance period for these awards ended on 29 April 2023.

The performance measures for the award and the outcomes are shown below.

TSR target

Level of performance	Below Threshold	Threshold	Maximum	Achieved
TSR Performance over performance period	Below Median	Median	Upper Quartile	Below Median
Vesting level	0%	25%	100%	0%

Comparator Group: AO World, Ceconomy AG, Dufry AG, Dunelm Group, Fenix Outdoor International AG, Fielmann AG, FNAC Darty SA, Grandvision N.V., JD Sports Fashion, Kingfisher, Maisons Du Monde S.A., Marks & Spencer Group., Mobilezone Holding AG, Pets At Home Group, SMCP S.A.S., Frasers Group, Superdry, Valora Holding AG, WH Smith, H&M ASA, Zur Rose Group AG.

Remuneration

Remuneration details for 2022/23 continued

Cumulative free cash flow

Level of performance	Below threshold	Threshold	Target	Maximum	Achieved
Cumulative free cash flow over the performance period	Below £312m	£312m	£368m	£423m	£436m
Vesting level	0%	10%	25%	100%	100%

Based on the achieved level of performance, the threshold required for vesting for the TSR element was not met but the free cash flow achieved a vesting percentage of 100%. Overall vesting was therefore 50%. From a free cash flow perspective, the Group has outperformed the targets set at the time of grant. The targets were set at a time of major uncertainty due to Covid-19 and government enforced store lockdowns. The Company continued to trade successfully throughout this period having taken action to successfully switch to serving a much larger share of business through our online channels. In addition, continued focus on margin driving initiatives and significant action taken on cost efficiencies has played a key part in delivering the outperformance in EBIT. The Company has also significantly reduced the capex spend across the 3-year period, with focus on cost efficiencies and high return projects following the completion of most of our transformational activity. We also delivered on our working capital expectations, albeit the profile of this changed throughout the years due to early cash collection of the EE network debtor. Other smaller upsides including lower interest charges due to the improved average net debt position as a result of the above noted performance. The positive outcome has been partially offset however by the downturn in performance in the Nordics business in 2022/23 due to macroeconomic impacts, excess stock, FX deterioration, increased inflation, competitive intensity, and lower consumer demand. The Committee reviewed whether any discretion should be applied to the vesting outcomes and determined that it was satisfied that the outcome is both fair and appropriate given the overall performance and the wider stakeholder experience outlined in the Remuneration in context section on pages 123 and 124. On this basis, the Committee determined that the awards should be paid in accordance with the vesting outcome.

All the awards are subject to a two-year post vesting holding period, during which the executive director is not permitted to sell any shares vesting, other than those required to settle any tax obligations.

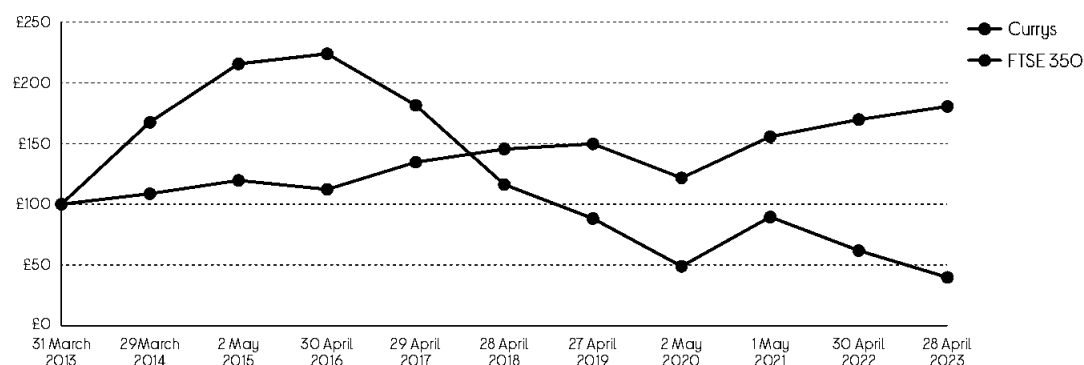
	Nil cost options awarded	Overall vesting %	Overall vesting awards	Vesting date
Alex Baldock	1,991,959	50%	995,980	19 August 2023
Jonny Mason ⁽¹⁾	1,101,436	50%	163,306	19 August 2023

(1) Jonny Mason's award has been pro-rated for service to his termination date.

Accrued dividend equivalents, calculated by reference to the value of dividends that would have been payable between the grant of the award and the start of the exercise period will be added to each award.

Performance graph

The graph below shows the value, by 29 April 2023, of £100 invested in Currys on 31 March 2013, compared with the value of £100 invested in the FTSE 350 Index on the same date. The other points plotted are the values at intervening financial year ends.



Data is sourced from S&P Capital IQ.

The FTSE 350 has been used as it is a broad market which includes the Company and a number of its competitors.



Group chief executive pay

The following table shows, over the same ten-year period as the performance graph, the Group Chief Executive's single total figure of remuneration, the amount of bonus earned as a percentage of the maximum remuneration possible, and the vesting of long-term awards as a percentage of the maximum number of shares that could have vested, where applicable.

Year		CEO single figure of remuneration £'000	Annual bonus payout against maximum %	Long term incentive vesting rates against maximum opportunity %
2022/23	Alex Baldock	2,236	33.39	50
2021/22	Alex Baldock	2,494 ⁽¹⁾	83.8	26.5
2020/21	Alex Baldock ⁽²⁾	2,884 ⁽¹⁾	88	50
2019/20	Alex Baldock ⁽²⁾	1,038	0	n/a
2018/19	Alex Baldock	1,619	58 ⁽³⁾	n/a
2017/18	Alex Baldock	1,946 ⁽⁴⁾	0	n/a
2017/18	Sebastian James	2,716 ⁽⁵⁾	0	n/a
2016/17	Sebastian James	1,795	83	n/a
2015/16	Sebastian James	1,616	68	n/a
2014/15	Sebastian James	1,687	100	n/a
2014/15	Andrew Harrison	420	100	n/a
2013/14	Andrew Harrison	679	54	n/a
2013/14	Roger Taylor	159	n/a	n/a

(1) The CEO single figure has been restated to account for the LTIP value on the vesting date.

(2) As a result of Covid-19, Alex Baldock voluntarily agreed to a temporary 20% base pay reduction with effect from 5 April 2020 to 28 June 2020.

(3) Alex Baldock voluntarily deferred 100% of his annual performance bonus into a share award, vesting two-years from grant.

(4) The single figure has been restated to include the value of the buy-out award, of 989,078 nil cost options, which was granted on 3 April 2018. The face value of the award at the date of grant was £1,871,336, using the share price on the date of grant of £1.8920. As there were no performance conditions attached to this award other than continued employment the value of the award at grant should have been included in the 2017/18 CEO single figure. Full details of the award were detailed in the 2017/18 Remuneration Report.

(5) The single figure includes the taxable benefit relating to the waiving of the loan from the Dixons Share Plan award.

Remuneration

Remuneration details for 2022/23 continued

Annual percentage change in remuneration

The table below provides the percentage change in the annual remuneration of directors and the average UK colleague from 2022/23 onwards.

As the parent company only employs a small number of the workforce, the average UK colleague was deemed to be the most appropriate comparator group, as the UK has the largest employee base, and the Committee considers remuneration levels in the UK when setting salaries and fees for executive and non-executive directors and the Group Chief Executive is based in the UK.

	Percentage change from 2021/22 to 2022/23			Percentage change from 2020/21 to 2021/22			Percentage change from 2019/20 to 2020/21		
	Salary and fees	Taxable benefits	Annual bonuses	Salary and fees ⁽²⁾	Taxable benefits ⁽⁷⁾	Annual bonuses	Salary and fees ⁽²⁾	Taxable benefits	Annual bonuses
Executive directors									
Group Chief Executive – Alex Baldock	2.7%	35.7%	-59.1%	3.9%	123%	-3.7%	-0.8%	-67%	100% ⁽¹⁰⁾
Group Chief Financial Officer – Bruce Marsh ⁽¹⁾	30.9%	24.8%	-47.2%	n/a	n/a	n/a	n/a	n/a	n/a
Non-executive directors									
Eileen Burbidge	2.3% ⁽³⁾	0%	n/a	2.8%	0%	n/a	-1.3%	-100%	n/a
Tony DeNunzio	0.0%	189.9% ⁽⁸⁾	n/a	2.8%	100%	n/a	-1.3%	-100%	n/a
Ian Dyson ⁽⁵⁾	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Andrea Gisle Joosen	3.6% ⁽³⁾	106.9% ⁽⁸⁾	n/a	3.1% ⁽⁴⁾	100%	n/a	-3.2% ⁽⁴⁾	-100%	n/a
Lord Livingston of Parkhead ⁽¹⁾	n/a	-82.8%	n/a	2.8%	100%	n/a	-1.3%	-100%	n/a
Fiona McBain	2%	691.1% ⁽⁸⁾	n/a	2.8%	100%	n/a	-1.3%	-100%	n/a
Gerry Murphy	2%	0%	n/a	2.8%	0%	n/a	-1.3%	0%	n/a
Employees	24.2% ⁽⁶⁾	0% ⁽⁹⁾	n/a ⁽¹¹⁾	2.0% ⁽⁶⁾	0% ⁽⁹⁾	n/a ⁽¹¹⁾	-6.5% ⁽⁶⁾	0% ⁽⁹⁾	n/a ⁽¹¹⁾

(1) Bruce Marsh joined the Company in July 2021. Ian Livingston stepped down from the Board on 8 September 2022.

(2) No pay increases were applied for 2020/21 for the Group Chief Executive, Group Chief Financial Officer and non-executive directors, however they voluntarily agreed to a temporary 20% base pay reductions with effect from 5 April 2020 to 28 June 2020.

(3) Eileen Burbidge and Andrea Gisle Joosen received additional fees relating to the establishment of the ESG Committee, effective 1 May 2023.

(4) Andrea Gisle Joosen is paid on a four weekly payroll cycle and therefore the impact of the 20% reduction on basic fees paid was different than for the other non-executives, who were paid on a monthly payroll cycle up to 10 July 2020. From 11 July 2020 all non-executives moved to a four weekly payroll cycle. The same reduction of 20% was applied for all across the same period.

(5) No figures have been included for Ian Dyson as he joined during the 2022/23 year.

(6) The average employee percentage change has been calculated using the median pay data collated for CEO pay ratio reporting purposes. The calculation includes data for UK colleagues who were furloughed and had Covid-19 related salary reductions in 2020/21.

(7) The Group Chief Executive and Non-executive directors' taxable benefit figure includes the variable expenses relating to travel and subsistence costs deemed taxable by HMRC as referenced in the Single Figure tables on pages 141 and 142. No expenses were claimed by the Non-executive directors in 2020/21 due to travel restrictions, claims were made in 2019/20 and 2021/22.

(8) The taxable benefit figures for Non-executive directors in the table above reflect repayment of business expenses considered taxable by HMRC and gross up of tax on these. The absolute amounts are relatively small (especially as business travel was more limited due to COVID in FY22) and so small changes have resulted in the large percentage differences in the table.

(9) The percentage change in taxable benefits for the UK workforce is considered to be 0% since there have been no material changes in UK benefits.

(10) No annual performance bonus was paid out for 2019/20 for UK or Group, due to the EBIT performance threshold not being met by the business areas, so a 100% increase has been applied for 2020/21, as an annual performance bonus has been paid for 2020/21.

(11) The median UK colleague is not eligible for an annual performance bonus.



Relative importance of spend on pay

The following table sets out both the total cost of remuneration for the Group compared with adjusted EBIT and profits distributed for 2022/23 and the prior year. Adjusted EBIT was chosen by the Committee as it is the most appropriate measure of the Group's performance. Adjusted EBIT is defined in the Glossary and definitions section on page 232.

	2022/23 £m	2021/22 £m	Change %
Dividends ⁽¹⁾	35	46	-23.91%
Share buybacks ⁽²⁾	0	32	-100%
Adjusted EBIT ⁽³⁾	214	280 ⁽⁴⁾	-23.57%
Total staff costs⁽⁵⁾	926	1,008	-8.13%

	Number	Number	Change %
Average employee numbers	29,569	33,532	-11.82%

(1) Extracted from note 22 to the Group financial statements.

(2) The Company completed a £32m share buyback in 2021/22. There were no share buybacks in 2022/23.

(3) Extracted from note A1 to the Glossary and definitions section.

(4) Restated – see note A12 to the Glossary and definitions section.

(5) Extracted from note 4 to the Group financial statements.

CEO pay ratio

The legislation requires the publishing of the ratio of total remuneration of the Group Chief Executive to the 25th, 50th and 75th equivalent percentile of full-time equivalent colleagues.

The ratio is shown in the table below:

Financial year	Methodology	P25 (Lower Quartile)	P50 (Median)	P75 (Upper Quartile)
2022/23	Option A	94:1	89:1	70:1
2021/22 ⁽¹⁾	Option A	127:1	111:1	82:1
2020/21 ⁽¹⁾	Option A	167:1	142:1	107:1
2019/20	Option A	54:1	48:1	37:1
2018/19	Option A	79:1	65:1	50:1

(1) The CEO pay ratios have been restated to account for the actual value of the LTIP at the vesting date.

Of the three calculation approaches available in the regulations, we have chosen Methodology A because we believe it to be the most appropriate and robust way for the Company to calculate the ratio.

In determining the figures, the following should be noted:

- The single total figure of remuneration of our UK colleagues was calculated and ranked using 2022/23 P60 and P11D data, employer pension contributions and payments under the Company share schemes, in line with the reporting regulations. P60 data was used as it also includes the value of any overtime payments made in the year.
- Part time colleagues' earnings have been annualised on a full-time equivalent basis.
- Joiners and leavers were excluded from the ranking.
- The 25th, 50th and 75th percentile colleagues' single total figure of remuneration was then identified and compared to the CEO pay, as shown in the single total figure of remuneration table on page 145.

Remuneration

Remuneration details for 2022/23 continued

The following table provides base salary and total remuneration information in respect of the 25th, 50th and 75th percentile colleagues, on a full-time equivalent basis.

Financial Year	Remuneration	Group Chief Executive (£)	P25 (Lower Quartile) (£)	P50 (Median) (£)	P75 (Upper Quartile) (£)
2022/23	Base salary	899,945	21,902	23,930	30,750
	Total remuneration	2,237,066	23,707	25,212	32,085

The Committee has confirmed that the ratio is consistent with the Company's wider policies on colleague pay and reward, taking into account a range of factors including market practice, experience and National Living Wage requirements.

The CEO pay ratio has decreased for the second year in a row, due in part to the hourly pay increases at lower levels in the organisation. From 1st August 2022, we increased the minimum base hourly rate to £10 for all our hourly paid UK colleagues. This was above the Real Living Wage ('RLW') for colleagues outside London. The revised London rate of £11.05 aligned to the RLW rate of £11.05 per hour. This resulted in an average increase of 5.2% for our hourly paid UK colleagues. In October 2022 we increased our minimum rates again, to £10.35 and £11.43 for London.

The effect of these increases is demonstrated by the 14% increase in the P25 and P75 base salaries and a 25% increase in P50 base salary. In contrast, CEO base salary increased by 3%, with total remuneration falling by 10% primarily due to the lower pay out of the 2022/2023 annual performance bonus and also the reduction in pension allowance from 10% to 3%.

The ratio of the CEO's pay to that of all colleagues is likely to be a volatile number, mainly resulting from the Group Chief Executive having a larger proportion of his total remuneration linked to business performance than other colleagues in the UK workforce and therefore it does not necessarily shed any light on the alignment or otherwise with regard to pay, reward and progression for the UK workforce. This alignment is, however, something that the Committee considers as part of its overall responsibilities.

Service agreements

Service contracts

The following table summarises key terms of the service contracts in place with the executive directors:

	Date of contract
Alex Baldock	3 April 2018
Bruce Marsh	12 July 2021

More details are set out in the Service agreements section of the Report on page 140.

Letter of appointment

Non-executive directors are normally appointed for three-year terms, subject to annual re-election at the annual general meetings, although appointments may vary depending on length of service and succession planning considerations. Appointments are reviewed annually by the Nominations Committee and recommendations made to the Board accordingly. The contracts in respect of the Chair of the Board's, Deputy Chair's and non-executive directors' services can be terminated by either party, the Company or the director, giving not less than three months' notice.

The date of the letters of appointment are shown below:

	Letter of appointment
Eileen Burbidge	1 January 2019
Tony DeNunzio	16 December 2015
Ian Dyson	1 September 2022
Magdalena Gerger	1 May 2023
Andrea Gisle Joosen	6 August 2014
Lord Livingston of Parkhead ⁽¹⁾	16 December 2015
Fiona McBain	1 March 2017
Gerry Murphy	6 August 2014
Adam Walker	1 June 2023

(1) Ian Livingston stepped down from the Board on the 8 September 2022.



External directorships

The policy relating to external directorships is outlined in the Remuneration Policy; the following external directorship was undertaken and fee retained:

- Alex Baldock was paid a fee of £64,816 for the year to 29 April 2023 in respect of his non-executive role of RS Group.

Leavers and joiners (audited information)

Ian Livingston stepped down from the Board and Ian Dyson was appointed in September 2022. No additional leaver or joiner payments were made in connection to these Board changes.

Payments to past directors (audited information)

As disclosed in the annual report and accounts 2021/22, the Committee determined that Jonny Mason was deemed to have good leaver status in respect of his outstanding buy-out, LTIP and DSBP awards, taking into account his significant contribution to the strong profit and cash flow performance during his tenure as well as support of a successful transition to Bruce Marsh. The buy-out and LTIP awards were subsequently pro-rated for the period of his employment. The 2019 LTIP and the second tranche of the buy-out award vested this year equivalent to 211,503 shares (including accrued dividend equivalents) equal to a value of £148,331, using a share price of 71.00p and 65.10p respectively, being the share price at each of the applicable vesting dates.

Directors' interests in LTIP (audited information)

	Date of grant	At 1 May 2022	Awarded in the year	Lapsed or forfeited in the year	Exercised in the year	At 29 April 2023	Date from which first exercisable	Expiry of the exercise period	Exercise Price (p)
Alex Baldock									
2016 LTIP	25-Jul-22	0	3,083,824			3,083,824	25-Jul-25	25-Jul-32	—
2020/21 DSPB	25-Jul-22	0	523,659			523,659	25-Jul-24	25-Jul-32	—
2016 LTIP	2-Aug-21	1,677,632				1,677,632	2-Aug-24	2-Aug-31	—
2020/21 DSPB	6-Jul-21	278,249				278,249	6-Jul-23	6-Jul-31	—
2016 LTIP	19-Aug-20	1,991,959				1,991,959	19-Aug-23	19-Aug-30	—
2016 LTIP	25-Jul-19	1,737,530	34,740 ⁽¹⁾	1,277,085	495,185	0	25-Jul-22	25-Jul-29	—
Section 9.4.2	3-Apr-18	329,693	64,091 ⁽¹⁾		393,784	0	3-Apr-21	3-Apr-28	—
Total (with performance conditions)						6,753,415			
Total (without performance conditions)						801,908			
Bruce Marsh									
2016 LTIP	25-Jul-22	0	1,454,303			1,454,303	25-Jul-25	25-Jul-32	—
2020/21 DSPB	25-Jul-22	0	198,979			198,979	25-Jul-24	25-Jul-32	—
2016 LTIP	2-Aug-21	803,018				803,018	2-Aug-24	2-Aug-31	—
Section 9.4.2	22-Oct-21	337,673				337,673	22-Oct-21	22-Oct-31	—
Total (with performance conditions)						2,257,321			
Total (without performance conditions)						536,652			
Jonny Mason⁽¹⁾									
2020/21 DSPB	6-Jul-21	153,856				153,856	6-Jul-23	6-Jan-24	—
2016 LTIP	19-Aug-20	326,611				326,611	19-Aug-23	19-Feb-24	—
2016 LTIP	25-Jul-19	627,072	14,209 ⁽¹⁾	460,898	180,383	0	25-Jul-22	25-Jan-24	—
Section 9.4.2	13-Aug-18	54,290	3,975 ⁽¹⁾		31,120	27,145	13-Aug-21	13-Feb-24	—
Total (with performance conditions)						326,611			
Total (without performance conditions)						181,001			

(1) Accrued dividend equivalents were granted on exercise of the relevant awards.

Remuneration

Remuneration details for 2022/23 continued

Directors' interests in Sharesave (audited information)

	Date of grant	Exercise price (p)	At 1 May 2022	Awarded in the year	Lapsed or cancelled in the year	Exercised in the year	At 29 April 2023	Date from which first exercisable	Expiry of the exercise period
Alex Baldock									
Sharesave	25-Aug-22	59.28		20,242	–	–	20,242	1-Oct-27	1-Apr-28
Sharesave	28-Aug-20	66.64	6,662	–	–	–	6,662	1-Oct-25	1-Apr-26
Sharesave	10-Sept-19	97.28	13,939	–	–	–	13,939	1-Oct-24	1-Apr-25
Total			20,601	20,242	–	–	40,843		
Bruce Marsh									
Sharesave	25-Aug-22	59.28		22,530	–	–	22,530	1-Oct-25	1-Apr-26
Total				22,530	–	–	22,530		

Directors' shareholding (audited information)

The Company share ownership guidelines are designed to encourage shareholding in the Company for executive directors.

The current level of shareholding requirement for executive directors is 250% of base salary to be achieved five years from the date of their appointment.

Beneficially owned shares (including any interests held by connected persons e.g. spouse) count towards the guidelines, together with:

- unvested awards, on a 'net of tax' basis, granted under any deferred bonus arrangement or other plan / arrangement with no post-grant performance conditions; and
- shares subject to an unexpired holding period (including any shares held under a vested but unexercised option), on a 'net of tax' basis and provided that no further performance targets must be met.

Details of directors' interests in shares of the Company as at 29 April 2023 are shown in the following table:

	Scheme interests				Total beneficial share interests as a percentage of salary ⁽²⁾
	Beneficially owned shares (including any interests held by connected persons)	Shares subject to performance conditions	Shares without performance conditions	Total beneficial interests under share ownership guidelines ⁽¹⁾	
Executive directors					
Alex Baldock	1,946,924	6,753,415	842,751	2,409,972	150%
Bruce Marsh	91,892	2,257,321	559,182	396,969	46%
Non-executive directors					
Eileen Burbidge	4,200	–	–	4,200	n/a
Tony DeNunzio	280,000	–	–	280,000	n/a
Ion Dyson ⁽⁴⁾	200,000	–	–	200,000	n/a
Andrea Gisle Joosen	24,976	–	–	24,976	n/a
Lord Livingston of Parkhead ⁽⁵⁾	205,631	–	–	205,631	n/a
Gerry Murphy	100,000	–	–	100,000	n/a
Fiona McBain	28,129	–	–	28,129	n/a

(1) This figure is calculated on a 'net of tax' and commission basis, as appropriate.

(2) The percentage is based on base salary as at 29 April 2023 and an average share price over the month to 29 April 2023 of £0.5642.

(3) Executive directors have five years from their appointment date to reach their shareholding requirement of 250%.

(4) Ian Dyson purchased 200,000 shares on 5 October 2022. The purchase price was £0.6106 per share.

(5) Ian Livingston stepped down from the Board on the 8 September 2022 and the shareholding shown is as at that date.

The Committee notes that the total beneficial interests of both executive directors for the purposes of the shareholding guidelines have increased in absolute numbers of shares terms over the past 12 months, though levels have reduced in percentage of salary terms due to the fall in share price over that period. In particular, the Committee notes that, following Alex Baldock's decision to take two-thirds of his 2022/23 annual bonus as shares, in addition to the one-third deferred into the 2022/23 DSBP Award in July 2023, and the vesting of the 2020 LTIP in August 2023, Alex Baldock's holding will be around 211% of salary. Without the fall in share price, this holding would have been above the requirement (296% of salary as at year end and 357% of salary following the payment of bonus in shares and LTIP vesting on an initial acquisition cost basis) and so the Committee has judged that he continues to make a good faith effort to build up to the required level. The executive directors will be expected to continue to build up to the 250% of base salary holding requirement via retention of vested LTIP awards. There were no changes in the directors' share interests between 29 April 2023 and the date of this Report.



Non-executive directors' and Chair of the Board's fees

The fees for the independent non-executive directors, including the Deputy Chair, are determined by the Board (excluding non-executive directors) after considering external market research and are reviewed on an annual basis. Factors taken into consideration include the required time commitment, specific experience and/or qualifications. A base fee is payable and additional fees are paid for chairing and membership of committees. The Chair of the Board is not involved in the setting of his own salary, which is dealt with by the Remuneration Committee annually. Non-executive directors receive no variable pay and receive no additional benefits, except in situations where an executive director becomes a non-executive director, and benefit and pension arrangements continue.

The fees for 2022/23 increased for the non-executive directors by 2%, effective 1 May 2022. This is the first increase in fees to the non-executive directors since merger of Dikons and Carphone in 2014. The Chair of the Board and Deputy Chair fees remain unchanged. The Chair of the Board and Deputy Chair receive all-inclusive fees reflecting their duties. Other independent non-executive directors received a basic fee of £61,200 and additional fees as set out in the table below for chairing or membership of committees.

	2022/23 £'000	Increase effective 1 May 2022 %	2021/22 ⁽¹⁾ £'000
Chair of the Board ⁽¹⁾	300	–	300
Deputy Chair ⁽²⁾	140	–	140
Chair of Audit Committee ⁽³⁾	15.3	2%	15
Member of Audit Committee	5.1	2%	5
Member of Nominations Committee	5.1	2%	5
Member of Remuneration Committee	5.1	2%	5
Base Board fee	61.2	2%	60

(1) The Chair of the Board's fee includes Chairship of the Nominations Committee.

(2) The Deputy Chair's fee includes the Senior Independent Director, Chairship of the Remuneration Committee, and membership of the Nominations Committee fees.

(3) The Chair of the Audit Committee fee includes fees for attending the board meetings of the two main operating subsidiaries.

How the Remuneration Policy will be applied in 2023/24

Executive directors

i) Base salary

The following salaries will apply during the 2023/24 financial year:

	Salary at 29 April 2023 £'000	Increase in salary in 2023/24 %	Salary at 31 July 2023 £'000
Current directors			
Alex Baldock	906.4	4%	942.65
Bruce Marsh	487.4	0%	487.4

The Committee reviewed Alex Baldock's salary for 2023/24 and applied an increase of 4%, increasing his salary to £942,650, effective 31 July 2023. This salary increase is in line with the 4% pay budget applied to the UK & Ireland corporate head office population effective on the same date and is below the 8% increase for hourly paid colleagues received in the period from 1 August 2022 to 1 April 2023. The average increase for the Nordics Head Office population is 5%, effective 1 May 2023.

Bruce Marsh received an additional pay increase in January 2023 and on this basis, no further adjustment will be made in respect of 2023/24.

ii) Pension contributions

Company pension contributions or allowance in lieu of 3% of base salary will be paid to Alex Baldock and Bruce Marsh.

Remuneration

Remuneration details for 2022/23 continued

iii) Annual performance bonus

The maximum annual performance bonus for 2023/24 will be 150% of base salary. Measures are selected to reflect the Group's key objectives and for 2023/24 the bonus will include a clawback facility in order to demonstrate the Company's objective to reinforce a culture of 'Treating Customers Fairly'. As set out in the Remuneration Committee Chair's letter, the performance metrics and their weightings for 2023/24 are shown in the table below:

	Weighting (as a percentage of maximum bonus opportunity)
Adjusted EBIT	55%
Free cash flow	15%
ESG metrics (30%):	
Customer Net Promoter Score	10%
Employee engagement	10%
Environmental to include:	
- Focusing on recycling by increasing e-waste take back	5%
- Reducing Scope 1 and 2 carbon emissions	5%

The increase in the weighting of EBIT and substitution of free cash flow for the previous average net debt metric is intended to support the Company's increased focus on cash, driving profitability and cash flow and transparency. To accommodate this change, the colleague and customer measures will be reduced from 15% to 10% for each measure. These metrics remain critically important for the business but the Committee is satisfied that the Company's improvements in engagement and customer scores have been demonstrated by achievement against the 2022/23 annual bonus targets, but we now recognise the need to emphasise shareholder outcomes with an increased focus on the financial measures. The environmental measures will remain at 10% giving equal weighting to each of our ESG measures, reflecting the core elements of our sustainability strategy.

A minimum EBIT threshold must be achieved before any bonus is paid out. One-third of any bonus earned will be deferred into shares for two years after payment. The Committee feels that specific targets relating to the 2023/24 bonus scheme are commercially sensitive and as such will not be disclosed on a forward-looking basis. Retrospective disclosure of the targets and performance against them will be provided in next year's Remuneration Report.

Recovery and withholding provisions apply for material misstatement, misconduct, calculation error, reputational damage, corporate failure, material failure of risk management and internal controls and unreasonable failure to protect the interests of employees and customers, enabling performance adjustments and/or recovery of sums already paid. These provisions will apply for up to three years after payment.

iv) LTIP

As set out in the Remuneration Committee Chair's statement, the Committee reviewed the performance measures to be applied for the 2023/2024 LTIP awards and took into account feedback received during the investor engagement exercise that EPS is a key performance measure for shareholders. An EPS measure is therefore being introduced alongside existing free cash flow and relative TSR, the weightings will be 30%, 40% and 30% respectively.

The Committee is mindful of the current volatility in the market and ensuring LTIP awards are aligned with shareholder experience. As at the date of this Report, the Committee has not yet finalised the decisions on LTIP award levels (within the Policy limits) or the calibration of applicable free cash flow and EPS targets. We will confirm the conditions and make the awards after we have announced our annual results, to ensure that we have targets in place that are both stretching for participants and also fully reflective of how shareholders and the market view the long-term performance of the business. We will fully disclose the award details and targets at the time of the grant announcement and also include them in next year's Remuneration Report.

These awards will vest after three years based on continued service and will be subject to a further two-year post vesting holding period, during which the executive director is not permitted to sell any shares vesting, other than those required to settle any tax obligations.

Awards will be subject to recovery and withholding provisions for material misstatement, misconduct, calculation error, reputational damage and corporate failure, material failure of risk management and internal controls and unreasonable failure to protect the interests of employees and customers, enabling performance adjustments and/or recovery of sums already paid. These provisions will apply for up to three years after vesting. Any shares vesting as a result of these awards, net of tax and national insurance, will be required to be held for a further two years post vesting.



v) Non-executive directors' and Chair of the Board's fees

As discussed on page 155 above, fee levels for the non-executive directors increased by 2% in May 2022. No further increase will be applied for 2023/24. In addition, following the establishment of the ESG Committee as a committee of the Board, we introduced an ESG Committee Chair fee of £10,000 and a committee membership fee of £5,100.

	2023/24 £'000	2022/23 £'000
Chair of the Board ⁽¹⁾	300	300
Deputy Chair ⁽²⁾	140	140
Chair of Audit Committee ⁽³⁾	15.3	15.3
Chair of ESG Committee	10	n/a
Member of Audit Committee	5.1	5.1
Member of Nominations Committee	5.1	5.1
Member of Remuneration Committee	5.1	5.1
Member of ESG Committee	5.1	n/a

(1) The Chair of the Board's fee includes Chairship of the Nominations Committee.

(2) The Deputy Chair's fee includes the Senior Independent Director, Chairship of the Remuneration Committee, and membership of the Nominations Committee and ESG Committee fees.

(3) The Chair of the Audit Committee fee includes fees for attending the board meetings of the two main operating subsidiaries.

Statement of voting at shareholder meetings

The Company is committed to ongoing shareholder dialogue in respect of directors' remuneration and takes an active interest in voting outcomes. Where there are substantial votes against resolutions, explanatory reasons will be sought, and any actions in response will be communicated to shareholders.

The following table sets out the voting results in relation to the resolutions put to the annual general meeting in 2022:

Resolution	Votes for	%	Votes against	%	Withheld
Approval of Directors' Remuneration Policy	630,742,347	65.95	325,630,007	34.05	33,828
Approval of Annual Remuneration Report	831,115,642	86.90	125,254,427	13.10	36,531

As described in the Remuneration Committee Chair's introductory letter, the Committee has engaged with shareholders to discuss the specific rationale for the votes against the Remuneration Policy. The Committee Chair wrote to shareholders representing 67% of the Company's issued share capital and met with all the shareholders that accepted this offer to hear their views.

Following careful consideration of all feedback received, the Committee and the Board agreed to increase the post-employment shareholding requirement for the executive directors. The executive directors will be required to retain at least 100% of their Currys plc shares for two years post-employment (the lower of actual shareholding or the shareholding requirement immediately prior to departure, in line with The Investment Association guidelines). The previous requirement was for directors to retain at least 100% of their Currys plc shares for one year and then at least 50% in the following year.

Advice

The Committee retained Willis Towers Watson throughout 2022/23 as independent advisors. Willis Towers Watson, who were appointed by the Committee in 2020 following a competitive tender process, are engaged to provide advice to the Committee and to work with the directors on matters relating to the Group's executive remuneration and its long term incentives. They are members of the Remuneration Consultants Group and operate under its code of conduct in relation to the provision of executive remuneration advice in the UK and have confirmed that they adhered to the Code during 2022/23 for all remuneration services provided to the Group. Willis Towers Watson received fees of £157,251 (2021/22: £109,350) in relation to the provision of those services. Fees are charged on a time and expenses basis. During the year, Willis Towers Watson also provided other ad hoc remuneration services outside the scope of the Committee to the Company.

Compliance

As required by the Regulations, a resolution to approve this Remuneration Report will be proposed at the AGM 2023.

Tony DeNunzio CBE
Chair of the Remuneration Committee
6 July 2023

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors are required to prepare the consolidated financial statements in accordance with UK-adopted international accounting standards and applicable UK law. The directors have also elected to prepare the Company financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law, the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period.

In preparing the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 'Reduced Disclosure Framework' has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Company financial statements, IAS 1: 'Presentation of Financial Statements' requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

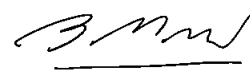
We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group and the Company's performance, business model and strategy.

By Order of the Board



Alex Baldock
Group Chief
Executive
6 July 2023



Bruce Marsh
Group Chief
Financial Officer
6 July 2023



Independent Auditor's Report to the Members of Currys plc

Report on the audit of the financial statements

1. Our opinion is unmodified

We have audited the financial statements of Currys plc ("the Company") for the 52-week period ended 29 April 2023 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, the Company balance sheet, the Company statement of changes in equity, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 29 April 2023 and of the Group's loss for the period then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by shareholders on 8 September 2022. The period of total uninterrupted engagement is for the one financial period ended 29 April 2023. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£12.5m
Group financial statements as a whole	0.13% of Revenue
Coverage	92% of group revenue
Key audit matters	
Event-driven risk	Recoverability of group goodwill, and of parent's investment in subsidiaries
Recurring risks	Contingent tax liabilities

Independent Auditor's Report continued

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Recoverability of group goodwill, and of parent's investment in subsidiaries (£2,270m; 2022: £2,814m) Impairment charge: £511m; 2022: £nil Parent: £2,340m; 2022: 2,670m; (Impairment charge: £329m; 2022: £nil) Refer to page 110 (Audit Committee Report), page 175 (accounting policy) and pages 189 and 225 (financial disclosures).	Forecast-based assessment Goodwill in the group and the carrying value of the parent company's investment in subsidiaries are significant and at risk of irrecoverability due to weaker demand in both the UK and Ireland ("UK&I") and Nordics markets following the economic uncertainty arising after the effects of the COVID-19 pandemic, its impact on the retail industry, and current macro-economic pressures driven by inflation and reduced consumer spending. The estimated recoverable amount of these balances is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. Changes in the key assumptions in cash flow forecasts can have a material impact on the value-in-use (VIU) calculation for estimating the recoverable amount and the amount of any impairment that might be required. The most significant assumptions are operating profit margins, long-term growth rates, and discount rates. The effect of these matters is that, as part of our risk assessment, we determined that the recoverable amounts of Group goodwill and the parent's cost of investment in subsidiaries have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements disclose the sensitivity estimated by the Group (note 8c) and the Company (note C4).	Our procedures included: • Our sector experience: Evaluating assumptions used, in particular those relating to forecast revenue growth and profit margins in UK&I and the Nordics; • Benchmarking assumptions: Comparing the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, competition, and cost inflation. With the assistance of our valuation specialists, assessing the methodology applied by the Group to derive its discount rates and the basis for the calculation of the key components such as debt/equity ratios, risk free rates and market risk premium; • Sensitivity analysis: Performing sensitivity analysis to stress-test the impairment calculation to changes in sales growth and profit margins and the discount rate; • Historical comparisons: We evaluated the track record of historical assumptions used against actual results achieved. • Comparing valuations: Comparing the sum of the discounted cash flows to the Group's market capitalisation to assess the reasonableness of those cashflows; • Assessing consistency: Assessing the consistency of the forecasts used in impairment testing with those applied for the going concern assessment; and • Assessing transparency: Assessing whether the Group and parent company's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the recoverable amount of goodwill and investment in subsidiaries, respectively. We performed the tests above rather than seeking to rely on any of the group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our results We found the Group's conclusion that there is no impairment of the Nordics goodwill to be acceptable. In respect of the UK&I goodwill balance in the group and the parent Company's investment in subsidiaries, and the related impairment charges, we found them to be acceptable.



2. Key audit matters: our assessment of risks of material misstatement continued

	The risk	Our response
Contingent tax liabilities	Dispute outcome: Uncertain tax positions require the directors to make judgements and estimates in relation to tax issues and exposures given the time taken for tax matters to be agreed with the tax authorities. In addition there is judgement as to whether these enquiries represent a contingent liability or whether the Group should recognise a provision, and there is a risk that the potential range of tax exposure is not accurate and properly disclosed. The Group is currently engaged with HMRC in relation to open tax enquiries arising from pre-merger legacy corporate transactions associated with the former Carphone Warehouse Group. In respect of these enquiries, the Group has disclosed a potential range of unprovided tax exposures in relation to one of these enquiries. In reaching this conclusion management have been advised by a number of third-party experts specialised in tax law to assess the likelihood of success in this case. The effect of these matters is that, as part of our risk assessment, we determined that the potential range of unprovided tax exposures has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (notes 1d and 28) disclose the range estimated by the Group.	Our procedures included: • Our tax expertise: Use of our own tax specialists to evaluate the Group's assessment of the likely outcome of the enquiry, its correspondence with the UK tax authority, supporting documentation prepared by management and their advisors based on our knowledge and experiences of the application of the UK legislation by the tax authority and courts; • Tests of detail: Examining the calculations of the potential tax exposure prepared by the directors and agreeing key assumptions used to underlying data. • Assessing transparency: Assessing the adequacy of the Group's disclosures in respect of tax and uncertain tax positions including the directors' assessment of the likelihood of any outflow and estimate, and their rationale as to why no provision has been made. We performed the tests above rather than seeking to rely on any of the group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our results We found the directors' judgement that this matter represents a contingent liability and the related disclosures to be acceptable.

Independent Auditor's Report continued

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £12.5m, determined with reference to a benchmark of Group revenue as disclosed in notes 2 and 3, of £9,511m, of which it represents 0.13%. We consider total revenue to be the most appropriate benchmark because of the low level of profit before tax from continuing operations in recent periods.

Materiality for the parent Company financial statements as a whole was set at £10.0m, determined with reference to a benchmark of Company total assets, of which it represents 0.17%.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

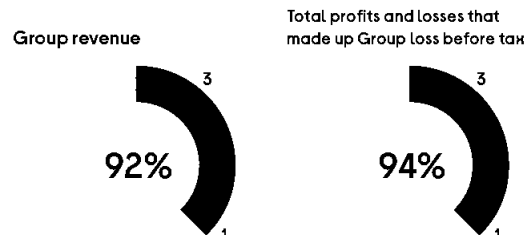
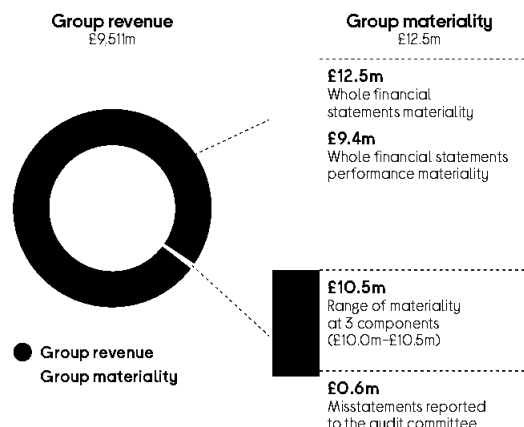
Performance materiality was set at 75% of materiality for the financial statements as a whole, which equates to £9.4m for the Group and £7.5m for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.6m, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The Group has 11 reporting components. In order to determine the work performed at the reporting component level, we identified those components which we considered to be of individual financial significance, those which were significant due to risk and those remaining components on which we required procedures to be performed to provide us with the evidence we required in order to conclude on the group financial statements as a whole.

We determined individually financially significant components as those contributing at least 10% of group revenue. We selected group revenue because this is the most representative of the relative size of the components. We identified 2 components as individually financially significant components and performed full scope audits on these components.

In addition, to enable us to obtain sufficient appropriate audit evidence for the group financial statements as a whole, we selected 2 components on which to perform procedures. Of these components, we performed full scope audits for 1 component, and performed specific risk-focused audit procedures over loans and other borrowings and associated finance costs on 1 component.





3. Our application of materiality and an overview of the scope of our audit continued

The components within the scope of our work accounted for the percentages illustrated above. The remaining 8% of total Group revenue, 6% of the total profits and losses that made up Group loss before tax and 9% of total Group assets is represented by 7 reporting components, none of which individually represented more than 6% of any of total Group revenue, the total profits and losses that made up Group loss before tax or Group assets. For the residual components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The work on 1 of the 4 components, the Nordics, was performed by component auditors in Norway and the rest, including the audit of the Parent Company, was performed by the Group team. The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

The Group operates one shared service centre in Czechia, the outputs of which are included in the financial information of the reporting components it services, and therefore it is not a significant separate reporting component. This service centre is subject to specified risk-focused audit procedures, predominantly the testing of transaction processing.

The Group team instructed the component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back. The Group team set the component materialities for the Nordics component and for components where work was performed by the Group team; these ranged from £10.0m to £10.5m, having regard to the mix of size and risk profile of the Group across the components. In working with the component auditor, we:

- Held planning calls with the Nordics component audit team to discuss the significant areas of the audit relevant to the component.
- Issued group audit instructions to the component auditor on the scope of their work, including specifying the minimum procedures to perform in their audit of cash and cash equivalents and journal entries testing.
- Held regular update discussions with the Nordics component audit team before the commencement of the final phases of the audit led by the Group engagement partner and engagement quality control partner.
- Visited the Nordics component in-person in Norway as the audit progressed to understand and challenge the audit approach and organised weekly video conferences with the partners and senior managers of the Group and component audit teams. At these visits, meetings and video conferences, the findings reported to the Group team were discussed in more detail, and any further work required by the Group team was then performed by the component auditor.

Inspection of component audit team's key work papers (in person and using remote technology capabilities) to evaluate the quality of execution of the audits of the components, with a particular focus on revenue, management override of controls, including journal entries testing; accounting for rebates and restructuring associated costs, and cash and cash equivalents.

4. The impact of climate change on our audit

In planning our audit, we considered the potential impacts of climate change on the Group's business and its financial statements. The Group has set out further detail within the Sustainability section in the Strategic Report of the Annual Report on page 42 its commitment to reach climate net zero green-house gas emissions by 2040 and on its commitment to several other shorter-term targets. The financial statement areas that may be affected by climate plans and risks are those that involve forward cash flow projections, such as goodwill impairment assessments.

As a part of our audit, we have performed a risk assessment, including enquiries of management, and inspection of the Group's road map for net zero transition to understand how the impact of commitments made by the Group in respect of climate change, as well as the physical or transition risks of climate change, may affect the financial statements and our audit.

Whilst the Group is still undertaking work to quantify and assess the potential impact of climate change on the business, based on our risk assessment procedures we did not identify any significant risk of material misstatement in this period as a result of climate change. This is due to the expected timescale and extent of the potential effects on discounted cash flows and asset lives.

We have read the disclosures of climate-related information in the Annual Report and considered their consistency with the financial statements and our audit knowledge.

Independent Auditor's Report continued

5. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and metrics relevant to debt covenants over this period were:

- changes in trading performance as a result of prolonged macro-economic pressures, including the impact from inflation, alongside weaker customer demand and confidence, and
- the Group's ability to operate within its current facilities and comply with its banking covenants for the foreseeable future.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the Group's financial forecasts taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Funding assessment: Assessing the financing arrangements currently in place and the actions taken by the Group to maintain liquidity and covenant headroom. We inspected the confirmation from the lender of the level of committed financing, and the associated covenant requirements.
- Key dependency assessment: Using our knowledge of the business, and the audit work performed on the areas such as the forecasts used in impairment testing and current period performance (e.g. revenue, operating costs, and pensions), to identify critical factors within the Group's financial forecasts and to inform our assessment of the severe-but-plausible downside scenario.

We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and the Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the Listing Rules set out on page 172 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management, and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.



6. Fraud and breaches of laws and regulations – ability to detect continued

Identifying and responding to risks of material misstatement due to fraud continued

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to the full scope component audit team of relevant fraud risks identified at the Group level and request to the full scope component audit team to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group level.

As required by auditing standards, and taking into account possible pressures to meet profit targets, recent revisions to guidance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as tax provisioning, deferred tax assets, impairment of non-financial assets, and pension assumptions.

On this audit we do not believe there is a fraud risk related to revenue recognition due to the limited opportunity arising from the simplicity of retail revenue transactions and sources and its close relationship to cash movements, and for network revenue from variable commission because of the reduction in variable consideration recognized as revenue.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

This included communication from the Group audit team to the full-scope component audit team of relevant laws and regulations identified at the Group level, and a request for the full-scope component auditor to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, financial services regulation, data protection laws, anti-bribery, employment law, regulatory capital and liquidity, and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Further detail in respect of the Group's open tax enquiries arising from pre-merger legacy corporate transactions is set out in the key audit matter disclosures in section 2 of this report.

Independent Auditor's Report continued

6. Fraud and breaches of laws and regulations – ability to detect continued

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations continued

For the legal matters discussed in notes 19 and 28 we assessed disclosures against our understanding from legal and tax correspondence.

We discussed with the audit committee matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Going concern and viability statement on page 172 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal risks and uncertainties disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Going concern and viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Going concern and viability statement, set out on page 172 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.



7. We have nothing to report on the other information in the Annual Report continued

Disclosures of emerging and principal risks and longer-term viability continued

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the Annual Report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Report relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 156, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.



Independent Auditor's Report continued

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Flanagan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
6 July 2023



Consolidated Income Statement

	Note	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Revenue	2,3	9,511	10,144
Profit before impairment of goodwill, interest and tax	2,3	165	222
Impairment of goodwill	8	(511)	–
(Loss)/profit before interest and tax		(346)	222
Finance income		2	2
Finance costs		(106)	(98)
Net finance costs	5	(104)	(96)
(Loss)/profit before tax		(450)	126
Income tax expense	6	(31)	(55)
(Loss)/profit after tax for the period		(481)	71
Earnings per share (pence)	7		
Basic – total		(43.6)p	6.3p
Diluted – total		(43.6)p	6.0p



Consolidated Statement of Comprehensive Income

	Note	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
(Loss)/profit after tax for the period		(481)	71
<i>Items that may be reclassified to the income statement in subsequent periods:</i>			
Cash flow hedges	21		
Fair value movements recognised in other comprehensive income		11	14
Reclassified and reported in income statement		3	(28)
Tax on movements on cash flow hedges	6	-	(3)
Exchange (loss) arising on translation of foreign operations	21	(5)	(33)
		9	(50)
<i>Items that will not be reclassified to the income statement in subsequent periods:</i>			
Actuarial (loss)/gain on defined benefit pension schemes			
– UK	20	(61)	156
– Overseas	20	-	3
Tax on movements on defined benefit pension schemes	6	(35)	8
		(96)	167
Other comprehensive (expense)/income for the period (taken to equity)		(87)	117
Total comprehensive (expense)/income for the period		(568)	188



Consolidated Balance Sheet

	Note	29 April 2023 £m	30 April 2022 £m
Non-current assets			
Goodwill	8	2,270	2,814
Intangible assets	9	350	385
Property, plant & equipment	10	155	162
Right-of-use assets	11	995	1,007
Lease receivables	12	4	3
Trade and other receivables	14	148	123
Deferred tax assets	6	23	282
		3,945	4,776
Current assets			
Inventory	13	1,151	1,286
Lease receivables	12	1	1
Trade and other receivables	14	631	696
Income tax receivable		1	–
Derivative assets	23	23	28
Cash and cash equivalents	15	97	126
		1,904	2,137
Total assets		5,849	6,913
Current liabilities			
Trade and other payables	16	(2,067)	(2,368)
Derivative liabilities	23	(13)	(11)
Income tax payable		(35)	(64)
Loans and other borrowings	17	(16)	(2)
Lease liabilities	18	(213)	(210)
Provisions	19	(43)	(48)
		(2,387)	(2,703)
Non-current liabilities			
Trade and other payables	16	(103)	(96)
Loans and other borrowings	17	(178)	(80)
Lease liabilities	18	(1,020)	(1,057)
Retirement benefit obligations	20	(249)	(257)
Deferred tax liabilities	6	(15)	(208)
Provisions	19	(5)	(11)
		(1,570)	(1,709)
Total liabilities		(3,957)	(4,412)
Net assets		1,892	2,501
Capital and reserves	21		
Share capital		1	1
Share premium reserve		2,263	2,263
Other reserves		(804)	(803)
Accumulated profits		432	1,040
Equity attributable to equity holders of the parent company		1,892	2,501

The financial statements were approved by the directors on 6 July 2023 and signed on their behalf by:

Alex Baldock
Group Chief Executive
Company registration number: 7105905

Bruce Marsh
Group Chief Financial Officer



Consolidated Statement of Changes in Equity

	Note	Share capital £m	Share premium reserve £m	Other reserves* £m	Accumulated profits £m	Total equity £m
At 1 May 2021		1	2,263	(764)	881	2,381
Profit for the period		–	–	–	71	71
Other comprehensive (expense)/income recognised directly in equity		–	–	(50)	167	117
Total comprehensive (expense)/income for the period		–	–	(50)	238	188
Amounts transferred to the carrying value of inventory purchased during the period		–	–	28	–	28
Net movement in relation to share schemes		–	–	24	(1)	23
Purchase of own shares – employee benefit trust		–	–	(41)	–	(41)
Purchase of own shares – share buyback	21	–	–	(32)	–	(32)
Cancellation of treasury shares		–	–	32	(32)	–
Equity dividend		–	–	–	(46)	(46)
At 30 April 2022		1	2,263	(803)	1,040	2,501
Profit for the period		–	–	–	(481)	(481)
Other comprehensive (expense)/income recognised directly in equity		–	–	9	(96)	(87)
Total comprehensive (expense)/income for the period		–	–	9	(577)	(568)
Amounts transferred to the carrying value of inventory purchased during the period		–	–	(19)	–	(19)
Net movement in relation to share schemes	4	–	–	13	4	17
Purchase of own shares – employee benefit trust	21	–	–	(4)	–	(4)
Equity dividend	22	–	–	–	(35)	(35)
At 29 April 2023		1	2,263	(804)	432	1,892

* A detailed reconciliation of Other reserves is provided in note 21b.



Consolidated Cash Flow Statement

	Note	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Operating activities			
Cash generated from operations	24	386	524
Contributions to defined benefit pension scheme		(78)	(78)
Income tax paid		(38)	(18)
Net cash flows from operating activities		270	428
Investing activities			
Net cash outflow arising from acquisitions		-	(2)
Proceeds on sale of business		-	1
Acquisition of property, plant & equipment and other intangibles		(111)	(133)
Net cash flows from investing activities		(111)	(134)
Financing activities			
Interest paid		(94)	(87)
Capital repayment of lease liabilities		(216)	(208)
Purchase of own shares – employee benefit trust		(4)	(41)
Purchase of own shares – share buyback		-	(32)
Equity dividends paid		(35)	(46)
Drawdown of borrowings		110	80
Cash inflows from derivative financial instruments		43	-
Facility arrangement fees paid		(1)	(6)
Net cash flows from financing activities		(197)	(340)
(Decrease) in cash and cash equivalents and bank overdrafts		(38)	(46)
Cash and cash equivalents and bank overdrafts at the beginning of the period		124	169
Currency translation differences		(5)	1
Cash and cash equivalents and bank overdrafts at the end of the period	24	81	124

Notes to the Group Financial Statements

1 Significant accounting policies

a) Basis of preparation

Currys plc (the 'Company') is a public company limited by shares incorporated in the United Kingdom, which is registered in England and Wales under the Companies Act 2006.

The consolidated financial statements have been prepared on a going concern basis in accordance with UK-adopted international accounting standards.

The financial statements have been presented in pound sterling, based on the Group's primary economic environment, and on the historical cost convention except for the revaluation of certain financial instruments and defined benefit pension obligations, as explained below. All amounts have been rounded to the nearest million (£m), unless otherwise stated.

Significant accounting policies have been included in the relevant notes to the financial statements to which the policies relate. Where accounting policies are applied to the financial statements as a whole, they are detailed further below. Unless otherwise stated, the accounting policies are the same as those which have been applied consistently to all periods presented and in previous financial periods.

Alternative performance measures ('APMs')

In addition to IFRS measures, the Group uses certain APMs that are considered to be additional informative measures of ongoing trading performance of the Group and are consistent with how performance is measured internally. The APMs used by the Group in addition to IFRS measures are included within the Glossary and definitions. This includes further information on the definitions, purpose, and reconciliation to IFRS measures of those APMs that are used for internal reporting and presented to the Group's Chief Operating Decision Maker ('CODM'). The CODM has been determined to be the Board.

Going concern

Going concern is the basis of preparation of the financial statements that assumes an entity will remain in operation for a period of at least 12 months from the date of approval of these financial statements.

In their consideration of going concern, the directors have reviewed the Group's future cash forecasts and profit projections, which are based on market data and past experience. Given the short to medium term macroeconomic uncertainty, Currys has obtained a fixed charge cover covenant relaxation from its banking syndicate covering the October 2023, April 2024, and October 2024 test periods. The debt facilities modelled in the base case total £636m of which £135m are due for renewal in October 2023.

As a result of the uncertainties surrounding the forecasts due to the current macroeconomic environment, the Group has also modelled a severe but plausible downside scenario by applying a sales risk of 5% in 2023/24 declining to 2% by 2025/26. This sales risk can be offset with controllable mitigations across various operating expense line items and hence in this severe but plausible downside scenario, the Group does not breach any of the Group's facilities or banking covenants. Further, this scenario cautiously assumes that £135m of debt facilities due for renewal in October 2023 will not be extended. Finally, the Group has numerous other mitigations available (in addition to those applied to the severe but plausible downside scenario) which are considered controllable should sales drop below the severe but plausible downside, before requiring additional sources of financing in excess of those that are committed. Such a scenario, and the sequence of events which could lead to it, is considered to be remote.

The directors are of the opinion that the Group's forecasts and projections, which take into account reasonably possible changes in trading performance including the impact of increased uncertainty and inflation in the wider economic environment, show that the Group is able to operate within its current facilities and comply with its banking covenants for at least 12 months from the date of approval of these financial statements. In arriving at their conclusion that the Group has adequate financial resources, the directors considered the level of borrowings and facilities and that the Group has a robust policy towards liquidity and cash flow management.

For this reason, the Board considers it appropriate for the Group to adopt the going concern basis in preparing the financial information. The long-term effect of macroeconomic factors is uncertain and should the impact on trading conditions be more prolonged or severe than what the directors consider to be reasonably possible, the Group would need to implement additional operational or financial measures.



1 Significant accounting policies continued

b) Accounting convention and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power over the investee; is exposed, or has rights, to variable return from its involvement with the investee; and has the ability to use its power to affect its returns.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intercompany transactions and balances are eliminated on consolidation.

c) Foreign currency translation and transactions

Foreign currency transactions

Transactions denominated in foreign currencies are translated to the Group's presentational currency using the exchange rate at the date of the transaction. The Group uses foreign exchange forward contracts to hedge material transactions denominated in foreign currencies, as outlined in note 23. Foreign exchange differences arising are recognised in the Group's income statement in the period in which they arise.

Foreign currency translation

Material monetary assets and liabilities denominated in foreign currencies are hedged, mainly using forward foreign exchange contracts to create matching liabilities and assets, and are translated at the rates prevailing at the balance sheet date.

The results of foreign operations are translated each month at the monthly rate, and their balance sheets are translated at the rates prevailing at the balance sheet date. Goodwill and acquisition intangible assets are held in the currency of the operation to which they relate. Exchange differences arising on the translation of net assets, goodwill and results of foreign operations are recognised in the Group statement of other comprehensive income and are included in the Group's translation reserve.

The principal exchange rates against Pound Sterling used in these financial statements are as follows:

	Average		Closing	
	2023	2022	2023	2022
Euro	1.15	1.18	1.14	1.19
Norwegian Krone	12.13	11.86	13.40	11.78
Swedish Krona	12.57	12.11	12.89	12.31
US Dollar	1.20	1.35	1.26	1.26

d) Key sources of estimation uncertainty and critical accounting judgements

Critical accounting judgements and estimates used in the preparation of the financial statements are continually reviewed and revised as necessary. Whilst every effort is made to ensure that such judgements and estimates are reasonable, by their nature they are uncertain, and as such changes may have a material impact.

Key sources of estimation uncertainty

Defined benefit pension schemes

The surplus or deficit in the UK defined benefit pension scheme that is recognised through the consolidated statement of comprehensive income and expense is subject to a number of assumptions and uncertainties. The calculated liabilities of the scheme are based on assumptions regarding inflation rates, discount rates and member longevity. Such assumptions are based on actuarial advice and are benchmarked against similar pension schemes. Refer to note 20 for further information.

Impairment of non-financial assets – Goodwill

As required by IAS 36, goodwill is subject to an impairment review on an annual basis, or more frequently where indicators of impairment exist. The Group has considered if indicators of impairment exist with regard to a number of external factors, including the increases in the long-term risk-free investment rates and increased uncertainty in the wider macroeconomic environment. Management concluded that these factors are indicators of impairment and consequently, a full impairment review was undertaken per IAS 36 using the value in use ("VIU") method.

As a result of the impairment review, for the UK & Ireland where £1,840m of goodwill was allocated, a non-cash impairment charge of £511m has been recognised, bringing the goodwill balance to £1,329m. This was mainly due to a material increase in discount rate reflecting increased market risk and volatility, and partly due to the short-to-medium term macroeconomic uncertainty which has been factored into the Group's business plans. In accordance with IFRIC 10, the impairment loss recognised in this period shall not be reversed in a future period. Further details on the sensitivities and key assumptions are included in note 8.

Notes to the Group Financial Statements continued

1 Significant accounting policies continued

d) Key sources of estimation uncertainty and critical accounting judgements continued

Critical accounting judgements

Taxation

The Group is subject to income taxes in a number of different jurisdictions and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. The Group recognises a provision when it is probable that an obligation to pay tax will crystallise as a result of a past event. The quantum of provision recognised is based on the best information available and has been assessed by in-house tax specialists, and where appropriate third-party taxation and legal advisors, and represents the Group's best estimate of the most likely outcome. Where the final outcome of such matters differs from the amounts initially recorded, any differences will impact the income tax and deferred tax provisions in the period to which such determination is made. Tax laws that apply to the Group's businesses may be amended by the relevant authorities, for example as a result of changes in fiscal circumstances or priorities. Such potential amendments and their application to the Group are monitored regularly and the requirement for recognition of any liabilities (or changes in existing provisions) assessed where necessary.

The Group has recognised provisions in relation to uncertain tax positions of £59m at 29 April 2023 (2021/22: £66m). Due to the nature of the provisions recorded, the timing of the settlement of these amounts remains uncertain. Management adjusted this figure to £59m from £66m as part of a review of its current and deferred tax position during the period, which is outlined further at note 6.

In relation to its uncertain tax positions, the Group continues to cooperate with HMRC in relation to open tax cases arising from pre-merger legacy transactions in the Carphone Warehouse Group. The Group has risk assessed that certain cases have a probable chance of resulting in cash outflows to HMRC that are measured at £59m as at 29 April 2023 (comprising the amount of tax payable and interest up to 29 April 2023) (2021/22: £66m). It should be noted that penalties of up to 30% could be applied to the principal amount tax payable, but these have not been considered probable based on the status of the position with HMRC. The cases could ultimately result in cash outflows of between £nil and £89m, depending upon their outcome.

Furthermore, certain other tax cases arising from pre-merger legacy transactions in the Carphone Warehouse Group have not been considered probable to result in cash outflows to HMRC. This has been determined based on the strength of third-party legal advice and therefore no provision on the Group's balance sheet has been made. The potential range of tax exposures relating to this case is estimated to be £nil – £280m excluding penalties (2021/22: £nil – £275m). Penalties could range from nil to 30% of the principal amount of any tax. Any potential cash outflow would occur in greater than one year and less than five years. This potential outflow has been disclosed as a contingent liability within note 28.

e) Recent accounting developments

The Group has considered the following amendments to published standards that are effective for the Group for the financial period beginning 1 May 2022 and concluded that they are either not relevant to the Group or that they do not have a significant impact on the Group's financial statements other than disclosures.

- Amendments to IFRS 3 'Business Combinations' – Reference to the Conceptual Framework.
- Amendments to IAS 16 'Property, Plant and Equipment' – Proceeds before Intended Use.
- Amendments to IAS 37 'Provisions, Contingent Assets and Contingent Liabilities' – Onerous Contracts – Costs of Fulfilling a Contract.
- Amendments to IFRS 1 'First-time Adoption of International Financial Reporting Standards' – Subsidiary as a first-time adopter.
- Amendments to IFRS 9 'Financial Instruments' – Fees in the '10 per cent' test for derecognition of financial liabilities.
- Amendments to IAS 41 'Agriculture' – Taxation in fair value measurements.

The accounting policies for the Group have remained unchanged from those disclosed in the Annual Report for the period ended 30 April 2022.

The following standards and revisions will be effective for future periods:

- Amendments to IAS 1 'Presentation of Financial Statements' on the classification of liabilities as current or non-current.
- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgements' on the disclosure of accounting policies.
- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' on the definition of accounting estimates.
- Amendments to IAS 12 'Income Taxes' on Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction.
- IFRS 17 'Insurance Contracts'.
- Amendments to IFRS 16 'Leases' on Lease Liability in a Sale and Leaseback.
- Amendments to IAS 1 'Presentation of Financial Statements' on Non-current Liabilities with Covenants.

Petrus Insurance Company Limited is a wholly owned subsidiary of the Group and provides insurance to other entities within the group while acting as a captive insurer. The impact of these services are eliminated on consolidation and therefore the impact of IFRS 17 will not be material. The Group has considered the impact of the remaining above standards and revisions and have concluded that they will not have a significant impact on the Group's financial statements.



2 Segmental analysis

The Group's operating segments reflect the segments routinely reviewed by the CODM used to manage performance and allocate resources. This information is predominantly based on geographical areas which are either managed separately or have similar trading characteristics.

The Group's operating and reportable segments have been identified as follows:

- UK & Ireland; comprises the operations of Currys, iD Mobile and B2B operations.
- Nordics; operates both franchise and own stores in Norway, Sweden, Finland and Denmark with further franchise operations in Iceland, Greenland and the Faroe Islands.
- Greece; consisting of our ongoing operations in Greece and Cyprus.

UK & Ireland, Nordics and Greece are involved in the sale of consumer electronics and mobile technology products and services, primarily through stores or online channels.

Transactions between segments are on an arm's length basis.

a) Segmental results

	Period ended 29 April 2023				
	UK & Ireland £m	Nordics £m	Greece £m	Eliminations £m	Total £m
External revenue	5,067	3,807	637	–	9,511
Inter-segmental revenue	59	–	–	(59)	–
Total revenue	5,126	3,807	637	(59)	9,511
Profit/(loss) before interest, tax and impairment of goodwill	158	(11)	18	–	165
Impairment of goodwill	(511)	–	–	–	(511)
(Loss)/profit before interest and tax	(353)	(11)	18	–	(346)
Finance income					2
Finance costs					(106)
(Loss) before tax					(450)
Depreciation and amortisation	(166)	(142)	(25)	–	(333)

	Period ended 30 April 2022				
	UK & Ireland £m	Nordics £m	Greece £m	Eliminations £m	Total £m
External revenue	5,485	4,105	554	–	10,144
Inter-segmental revenue	67	–	–	(67)	–
Total revenue	5,552	4,105	554	(67)	10,144
Profit before interest and tax	71	130	21	–	222
Finance income					2
Finance costs					(98)
Profit before tax					126
Depreciation and amortisation	(181)	(134)	(23)	–	(338)

No individual customer represented more than 10% of the Group's revenue within the current or preceding period.

b) Geographical information

Revenues are allocated to countries according to the entity's country of domicile. Revenue by destination is not materially different to that shown by domicile. Non-current assets exclude financial instruments and deferred tax assets.

	Period ended 29 April 2023					Period ended 30 April 2022				
	UK £m	Norway £m	Sweden £m	Other £m	Total £m	UK £m	Norway £m	Sweden £m	Other £m	Total £m
Revenue	4,897	1,157	1,289	2,168	9,511	5,299	1,245	1,387	2,213	10,144
Non-current assets	2,112	520	437	733	3,802	2,718	588	457	690	4,453

Notes to the Group Financial Statements continued

3 Revenue and profit before interest and taxation

Accounting policies

Revenue primarily comprises sales of goods and services net of returns, expected returns and excluding sales taxes. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer. The following accounting policies are applied to the principal revenue generating activities in which the Group is engaged:

a) Sale of goods

Revenue from the sale of goods is recognised at the point of sale or, where later, upon delivery to the customer. Where consideration is received, or receivable, in advance of the customer obtaining control and the performance obligations being satisfied, a contract liability is recognised.

It is Group policy to grant customers the right to return their products within a defined period of time. As this does not represent a separate performance obligation, the Group only recognises revenue to which it expects to be entitled. The Group uses the most likely amount method to estimate the expected value of goods to be returned by customers exercising their rights in line with the Group's refund policy based on the prior period return rates.

A refund liability is recognised as a component of trade and other payables for the amount of variable consideration that the Group does not expect to be entitled. A separate right to return asset is recognised within inventory to represent the right to recover goods from customers on settlement of the refund liability. This is measured by reference to the former carrying amount of the goods sold less any recoverability costs and decrease in value.

b) Commission Revenue – Network agreements

Revenue from network commissions is recognised on completion of the performance obligation under the contracts with the MNO. Over the life of these contracts the service provided by the Group to the MNO is the procurement of connections to the MNO's network.

The Group earns a commission for the service provided to the MNO ('network commission'). Revenue is recognised at the point the individual consumer signs a contract with the MNO. The level of network commission earned is based on a share of the monthly payments made by the consumer to the MNO, including contractual monthly line rental payments together with a share of 'out-of-bundle' spend, spend after the contractual term, and amounts due from customer upgrades performed directly by the network.

The method of measuring the value of the revenue and contract asset in the month of connection is to estimate all future cash flows that will be received from the network and discount these based on the expected timing of receipt. Transaction price is estimated based on extensive historical evidence obtained from the network and an adjustment is made for expected and possible changes in consumer behaviour including as a result of regulatory changes impacting the sector.

Revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of revenue recognised will not occur. This is based on the best estimate of expected future trends.

c) Commission revenue – Insurance

Insurance revenue relates to the sale of third-party insurance products. Sales commission received from third parties is recognised when the insurance policies to which it relates are sold. Although there are no ongoing performance obligations, future commission receivable can vary due to consumer behaviour, however, it is only recognised to the extent that it is highly probable that there will not be a significant reversal of revenue. The Group recognises a contract asset in relation to this revenue. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point in which it becomes billable and is no longer conditioned on something other than the passage of time. Revenue from the provision of insurance administration services is recognised over the life of the relevant policies when the Group's performance obligations are satisfied.



3 Revenue and profit before interest and taxation continued

Accounting policies continued

d) Support services revenue – customer support agreements

Revenue earned from the sale of customer support agreements is recognised in full as the stand-ready performance obligations are satisfied under the contracts with the customer. Where consideration is received in advance of the performance of the obligations being satisfied, a contract liability is recognised. Due to the cancellation options and customer refund clauses, contract terms have been assessed to either be monthly or a series of day-to-day contracts with revenue recognised respectively in the month to which payment relates, or on a 'straight-line' basis.

e) Other services revenue

Other services revenue, including delivery, installation and product setup, is recognised when the obligation to the customer has been fulfilled. Other services revenue also includes revenue recognised through our Mobile Virtual Network Operator ('MVNO') where we are the principal in the arrangement of providing handset and connectivity to the consumer. Transaction prices attributable to performance obligations are calculated by allocating total contract revenue in the proportion to the standalone selling price (SSP) for each performance obligation. The handset element is included within 'Sale of goods' and the connectivity element is recognised in 'Other services revenue'.

Revenue is recognised either when the performance obligation in the contract has been performed at a point in time (provision of handset at contract commencement) or 'over time' as control of the performance obligation is transferred to the customer (provision of monthly connectivity service).

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Revenue	9,511	10,144
Cost of sales	(7,827)	(8,356)
Gross profit	1,684	1,788
Goodwill impairment	(511)	–
Operating expenses	(1,519)	(1,566)
(Loss)/profit before interest and tax	(346)	222

The Group's disaggregated revenues recognised under 'Revenue from Contracts with Customers' in accordance with IFRS 15 relates to the following operating segments and revenue streams:

	Period ended 29 April 2023			
	UK & Ireland £m	Nordics £m	Greece £m	Total £m
Sale of goods	4,391	3,480	588	8,459
Commission revenue	260	195	23	478
Support services revenue	242	53	12	307
Other services revenue	174	79	14	267
Other revenue	–	–	–	–
Total revenue	5,067	3,807	637	9,511

	Period ended 30 April 2022			
	UK & Ireland £m	Nordics £m	Greece £m	Total £m
Sale of goods	4,698	3,756	511	8,965
Commission revenue	425	220	18	661
Support services revenue	239	57	17	313
Other services revenue	124	72	8	204
Other revenue	1	–	–	1
Total revenue	5,485	4,105	554	10,144

Revenue from commissions relates predominantly to network and insurance commissions which are further explained within the accounting policies section above.



Notes to the Group Financial Statements continued

3 Revenue and profit before interest and taxation continued

Income received from suppliers such as volume rebates

The Group's agreements with suppliers contain a price for units purchased as well as other rebates and discounts which are summarised below:

Volume Rebates: This income is linked to purchases made from suppliers and is recognised as a reduction to cost of goods sold as inventory is sold. Rebates that relate to inventory not sold are recognised within the value of inventory at the period end. Where an agreement spans period ends, estimation is required regarding amounts to be recognised. Forecasts are used as well as historical data in the estimation of the level of income recognised. Amounts are only recognised where the Group has a clear entitlement to the receipt of the rebate and a reliable estimate can be made.

Customer discount support: This income is received from suppliers on a price per unit basis. The level of estimation is minimal as amounts are recognised as a reduction to cost of goods sold based on the agreement terms and only once the item is sold.

Marketing income: This income is received in relation to marketing activities that are performed on behalf of suppliers. Marketing income is recognised over the period as set out in the specific supplier agreements and is recognised as a reduction to cost of sales.

Supplier funding amounts that have been recognised and not invoiced are shown within accrued income on the balance sheet.

Cash inflows for supplier funding received are classified as operating cash flows.

Profit before interest and taxation for continuing operations is stated after charging/(crediting) the following:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Depreciation of property, plant & equipment	52	62
Impairment of property, plant & equipment	-	6
Depreciation of right-of-use assets	194	190
Impairment of right-of-use assets	5	42
Impairment reversal of right-of-use assets	-	(15)
Amortisation of acquisition intangibles	23	24
Amortisation of other intangibles	64	62
Impairment of other intangibles	4	33
Impairment reversal of other intangibles	-	(1)
Impairment of goodwill*	511	-
Impairment of inventory	75	72
Net impairment on financial assets	8	6
Cost of inventory recognised as an expense	7,446	8,013
Cash flow hedge amounts reclassified and reported in income statement	3	(28)
Government grant income	-	(1)
Net foreign exchange gains	(11)	(6)
Share-based payments expense	16	23
Other employee costs (see note 4)	910	985
Restructuring costs*	20	12
Other exceptional income*	-	(18)
Regulatory income*	(7)	(1)

* Restructuring costs, other exceptional income, regulatory income and impairment of goodwill are further detailed within note A4 in the Glossary and definitions.



3 Revenue and profit before interest and taxation continued

Income received from suppliers such as volume rebates continued

Auditor's remuneration comprises the following:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Fees payable to the Company's Auditor for the audit of the Company's annual accounts	0.1	0.1
Fees payable to the Company's Auditor and its associates for the audit of the Company's subsidiaries	1.9	1.7
Total audit fees	2.0	1.8
Audit-related assurance services:		
Review of interim statement	0.2	0.2
Other assurance services	0.2	–
Total audit and audit-related assurance services	2.4	2.0
Tax compliance services	–	0.1
Total audit and non-audit fees	2.4	2.1

The prior period accounts ended 30 April 2022 were audited by Deloitte LLP and the current period accounts ended 29 April 2023 were audited by KPMG LLP.

4 Employee costs and share-based payments

a) Employee costs

The aggregate remuneration recognised in the income statement is as follows:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Salaries and performance bonuses	774	845
Social security costs	103	110
Other pension costs	33	30
	910	985
Share-based payments	16	23
	926	1,008

The average number of employees is:

	Period ended 29 April 2023 number	Period ended 30 April 2022 number
UK & Ireland	16,106	19,625
Nordics	10,386	10,984
Greece	3,077	2,923
	29,569	33,532

Compensation earned by key management, comprising the Board of Directors and Executive Committee, is as follows:

	Period ended 29 April 2023		Period ended 30 April 2022	
	Board of Directors £m	Executive Committee £m	Board of Directors £m	Executive Committee £m
Short-term employee benefits	3	3	4	5
Termination benefits	–	–	–	1
Share-based payments	3	2	2	4
	6	5	6	10

Further information about individual directors' remuneration, amounts related to long-term incentive schemes, and pension contributions is included in the audited information in the Remuneration Report. The gain on share options exercised by directors in the period was £1m (2021/22: £3m).

Notes to the Group Financial Statements continued

4 Employee costs and share-based payments continued

b) Share-based payments

Accounting policies

Equity settled share-based payments are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, based on an estimate of the number of shares that will eventually vest. A Monte Carlo model is used to measure fair value.

For all schemes, the number of options expected to vest is recalculated at each balance sheet date, based on expectations of leavers prior to vesting. For schemes with internal performance criteria such as free cash flow, the number of options expected to vest is also adjusted based on expectations of performance against target. No adjustment is made for expected performance against market-based performance criteria such as TSR, because the likelihood that the performance criteria will be met is taken into account when estimating the fair value of the award on the grant date. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in reserves.

(i) Share option schemes

The Group offers discretionary awards of nil-priced options under the Long-Term Incentive Plan ('LTIP') to senior employees. Awards are granted annually and will usually vest after three years subject to continued service. Some awards are also subject to the achievement of performance conditions.

For awards granted during the period ended 27 April 2019, performance conditions are based on a combination of relative TSR performance against the constituents of the FTSE 51-150 at the beginning of the performance period and cumulative free cash flow. For awards granted during the periods ended 2 May 2020, 1 May 2021 and 30 April 2022 performance conditions are based on a combination of relative TSR performance against a bespoke comparator group of 22 European Special Line Retailers and other comparable companies and cumulative free cash flow. For awards granted during the period ended 29th April 2023, performance conditions are based on a combination of relative TSR performance against the constituents of the FTSE 250 at the end of the performance period and cumulative free cash flow.

In February 2019, the Group launched the Colleague Shareholder Award which granted every permanent colleague with 12 months service at least £1,000 of options which will vest after three years. These awards are not subject to performance conditions.

The following table summarises the number and weighted average exercise price ('WAEP') of share options for these schemes:

	Period ended 29 April 2023		Period ended 30 April 2022	
	Number m	WAEP £	Number m	WAEP £
Outstanding at the beginning of the period	64	–	78	–
Granted during the period	41	–	20	–
Forfeited during the period	(11)	–	(13)	–
Exercised during the period	(12)	–	(21)	–
Outstanding at the end of the period	82	–	64	–
Exercisable at the end of the period	3	–	3	–
			Period ended 29 April 2023	Period ended 30 April 2022
Weighted average market price of options exercised in the period			£0.65	£1.09
Weighted average remaining contractual life of awards outstanding			8.4 yrs	8.3 yrs
Exercise price for options outstanding			£nil	£nil



4 Employee costs and share-based payments continued

b) Share-based payments continued

(ii) SAYE scheme

The Group has SAYE schemes which allow participants to save up to £500 per month for either three or five years. At the end of the savings period, participants can purchase shares in the Company based on a discounted share price determined at the commencement of the scheme.

The following table summarises the number and WAEP of share options for these schemes:

	Period ended 29 April 2023		Period ended 30 April 2022	
	Number m	WAEP £	Number m	WAEP £
Outstanding at the beginning of the period	20	0.81	19	0.82
Granted during the period	17	0.59	8	0.93
Exercised during the period	–	0.66	–	0.81
Forfeited during period	(13)	0.81	(7)	0.98
Outstanding at the end of the period	24	0.66	20	0.81
Exercisable at the end of the period	–	0.95	–	0.97
			Period ended 29 April 2023	Period ended 30 April 2022
Weighted average market price of options exercised in the period			£0.71	£1.12
Weighted average remaining contractual life of awards outstanding			2.5 yrs	2.3 yrs
Range of exercise prices for options outstanding			£0.59 – £1.65	£0.67 – £2.52

(iii) Fair value model

The fair value of options was estimated at the date of grant using a Monte Carlo model. The model combines the market price of a share at the date of grant with the probability of meeting performance criteria, based on the historical performance of the Group.

The weighted average fair value of options granted during the period was £0.67 (2021/22: £0.79). The following table lists the inputs to the model:

	Period ended 29 April 2023	Period ended 30 April 2022
Exercise price	£nil – £0.59	£nil – £0.93
Dividend yield	0% – 5.4%	0% – 3.8%
Historical and expected volatility	44%	42%
Expected option life	4 – 10 yrs	4 – 10 yrs
Weighted average share price	£0.67	£1.30

The expected volatility reflects the assumption that the historical volatility is indicative of future trends.

(iv) Charge to the income statement and entries in reserves

During the period ended 29 April 2023, the Group recognised a non-cash accounting charge to the income statement of £16m (2021/22: £23m) in respect of equity-settled share-based payments, with a corresponding credit through reserves.

Notes to the Group Financial Statements continued

4 Employee costs and share-based payments continued

c) Employee Benefit Trust ('EBT')

	29 April 2023			30 April 2022		
	Market value £m	Nominal value £m	Number m	Market value £m	Nominal value £m	Number m
Investment in own shares	15	–	27	31	–	33
Maximum number of shares held during the period	27	–	37	48	–	52

The number of shares held by the EBT remain held for potential awards under outstanding plans. The costs of administering the EBT are charged to the income statement in the period to which they relate. Investments in own shares are recorded at cost and are recognised directly in equity within other reserves as disclosed in note 21b.

The EBT acquired 5.2m (2021/22: 34.7m) of the Company's shares during the period ended 29 April 2023 via market purchases for cash consideration of £4m (2021/22: £41m). During the period the EBT subsequently disposed of 11.7m (2021/22: 21.9m) ordinary shares in the Company by way of share issue. These shares were held at a cost of £12m (2021/22: £24m).

The EBT has waived rights to receive dividends and agrees to abstain from exercising their right to vote. The shares have not been allocated to specific schemes as further disclosed in the Directors' Report. At 29 April 2023, the EBT held 2.4% (2021/22: 2.9%) of the issued share capital of the Company.

5 Net finance costs

Accounting policies

Net finance costs comprise both finance income and finance costs. Finance income for financial assets and finance costs for financial liabilities that are measured at amortised cost is calculated using the effective interest method.

Finance income includes income on cash and cash equivalents and income on the unwind of the network commission contract assets and receivables as further disclosed in note 14. Finance costs include interest costs in relation to financial liabilities, including lease liabilities which represent the unwind of the discount rate applied at the commencement date of the lease, and finance costs related to the Group's defined benefit pension obligation.

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Unwind of discounts on trade and other receivables	2	2
Finance income	2	2
Interest on bank overdrafts, loans and borrowings	(17)	(6)
Interest expense on lease liabilities	(68)	(70)
Net interest on defined benefit pension obligations	(7)	(8)
Amortisation of facility fees	(2)	(2)
Other interest expense	(12)	(12)
Finance costs	(106)	(98)
Total net finance costs	(104)	(96)

All finance costs in the above table represent interest costs of financial liabilities and assets, other than amortisation of facility fees which represent non-financial assets and net interest on defined benefit pension obligations.



6 Tax

Accounting policies

Current tax

Current tax is provided at amounts expected to be paid or recovered using the prevailing tax rates and laws that have been enacted or substantively enacted by the balance sheet date and adjusted for any tax payable in respect of previous periods.

Deferred tax

Deferred tax liabilities are recognised for all temporary differences between the carrying amount of an asset or liability in the balance sheet and the tax base value and represent tax payable in future periods. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. No provision is made for tax that would have been payable on the distribution of retained profits of overseas subsidiaries or associated undertakings where it has been determined that these profits will not be distributed in the foreseeable future.

Current and deferred tax is recognised in the income statement except where it relates to an item recognised directly in other comprehensive income or reserves, in which case it is recognised directly in other comprehensive income or reserves as appropriate.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

Deferred tax assets and liabilities are offset against each other when they relate to income taxes levied by the same tax jurisdiction and when the Group intends to settle its current tax assets and liabilities on a net basis. Deferred tax balances are not discounted.

a) Tax expense

The corporation tax charge comprises:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Current tax		
UK corporation tax at 19.5% (2021/22: 19%)	14	14
Overseas tax	8	21
	22	35
Adjustments made in respect of prior periods:		
UK corporation tax	(9)	1
Overseas tax	3	1
	(6)	2
Total current tax	16	37
Deferred tax		
UK corporation tax	26	10
Overseas tax	(14)	5
	12	15
Adjustments in respect of prior periods:		
UK corporation tax	(14)	5
Overseas tax	17	(2)
	3	3
Total deferred tax	15	18
Total tax charge	31	55

Notes to the Group Financial Statements continued

6 Tax continued

b) Reconciliation of standard to actual (effective) tax rate

The principal differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to profit/(loss) before taxation are as follows:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
(Loss)/profit before taxation	(450)	126
Tax at UK statutory rate of 19.5% (2021/22: 19%)	(88)	24
Items attracting no tax relief or liability ⁽ⁱ⁾	105	(4)
Movement in unprovided deferred tax ⁽ⁱⁱ⁾	17	28
Effect of change in statutory tax rate	3	(1)
Differences in effective overseas tax rates	(1)	2
Increase in provisions	–	1
Other tax adjustments	(2)	–
Adjustments in respect of prior periods ⁽ⁱⁱⁱ⁾	(3)	5
Total tax charge	31	55

(i) Items attracting no tax relief or liability relate mainly to non-deductible expenditure, including the goodwill impairment recorded in the period and share-based payments.

(ii) Deferred tax assets relating to tax losses and other short-term temporary differences in the UK business were de-recognised during the period (see note 6c).

(iii) Prior period adjustments were made to current and deferred tax balances following a review by management as set out in note 6d.

c) Deferred tax

	Accelerated capital allowances £m	Retirement benefit obligations £m	Losses carried forward £m	Other temporary differences £m	Total £m
At 1 May 2021	(52)	59	26	67	100
Reclassification	17	1	1	(19)	–
(Charged)/credited directly to income statement	(22)	–	(9)	13	(18)
Credited to equity	–	(5)	–	(3)	(8)
At 30 April 2022	(57)	55	18	58	74
Reclassification	57	–	–	(57)	–
(Charged)/credited directly to income statement	(26)	–	(5)	16	(15)
Charged to equity	–	(49)	(2)	–	(51)
At 29 April 2023	(26)	6	11	17	8

During the period the Group de-recognised its UK deferred tax assets to the extent they exceeded its deferred tax liabilities. The net £8m deferred tax asset relates primarily to the Nordics and Greece businesses.

Deferred tax comprises the following gross balances:

	29 April 2023 £m	30 April 2022 £m
Deferred tax assets	163	282
Deferred tax liabilities	(155)	(208)
	8	74

Analysis of deferred tax relating to items (charged)/credited to equity in the period:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Defined benefit pension schemes	(49)	(5)
Other temporary differences	–	(3)
Tax losses	(2)	–
	(51)	(8)



6 Tax continued

c) Deferred tax continued

During the period, management prudently decided to de-recognise its net UK deferred tax assets, primarily in relation to tax losses and its defined benefit pension scheme, to the extent the deferred tax assets exceeded deferred tax liabilities, leaving a net deferred tax position of £nil (2021/22: £61m). This assessment was made on the basis of the current macroeconomic uncertainty built into the Group's business plans (used for both Going Concern and Goodwill impairment testing).

The Group has total un-recognised deferred tax assets relating to gross tax losses of £1,520m (2021/22: £1,456m) of which £1,499m relates to the UK (2021/22: £1,392m). £1,145m (2021/22: £1,052m) of these losses relate to carried forward capital losses in the legacy Dixons Group. The balance of the losses relates to carried forward trading losses, principally due to the losses realised in the Carphone Warehouse business in the UK.

A deferred tax asset has not been recognised in respect of accelerated capital allowances (£346m), trading losses (£375m), other deductible temporary differences (£50m) and pension contributions (£220m) to the extent that they exceed the Group's taxable temporary differences in the UK or where they are trapped in overseas entities with no future prospect of utilisation.

On 24 May 2021 the Finance Bill 2021 passed through all stages in the House of Commons and became substantively enacted, which included a legislative change to increase the rate of corporation tax to 25% with effect from 1 April 2023.

d) Prior period tax adjustments

During the current period, management reviewed the Group's current and deferred tax position and identified historic errors to the Income Statement of £(3)m and Other Comprehensive Income of £22m, in aggregate meaning that net assets were £19m overstated as at 30 April 2022.

The errors have been corrected in the current period. This has not been reflected as a restatement to the prior period current and deferred tax balances as the directors do not consider this to have had a material impact on either those line items or the net asset position. Furthermore, there was no impact on net profit, other KPIs and key ratios highlighted in the ARA, or covenant testing.

Management also identified that deferred tax balances of £191m were presented gross on the Group's balance sheet in prior periods, rather than being offset to the extent that they relate to income taxes levied by the same tax jurisdiction and when the Group intends to settle its current tax liabilities on a net basis. This has not been reflected as a restatement to the prior period deferred tax balances as the directors do not consider this to have had a material impact on the financial statements given the Group had total assets of £6.9bn and total liabilities of £4.4bn as at 30 April 2022 and the error did not impact net profit, net assets, other KPIs and key ratios highlighted in the ARA, or covenant testing.

7 Earnings per share

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
(Loss)/profit for the period attributable to equity shareholders	(481)	71
	Million	Million
Weighted average number of shares		
Average shares in issue	1,133	1,165
Less average holding by Group EBT and Treasury shares held by Company	(29)	(35)
For basic earnings per share	1,104	1,130
Dilutive effect of share options and other incentive schemes	20	45
For diluted earnings per share	1,124	1,175
	Pence	Pence
Earnings per share		
Basic earnings per share	(43.6)	6.3
Diluted earnings per share	(43.6)	6.0

Notes to the Group Financial Statements continued

8 Goodwill

Accounting policies

On acquisition of a subsidiary or associate, the fair value of the consideration is allocated between the identifiable net tangible and intangible assets and liabilities on a fair value basis, with any excess consideration representing goodwill. At the acquisition date, goodwill is allocated to each group of CGUs expected to benefit from the combination and held in the currency of the operations to which the goodwill relates.

Goodwill is not amortised, but is assessed annually for impairment, or more frequently where there is an indication that goodwill may be impaired. Impairment is assessed by measuring the future cash flows, or recoverable amount, of the group of CGUs to which the goodwill relates, at the level at which this is monitored by management. Where the total of the future discounted cash flows is less than the carrying value of goodwill, an impairment charge is recognised in the income statement.

On disposal of subsidiary undertakings and businesses, the relevant goodwill is included in the calculation of the profit or loss on disposal.

Cost	£m
At 1 May 2021	3,076
Foreign exchange	(37)
At 30 April 2022	3,039
Additions	2
Foreign exchange	(35)
At 29 April 2023	3,006
Accumulated impairment	£m
At 1 May 2021 and 30 April 2022	(225)
Impairment	(511)
At 29 April 2023	(736)
Carrying amount	£m
At 1 May 2021	2,851
At 30 April 2022	2,814
At 29 April 2023	2,270

An impairment review has been performed as described in 1b below, which identified a material non-cash impairment charge of £511m (2021/22: £nil) to be recorded against the goodwill of the UK and Ireland CGU.

In February 2023 the Group acquired the trade and assets of two Elkjøp franchise stores in Norway for £3m. Goodwill of £2m was recognised from this transaction. The Goodwill recognised reflects the long-term strategic value of these stores as part of the wider Nordic portfolio.

a) Carrying value of goodwill

The components of goodwill comprise the following businesses:

	29 April 2023 £m	30 April 2022 £m
UK & Ireland	1,329	1,840
Nordics	941	974
	2,270	2,814



8 Goodwill continued

b) Goodwill impairment testing

As required by IAS 36, goodwill is subject to annual impairment review on an annual basis, or more frequently where indicators of impairment exist. The Group has considered if indicators of impairment exist with regard to a number of external factors, including the recent increases in the long-term risk-free investment rates and increased uncertainty in the wider macroeconomic environment. Management concluded that these factors are indicators of impairment and consequently, a full impairment review was undertaken per IAS 36.

As a result of the impairment review, for the UK & Ireland operating segment where £1,840m of goodwill was allocated, a non-cash impairment charge of £511m has been recognised, bringing the goodwill balance to £1,329m. This was mainly due to a material increase in discount rate reflecting increased market risk and volatility, and partly due to the short-to-medium term macroeconomic uncertainty which has been factored into the Group's business plans. In accordance with IFRIC 10, the impairment loss recognised in this period shall not be reversed in a future period.

Key assumptions

The key assumptions used in calculating VIU are:

- management's sales and costs projections;
- the long-term growth rate beyond the plan period; and
- the pre-tax discount rate.

For the annual impairment test conducted in the period ended 30 April 2022 the strategic plan covered a three-year period. For the period ended 29 April 2023 the updated strategic plan was overlaid to include an additional years four and five due to the short-to-medium term macroeconomic uncertainty in the UK & Ireland and Nordics. Management considers the five-year outlook a more accurate representation of the steady-state level of return expected in the longer-term. As a result, this is a more appropriate basis on which to calculate the VIU.

The long-term sales and cost projections are based on the Board approved extended plan. The projections consider the outlook for addressable markets and the relative performance of competitors, together with management's views on the future achievable growth in market share and impact of the committed initiatives, including the Group's commitment to long-term sustainability targets. The likely impact of climate change on discounted cashflows has been assessed as immaterial. In forming these projections, management draws on past experience as a measure to forecast future performance. The cash flows include ongoing capital expenditure required to maintain the store network and e-commerce channels in order to operate the omnichannel businesses and to compete in their respective markets. A key component in determining the expected cash flows is the forecast operating profit in 2027/28, which drives the terminal value in the value in use calculation.

Other key assumptions comprise the long-term growth rate and pre-tax discount rate. Growth rates used were derived from third-party long-term growth rate forecasts and are based on the GDP growth rate for the territories in which the businesses operate. The compound annual growth rate in sales and costs can rise as well as fall year-on-year depending not only on the year five targets, but also on the current financial year base.

The value attributed to these assumptions for the most significant components of goodwill are as follows:

	29 April 2023				30 April 2022			
	Compound annual growth in sales	Compound annual growth in costs	Long-term growth rate	Pre-tax discount rate	Compound annual growth in sales	Compound annual growth in costs	Long-term growth rate	Pre-tax discount rate
UK & Ireland	1.4%	1.3%	1.6%	12.2%	2.7%	2.0%	1.5%	10.6%
Nordics	4.4%	3.6%	1.5%	10.8%	0.7%	0.5%	1.8%	9.6%

In line with the assumptions noted above the Group undertook an impairment review of both the UK & Ireland and Nordic CGUs at the interim reporting period, prepared using the methodology required by IAS 36. This showed a carrying value of £511m above the value in use of UK & Ireland CGU and accordingly the goodwill attributable to this CGU was impaired by this amount. This was mainly due to a material increase in discount rate reflecting increased market risk and volatility, and partly due to the short-to-medium term macroeconomic uncertainty which has been factored into the Group's business plans. The calculation of the value in use of the Nordics CGU at the interim reporting period showed headroom of £356m above the carrying amount and therefore no impairment was recognised.

Notes to the Group Financial Statements continued

8 Goodwill continued

b) Goodwill impairment testing continued

Another review was performed at period-end which reflected headroom from the value in use of £232m above the carrying value of the UK & Ireland CGU and headroom of £175m above the carrying value of the Nordics CGU. The increased headroom on the UK & Ireland impairment test at the period end compared to the interim reporting period has been driven by a reduction in the discount rate and improved cash flow forecasts as a result of the positive progress made to improve margins in the UK & Ireland. The headroom on the Nordics impairment test has reduced due to a reduction in forecast cash flows in light of the continued challenges in the Nordics market. In accordance with IFRIC 10, none of the impairment recognised at the interim was reversed.

c) Goodwill impairment sensitivity analysis

In accordance with IAS 36, the Group performed sensitivity analysis on the estimates of recoverable amounts and found that the excess of recoverable amount over the carrying amount of the UK & Ireland and Nordics CGU's would be reduced to nil as a result of a reasonably possible change in these key assumptions noted above. A summary of the impact of these key assumptions is as follows:

CGU	Key assumption for VIU	Reasonably possible change required to reduce carrying value to nil
UK & Ireland	Operating profit in 2027/28	If the operating profit in 2027/28, which drives the terminal value in the VIU, reduced by 17.7%, this would reduce the recoverable amount to equal the carrying amount.
	Long-term growth rate	If the long-term growth rate applied to the expected cash flows in the VIU was decreased to (0.7)%, this would reduce the recoverable amount to equal the carrying amount.
	Pre-tax discount rate	If the pre-tax discount rate applied to the expected cash flows in the VIU was increased to 13.6%, this would reduce the recoverable amount to equal the carrying amount.
Nordics	Operating profit in 2027/28	If the operating profit in 2027/28, which drives the terminal value in the VIU, reduced by 15.9%, this would reduce the recoverable amount to equal the carrying amount.
	Long-term growth rate	If the long-term growth rate applied to the expected cash flows in the VIU was decreased to (0.3)%, this would reduce the recoverable amount to equal the carrying amount.
	Pre-tax discount rate	If the pre-tax discount rate applied to the expected cash flows in the VIU was increased to 12%, this would reduce the recoverable amount to equal the carrying amount.

As explained above, the recoverable amount as at period-end, based on value in use, results in headroom of £232m above the carrying amount of UK & Ireland CGU and £175m above the carrying amount of the Nordics CGU. Reasonably plausible changes in assumptions for both CGUs could lead to a material impairment in the future, as demonstrated by the sensitivity analysis below:

Key assumption	Sensitivity applied	UK & Ireland CGU		Nordics CGU	
		Headroom/ (Impairment) £m	Movement £m	Headroom/ (Impairment) £m	Movement £m
Operating profit in 2027/28	Increase of 20%	494	262	396	221
	Decrease of 20%	(30)	(262)	(46)	(221)
Long-term growth rate	Increase of 0.2%	257	25	199	24
	Decrease of 0.2%	208	(24)	152	(23)
Pre-tax discount rate	Increase of 2.0%	(74)	(306)	(100)	(275)
	Decrease of 2.0%	677	445	596	421



9 Intangible assets

Accounting policies

Acquisition intangibles

Acquisition intangibles comprise brand names and customer relationships purchased as part of acquisitions of businesses and are capitalised and amortised over their useful economic lives on a straight-line basis. These intangible assets are stated at cost less accumulated amortisation and, where appropriate, provision for impairment in value or estimated loss on disposal. Amortisation is provided to write off the cost of assets on a straight-line basis as follows:

Brands	7.0% – 13.3% per annum
Customer relationships	13.3% per annum

This amortisation is included in the income statement as an administrative expense and, as further described in note A4 in the Glossary and definitions, this is recognised as an adjusting item.

Software and licences

Software and licences include costs incurred to acquire the assets as well as internal infrastructure and design costs incurred in the development of software in order to bring the assets into use.

Internally generated software is recognised as an intangible asset only if it can be separately identified, it is probable that the asset will generate future economic benefits which exceed one year, and the development cost can be measured reliably. Where these conditions are not met, development expenditure is recognised as an expense in the period in which it is incurred. Costs associated with maintaining computer software are recognised as an expense as incurred unless they increase the future economic benefits of the asset, in which case they are capitalised.

The expenditure capitalised includes the cost of materials and incremental direct labour. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Software is stated at cost less accumulated amortisation and, where appropriate, provision for impairment in value or estimated loss on disposal. Amortisation is provided and recorded in administrative expenses to write off the cost of assets on a straight-line basis as follows:

Software and licences	10.0% – 33.3% per annum
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Intangible assets are assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable. Where assets are to be taken out of use, an impairment charge is levied. Where the intangible assets form part of a separate CGU, such as a store or business unit, and business indicators exist which could lead to the conclusions that the net book value is not supportable, the recoverable amount of the CGU is determined by calculating its value in use. The value in use is calculated by applying discounted cash flow modelling to management's projection of future profitability and any impairment is determined by comparing the net book value with the value in use.

Cloud software licence agreements

Licence agreements to use cloud software are treated as service contracts and expensed in the consolidated income statement, unless the Group has both a contractual right to take possession of the software at any time without significant penalty, and the ability to run the software independently of the host vendor. In such cases the licence agreement is capitalised as software within intangible assets. Costs to configure or customise a cloud software licence are expensed alongside the related service contract in the consolidated income statement, unless they create a separately identifiable resource controlled by the Group, in which case they are capitalised.

Notes to the Group Financial Statements continued

9 Intangible assets continued

	Acquisition intangibles			Software and licences £m	Total £m
	Brands £m	Customer relationships £m	Sub-total £m		
Balance at 30 April 2022	164	–	164	221	385
Additions*	–	–	–	66	66
Amortisation	(23)	–	(23)	(64)	(87)
Impairment	–	–	–	(4)	(4)
Foreign exchange	(2)	–	(2)	(8)	(10)
Balance at 29 April 2023	139	–	139	211	350
Cost	367	73	440	601	1,041
Accumulated amortisation and impairment losses	(228)	(73)	(301)	(390)	(691)
Balance at 29 April 2023	139	–	139	211	350
Included in net book value as at 29 April 2023					
Assets under construction	–	–	–	9	9

	Acquisition intangibles			Software and licences £m	Total £m
	Brands £m	Customer relationships £m	Sub-total £m		
Balance at 1 May 2021	191	–	191	235	426
Additions*	–	–	–	83	83
Amortisation	(24)	–	(24)	(62)	(86)
Impairment	–	–	–	(32)	(32)
Foreign exchange	(3)	–	(3)	(3)	(6)
Balance at 30 April 2022	164	–	164	221	385
Cost	369	73	442	883	1,325
Accumulated amortisation and impairment losses	(205)	(73)	(278)	(662)	(940)
Balance at 30 April 2022	164	–	164	221	385
Included in net book value as at 30 April 2022					
Assets under construction	–	–	–	9	9

* Software and licences additions predominantly relate to internal development costs.

During the period ended 29 April 2023, an impairment of £4m was recognised on IT assets where development on ancillary features has discontinued in the Nordics.

During the prior period ended 30 April 2022, an impairment of £24m was recognised over software and licences in the UK & Ireland segment following the decision to stop selling its credit-based mobile offer. A further £8m impairment was recognised on intangible assets in the UK & Ireland segment related to software development costs, as the Group moved towards best-in-class cloud-based solutions to achieve operational efficiencies and improve the customer journey. The assets impaired had a recoverable amount based on VIU of £nil.

Further information on the impairments recognised in the period is disclosed in note A4 in the Glossary and definitions.

Individually material intangible assets

Brands are included in intangible assets are considered individually material to the financial statements. The primary intangible assets, their net book values and remaining amortisation periods are as follows:

	29 April 2023		30 April 2022	
	Net book value £m	Remaining amortisation period Years	Net book value £m	Remaining amortisation period Years
Currys	71	7	83	8
Elgiganten	31	7	36	8
Elkjøp	20	7	27	8
Gigantti	17	7	18	8



10 Property, plant & equipment

Accounting policies

Property, plant & equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Assets under construction are held at cost less any accumulated impairment losses. Cost includes the original purchase price of the asset, costs attributable to bringing the asset to the location and condition necessary for intended use and any capitalised borrowing costs. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates while maintenance related costs are recognised in the income statement when incurred.

With the exception of land, depreciation is provided to write off the cost of the assets over their expected useful lives from the date the asset was brought into use or capable of being used on a straight-line basis. Rates applied to different classes of property, plant & equipment are as follows:

Land and buildings	1.7% – 4.0% per annum
Fixtures, fittings and other equipment	10.0% – 33.3% per annum

Property, plant & equipment are assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable. Where assets are to be taken out of use, an impairment charge is levied. Where the property, plant & equipment form part of a separate CGU, such as a store, and business indicators exist which could lead to the conclusions that the net book value is not supportable, the recoverable amount of the CGU is determined by calculating its value in use. The value in use is calculated by applying discounted cash flow modelling to management's projection of future profitability and any impairment is determined by comparing the net book value with the value in use.

	Land and buildings £m	Fixtures, fittings and other equipment £m	Total £m
Balance at 30 April 2022	36	126	162
Additions	18	30	48
Reclassification	16	(16)	–
Depreciation	(8)	(44)	(52)
Impairment	–	–	–
Foreign exchange	–	(3)	(3)
Balance as at 29 April 2023	62	93	155
Cost	138	578	716
Accumulated depreciation	(76)	(485)	(561)
Balance as at 29 April 2023	62	93	155
Included in net book value as at 29 April 2023			
Assets under construction	–	4	4
	Land and buildings £m	Fixtures, fittings and other equipment £m	Total £m
Balance at 1 May 2021	28	156	184
Additions	20	30	50
Depreciation	(8)	(54)	(62)
Impairment	(4)	(2)	(6)
Foreign exchange	–	(4)	(4)
Balance as at 30 April 2022	36	126	162
Cost	70	681	751
Accumulated depreciation	(34)	(555)	(589)
Balance as at 30 April 2022	36	126	162
Included in net book value as at 30 April 2022			
Assets under construction	–	8	8

During the prior period ended 30 April 2022 the Group announced that, as part of its hybrid-working policy, it would close its Acton Campus and relocate to facilities operated by WeWork. As a result of this announcement an impairment charge of £6m on property, plant & equipment was recognised in the UK & Ireland segment.

Notes to the Group Financial Statements continued

11 Right-of-use assets

Accounting policies

Right-of-use assets are recognised at the commencement of the lease, when the underlying asset becomes available for use, and comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, any initial direct costs less any lease incentives received upon initial recognition. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any subsequent remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter period of lease term and useful life of the underlying asset.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

	29 April 2023 £m	30 April 2022 £m
Land and buildings	967	983
Vehicles, equipment and other	28	24
	995	1,007

Additions to the right-of-use assets for the period were £205m (2021/22: £187m).

The total cash outflow against lease liabilities amounts to £285m (2021/22: £278m).

Amounts recognised in the consolidated income statement	29 April 2023 £m	30 April 2022 £m
Depreciation expense on right-of-use assets:		
Land and buildings	184	180
Vehicles, equipment and other	10	10
Total depreciation on right-of-use assets	194	190
Impairment of right-of-use assets	5	42
Impairment reversal of right-of-use assets	-	(15)
Interest expense on lease liabilities	68	70
Expense relating to short-term leases	9	11
Expense relating to leases of low value assets	1	1
Expense relating to variable lease payments not included in the measurement of the lease liability	2	2

During the period ended 29 April 2023 the group recognised an impairment of £3m relating to store closures and downsizes in the Nordics. A £2m impairment was recognised on non-trading properties in the UK as part of the strategic change programme. There is no reasonable change in assumptions that would lead to a material change in the impairment of right-of-use assets.

In March 2022 as part of its hybrid-working policy the Group announced it would close its Acton Campus and relocate to facilities operated by WeWork. As a result of this announcement, an impairment of £25m was recognised over right-of-use assets. The lease contains a lessor-only break option which, if exercised, could result in a material lease remeasurement and reversal of impairment in a future period. In addition, during the prior period the Group negotiated an early termination settlement on a non-trading lease premises which resulted in an impairment to right-of-use assets of £2m. A further £15m impairment charge was recognised over store assets within the UK as a result of the impact of changing consumer habits on our omnichannel business. Also, in the prior period an impairment reversal (credit) of £15m was recognised on store assets which had been impaired in a prior period but where indicators of impairment no longer existed.



12 Lease receivables

Accounting policies

A lease is classified as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Group as a lessor

The Group is a lessor predominantly when subleasing retail store properties that are no longer open for trading. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Under IFRS 16, an intermediate lessor accounts for the head lease and sublease as two separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease. The Group's finance lease arrangements do not include variable payments.

	29 April 2023 £m	30 April 2022 £m
Net investment in the lease analysed as:		
Recoverable after 12 months	4	3
Recoverable within 12 months	1	1
	5	4

The Group applies the simplified model in accordance with IFRS 9 to recognise lifetime expected credit losses on lease receivables. The value of the expected credit loss on lease receivables is immaterial.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in functional currency.

	29 April 2023 £m	30 April 2022 £m
Undiscounted amounts receivable under finance leases:		
Year 1	2	1
Year 2	2	1
Year 3	1	1
Year 4	1	1
Year 5	–	1
Onwards	–	–
Undiscounted amounts receivable	6	5
Less: unearned finance income	(1)	(1)
Net investment in the lease	5	4

Notes to the Group Financial Statements continued

13 Inventory

Accounting policies

Inventories are stated at the lower of cost and net realisable value, and on a weighted average cost basis. Cost comprises direct purchase cost and those overheads that have been incurred in bringing the inventories to their present location and condition, less any attributable discounts and income received from suppliers in respect of that inventory. Net realisable value is based on estimated selling price, less further costs expected to be incurred on disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Certain purchases of inventories may be subject to cash flow hedges to address foreign exchange risk. Where this is the case a basis adjustment is made; the initial cost of hedged inventory is adjusted by the associated gain or loss transferred from the cash flow hedge reserve.

	29 April 2023 £m	30 April 2022 £m
Finished goods and goods for resale	1,151	1,286

14 Trade and other receivables

Accounting policies

Trade receivables are initially measured at their transaction price. Where there is a significant financing component, trade and other receivables are discounted at contract inception using a discount rate that is at an arm's length basis and such that would be reflected in a separate financing transaction between the Group and the customer. Other receivables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, trade and other receivables are measured at amortised cost. The loss allowance for trade receivables, accrued income and contract assets is measured using the simplified approach (lifetime expected credit losses). Loss allowance for other debtors is measured using 12-month expected credit losses unless there is a significant increase in credit risk and then the loss allowance is measured using lifetime expected credit losses. See note 23 for further disclosures.

	29 April 2023 £m	30 April 2022 £m
Trade receivables	341	375
Less expected credit loss allowances	(27)	(24)
	314	351
Contract assets	104	180
Prepayments	74	81
Other receivables	67	56
Accrued income	220	151
	779	819
Non-current	148	123
Current	631	696
	779	819

The majority of trade and other receivables are non-interest bearing. Non-current receivables mainly comprise commission receivable on sales.



14 Trade and other receivables continued

As set out in the table below, adjustments are made in the trade receivables balance for expected credit loss allowances.

	29 April 2023			30 April 2022		
	Gross trade receivables £m	Expected credit loss allowances £m	Net trade receivables £m	Gross trade receivables £m	Expected credit loss allowances £m	Net trade receivables £m
Ageing of gross trade receivables and expected credit loss allowances:						
Not yet due	255	(1)	254	303	(1)	302
Past due:						
Under two months	26	(1)	25	29	(1)	28
Two to four months	16	(3)	13	6	(1)	5
Over four months	44	(22)	22	37	(21)	16
	86	(26)	60	72	(23)	49
	341	(27)	314	375	(24)	351

Movements in the expected credit loss allowances for trade receivables is as follows:

	29 April 2023 £m	30 April 2022 £m
Opening balance	(24)	(21)
Charged to the income statement	(7)	(10)
Receivables written off as irrecoverable	4	3
Amounts recovered during the period	-	4
Disposal of business	-	-
Closing balance	(27)	(24)

Management also consider the counterparty risk relating to its accrued income balance, which comprises amounts where the Group has fulfilled its performance obligations but not yet invoiced the customer. The amounts are primarily due from large multinationals and blue chip companies and hence the loss allowances made are not material. Further details with regards to trade receivables credit risk are included in note 23.

Contract assets

	29 April 2023 £m	30 April 2022 £m
Insurance commission contract assets	3	5
Network commission contract assets	101	175
	104	180

The Group recognises contract assets where the performance obligations have been met but the right to consideration from the customer is conditional on something other than the passage of time. This occurs on both insurance commission revenue and network commission revenue as detailed in the accounting policies in note 3.

Upon the initial recognition of revenue from contracts with customers, the Group considers the risk profile for amounts due from network and insurance customers based on historical experience and forward-looking information in accordance with IFRS 15. As such, credit risk is factored into the initial recognition of revenue, while contract assets are adjusted at each reporting date to reflect the future expected value. Therefore, no further expected credit loss is recognised as it is included within the initial measurement of the Group's contract assets. Further information is disclosed in note 23, while additional information on the measurement of expected consideration is detailed below.

Notes to the Group Financial Statements continued

14 Trade and other receivables continued

Network commission contract assets and receivables

As described in the accounting policies in note 3, the revenue earned by the Group for the acquisition of consumers on behalf of the third-party network operator is subject to variable consideration. Some consideration is paid by the MNO at the time of connection with the remainder paid over the duration of the consumer's contractual relationship.

Under IFRS 15: 'Revenue from Contracts with Customers' the Group only recognises revenue to the extent that it is highly probable that there will not be a significant reversal in the future. In determining the amount of revenue to recognise, the Group estimates the amount that it expects to receive in respect of each consumer based on historical trends and anticipated changes in consumer behaviour.

A discounted cash flow methodology is used to measure the expected consideration, by estimating all future cash flows that will be received from the MNO and discounting these based on the timing of receipt. The key inputs to the model are:

- revenue share percentage – the percentage of the consumer's spend (to the MNO) to which the Group is entitled;
- minimum contract period – the length of contract entered into by the consumer;
- out-of-bundle spend – additional spend by the consumer measured as a percentage of contractual spend;
- consumer default rate – rate at which consumers disconnect from the MNO;
- spend beyond the initial contract period – period of time the consumer remains connected to the MNO after the initial contract term; and
- upgrade propensity – the percentage of consumers initially connected by the Group estimated to be subsequently upgraded by the MNO.

Having estimated the expected consideration, the Group applies a constraint to reduce it to a level where any future significant reversal of revenue would be considered highly improbable. In the current period ended 29 April 2023, the net revaluation recognised from performance obligations satisfied in previous periods was an increase of £27m (2021/22: £43m).

Amounts recognised in the financial statements in respect of such variable consideration are summarised and reconciled from prior period below:

	Note	29 April 2023 £m	30 April 2022 £m
Gross network commission receivable and contract asset: opening balance	(i)	281	405
Less amounts received in advance from the MNO		(91)	(166)
Net network commission receivable and contract asset: opening balance	(ii)	190	239
Revenue recognised in respect of current period sales	(iii)	247	337
Revaluation of opening network commission contract asset	(iv)	4	22
Revenue recognised/(reversed) in respect of prior period sales not previously included in the estimation of revenue recognised	(v)	23	21
Revenue recognised in respect of prior period sales		27	43
Revenue recognised in the period		274	380
Cash received from MNOs	(vi)	(350)	(431)
Movements due to the effect of discounting		2	2
Net network commission receivable and contract asset: closing balance	(vii)	116	190
Comprising:			
Net network commission receivable and contract asset in less than one year		63	106
Net network commission receivable and contract asset in more than one year		53	84
		116	190
Less amount billed (network commission trade receivable)	(viii)	(15)	(15)
Net network commission contract asset	(ix)	101	175

(i) Net of discounting for the time value of money. The unwind of this discounting is recognised as finance income in the relevant period. The amount of related finance income within the period, as shown in the table above, was £2m (2021/22: £2m).

(ii) Payment terms with the MNOs are based on a mix of cash received upon connection and future payments as the MNOs receives monthly instalments from end consumers over the life of the consumer contract. This balance shows the net amounts receivable from the MNOs. Further information is included below to explain the classification split of this balance between trade receivables and contract assets.

(iii) This relates to revenue recognised from connections made in the current period. This revenue is recognised at point of sale as explained within the accounting policies in note 3. This figure includes in-period adjustments to the carrying value of revenue recognised (net of constraints) where the estimated consideration has changed since point of recognition within the period.

(iv) The Group continues to monitor the level of this revaluation as an indicator of estimation uncertainty in respect of previously recognised variable consideration. The current period reflects a positive revaluation of the prior period contract asset and is what the Group would expect as a result of the variable revenue constraint under IFRS 15. This revaluation of £4m (2021/22: £22m) discussed above is the figure that has historically been used by the Group to monitor the accuracy of assumptions made in previous periods. This amount is presented as the Group has received feedback from certain stakeholders that its separate presentation is helpful, in order to present more clearly the underlying performance in period.



14 Trade and other receivables continued

Network commission contract assets and receivables continued

- (v) These amounts were not previously recognised as revenue due to the application of the constraint (described above) and include a value of £10m (2021/22: £11m) relating to the uplift in the profit share the Group receives associated with RPI on commission receivable where the performance obligations were satisfied in prior periods. These amounts also include other out of period amounts settled with MNOs in respect of prior period transactions of £13m (2021/22: £10m). As the Group does not recognise an estimate of these amounts within revenue at the point of sale, they are recognised in revenue within each financial period once the amounts for that period are known.
- (vi) Cash received in the period.
- (vii) Gross network receivable and contract asset balance of £168m, offset by amounts received in advance of £52m. This is in line with the explanation in (ii) above.
- (viii) Amounts that have been invoiced to the network operators and are no longer conditional on something other than the passage of time. These amounts are therefore classified as trade receivables.
- (ix) This is the contract asset element of the network commissions receivable. This is variable based on future consumer behaviour and hence conditional on something other than the passage of time. Therefore, as per IFRS 15, this is classified as a contract asset.

15 Cash and cash equivalents

Accounting policies

Cash and cash equivalents are classified as held at amortised cost, comprising cash at bank and in hand, bank overdrafts and short-term highly liquid deposits which have an original maturity of less than three months, are available on demand and are subject to an insignificant risk of changes in value. Bank overdrafts, which form part of cash and cash equivalents for the purpose of the cash flow statement, are shown under current liabilities and further disclosed in note 18.

Cash and cash equivalents include restricted cash which predominantly comprises funds held by the Group's insurance businesses to cover regulatory reserve requirements. These funds are not available to offset the Group's borrowings.

The credit card receivable within cash and cash equivalents is settled multiple times per week so is treated as a short term highly liquid investment. There is negligible credit risk associated with this balance.

	29 April 2023 £m	30 April 2022 £m
Cash and cash equivalents	97	126

Included within cash and cash equivalents is £30m (2021/22: £30m) of restricted cash and £52m (2021/22: £68m) of credit card receivable.

16 Trade and other payables

Accounting policies

Trade and other payables are initially recorded at fair value and subsequently measured at amortised cost.

Contract liabilities predominantly relate to the sale of customer support agreements. Revenue is recognised in full as each performance obligation is satisfied under the contracts with the customer. Where consideration is received in advance of the performance of the obligations being satisfied, a contract liability is recognised. Due to the cancellation options and customer refund clauses, contract terms have been assessed to either be monthly or a series of day to day contracts with revenue recognised respectively in the month to which payment relates, or on a straight-line basis.

	29 April 2023		30 April 2022	
	Current £m	Non-current £m	Current £m	Non-current £m
Trade payables	1,439	–	1,614	–
Other taxes and social security	185	–	221	–
Other creditors	1	–	1	–
Contract liabilities	183	94	215	88
Accruals	259	9	317	8
	2,067	103	2,368	96

The carrying amount of trade and other payables approximates their fair value.



Notes to the Group Financial Statements continued

16 Trade and other payables continued

Contract liabilities

	29 April 2023 £m	30 April 2022 £m
Opening balance	303	295
Revenue recognised in the period that was included in the opening balance	(169)	(196)
Increase in contract liabilities in the period not yet recognised in revenue	143	204
Closing balance	277	303

17 Loans and other borrowings

Accounting policies

Borrowings in the Group's balance sheet represent bank loans drawn under committed and uncommitted facilities. Borrowings are initially recorded at fair value less attributable transaction costs. Transaction fees such as bank fees and legal costs associated with the securing of financing are capitalised and amortised through the income statement over the term of the relevant facility. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Bank overdrafts, which form part of cash and cash equivalents for the purpose of the cash flow statement, are classified as held at amortised cost.

	29 April 2023 £m	30 April 2022 £m
Current liabilities		
Bank overdrafts	16	2
	16	2
Non-current liabilities		
Loans and other borrowings	178	80
	194	82

Committed facilities

In April 2021, the Group refinanced its existing debt with two revolving credit facilities which are due to expire in April 2026. In October 2022, the group signed an additional two short-term revolving credit facilities which are due to expire in October 2023. As at 29 April 2023 available facilities totalled £636m (2021/22: £543m) and the Group had drawn down on these facilities by £177m (2021/22: £80m). An additional £1m was drawn in Greece from the EU-supported Recovery and Resilience Facility (RRF) scheme. The Group's facilities available throughout the current and prior period are detailed below.

In April 2021, the Group signed a £200m revolving credit facility with a number of relationship banks which was initially due to expire in April 2025. In April 2022, this facility was extended by one year to expire in April 2026. The interest rate payable for drawings under this facility is at a margin over risk free rates (or other applicable interest basis) for the relevant currency and for the appropriate period. The actual margin applicable to any drawing depends on the fixed charges cover ratio calculated in respect of the most recent accounting period. As a result of the short to medium term macroeconomic uncertainty, Currys has obtained a fixed charge cover covenant relaxation from its banking syndicate covering the October 2023, April 2024, and October 2024 test periods. A non-utilisation fee is payable in respect of amounts available but undrawn under this facility and a utilisation fee is payable when aggregate drawings exceed certain levels. As at 29 April 2023, the Group had drawn down on this facility by £70m (2021/22: £80m).

In April 2021, the Group signed a NOK 4,036m (£301m) (2021/22: £343m) revolving credit facility with a number of relationship banks which was initially due to expire in April 2025. In April 2022, this facility was extended by one year to expire in April 2026. This is on broadly similar terms to the £200m facility. As at 29 April 2023, the Group had drawn down on this facility by NOK 1,435m (£107m) (2021/22: £nil).

In October 2022, the Group signed a £90m revolving credit facility and a NOK 600m (£45m) revolving credit facility with a number of relationship banks to mitigate against any potential short-to-medium term macroeconomic uncertainty. These facilities are for one year, with the option of a further year at the bank's option, and are on broadly similar terms to the £200m facility signed in April 2021. As at 29 April 2023, both facilities remain undrawn.



17 Loans and other borrowings continued

Uncommitted facilities

The Group also has overdrafts and short-term money market lines from UK and European banks denominated in various currencies, all of which are repayable on demand. Interest is charged at the market rates applicable in the countries concerned and these facilities are used to assist in short-term liquidity management. Total available facilities are £70m (2021/22: £70m). As at 29 April 2023 the Group had drawn down on uncommitted facilities by £16m (2021/22: £2m).

All borrowings are unsecured.

18 Lease liabilities

Accounting policies

The Group as a lessee

The Group's leasing activities predominantly relate to retail store properties, distribution properties, and distribution vehicle fleet. The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which comprise IT equipment and small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease with no corresponding right-of-use asset.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implied in the lease and subsequently held at amortised cost in accordance with IFRS 9. The interest rate implied in the lease is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; and a credit risk adjustment. This is the rate that the Group would have to pay for a loan of a similar term, and with similar security, to obtain an asset of similar value.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

	29 April 2023 £m	30 April 2022 £m
Analysed as:		
Current	213	210
Non-current	1,020	1,057
	1,233	1,267



Notes to the Group Financial Statements continued

18 Lease liabilities continued

Total undiscounted future committed payments due are as follows:

	29 April 2023 £m	30 April 2022 £m
Amounts due:		
Year 1	266	260
Year 2	254	236
Year 3	217	222
Year 4	188	187
Year 5	153	161
Onwards	423	485
	1,501	1,551

The Group does not face a significant liquidity risk with regard to its lease liabilities.

19 Provisions

Accounting policies

Provisions are recognised when a legal or constructive obligation exists as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are discounted where the time value of money is considered to be material.

Provisions for onerous contracts are recognised when the Group believes that the unavoidable costs of meeting or exiting the contract exceed the economic benefits expected to be received under the contract. Where the Group has assets dedicated to the fulfilment of a contract that cannot be redirected, an impairment loss is recognised before a separate provision for an onerous contract.

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring, and has raised a valid expectation with those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

All provisions are assessed by reference to the best available information at the balance sheet date. In calculating restructuring provisions, estimates are made for the amount and timing of outflow of economic benefits, however the Group do not consider that the actual future economic outflows will vary materially from the estimated amounts.

	29 April 2023				
	Reorganisation £m	Sales £m	Property £m	Other £m	Total £m
Balance at 30 April 2022	10	13	24	12	59
Additions	17	54	14	-	85
Released in the period	-	(2)	(6)	(7)	(15)
Utilised in the period	(20)	(55)	(5)	(1)	(81)
Balance at 29 April 2023	7	10	27	4	48
Analysed as:					
Current	7	9	23	4	43
Non-current	-	1	4	-	5
	7	10	27	4	48



19 Provisions continued

	30 April 2022				
	Reorganisation £m	Sales £m	Property £m	Other £m	Total £m
Balance at 1 May 2021	10	7	51	17	85
Additions	16	55	–	–	71
Released in the period	(1)	–	(17)	(1)	(19)
Utilised in the period	(15)	(49)	(10)	(4)	(78)
Balance at 30 April 2022	10	13	24	12	59
Analysed as:					
Current	9	12	20	7	48
Non-current	1	1	4	5	11
	10	13	24	12	59

Reorganisation

Reorganisation provisions of £3m were held at the period ended 30 April 2022 following management's decision to stop selling its credit-based mobile offer. This amount represented the unavoidable costs the Group is obligated to pay for services over the following two years which are not applicable to its post-pay mobile offer. As at the period ended 29 April 2023, £2m of this provision had been utilised, and a provision of £1m remains.

The remaining £6m of provision held at the reporting date relates to redundancy costs for employees who are still employed at the reporting date but will be departing within the following 12 months. This includes £4m in relation to the announced reorganisation of the Nordics segment. Reorganisation provisions are only recognised when a detailed formal plan is in place and it has been communicated to those affected. A further £17m has been recognised and a corresponding amount utilised within the financial period as shown above.

Sales

Sales provisions relate to product and service warranties provided for up to one year. The anticipated costs of these are assessed by reference to historical trends and any other information that is considered relevant. Management estimates the related provision for future related claims based on historical information, as well as recent trends that might suggest that past cost information might differ from future claims.

Property

Following the previously announced store closure programmes, the Group has a number of present obligations related to its property portfolio that are explicitly excluded from the measurement of lease liabilities in accordance with IFRS 16. As such, at the reporting date the Group has onerous contracts for unavoidable store closure costs including service fees, legal costs and dilapidations of £19m primarily relating to the Currys PC World 3-in-1 programme and Carphone Warehouse store closures in the UK and Ireland.

Provisions for the costs described above are only recognised where there is a definitive business decision to exit a leased property, it is believed the unavoidable cost of meeting or exiting the obligations exceed the expected benefit to be received and after any impairment being recorded over right-of-use and store-related assets in accordance with IAS 36.

The amounts of future expenditures for store closure costs are reviewed throughout the period and are based on readily available information at the reporting date as well as management's historical experience of similar transactions.

Of the £19m related to closure programmes announced in prior periods, utilisation is to be incurred in conjunction with the profile of the leases to which they relate. The longest lease will unwind over the next seven years. Where appropriate and in the interests of the Group, management will proactively seek to exit any liabilities early. Where there is a substantive expectation that the unavoidable costs provided for will be reduced as a result of exit negotiations, the provision will be remeasured based on the best available information and an amount released, as seen in the period.

In addition, a provision of £8m has been recognised in the reporting period for onerous contracts and unavoidable costs relating to management's decision to close or downsize a number of stores in the Nordics, as announced prior to the reporting date. The utilisation will be incurred in conjunction with the remaining life of the property leases to which the provisions relate. The longest lease will terminate in ten years time.

Notes to the Group Financial Statements continued

19 Provisions continued

Other

Other provisions predominantly relate to regulatory costs. In the period ended 27 April 2019 the Group reported that it was subject to a £29m fine imposed by the FCA following the conclusion of an investigation into historical UK & Ireland Geek Squad mobile phone insurance selling processes for a period prior to June 2015. The Group ran two voluntary customer redress programmes which led to the refund of £1.5m paid in the period ended 2 May 2020.

The Group subsequently received claims from a number of customers who believe they were mis-sold Geek Squad policies. All customer claims were carefully considered by the Group on a case-by-case basis with the majority of claims received being invalid. Nevertheless, at the prior period reporting date the volume and value of outstanding claims remained uncertain and a provision for £11m was in place. During the period ended 29 April 2023, the Group has been advised that, due to the application of limitation periods, no further claims are able to be brought for a large proportion of potential claims and therefore £7m of the provision was released and recognised in the income statement. The remaining £4m relates mostly to potential for fines and future customer claims from the CBI's investigation in the selling of insurance in Ireland between 2008 – 2015. Management estimates the related provision based on historical claims information and applies this against any remaining potential claimants using an expected value approach.

In determining the amounts to be provided management have considered the utilisation profile and do not consider the time value of money to be material.

20 Retirement and other post-employment benefit obligations

Accounting policies

Company contributions to defined contribution pension schemes and contributions made to state pension schemes for certain overseas employees are charged to the income statement on an accruals basis when employees have rendered service entitling them to the contributions.

For defined benefit pension schemes, the difference between the market value of the assets and the present value of the accrued pension liabilities is shown as an asset or liability in the consolidated balance sheet. The calculation of the present value is determined by an independent actuary using the projected unit credit method. The calculation incorporates actuarial assumptions, including the discount rates used to determine the present value of accrued pensions liabilities, inflation assumptions and the life expectancy of members.

Actuarial gains and losses arising from changes in actuarial assumptions together with experience adjustments and actual return on assets are recognised in the consolidated statement of comprehensive income and expensed as they arise. Such amounts are not reclassified to the income statement in subsequent years.

Defined benefit costs recognised in the income statement are comprised mainly of net interest expense or income with such interest being recognised within finance costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset taking into account any changes in the net defined benefit obligation during the year as a result of contribution or benefit payments.

		29 April 2023 £m	30 April 2022 £m
Retirement benefit obligations	– UK	247	257
	– Nordics	1	–
	– Greece	1	–
		249	257

The Group operates a defined benefit scheme and provides defined contribution benefits largely through a Master Trust solution. The defined benefit scheme which operates in the UK holds assets in a separate trustee administered fund. The scheme is managed by a board of trustees and is valued by a qualified actuary who advises the trustees at least every three years, with contributions required being assessed in accordance with the actuary's advice. Since 1 September 2002, the provision of defined benefit pensions for employees in this scheme has been closed to new entrants and on 30 April 2010 was closed to future accrual with automatic provision of defined contribution benefits being offered to those active members of the defined benefit section at that time. Defined contribution benefits are offered to current eligible employees. The Nordic and Greek segments operate small unfunded pension schemes with characteristics of defined benefit schemes. The liabilities of these schemes are shown above. They also operate defined contribution schemes.



20 Retirement and other post-employment benefit obligations continued

Significant events during the period

During the period, there has been a high level of volatility in the UK and wider bond markets. To reduce volatility risk and to hedge the inflation and interest rate risk of the UK defined benefit scheme's liabilities, a liability driven investment ('LDI') strategy forms part of the Trustee's management of the scheme's assets. This is made up of bonds and derivatives. Repurchase agreements are entered into with counterparties to better offset the scheme's exposure to interest rate and inflation risks, whilst allowing the scheme to remain invested in assets of a similar risk profile. Interest rate and inflation rate derivatives are also employed to complement the use of fixed and index-linked bonds in matching the profile of the scheme's liabilities.

During the period, there has been a high level of volatility in the UK and wider bond markets. During September and October 2022 there was a significant increase in long-term interest rates which put strain on the scheme's LDI assets. The scheme's LDI and other assets broadly functioned as intended. However, in order to provide support with the additional collateral calls from the LDI strategy, and in the event of a further sudden spike in bond yields, the Group put in place an arrangement that allowed short-term lending to the scheme if further liquidity was needed. This facility was not utilised and has now terminated.

The trustees and the Group have been working closely together to understand the longer-term impact on the investment strategy and to ensure the scheme's investment objectives are maintained, whilst monitoring the scheme's liquidity position to ensure it remains reasonable. Despite the events of the past year, the scheme's funding status was essentially unchanged. The present value of the scheme's defined benefit obligations fell significantly due to the increased bond yields and the movement in the scheme's assets was broadly the same.

a) Defined contribution pension schemes

The pension charge in respect of defined contribution schemes was £33m (2021/22: £30m).

b) UK defined benefit pension scheme – actuarial valuation and key risks

A full actuarial valuation of the scheme was carried out as at 31 March 2022 and showed a deficit of assets compared with liabilities of £403m. This is a significant improvement from the position as at 31 March 2019 which showed a deficit of £645m, and the scheme is ahead of the expected progress from the full actuarial valuation at 31 March 2019.

As a result, a 'recovery plan' based on this valuation was agreed with the Trustees such that contributions in respect of the scheme were £78m for the 2022/23 financial period, followed by lower contributions of £36m in 2023/24, £50m in 2024/25, and then the resumption of the £78m per annum from 2025/26 to 2027/28 and a final payment of £43m in 2028/29. The next triennial actuarial valuation will be carried out at 31 March 2025.

Key risks

The defined benefit pension schemes expose the Group to actuarial risks such as longer than expected longevity of members, lower than expected return on investments and higher than expected inflation, which may increase the liabilities or reduce the value of assets of the schemes. These are explored further in the table below, including the mitigations employed.

Risk	Description	Mitigation
Investment	The IAS 19 defined benefit obligations are calculated using a discount rate derived from the yield obtained on high quality corporate bonds. If the pension scheme's assets underperform relative to this discount rate, the accounting deficit will increase.	The trustees regularly monitor the funding position and consider their long-term plan to implement a diversified investment portfolio that generates sufficient returns whilst managing the investment risks posed to the scheme.
	If the underperformance of assets also results in a larger deficit for the funding valuation (carried out every 3 years as a minimum), the pension scheme may require additional contributions from the Group.	The Group regularly engages with the trustees on the scheme's investment strategy and its management.
Inflation	The IAS 19 defined benefit obligations are in part linked to inflation. Therefore, a higher expected rate of long-term inflation will result in a higher defined benefit obligation.	As part of the investment strategy implemented by the trustees, inflation risk is mitigated through a liability-driven investment (LDI) portfolio.
	A higher rate of inflation will also increase the Scheme's funding liability, which may require additional contributions from the Group, as a part of discussions on the triennial funding valuation.	The LDI portfolio consists of assets that increase / decrease in value in line with future inflation expectations. The scheme's holding in LDI is designed to hedge a large amount of the scheme's funding liability and thereby mitigate the net impact of any adverse movements in inflation expectations.

Notes to the Group Financial Statements continued

20 Retirement and other post-employment benefit obligations continued

b) UK defined benefit pension scheme – actuarial valuation and key risks continued

Risk	Description	Mitigation
Interest rate	The IAS 19 defined benefit obligations are calculated using a discount rate derived from the yields obtained on corporate bonds of an appropriate duration. If long-term corporate bond yields reduce, the IAS 19 defined benefit obligations will increase. Similarly, a reduction in gilt yields (which are used in part to calculate the liabilities for the funding valuation) will result in a higher funding liability, which may require additional contributions from the Group, as a part of discussions on the triennial funding valuation.	As part of the investment strategy implemented by the trustees, interest rate risk is mitigated through the investment in a liability-driven investment (LDI) portfolio. The LDI portfolio consists of assets that increase / decrease in value in line with interest rate movements. The scheme's holding in LDI is designed to hedge a large amount of the scheme's funding liability and thereby mitigate the impact of any adverse movements in interest rates. However, as the LDI portfolio mitigates the interest risk on the funding basis, deviations between gilt and corporate bond yields can lead to ineffective hedging in respect of the IAS 19 defined benefit obligations. The scheme's credit asset allocation helps provide additional hedging in this area.
Liquidity	The scheme is required to meet ongoing cashflows requirements, including benefit payments to members and collateral calls on the scheme's leveraged investments. There is therefore a risk that the scheme has insufficient liquid assets to meet these obligations.	The scheme operates a collateral adequacy framework which ensures there are sufficient levels of liquid assets to meet ongoing cashflows requirements, even in times of market distress. This framework was utilised following the events of the September 2022 mini-budget and supported the scheme well during this volatile period. The framework is regularly assessed and appropriately managed.
Longevity	The scheme provides pensions benefits for the duration of a member's life and typically to any surviving spouse. Therefore, an increase in life expectancy will result in higher IAS 19 defined benefit obligations.	The trustees and the Group regularly monitor the outlook for future life expectancy and the impact this might have on the defined benefit obligations.
Legislation	The scheme is exposed to the risk that new legislation or regulation could impact the valuation of the scheme's liabilities in the future.	The trustees and the Group regularly monitor this and are kept up to date by their advisors on ongoing changes in legislation and regulation, including the impact of these to the scheme and the associated liabilities.

c) UK Defined benefit pension scheme – IAS 19

The following summarises the components of net defined benefit expense recognised in the consolidated income statement, the funded status and amounts recognised in the consolidated balance sheet and other amounts recognised in the consolidated statement of comprehensive income. The methods set out in IAS 19 are different from those used by the scheme actuaries in determining funding arrangements.

(i) Principal assumptions adopted

The assumptions used in calculating the expenses and obligations are set by the directors after consultation with the independent actuary.

Rates per annum	29 April 2023	30 April 2022
Discount rate	4.85%	3.05%
Rate of increase in pensions in payment/deferred pensions (pre/post April 2006 accrual)	3.05%/2.15%	3.30%/2.25%
Inflation	3.10%	3.40%

The Group uses demographic assumptions underlying the formal actuarial valuation of the scheme as at 31 March 2022. Post-retirement mortality has been assumed to follow the standard mortality tables 'S3' All Pensioners tables published by the CMI, based on the experience of Self-Administered Pension Schemes ('SAPS') with multipliers of 107% for males and 101% for females. The multipliers have been revised from the 2021/22 assumptions where 108% and 104% were used respectively.



20 Retirement and other post-employment benefit obligations continued

c) UK Defined benefit pension scheme – IAS 19 continued

An allowance has been made for future improvements in longevity by using the CMI 2021 Core projections model with a long-term rate of improvement of 1.5% per annum for men and 1.25% per annum for women. While the longer-term implications of the Covid-19 pandemic on future life expectancy are far from certain, there is further evidence emerging that there will be some impact that appears akin to a pause in the pace of longevity improvement. As such, a weighting of 10% has been included for mortality data experience in 2020 and 2021.

Applying such tables results in an average expected longevity of between 86.2 years and 87.8 years for men and between 89.0 years and 90.4 years for women for those reaching 65 over the next 20 years. At 30 April 2022 and based on the previous assumptions used, the average expected longevity was between 86.5 years and 88.1 years for men and between 89.0 years and 90.5 years for women for those reaching 65 over the next 20 years.

(ii) Amounts recognised in the consolidated income statement

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Past service cost	–	–
Net interest expense on defined benefit obligation	7	8
Total expense recognised in the income statement	7	8

(iii) Amounts recognised in other comprehensive income

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Remeasurement of defined benefit obligation – actuarial gains/(losses) arising from:		
Changes in demographic assumptions	15	3
Changes in financial assumptions	473	334
Experience adjustments	(90)	(85)
Remeasurement of scheme assets:		
Actual return on plan assets (excluding amounts included in net interest expense)	(459)	(96)
Cumulative actuarial (loss)/gain	(61)	156

(iv) Amounts recognised in the consolidated balance sheet

	29 April 2023 £m	30 April 2022 £m
Present value of defined benefit obligations	(1,222)	(1,620)
Fair value of plan assets	975	1,363
Net obligation	(247)	(257)

Changes in the present value of the defined benefit obligation:

	29 April 2023 £m	30 April 2022 £m
Opening obligation	1,620	1,885
Past service cost	–	–
Interest cost	49	35
Remeasurements in other comprehensive income – actuarial (gains)/losses arising from changes in:		
Demographic assumptions	(15)	(3)
Financial assumptions	(473)	(334)
Experience adjustments	90	85
Benefits paid	(49)	(49)
Closing obligation	1,222	1,620

Notes to the Group Financial Statements continued

20 Retirement and other post-employment benefit obligations continued

c) UK Defined benefit pension scheme – IAS 19 continued

(iv) Amounts recognised in the consolidated balance sheet continued

The weighted average maturity profile of the defined benefit obligation at the end of the year is 16 years (2021/22: 20 years), comprising an average maturity of 20 years for deferred members and 10 years for pensioners. These figures have fallen significantly during 2022 due to the rise in long-term interest rates bringing forward the weighted average maturity profile of the scheme.

The experience adjustments for 2022/23 relate to higher than assumed inflation over the period and the impact on actual pension increases during this period. An allowance for new membership data as a part of the 2022 full actuarial valuation has also been made within these results.

Changes in the fair value of the scheme assets:

	29 April 2023 £m	30 April 2022 £m
Opening fair value	1,363	1,403
Interest income	42	27
Employer contributions	78	78
Remeasurements in other comprehensive income:		
Actual return on plan assets (excluding interest income)	(459)	(96)
Benefits paid	(49)	(49)
Closing fair value	975	1,363

Analysis of scheme assets:

		29 April 2023 £m	30 April 2022 £m
Credit funds	– Listed	143	215
	– Unlisted	221	226
Private equity	– Unlisted	8	10
Corporate bonds	– Listed	–	–
Other credit linked funds*	– Listed	–	426
	– Unlisted	–	–
Liability driven investments ('LDIs')*	– Listed	713	819
	– Unlisted	(256)	(599)
Synthetic equity*	– Unlisted	122	250
Cash and cash instruments	– Listed	–	–
	– Unlisted	24	15
Other	– Unlisted	–	1
		975	1,363

* These assets are managed together as part of one investment portfolio.

The table above provides the market value of the scheme assets split into key categories as at 29 April 2023. The scheme's investment strategy is to:

- gain economic exposure to equity markets equivalent to a third of its assets through derivatives;
- invest a third of its assets in credit markets; and
- use a third of its assets to hedge inflation and interest rate risk, through a leveraged LDI strategy.

The scheme invests part of its assets in a bespoke fund to achieve this strategy. The fund consists of a synthetic (i.e. leveraged) equity portfolio, a credit portfolio and a liability hedging portfolio. The synthetic equity portfolio uses equity total return swaps and equity futures to provide economic exposure to a range of equity markets while the credit portfolio provides economic exposure to short duration global credit. The objective of the LDI strategy is to broadly hedge the scheme's liabilities against inflation and interest rate risk up to the value of the scheme's assets. This helps minimise the risk the mismatching between changes in the scheme's assets and liabilities.

The credit fund allocation includes investments within a buy and maintain credit fund (11% of total assets), a multi-asset credit fund and several types of private credit funds.



20 Retirement and other post-employment benefit obligations continued

c) UK Defined benefit pension scheme – IAS 19 continued

(iv) Amounts recognised in the consolidated balance sheet continued

In the fair value hierarchy, listed investments are categorised as level 1. Unlisted investments (including unlisted LDIs and synthetic equity) relate to derivatives, which are categorised as level 2, and private credit and private equity funds which are categorised as level 3. Private credit investments are valued by aggregating quotes from brokers where this information is available. If this information is not available, investments are valued at the last available date of each investment plus any subsequent known movements including distributions (for example, with the private credit funds). Private equity fund valuations are based on the last audited accounts of each investment with an allowance for broad movements in market indices and any known movements including distributions since the last available accounts.

The investment strategy of the scheme is determined by the trustees based on advice provided by an independent investment consultant. The Trustee's objective is to achieve an above average long-term return on the scheme's assets from a mixture of capital growth and income, whilst managing investment risk and ensuring the strategy remains within the guidelines set out in the Pensions Act 1995 and 2004 and the scheme's statement of investment principles. In setting the strategy, the nature and duration of the scheme's liabilities are taken into account, ensuring that an integrated approach is taken to investment risk and both short-term and long-term funding requirements. The scheme invests in a diverse range of asset classes as set out above with matching assets primarily comprising holdings in inflation linked gilts, corporate bonds and liability driven investments.

Actual return on the scheme assets was a loss of £459m (2021/22: loss of £96m). A large part of this related to the LDI strategy, with the strategy resulting in a loss of value over the period in line with the scheme's liability movement due to changes in financial conditions over the period.

(v) Sensitivities

The value of the UK defined benefit pension scheme assets is sensitive to market conditions.

Changes in assumptions used for determining retirement benefit costs and liabilities may have a material impact on the 2022/23 income statement and the balance sheet. The main assumptions are the discount rate, the rate of inflation and the assumed life expectancy. The following table provides an estimate of the potential liability impacts of each of these variables if applied to the current period consolidated income statement and consolidated balance sheet.

Note that due to the inclusion of an LDI strategy as part of the scheme's assets, the strategy intends for fluctuations in the liability due to discount and inflation variances to largely be offset by movements in the LDI. The sensitivity analysis below does not make any allowance for this impact or the impact on the total fair value of the plan assets.

Positive/(negative) effect	Net finance costs impact		Liability impact	
	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Discount rate: 1% increase	9	5	161	280
Inflation rate: 1% increase*	(7)	(7)	(182)	(277)
Life expectancy: 1-year increase	(2)	(1)	(49)	(65)

* The increase in scheme benefits provided to members on retirement is subject to an inflation cap.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

21 Share capital, retained earnings and reserves

a) Share capital

	29 April 2023 million	30 April 2022 million	29 April 2023 £m	30 April 2022 £m
Authorised, allotted, called-up and fully paid ordinary shares of 0.1p each	1,133	1,133	1	1
Ordinary shares of 0.1p each in issue at the beginning of the period	1,133	1,166	1	1
Issued during the period	–	–	–	–
Repurchased and cancelled during the period	–	(33)	–	–
Ordinary shares of 0.1p each in issue at the end of the period	1,133	1,133	1	1

Notes to the Group Financial Statements continued

21 Share capital, retained earnings and reserves continued

a) Share capital continued

During the period to 30 April 2022 the Company bought back 32,963,792 ordinary shares of 0.1p each. The Company paid cash consideration of £32m at an average price of 98p per ordinary share. The repurchased shares were cancelled in the period to 30 April 2022, with the nominal value of the cancelled shares transferred to the capital redemption reserve.

b) Retained earnings and reserves

Movements in retained earnings and reserves during the reported periods are presented in the consolidated statement of changes in equity. Movements within the individual reserves are as follows:

	Hedging reserve £m	Treasury share reserve £m	Investment in own share reserve £m	Translation reserve £m	Demerger reserve £m	Total £m
As at 1 May 2021	(8)	–	(22)	16	(750)	(764)
Other comprehensive income and expense recognised directly in equity	(17)	–	–	(33)	–	(50)
Amounts transferred to the carrying value of inventory purchased during the period	28	–	–	–	–	28
Amounts transferred to accumulated profits	–	–	24	–	–	24
Purchase of own shares – EBT	–	–	(41)	–	–	(41)
Purchase of own shares – share buyback	–	(32)	–	–	–	(32)
Cancellation of treasury shares	–	32	–	–	–	32
As at 30 April 2022	3	–	(39)	(17)	(750)	(803)
Other comprehensive income and expense recognised directly in equity	14	–	–	(5)	–	9
Amounts transferred to the carrying value of inventory purchased during the period	(19)	–	–	–	–	(19)
Amounts transferred to accumulated profits	–	–	13	–	–	13
Purchase of own shares – EBT	–	–	(4)	–	–	(4)
Purchase of own shares – share buyback	–	–	–	–	–	–
Cancellation of treasury shares	–	–	–	–	–	–
As at 29 April 2023	(2)	–	(30)	(22)	(750)	(804)

Hedging reserve

The hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of inventory or reclassified to profit or loss as appropriate.

Treasury share reserve

The treasury share reserve represents the repurchase of shares recognised as equity in the parent company, Currys plc. Repurchased shares are classified as treasury shares and presented in the treasury share reserve at cost, inclusive of any directly attributable cost as disclosed above, as a deduction in total equity. When treasury shares are cancelled, the cost of those cancelled is transferred to accumulated profits.

For the period ending 30 April 2022, all shares purchased by the Company as treasury shares were done so as part of the buyback programme previously announced on 4 November 2021. All shares purchased in treasury during the period were subsequently cancelled.

Investment in own shares reserve

The investment in own shares reserve is used to recognise the cost of shares in the Company held by the EBT. As further disclosed in note 4c the shares held by the EBT are purchased in order to satisfy share option and SAYE plans issued by the Company as part of employee share incentive schemes.

When shares are issued by the EBT to employees in order to satisfy employee share awards, the cost of these shares is transferred to accumulated profits.

Translation reserve

The translation reserve accumulates exchange differences arising on translation of foreign subsidiaries which are recognised in other comprehensive income. The cumulative amount is reclassified to accumulated profits when the related net investment is disposed of.

Demerger reserve

The demerger reserve arose as part of the demerger of the Group from TalkTalk in 2010.



22 Equity dividends

	29 April 2023 £m	30 April 2022 £m
Final dividend for the period ended 1 May 2021 of 3.00p per ordinary share	–	34
Interim dividend for the period ended 30 April 2022 of 1.00p per ordinary share	–	12
Final dividend for the period ended 30 April 2022 of 2.15p per ordinary share	24	–
Interim dividend for the period ended 29 April 2023 of 1.00p per ordinary share	11	–
Amounts recognised as distributions to equity shareholders in the period – on ordinary shares of 0.1p each	35	46

The final dividend proposed for the period ended 29 April 2023 is nil:

	£m
Final dividend for the period ended 29 April 2023 of nil per ordinary share	–

23 Financial risk management and derivative financial instruments

Accounting policies

Non-derivative financial assets

Financial assets are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the investment. The Group's financial assets comprise cash and cash equivalents, and receivables which involve a contractual right to receive cash from external parties. Financial assets comprise all items shown in notes 12, 14 and 15 with the exception of prepayments and contract assets.

When the Group recognises a financial asset, it classifies it in accordance with IFRS 9 depending on the Group's intention with regard to the collection, or sale, of contractual cash flows and whether the financial asset's cash flows relate solely to the payment of principal and interest on principal outstanding. All of the Group's assets measured at amortised cost are subject to impairments driven by the expected credit loss model as further stipulated in note 14 and below.

Financial assets are derecognised when the contractual rights to the cash flows expire or the Group has transferred the financial asset in a way that qualifies for derecognition in accordance with IFRS 9.

The Group reviews several factors when considering a significant increase in credit risk including but not limited to: credit rating changes; adverse changes in general economic and/or market conditions; and material changes in the operating results or financial position of the debtor. Indicators that an asset is credit-impaired would include: observable data in relation to the financial health of the debtor; significant financial difficulty of the issuer or the debtor; the debtor breaches contract; or it is probable that the debtor will enter bankruptcy or financial reorganisation.

Non-derivative financial liabilities

The Group's financial liabilities are those which involve a contractual obligation to deliver cash to external parties at a future date. Financial liabilities comprise all items shown in notes 16 to 18 with the exception of other taxes and social security, contract liabilities and accruals for wages, bonuses and holiday pay. Financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities (or a part of a financial liability) are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

In the event that the terms in which the Group are contractually obliged are substantially modified, the financial liability to which it relates is derecognised and subsequently re-recognised on the modified terms.

Where the Group has the right and intention to offset in relation to financial assets and liabilities under IAS 32, these are presented on a net basis.

Notes to the Group Financial Statements continued

23 Financial risk management and derivative financial instruments continued

Accounting policies continued

Derivatives

The Group uses derivatives to manage its exposures to fluctuating foreign exchange rates. These instruments are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured to fair value at each prevailing balance sheet date and are recorded within assets or liabilities as appropriate. The treatment of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and if so, the nature of the item being hedged. Derivatives that qualify for hedge accounting are treated as a hedge of a highly probable forecast transaction (cash flow hedge) in the case of foreign exchange hedging.

Cash flow hedge accounting

At inception the relationship between the hedging instrument and the hedged item is documented, as well as an assessment of the effectiveness of the derivative instrument used in the hedging transaction in offsetting changes in the cash flow of the hedged item. This effectiveness assessment is repeated on an ongoing basis during the life of the hedging instrument to ensure that the instrument remains an effective hedge.

The effective portion of changes in the fair value is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Any gain or loss relating to the ineffective portion is recognised immediately in the income statement within finance costs. Amounts recognised in other comprehensive income and accumulated in the cash flow hedge reserve are recycled to the income statement, in the same line as the recognised hedged item, in the period when the hedged item will affect profit or loss. If the hedging instrument expires or is sold, or no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is recognised in the income statement. If the forecast transaction is no longer expected to occur, the cumulative gain or loss in other comprehensive income is immediately transferred to the income statement and recognised within finance costs.

Where hedged forecast transactions result in the recognition of a non-financial asset or liability, the gains and losses previously recognised and accumulated in the cash flow hedge reserve are subsequently removed and included in the initial cost of the non-financial asset or liability. Such transfers will not affect other comprehensive income.

Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting are classified at fair value through profit or loss. All changes in fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement within the same line as the item that is hedged.

The carrying amount of the Group's financial assets, liabilities and derivative financial instruments are as follows:

	29 April 2023 £m	30 April 2022 £m
Lease receivables ⁽¹⁾	5	4
Cash and cash equivalents ⁽¹⁾	97	126
Trade and other receivables ⁽¹⁾	601	558
Derivative financial assets ⁽²⁾	23	28
Derivative financial liabilities ⁽²⁾	(13)	(11)
Trade and other payables ⁽¹⁾	(1,606)	(1,808)
Loans and other borrowings ⁽¹⁾	(194)	(82)
Lease liabilities ⁽³⁾	(1,233)	(1,267)

(1) Held at amortised cost.

(2) Held at fair value through profit or loss.

(3) Measured in accordance with IFRS 16: 'Leases'.



23 Financial risk management and derivative financial instruments continued

Financial instruments that are measured at fair value in the financial statements require disclosure of fair value measurements by level based on the following fair value measurement hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Listed investments held are categorised as level 1 in the fair value hierarchy and are valued based on quoted bid prices in an active market.

The significant inputs required to measure the Group's remaining financial instruments at fair value on the balance sheet, being derivative financial assets and liabilities, are observable and are classified as level 2 in the fair value hierarchy. There have also been no transfers of assets or liabilities between levels of the fair value hierarchy.

Fair values have been arrived at by discounting future cash flows (where the impact of discounting is material), assuming no early redemption, or by revaluing forward currency contracts to period end market rates as appropriate to the instrument.

Management consider that the carrying amount of financial assets and liabilities recorded at amortised cost and their fair value are not materially different.

Offsetting financial assets and financial liabilities

The Group has forward foreign exchange contracts that are subject to enforceable master netting arrangements. Under these master netting agreements gross assets and liabilities could be offset in the case of a counterparty default.

(i) Financial assets

29 April 2023					
	Gross amounts of recognised financial assets £m	Gross amounts of recognised financial liabilities set off in the balance sheet £m	Net amounts of financial assets presented in the balance sheet £m	Financial instruments not set off in the balance sheet £m	Net amount £m
Forward foreign exchange contracts*	23	–	23	(12)	11
	23	–	23	(12)	11

30 April 2022					
	Gross amounts of recognised financial assets £m	Gross amounts of recognised financial liabilities set off in the balance sheet £m	Net amounts of financial assets presented in the balance sheet £m	Financial instruments not set off in the balance sheet £m	Net amount £m
Forward foreign exchange contracts*	28	–	28	(11)	17
	28	–	28	(11)	17

* The forward foreign exchange contract assets and liabilities are recognised within the statement of financial position as derivative assets and derivative liabilities respectively.

Notes to the Group Financial Statements continued

23 Financial risk management and derivative financial instruments continued

Offsetting financial assets and financial liabilities continued

(ii) Financial liabilities

29 April 2023				
	Gross amounts of recognised financial liabilities £m	Gross amounts of recognised financial assets set off in the balance sheet £m	Net amounts of financial liabilities presented in the balance sheet £m	Financial instruments not set off in the balance sheet £m
Forward foreign exchange contracts*	(13)	–	(13)	12
	(13)	–	(13)	12

30 April 2022				
	Gross amounts of recognised financial liabilities £m	Gross amounts of recognised financial assets set off in the balance sheet £m	Net amounts of financial liabilities presented in the balance sheet £m	Financial instruments not set off in the balance sheet £m
Forward foreign exchange contracts*	(11)	–	(11)	11
	(11)	–	(11)	11

* The forward foreign exchange contract assets and liabilities are recognised within the statement of financial position as derivative assets and derivative liabilities respectively.

a) Financial risk management policies

The Group's activities expose it to certain financial risks including market risk (such as foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's Treasury function, which operates under treasury policies approved by the Group's Tax and Treasury Committee, uses certain financial instruments to mitigate potentially adverse effects on the Group's financial performance from these risks. These financial instruments consist of bank loans and deposits, spot and forward foreign exchange contracts, and foreign exchange swaps.

Throughout the period under review, in accordance with Group policy, no speculative use of derivatives or other instruments was permitted. No contracts with embedded derivatives have been identified and, accordingly, no such derivatives have been accounted for separately.

b) Foreign exchange risk

The Group undertakes certain transactions that are denominated in foreign currencies and as a consequence has exposure to exchange rate fluctuations. These exposures primarily arise from inventory purchases, with most of the Group's exposure being to Euro and US Dollar. The Group uses spot and forward currency contracts to mitigate these exposures, with such contracts designed to cover exposures ranging from one month to one year.

The translation risk on converting overseas currency profits or losses is not hedged and such profits or losses are converted into Pound Sterling at average exchange rates throughout the period. The Group's principal translation currency exposures are the Euro and Norwegian Krone.

As at 29 April 2023, the total notional principal amount of outstanding currency contracts was £2,088m (2021/22: £1,698m) and had a net fair value of £10m asset (2021/22: £17m asset). Monetary assets and liabilities and foreign exchange contracts are sensitive to movements in foreign exchange rates.



23 Financial risk management and derivative financial instruments continued

b) Foreign exchange risk continued

The impact of fluctuations in foreign exchange rates on profit/loss is mitigated by using offsetting exposures and non-hedged derivatives, however there may be residual minimal impact on profit/loss from residual exposures that are not fully matched. This sensitivity can be analysed in comparison to period end rates (assuming all other variables remain constant) as follows:

	Period ended 29 April 2023		Period ended 30 April 2022	
	Effect on profit before tax* £m	Effect on total equity £m	Effect on profit before tax* £m	Effect on total equity £m
10% movement in the US Dollar exchange rate	–	7	–	8
10% movement in the Euro exchange rate	–	25	–	22
10% movement in the Norwegian Krone exchange rate	–	15	–	14
10% movement in the Swedish Krona exchange rate	–	9	–	9
10% movement in the Danish Krone exchange rate	–	7	–	6
10% movement in the Chinese Yuan Offshore exchange rate	–	5	–	5

* Wherever possible the Group offsets foreign exchange fluctuations using matching foreign currency assets or liabilities or unhedged derivatives. The impact of unmatched exposures is immaterial.

c) Interest rate risk

The Group's interest rate risk arises primarily on cash, cash equivalents and loans and other borrowings, all of which are at floating rates of interest and which therefore expose the Group to cash flow interest rate risk. These floating rates are linked to risk-free rates and other applicable interest rate bases as appropriate to the instrument and currency. Future cash flows arising from these financial instruments depend on interest rates and periods agreed at the time of rollover. Group policy permits the use of long-term interest rate derivatives in managing the risks associated with movements in interest rates, however none have been utilised in the current or prior period.

The effect on the income statement and equity of 100 basis point movements in the interest rate for the currencies in which most Group cash, cash equivalents, loans and other borrowings are denominated is as follows, assuming that the period end positions prevail throughout the period:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Increase/(decrease) on profit before tax		
1% increase in the GBP interest rate	–	–
1% increase in the NOK interest rate	(1)	–

d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages its exposure to liquidity risk by reviewing regularly the long-term and short-term cash flow projections for the business against the resources available to it.

In order to ensure that sufficient funds are available for ongoing and future developments, the Group has committed bank facilities, excluding overdrafts repayable on demand, totalling £636m (2021/22: £543m). Further details of committed borrowing facilities are shown in note 17.

Notes to the Group Financial Statements continued

23 Financial risk management and derivative financial instruments continued

d) Liquidity risk continued

The table below analyses the Group's financial liabilities and derivative assets and liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows, including both principal and interest flows, assuming that interest rates remain constant and that borrowings are paid in full in the year of maturity.

	29 April 2023			
	Within one year £m	In more than one year but not more than five years £m	In more than five years £m	Total £m
Lease liabilities	(266)	(812)	(422)	(1,500)
Derivative financial instruments – gross cash outflows:				
Forward foreign exchange contracts	(2,088)	–	–	(2,088)
Derivative financial instruments – gross cash inflows:				
Forward foreign exchange contracts	2,098	–	–	2,098
Loans and other borrowings	(30)	(202)	–	(232)
Trade and other payables	(1,602)	(4)	–	(1,606)
	(1,888)	(1,018)	(422)	(3,328)

	30 April 2022			
	Within one year £m	In more than one year but not more than five years £m	In more than five years £m	Total £m
Lease liabilities	(260)	(806)	(485)	(1,551)
Derivative financial instruments – gross cash outflows:				
Forward foreign exchange contracts	(1,698)	–	–	(1,698)
Derivative financial instruments – gross cash inflows:				
Forward foreign exchange contracts	1,714	–	–	1,714
Loans and other borrowings	(6)	(92)	–	(98)
Trade and other payables	(1,800)	(8)	–	(1,808)
	(2,050)	(906)	(485)	(3,441)

e) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations and arises principally from the Group's receivables from consumers. The Group's exposure to credit risk is regularly monitored and the Group's policy is updated as appropriate.

The credit risk associated with cash and cash equivalents and derivative financial instruments are closely monitored and credit ratings are used in determining maximum counterparty credit risk.

Surplus cash is invested in investment grade institutions using only low risk, highly liquid instruments such as overnight deposits and money market funds. The Group only invests in money market funds where cash can be withdrawn the same day, and which are comprised of assets with a weighted-average maturity of less than 90 days.

For the purposes of short-term operational requirements in Greece, local banks which are below investment grade are used to service short-term liquidity needs.

Counterparty credit rating	29 April 2023 £m	30 April 2022 £m
AAA to AA–	45	72
A+ to A–	37	37
BBB+ to BBB–	1	1
Cash held for short-term operational requirements within Greece	14	16
	97	126



23 Financial risk management and derivative financial instruments continued

e) Credit risk continued

All derivative assets are considered low risk financial instruments as they are held at banks that are investment grade.

The Group's contract assets of £104m (2021/22: £180m) are generally owed to the Group by major multinational enterprises with whom the Group has well-established relationships and are consequently not considered to add significantly to the Group's credit risk exposure. In addition, credit risk is also inherently associated with the MNO end subscribers. Exposure to credit risk associated with the MNO subscriber is managed through an extensive consumer credit checking process prior to connection with the network. The large volume of MNO subscribers reduces the Group's exposure to concentration of credit risk. Further information for credit risk associated to contract assets and the MNO is disclosed within note 14.

For the Group's trade receivables in the UK and Nordics, it has adopted the simplified approach to calculating expected credit losses allowed by IFRS 9. Historical credit loss rates are applied consistently to groups of financial assets with similar risk characteristics. These are then adjusted for known forward-looking impacts on creditworthiness. In Greece the Group has adopted both the simplified approach for business to business and a debtor by debtor expected credit loss model based on the probability of default.

The gross carrying amount of financial assets within trade and other receivables is made up of trade receivables of £341m (2021/22: £375m), accrued income of £236m (2021/22: £156m) and other debtors of £69m (2021/22: £56m). The expected credit loss associated with trade receivables is £27m (2021/22: £24m), with accrued income is £16m (2021/22: £5m) relating to iD mobile, and with other receivables is £2m (2021/22: £nil). The table below contains gross amounts which are deemed to have a material level of credit risk of £269m (2021/22: £280m) for trade receivables, mainly in the main sales ledgers, and £122m (2021/22: £44m) for accrued income. Other amounts within trade and other receivables are not considered to have a material level of credit risk because they primarily relate to receivables with blue chip multinational companies with no history of default and no concentration of credit risk to the Group. The Group applies the expected credit loss model, as described above, to all financial assets. The areas of risk and corresponding expected credit loss are as follows:

	29 April 2023		30 April 2022	
	Gross carrying amount £m	Expected credit loss £m	Gross carrying amount (restated)* £m	Expected credit loss (restated)* £m
UK & Ireland – Business to Business	11	5	17	6
UK & Ireland – Main Sales Ledger	72	16	70	9
UK & Ireland – Concessions	–	–	2	2
UK & Ireland – iD Mobile	122	16	44	5
Nordics – Business to Business	25	1	29	1
Nordics – Franchise Debtors	29	1	29	1
Nordics – Main sales ledger	96	3	105	3
Greece – Business to Business	7	–	4	–
Greece – Franchise Debtors	2	1	1	1
Greece – Consumer Credit	14	2	14	1
Greece – Main Sales Ledger	13	–	9	–
	391	45	324	29

Ageing of the areas of credit risk is set out in the tables below:

	29 April 2023 £m	30 April 2022 (restated)* £m
Gross amounts of recognised financial assets		
Not yet due	340	262
0 – 90 days	24	27
91 – 180 days	5	12
180+ days	22	23
	391	324

* During their period-end review, management identified that £113m of gross receivables and £8m of expected loss provisions included within net receivables (note 14) had been omitted from the prior-period analysis above. This is not considered to be material to the users of the accounts; however, the comparative figures in the table above have been updated for comparability with the current period.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Notes to the Group Financial Statements continued

23 Financial risk management and derivative financial instruments continued

f) Capital risk

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern, whilst maximising the return to shareholders through a suitable mix of debt and equity. The capital structure of the Group consists of cash and cash equivalents, loans and other borrowings, and equity attributable to equity holders of the Company comprising issued capital, reserves and accumulated profits. Except in relation to minimum capital requirements in its insurance business, the Group is not subject to any externally imposed capital requirements. The Group monitors its capital structure on an ongoing basis, including assessing the risks associated with each class of capital.

g) Derivatives

Derivative financial instruments comprise forward foreign exchange contracts and foreign exchange swaps. The Group has designated financial instruments under IFRS 9 as explained below.

Cash flow hedges

Foreign exchange

The objective of the Group's policy on foreign exchange hedging is to protect the Group from adverse currency fluctuations and to gain greater certainty of earnings by protecting the Group from sudden currency movements. All hedging of foreign currency exposures is managed centrally within the Group Treasury function. The Group analyses its exposure to foreign exchange rate movements without assuming any correlations between currency pairs and uses this analysis to hedge up to the level prescribed in its transactional hedging policy (a target of up to 80% hedged a year in advance). The Group generally prefers to use vanilla forward foreign exchange contracts as hedging instruments for hedges of forecasted transactions. The Group can use more complex derivatives including options when management considers that they are more appropriate, based on management's views on potential foreign exchange rate movements.

Any amendments to the Group's policies or strategy on managing foreign currency risk must be approved by the Group's Tax and Treasury Committee.

As at 29 April 2023 the Group had forward and swap foreign exchange contracts in place with a notional value of £774m (2021/22: £731m) and a net fair value of £6m asset (2021/22: £7m asset) that were designated and effective as cash flow hedges. These contracts are expected to cover exposures ranging from one month to one year. The fair value of derivative foreign exchange contracts and foreign exchange swaps not designated as cash flow hedges was a £4m asset (2021/22: £10m asset).

Possible sources of ineffectiveness are scenarios where future cash flows are delayed to a later period or brought forward to a prior period. Ineffectiveness can also be caused by credit risk (both own risk and that of the counterparty). All hedges are expected to be highly effective.

Supply chain issues have had an impact on the timing and volume of foreign currency purchases into the business. However, all hedged items are considered highly probable, therefore no material ineffectiveness has been recognised. The situation in Ukraine and subsequent sanctions imposed on Russia has had no significant impact on foreign currency purchases.

As of 29 April 2023, the Group holds the following levels of foreign exchange hedging derivatives (foreign exchange forwards) to hedge its exposure to fluctuating foreign exchange rates over the next 12 months:

	Period ended 29 April 2023			Period ended 30 April 2022		
	Maturing hedges in the next 12 months £m	Weighted average hedge rate	Change in fair value used to calculate hedge ineffectiveness £m	Maturing hedges in the next 12 months £m	Weighted average hedge rate	Change in fair value used to calculate hedge ineffectiveness £m
Hedging USD purchases into GBP (UK)	112	1.2220	(1)	59	1.3483	4
Hedging EUR purchases into GBP (UK)	34	1.1331	–	28	1.1748	–
Hedging CNY purchases into GBP (UK)	55	8.3136	(2)	52	8.7784	3
Hedging EUR purchases into NOK (Nordics)	296	11.1352	16	305	10.1009	(6)
Hedging USD purchases into NOK (Nordics)	31	10.2237	1	30	8.7826	2
Hedging SEK sales into NOK (Nordics)	99	1.0080	(4)	103	1.0237	2
Hedging DKK sales into NOK (Nordics)	76	0.6692	(4)	73	0.7388	1
Hedging GBP purchases into EUR (Ireland)	71	1.1314	–	81	1.1724	1
	774		6	731		7



23 Financial risk management and derivative financial instruments continued

g) Derivatives continued

Cash flow hedges continued

The change in value of hedged items is a total of £6m (2021/22: £7m). This is used in assessing the economic relationship between hedged items and hedging instruments. Ineffectiveness caused by foreign currency basis spread and credit risk was highly immaterial during the period.

Interest rate

The Group's interest rate risk management objective is to limit the amount of additional expense incurred if interest rates rise to unexpected levels. To manage the interest rate exposure, the Group regularly reviews and considers entering in to interest rate swaps to fix its floating rate borrowings, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. The Group monitors and manages its interest rate risk individually in each currency and it does not make any assumptions about how interest rates in different currencies may move in tandem.

Any amendments to the Group's policies or strategy on managing interest rate risk must be approved by the Group's Tax and Treasury Committee.

As at the 29 April 2023 there are no interest rate swaps in place.

IBOR Reform

During the prior period, the Group adopted the 'Interest Rate Benchmark Reform Phase 2' amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. During the period the Group has established that it has no material contracts that use an IBOR benchmark which would require the remeasurement of any assets, liabilities or derivatives.

The Group's interest rate risk management strategy and policies remain unchanged and if circumstances change, the Group's interest rate programme may be recommenced in future.

24 Notes to the cash flow statement

a) Reconciliation of cash and cash equivalents and bank overdrafts at the end of the period

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Cash at bank and on deposit	97	126
Bank overdrafts	(16)	(2)
Cash and cash equivalents and bank overdrafts at end of the period	81	124

b) Reconciliation of operating profit to cash generated from operations

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
(Loss)/profit before interest and tax	(346)	222
Depreciation and amortisation	333	338
Share-based payment charge	15	23
Profit on disposal of fixed assets	-	(1)
Impairments and other non-cash items	520	65
Operating cash flows before movements in working capital	522	647
Movements in working capital:		
Decrease/(Increase) in inventory	109	(130)
Decrease/(Increase) in receivables	20	(92)
(Decrease)/Increase in payables	(249)	143
(Decrease) in provisions	(16)	(44)
	(136)	(123)
Cash generated from operations	386	524



Notes to the Group Financial Statements continued

24 Notes to the cash flow statement continued

c) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	30 April 2022 £m	Financing cash flows £m	Lease additions, modifications and disposals £m	Foreign exchange £m	Interest £m	29 April 2023 £m
Loans and other borrowings (note 17)	(80)	(92)	–	11	(17)	(178)
Lease liabilities (note 18) ⁽ⁱ⁾	(1,267)	285	(198)	15	(68)	(1,233)
Total liabilities from financing activities⁽ⁱⁱ⁾	(1,347)	193	(198)	26	(85)	(1,411)

	1 May 2021 £m	Financing cash flows £m	Lease additions, modifications and disposals £m	Foreign exchange £m	Interest £m	30 April 2022 £m
Loans and other borrowings (note 17)	–	(74)	–	–	(6)	(80)
Lease liabilities (note 18) ⁽ⁱ⁾	(1,326)	278	(165)	16	(70)	(1,267)
Total liabilities from financing activities⁽ⁱⁱ⁾	(1,326)	204	(165)	16	(76)	(1,347)

(i) Lease liabilities are secured over the Group's right-of-use assets.

(ii) In addition to the amounts shown above, facility arrangement fees of £1m (2021/22: £6m) are included within cash flows from financing activities in the consolidated cash flow statement.

The consolidated cash flow statement presents the drawdown and repayment of loans and other borrowings on a net basis as these loans and other borrowings are used as a key part of the Group's daily cash management, with daily deposits and repayments, and the entire balance revolving within a matter of days.

25 Related party transactions

Transactions between the Group's subsidiary undertakings, which are related parties, have been eliminated on consolidation and accordingly are not disclosed. See note 4a for details of related party transactions with key management personnel.

The Group had the following transactions and balances with its associates:

	29 April 2023 £m	30 April 2022 £m
Revenue from sale of goods and services	13	15
Amounts owed to the Group	1	–

Details of the associates are shown within Other significant shareholdings in note C9 to the Company financial statements. All transactions entered into with related parties were completed on an arm's length basis.

26 Capital commitments

	29 April 2023 £m	30 April 2022 £m
Intangible assets	3	7
Property, plant & equipment	4	3
Contracted for but not provided for in the accounts	7	10



27 Government support

Accounting policies

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses as related costs which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

During the prior period ended 30 April 2022, the Group received government support designed to mitigate the impact of Covid-19 in several countries in which the Group operates. In the UK, the Group received further benefit in the form of business rates relief under the 'Retail Discount'. Under the scheme the business benefited from 100% relief from business rate bills for the first two months of the prior period and 66% off the remaining bills up to a total of £2m. This led to a reduction in operating costs totalling £18m.

The Group also benefited from government backed Covid-19 related rent concessions for closed stores in Greece for the period ended 30 April 2022. The Group elected to take the practical expedient related to rent concessions under IFRS 16, subsequently recognising a £1m credit against rental expense to reflect the variable element of the reduction and a corresponding adjustment to the lease liability. The Group also received £1m in relation to similar employment cost subsidy schemes in the Nordics for the period ended 30 April 2022.

There are no unfulfilled conditions or contingencies attached to these grants.

28 Contingent liabilities

The Group continues to cooperate with HMRC in relation to open tax cases arising from pre-merger legacy corporate transactions in the former Carphone Warehouse Group. It is possible that a future economic outflow will arise from one of these matters, and therefore a contingent liability has been disclosed. This determination is based on the strength of third-party legal advice on the matter and therefore the Group considers it 'more likely than not' that these enquiries will not result in an economic outflow. The potential range of tax exposures relating to this enquiry is estimated to be approximately £nil – £211m excluding interest and penalties. Interest is £68m up to 29 April 2023. Penalties could range from nil to 30% of the principal amount of any tax. Any potential cash outflow would occur in greater than one year and less than five years.

During the period management settled a tax case with HMRC for £nil that was disclosed as a contingent liability of £4m in 2021/22.

The Group received a Spanish tax assessment connected to a business that was disposed of by the legacy Carphone Warehouse Group in 2014. This issue will enter litigation and is likely to take a minimum of three years to reach resolution. The Group considers that it is not probable the claim will result in an economic outflow based on third-party legal advice. The maximum potential exposure as a result of the claim is £10m.

29 Events after the balance sheet date

As announced on 16 June 2023 Currys launched a strategic review of its Greek business Rotsovolos that could lead to the sale of the operations.

Following the finalisation of the March 2022 pension triennial process the pension fund Trustees have agreed a reduction in pension plan annual contributions going forward. The contributions have been set as £36m in 2023/24, £50m in 2024/25 and then £78m for the following three years, before a final 8 months of contributions totalling £43m in 2028/29.

As a result of the short to medium term macroeconomic uncertainty, Currys has obtained a fixed charge cover covenant relaxation from its banking syndicate covering the October 2023, April 2024, and October 2024 test periods.



Company Balance Sheet

	Note	29 April 2023 £m	30 April 2022 £m
Non-current assets			
Investments in subsidiaries	C4	2,340	2,670
		2,340	2,670
Current assets			
Cash and cash equivalents		1	12
Debtors	C5	3,369	3,306
Derivative assets	C7	35	39
		3,405	3,357
Current liabilities			
Creditors	C6	(3,282)	(3,338)
Derivative liabilities	C7	(31)	(30)
Net current (liabilities)/assets		92	(11)
Total assets less current liabilities		2,432	2,659
Net assets		2,432	2,659
Capital and reserves			
Share capital	C8	1	1
Share premium reserve	C8	2,263	2,263
Profit and loss account		168	395
		2,432	2,659

The Company's loss for the period was £(204)m (2021/22: £50m profit).

The financial statements of the Company were approved by the Board on 6 July 2023 and signed on its behalf by:

Alex Baldock
Group Chief Executive
Company registration number: 7105905

Bruce Marsh
Group Chief Financial Officer



Company Statement of Changes in Equity

	Share capital £m	Share premium reserve £m	Profit and loss account £m	Total equity £m
At 1 May 2021	1	2,263	464	2,728
Total comprehensive income for the period	–	–	50	50
Purchase of own shares – employee benefit trust	–	–	(41)	(41)
Purchase of own shares – share buyback	–	–	(32)	(32)
Equity dividend	–	–	(46)	(46)
At 30 April 2022	1	2,263	395	2,659
Total comprehensive (expense) for the period	–	–	(204)	(204)
Purchase of own shares – employee benefit trust	–	–	(4)	(4)
Purchase of own shares – share buyback	–	–	–	–
Share-based payments	–	–	16	16
Equity dividend	–	–	(35)	(35)
At 29 April 2023	1	2,263	168	2,432

Notes to the Company Financial Statements

C1 Accounting policies

Basis of preparation

The Company is incorporated in the United Kingdom. The financial statements have been prepared on a going concern basis (see note 1 to the Group financial statements).

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council, incorporating the Amendments to FRS 101 as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, certain related party transactions and standards not yet effective. Where required, equivalent disclosures are given in the Consolidated financial statements.

The financial statements have been prepared on the historical cost basis except for the remeasurement of certain financial instruments to fair value. The principal accounting policies adopted are the same as those set out in the notes to the Group financial statements except as noted below.

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

The Company had no employees during the period ended 29 April 2023 (2021/22: nil). All directors were remunerated by other Group companies.

Judgements and sources of estimation uncertainty

As required by IAS 36, the Investments balance of the Company and its other assets are subject to an impairment review if it is determined that indicators of impairment exist. The Company has considered if indicators of impairment exist with regard to a number of external factors including the recent increase in the long-term risk-free investment rates, increased uncertainty in the wider macroeconomic environment and whether the carrying value of the investment in subsidiaries exceeds the market capitalisation of the Group. Management concluded that these factors were an indicator of impairment and consequently, an impairment review was undertaken per IAS 36 which resulted in a non-cash impairment of £329m being recognised against the Investments in Subsidiaries balance. Determining the recoverable amount of the investment balance requires assumptions relating to discount rates, long-term growth rates and future cash flows.

C2 Profit and loss account

In accordance with the exemption permitted by section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented separately. The loss recognised for the period ended 29 April 2023 was £(204)m (2021/22: £50m profit). Information regarding the audit fees for the Group is provided in note 3 to the Group financial statements.

C3 Equity dividends

Details of amounts recognised as distributions to shareholders in the period and those proposed are detailed in note 22 of the Group financial statements.



C4 Investments in subsidiaries

	29 April 2023 £m	30 April 2022 £m
Opening balance	2,670	2,670
Disposals	(1)	–
Impairments	(329)	–
Closing balance	2,340	2,670
Cost	2,676	2,776
Accumulated impairments	(336)	(106)
Net carrying amount	2,340	2,670

Balances comprise investments in subsidiary undertakings and other minority investments. Details of the Company's investments in subsidiary undertakings are provided in note C9.

The directors acknowledged that as at 29 April 2023 the market capitalisation of Currys plc was less than the net assets of the Company, which primarily consists of investments in subsidiaries. This was considered to be an indicator of impairment and an impairment test over the investment in subsidiaries was performed in accordance with IAS 36.

The recoverable amounts of the investments have been determined based on value in use calculations for each identifiable CGU represented by the investment balance where management have prepared discounted cash flows based on the latest three or five-year strategic plan, depending on segment, and require the use of estimates including management's sales and costs projections, the long-term growth rates beyond the plan period, and the pre-tax discount rate. The discounted cash flows are then adjusted for the value of certain assets and liabilities in the subsidiary entities to the extent that they impact the future return on investment to the Company. The discount rates and long-term growth rates applied in the calculation of the value-in-use for each CGU are as follows:

	29 April 2023		30 April 2022	
	Long-term growth rate	Pre-tax discount rate	Long-term growth rate	Pre-tax discount rate
UK & Ireland	1.6%	12.2%	1.5%	10.6%
Nordics	1.5%	10.8%	1.8%	9.6%
Greece	1.3%	12.5%	1.3%	12.1%

Upon performing the impairment testing described above, it was determined that the recoverable amount of the investment was lower than the carrying amount, and an impairment of £329m (2021/22: £nil) was recognised over the investment balance. This impairment primarily relates to a material increase in discount rate reflecting increased market risk and volatility, and partly due to the short-to-medium term macroeconomic uncertainty which has been factored into the Group's business plan. In accordance with IAS 36, this impairment may be subject to reversal if in future periods there is a change in the estimates used to determine the investment's recoverable amount. At the period end, the recoverable amount, based on the adjusted value in use, shows a headroom of £nil (2021/22 restated*: £1,009m) above the carrying amount of the investments in subsidiaries.

As described above, the cash flows used within the value in use calculation, the long-term growth rate and the discount rate are sources of estimation uncertainty. A summary of the sensitivities applied to the key assumptions and the resulting impact on the current value of the impairment recognised in the period is below:

Key assumption	Sensitivity applied	Headroom/(Impairment) £m	Movement £m
Operating profit in final year of plan	Increase of 20%	188	517
	Decrease of 20%	(846)	(517)
Long-term growth rate	Increase of 0.2%	(276)	53
	Decrease of 0.2%	(380)	(51)
Pre-tax discount rate	Increase of 2.0%	(943)	(614)
	Decrease of 2.0%	583	912

During the period investments with £1m carrying value (2021/22: £nil) were disposed of, relating to interests no longer held by the Company.

* Following a review from the Financial Reporting Council the investment impairment calculation was revised and the prior period figure restated. This matter was closed in April 2023.

Notes to the Company Financial Statements continued

C5 Debtors

	29 April 2023 £m	30 April 2022 £m
Amounts owed by Group undertakings	3,368	3,305
Other debtors	1	1
Amounts falling due within one year	3,369	3,306

Amounts owed by Group undertakings are unsecured, repayable on demand and any interest charged is at current market rates.

Receivable balances with other Group entities are reviewed for potential impairment based on the ability of the counterparty to meet its obligations. The net current asset/liability position of the entity is considered and where the amount due to the Company is not covered, the estimated future cash flows of the counterparty and subsidiary companies with the ability to distribute cash to it are considered. In the prior period an increase in expected credited losses of £49m was recognised in relation to amounts owed by Group undertakings that are non-trading entities across the group, have net liabilities and are in the process of being wound down. Other than the amounts impaired there has been no significant change in credit risk to all of the balances and therefore the 12-month expected credit loss method has been applied.

C6 Creditors

	29 April 2023 £m	30 April 2022 £m
Amounts owed to Group undertakings	3,255	3,329
Overdrafts	27	9
Amounts falling due within one year	3,282	3,338

C7 Derivatives

	29 April 2023 £m	30 April 2022 £m
Foreign exchange contracts	35	39
Derivative assets	35	39
Foreign exchange contracts	(31)	(30)
Derivative liabilities	(31)	(30)

This value is determined using forward exchange and interest rates derived from market sourced data at the balance sheet date, with the resulting value discounted back to present value (level 2 classification). See note 23 to the Group financial statements for further details.

As at 29 April 2023 the Company has external forward and swap foreign exchange contracts in place with a notional value of £2,088m (2021/22: £1,698m) and a fair value of £23m asset (2021/22: £28m) and £13m liability (2021/22: £11m). These derivatives will mature in between one month and one year.

Derivatives with a notional value of £774m (2021/22: £731m) and a fair value of £18m asset (2021/22: £17m) and £12m liability (2021/22: £10m) were designated by subsidiaries in cash flow hedge relationships. These derivatives were passed down to the hedging subsidiary using an internal derivative with the same (but opposite) terms to external derivatives. The purpose of these derivatives is explained further in note 23.

Derivatives with a notional value of £1,055m (2021/22: £203m) and a fair value of £1m asset (2021/22: £1m) and £1m of liability (2021/22: £1m) were not designated by subsidiaries in cash flow hedge relationships but were passed down to subsidiaries to offset foreign currency balance sheet exposures. These derivatives were passed down using an internal derivative with the same (but opposite) terms to external derivatives.

Derivatives with a notional value of £259m (2021/22: £764m) and a fair value of £4m asset (2021/22: £10m asset) and £nil liability (2021/22: £nil) were used by the Company to minimise the translational impact on the Company balance sheet for amounts held in foreign currencies. These were not passed down to subsidiaries.



C8 Share capital and share premium

Details of movements in share capital and share premium are disclosed in note 21 to the Group financial statements.

C9 Subsidiary undertakings

a) Subsidiaries as at 29 April 2023

The Company has investments in the following subsidiary undertakings of the Group, all of which are wholly owned unless otherwise indicated. All holdings are in equity share capital and give the Group an effective holding of 100% on consolidation.

Name	Registered office address	Country of incorporation or registration	Share class(es) held	% held
Alfa s.r.l.	Via monte Napoleone n. 29, 20121 Milano	Italy	Ordinary	100
Carphone Warehouse Europe Limited	1 Portal Way, London, W3 6RS	United Kingdom	A and B Ordinary	100
Carphone Warehouse Ireland Mobile Limited (in liquidation)	44 Fitzwilliam Place, Dublin 2	Ireland	Ordinary	100
CCC Nordic A/S	Arne Jacobsens Allé 15, 8., 2300 København S.	Denmark	Ordinary	100
Connected World Services Distributions Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
Connected World Services LLC	Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle Delaware 19808	United States	Ordinary	100
Connected World Services Netherlands BV	Watermanweg 96, 3067 GG, Rotterdam	Netherlands	Ordinary	100
Connected World Services SAS (in liquidation)	26 rue de Cambacérès, 75008 Paris	France	Ordinary	100
CPW Acton Five Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
CPW Brands 2 Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100*
CPW CP Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
CPW Technology Services Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
CPW Tulketh Mill Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100*
Currys CoE s.r.o.	Trnitá, 491/5, 602 00 Brno	Czech Republic	Business shares	100
Currys Group Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
Currys Holdings Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100*
			Deferred	100*
			A Ordinary	100*
			B Ordinary	100*
Currys Hong Kong Sourcing Limited	31/F, AXA Tower Landmark East, 100 How Ming Street, Kwun Tong Kowloon	Hong Kong	Ordinary	100
Currys Ireland Limited	3rd Floor Office Suite, Omni Park Shopping Centre, Santry, Dublin 9	Ireland	Ordinary	100
Currys Retail Group Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
			Deferred	100*
Currys Retail Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
Currys Sourcing Limited	31/F, AXA Tower Landmark East, 100 How Ming Street, Kwun Tong Kowloon	Hong Kong	Ordinary	100
Dixons Deutschland GmbH i.L. (in liquidation)	Ottostraße 21, 80333 Munich	Germany	Ordinary	100
Dixons South East Europe A.E.V.E.	90 Morinou Antypa str., Neo Irakleio, Athens 14121	Greece	Ordinary	100
Dixons Stores Group Retail Norway AS	Nydalsveien 18A, NO-0484 Oslo	Norway	Ordinary	100
DSG Corporate Services Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100



Notes to the Company Financial Statements continued

C9 Subsidiary undertakings continued

a) Subsidiaries as at 29 April 2023 continued

Name	Registered office address	Country of incorporation or registration	Share class(es) held	% held
DSG European Investments Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
DSG International Holdings Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
DSG International Retail Properties Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
DSG Ireland Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
DSG Overseas Investments Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
DSG Retail Ireland Pension Trust Limited	38 Upper Mount Street, Dublin 2, D02 PR89	Ireland	Ordinary	100
Elcare Nordic AS	Industrivegen, 53, 2212, Kongsvinger	Norway	Ordinary	100
Elcare Nordic Oy	Silvastintie 1, 01510, Vantaa	Finland	Ordinary	100
Electrocare Nordic AB	Arabygatan 9, 35246 Värjö, Kronobergs Län	Sweden	Ordinary	100
Elgiganten Aktiebolag	Franzégatan 6, 112 51 Stockholm	Sweden	Ordinary	100
ElGiganten A/S	Ame Jacobsens Allé 16, 2.sal København S, Denmark 2300 Copenhagen		Ordinary	100
El-Giganten Logistik AB	Möbelvägen 51, 556 52 Jönköping	Sweden	Ordinary	100
Elkjøp Holco AS	Nydalsveien 18A, NO-0484 Oslo	Norway	Ordinary	100
Elkjøp Nordic AS	Nydalsveien 18A, NO-0484, Oslo	Norway	Ordinary	100
Elkjøp Norge AS	Nydalsveien 12B, 0484 OSLO	Norway	Ordinary	100
Epoq Logistic DC k.s.	Evropská 868, 664 42 Modřice	Czech Republic	Ordinary	100
Gigantti Oy	Töölönlahdenkatu 2, FI-00100, Helsinki	Finland	Ordinary	100
iD Mobile Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
Mastercare Service and Distribution Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
MTIS Limited	Carphone Warehouse, Dixons Unit, 301 Omni Park Shopping Centre, Swords Road, Dublin 9	Ireland	Ordinary	100
New CPWM Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
Petrus Insurance Company Limited	28 Irish Town	Gibraltar	Ordinary	100
Simplify Digital Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
TalkM Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100
The Carphone Warehouse (Digital) Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100*
The Carphone Warehouse Limited	3rd Floor Office Suite, Omni Park Shopping Centre, Santry, Dublin 9	Ireland	Ordinary	100
The Phone House Holdings (UK) Limited	1 Portal Way, London, W3 6RS	United Kingdom	Ordinary	100

* Interest held directly by Currys plc.

b) Other significant shareholdings

The following are the other significant shareholdings of the Company, all of which are held indirectly.

Name	Registered office address	Country of incorporation or registration	Share class(es) held	% held
Elkjøp Fjordane AS	Fugleskjærgata 10, 6905 Florø	Norway	Ordinary	30



C9 Subsidiary undertakings continued

c) Subsidiary undertakings exempt from audit

The following subsidiaries, all of which are incorporated in England and Wales are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of that Act:

Name	Company registration number
Carphone Warehouse Europe Limited	06534088
Connected World Services Distributions Limited	01847868
CPW Acton Five Limited	05738735
CPW Technology Services Limited	02881162
Currys Holdings Limited	07866062
Currys Retail Group Limited	03847921
DSG European Investments Limited	03891149
DSG International Holdings Limited	03887870
DSG International Retail Properties Limited	00476440
DSG Ireland Limited	00240621
DSG Overseas Investments Limited	02734677
Simplify Digital Limited	06095563
TalkM Limited	04682207
The Carphone Warehouse (Digital) Limited	03966947
The Phone House Holdings (UK) Limited	03663563



Five Period Record (Unaudited)

	2022/23 £m	2021/22 (restated)* £m	2020/21 £m	2019/20 £m	2018/19 £m
Adjusted results					
Revenue	9,511	10,144	10,330	10,217	10,474
EBIT	214	280	262	214	363
Interest	(95)	(88)	(106)	(98)	(24)
Profit before tax	119	192	156	116	339
Tax	(27)	(52)	(33)	(38)	(70)
Profit after tax	92	140	123	78	269
Earnings per share					
– Basic	8.3p	12.4p	10.7p	6.7p	23.2p
– Diluted	8.2p	11.9p	10.3p	6.6p	23.0p

* Figures in the comparative period have been restated as explained in note A12 to the Glossary and definitions



Glossary and Definitions

Alternative performance measures ('APMs')

In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ('ESMA'). These measures are consistent with those used internally by the Group's Chief Operating Decision Maker ('CODM') in order to evaluate trends, monitor performance and forecast results.

These APMs may not be directly comparable with other similarly titled measures of 'adjusted' or 'underlying' revenue or profit measures used by other companies, including those within our industry, and are not intended to be a substitute for, or superior to, IFRS measures.

We consider these additional measures to provide additional information on the performance of the business and trends to shareholders. The below, and supplementary notes to the APMs, provides further information on the definitions, purpose and reconciliations to IFRS measures of those APMs that are used internally in order to provide parity and transparency between the users of this financial information and the CODM in assessing the core results of the business in conjunction with IFRS measures.

Adjusted results

Included within our APMs the Group reports a number of adjusted profit, and earnings measures, all of which are described throughout this section. The Group subsequently refers to adjusted results as those which reflect the in-period trading performance of the ongoing omnichannel retail operations (referred to below as underlying operations and trade) and excludes from IFRS measures certain items that are significant in size or volatility or by nature are non-trading or highly infrequent.

Restatement of comparative periods as a result of a change in Group adjusting items policy

During the current period the Group adopted a new policy to determine whether an item is to be classified as adjusting. The policy reduces the scope of items that could be classified as adjusting by assessing the significance of income or costs on a project-by-project or one-off item basis. This ensures that the impact is material and therefore the departure from IFRS measures is useful for the users of the financial statements.

Management believes the revised classification policy provides greater clarity on the current and future performance of the Group's ongoing omnichannel retail operations.

The updated criteria for income or costs to be recognised within adjusting items is explained below. The change in policy has been applied retrospectively with the Group's adjusted results presented within the Performance review being restated for the comparative periods. The reconciliations to the closest equivalent statutory measures within notes A1 to A11 have also been restated, and a reconciliation of the prior period Performance review is provided within note A12.

Adjusting items

When determining whether an item is to be classified as adjusting, and the departure from IFRS measures is deemed more appropriate than the additional disclosure requirements for material items under IAS 1, it must meet at least one of the following criteria:

- be one-off in nature and have a significant impact on amounts presented in either the statutory income statement or statutory cash flow statement in any set of annual Group financial statements; or
- recur for a finite number of years and do not reflect the underlying trading performance of the business.

Management will classify items as adjusting where these criteria are met and it is considered more useful for the users of the financial statements to depart from IFRS measures.

Items excluded from adjusted results can evolve from one financial period to the next depending on the nature of exceptional items or one-off type activities. Where appropriate, for example where a business is classified as exited/to be exited, comparative information is restated accordingly.

Below highlights the grouping in which management allocate adjusting items and provides further detail on how management consider such items to meet the criteria set out above. Further information on the adjusting items recognised in the current and comparative period can be found in note A4.

Glossary and Definitions continued

Alternative performance measures ('APMs') continued

Adjusting items continued

Acquisition and disposal related items

Includes costs incurred in relation to the acquisition, and income for the disposal of business operations, as the related costs and income reflect significant changes to the Group's underlying business operations and trading performance. Adjusted results do not exclude the related revenues or costs that have been earned in relation to previous acquisitions, with the exception of the amortisation of intangibles, such as brands, that would not have been recognised prior to their acquisition. Where practically possible amounts are restated in comparative periods to reflect where a business operation has subsequently been disposed.

Strategic change programmes

Primarily relate to costs incurred for the execution and delivery of a change in strategic direction, such as; severance and other direct employee costs incurred following the announcement of detailed formal restructuring plans as they are considered one-off; property rationalisation programmes where a business decision is made to rebase the store estate as this is considered both one-off in nature and to cause a significant change to the underlying business operations; and implementation costs for strategic change delivery projects that are considered one-off in nature. Such costs incurred do not reflect the Group's underlying trading performance. Results are therefore adjusted to exclude such items in order to aid comparability between periods.

Regulatory costs

The Group includes material costs related to data incidents and regulatory challenge within adjusting items so far as on the basis of internal or external legal advice, it has been determined that it is more than possible that a material outflow will be required to settle the obligation (legal or constructive) and subsequently recognised a provision in accordance with IAS 37.

Impairment losses and onerous contracts

In order to aid comparability, costs incurred for material non-cash impairments (or reversals of previously recognised impairments) and onerous contracts are included within adjusting items where they have a significant impact on amounts presented in either the statutory income statement or statutory cash flow statement in any set of annual Group financial statements. When considering the threshold, management will consider whether the gross impairment charge and gross reversal of previously recognised impairment in any one reportable operating segment is above the material threshold for that financial period.

While the recognition of such is considered to be one-off in nature, the unavoidable costs for those contracts considered onerous is continuously reviewed and therefore based on readily available information at the reporting date as well as managements historical experience of similar transactions. As a result, future cash outflows and total charges to the income statement may fluctuate in future periods. If these changes are material they will be recognised in adjusting items.

Other items

Other items include those items that are non-operating and one-off in nature that are material enough to distort the underlying results of the business but do not fall into the categories disclosed above. Such items include the settlement of legal cases and other contractual disputes where the corresponding income, or costs, would be considered to distort users understanding of trading performance during the period.

Net interest income/(costs)

Included within adjusting interest income/(costs) are the finance income/(costs) of businesses to be exited, previously disposed operations, net pension interest costs on the defined benefit pension scheme within the UK and other exceptional items considered so one-off or material that they distort underlying finance costs of the Group (including legacy tax cases). As disclosed above, the disposal of businesses represents a significant change to the underlying business operations, as such, the related interest income/(costs) are removed from adjusted results to assist users' understanding of the trading business.

The net interest charge on defined benefit pension schemes represents the non-cash remeasurement calculated by applying the corporate bond yield rates applicable on the last day of the previous financial period to the net defined benefit obligation. As a non-cash remeasurement cost which is unrepresentative of the actual investment gains or losses made or the liabilities paid and payable, and given the defined benefit section of the scheme having closed to future accrual on 30 April 2010, the accounting effect of this is excluded from adjusted results.



Alternative performance measures ('APMs') continued

Adjusting items continued

Tax

Included within taxation is the tax impact on those items defined above as adjusting. The exclusion from adjusted results ensures that users, and management, can assess the overall performance of the Groups underlying operations.

Where the Group is cooperating with tax authorities in relation to legacy tax cases and is applying tax treatments to changes in underlying business operations as a result of acquisition, divestiture or closure of operations, the respective costs will also be included within adjusting items. Management considers it appropriate to divert from IFRS measures in such circumstance as the one-off charges related to prior periods could distort users understanding of the Group's ongoing operational performance.

The Group also includes the movement of un-recognised deferred tax assets relating to unused tax losses and other deductible temporary differences within adjusting items. Management considers that the exclusion from adjusted results aids users in the determination of current period performance as the recognition and derecognition of deferred tax is impacted by management's forecast of future performance and the ability to utilise unused tax losses and other deductible temporary differences.

Definitions, purpose and reconciliations

In line with the Guidelines on Alternative Performance Measures issued by ESMA we have provided additional information on the APMs used by the Group below, including full reconciliations back to the closest equivalent statutory measure.

EBIT/EBITDA

In the key highlights and Performance review we reference financial metrics such as EBIT and EBITDA. We would like to draw to the user's attention that these are shown to aid comparison of our adjusted measures to the closest IFRS measure. We acknowledge that the terminology of EBIT and EBITDA are not IFRS defined labels but are compiled directly from the IFRS measures of profit without making any adjustments for adjusting items explained above. These measures are: profit for the period before deducting interest and tax, termed as EBIT; and profit for the period before deducting interest, tax, depreciation and amortisation, termed as EBITDA. These metrics are further explained and reconciled within notes A1 and A2 below.

Currency neutral

Some comparative performance measures are translated at constant exchange rates, called 'currency neutral' measures. This restates the prior period results at a common exchange rate to the current period in order to provide appropriate period-on-period movement measures without the impact of foreign exchange movements.

Like-for-like ('LFL') % change

LFL revenue is calculated based on adjusted store and online revenue (including order & collect, online in-store and ShopLive UK) using constant exchange rates consistent with the currency neutral percentage change measure detailed above. New stores are included where they have been open for a full financial period both at the beginning and end of the financial period. Revenue from franchise stores are excluded and closed stores are excluded for any period of closure during either period. Customer support agreement, insurance and wholesale revenues along with revenue from other non-retail businesses are excluded from LFL calculations. We consider that LFL revenue represents a useful measure of the trading performance of our underlying and ongoing store and online portfolio.

Glossary and Definitions continued

A1 Reconciliation from statutory profit before interest and tax to adjusted EBIT and adjusted PBT

Adjusted EBIT and adjusted PBT are measures of profitability that are adjusted from total IFRS measures to remove adjusting items, the nature of which are disclosed above. A description of costs included within adjusting items during the period and comparative periods is further disclosed in note A4.

As discussed above, the Group uses adjusted profit measures in order to provide a useful measure of the ongoing performance of the Group.

The below reconciles profit before tax and profit before interest and tax, which are considered to be the closest equivalent IFRS measures, to adjusted EBIT and adjusted PBT.

Period ended 29 April 2023								
	Total profit £m	Acquisition / disposal related items £m	Strategic change programmes £m	Impairment losses and onerous contracts £m	Regulatory income £m	Other £m	Interest £m	Adjusted profit £m
UK & Ireland	(353)	11	8	511	(7)	–	–	170
Nordics	(11)	12	18	7	–	–	–	26
Greece	18	–	–	–	–	–	–	18
EBIT	(346)	23	26	518	(7)	–	–	214
Finance income	2	–	–	–	–	–	–	2
Finance costs	(106)	–	–	–	–	–	9	(97)
(Loss)/profit before tax	(450)	23	26	518	(7)	–	9	119

Period ended 30 April 2022								
	Total profit/(loss) £m	Acquisition / disposal related items £m	Strategic change programmes £m	Impairment losses and onerous contracts £m	Regulatory income £m	Other £m	Interest £m	Adjusted profit (restated)* £m
UK & Ireland	71	12	(1)	54	–	(19)	–	117
Nordics	130	12	–	–	–	–	–	142
Greece	21	–	–	–	–	–	–	21
EBIT	222	24	(1)	54	–	(19)	–	280
Finance income	2	–	–	–	–	–	–	2
Finance costs	(98)	–	–	–	–	–	8	(90)
Profit/(loss) before tax	126	24	(1)	54	–	(19)	8	192

* Adjusted EBIT in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

A2 Reconciliation from statutory profit before interest and tax to EBITDA

EBITDA represents earnings before interest, tax, depreciation and amortisation. It provides a useful measure of profitability for users by adjusting for the volatility of depreciation and amortisation expense which, due to variable useful lives and timing of capital investment, could distort the underlying profit generated from the Group in relative periods.

The below reconciles profit before interest and tax, which are considered to be the closest equivalent IFRS measures, to EBITDA.

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
(Loss)/profit before interest and tax	(346)	222
Depreciation	246	252
Amortisation	87	86
EBITDA	(13)	560



A3 Reconciliation from adjusted EBIT to adjusted EBITDA and adjusted EBITDAR

Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation. This measure also excludes adjusting items, the nature of which are disclosed above and with further detail in note A4. It provides a useful measure of profitability for users by adjusting for the items noted in A1 above as well as the volatility of depreciation and amortisation expense which, due to variable useful lives and timing of capital investment, could distort the underlying profit generated from the Group in relative periods.

The depreciation adjusted within adjusted EBITDA includes right-of-use asset depreciation on leased assets under IFRS 16. As some lease rental expenses are not depreciation linked to right-of-use assets due to being short-term, low value or variable, a similar measure of adjusted EBITDAR is provided. Adjusted EBITDAR provides a measure of profitability based on the above adjusted EBITDA definition as well as deducting rental expenses not linked to right-of-use assets. The purpose of this measure is aligned to the adjusted EBITDA purpose above, with the addition of excluding the full cost base of leases which can vary from period to period, for example when leases are short-term whilst negotiations are ongoing regarding lease renewals.

The below reconciles adjusted EBIT to adjusted EBITDA and adjusted EBITDAR. The closest equivalent IFRS measures are considered to be profit before interest and tax, the reconciliation of such from adjusted EBIT can be found in note A1.

	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Adjusted EBIT	214	280
Depreciation	246	252
Amortisation	64	62
Adjusted EBITDA	524	594
Leasing costs in EBITDA	12	14
Adjusted EBITDAR	536	608

* Adjusted EBIT in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

A4 Further information on the adjusting items between IFRS measures to adjusted profit measures noted above

	Note	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Included in profit before interest and tax			
Acquisition/disposal related items	(i)	23	24
Strategic change programmes	(ii)	26	(1)
Impairment losses and onerous contracts	(iii)	518	54
Regulatory income	(iv)	(7)	–
Other	(v)	–	(19)
		560	58
Included in net finance costs			
Net non-cash finance costs on defined benefit pension schemes	(vi)	7	8
Other interest	(vii)	2	–
Total impact on profit before tax		569	66
Tax on other adjusting items	(viii)	4	3
Total impact on profit after tax		573	69

* Adjusted EBIT and Tax in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

(i) Acquisition/disposal related items

A charge of £23m (2021/22: £24m) relates primarily to amortisation of acquisition intangibles arising on the Dixons Retail Merger.

Glossary and Definitions continued

A4 Further information on the adjusting items between IFRS measures to adjusted profit measures noted above continued

(ii) Strategic change programmes

During the period, further costs of £13m have been incurred as the Group continues to deliver the long-term strategic plan set back in 2018; becoming clearer, simpler and faster, improving the overall customer experience with an omnichannel offering and building customers for life. The Group have included such items within adjusting items as the projects are one-off in nature and have a significant impact on the statutory income statement or statutory cash flow statement in the current period. The costs incurred relate to the following strategic change programmes:

- £3m (2021/22: £11m) of restructuring costs for central operations and UK & Ireland retail operations; and
- £10m of one-off implementation costs related to transferring service centre operations to a third party.

An additional £17m of restructuring costs have been recognised in the period in relation to strategic decision to restructure the Nordics central operations and retail business in response to the recent Nordic trading conditions. This was announced during the current period and costs are expected to continue in 2023/24.

For the period ended 30 April 2022, the Group also incurred £10m of one-off implementation costs of the Currys rebrand.

Property rationalisation

Included within strategic change programmes is a credit of £4m (2021/22: £22m credit) that primarily relates to the release of lease liabilities and excess property provisions following successful early exit negotiations on stores included within previously announced rationalisation and closure programmes. Included in the £4m credit is a £2m impairment charge against right-of-use assets for non-trading properties in the UK. The number of periods impacted by the property programme is determined by the remaining lease duration for closed stores where they cannot be exited early.

(iii) Impairment losses and onerous contracts

During the period a non-cash impairment charge of £51m was recognised over the goodwill recognised in the UK & Ireland operating segment. Further explanation is provided within note 8 to the financial statements. No impairment charge over goodwill was recognised in the period ending 30 April 2022.

Additionally, following the announcement in the period of the strategic decision to restructure elements of the Nordics segment, fixed asset impairment charges of £7m were recognised over assets held in the Nordics component of the Group. This includes £3m recognised over right-of-use assets to reflect the reduced value-in-use of the assets for closed or downsized stores, and £4m recognised over intangible software assets to reflect the reduced value-in-use of asset components that won't be fully integrated due to termination of contractors and other resource restriction.

In the period ended 30 April 2022 impairment losses and onerous contracts of £54m were recognised as follows:

- £31m impairment (£25m over right-of-use assets and £6m on other fixed assets) was recognised after the Group announced it would close its Acton Campus and relocate to facilities operated by WeWork;
- £24m impairment of fixed assets and recognition of a £4m provision for onerous contracts relating to the unavoidable costs after management took the decision to stop selling its credit-based mobile offer;
- £2m impairment of right-of-use assets after the Group negotiated an early termination settlement on non-trading lease premises;
- £7m credit following the release of previously recognised onerous contracts related to the closure of the Dixons Travel business following successful early exit negotiations and lower than expected closure costs; and
- £16m non-cash impairment charge and a non-cash impairment reversal of £16m over store assets within the UK as a result of changes in consumer shopping habits between our store mix.

(iv) Regulatory costs

In periods prior, the Group provided for redress related to the mis-selling of Geek Squad mobile phone insurance policies following the FCA investigation for periods preceding June 2015. All customer claims are carefully considered by the Group on a case-by-case basis with the majority of claims received being invalid. During the period ended 29 April 2023, the Group received confirmation that no further action would be taken for a large proportion of claims and as a result, the Group reduced the provision in relation to redress by a further £7m.

(v) Other

In the prior period ended 30 April 2022, credits of £19m primarily related to compensation received following the settlement of a legal case in relation to anti-competitive behaviour engaged by the counterparty. No charges or credits have been recognised in the current year.



A4 Further information on the adjusting items between IFRS measures to adjusted profit measures noted above continued

(vi) Net non-cash financing costs on defined benefit pension schemes

The net interest charge on defined benefit pension schemes represents the non-cash remeasurement calculated by applying the corporate bond yield rates applicable on the last day of the previous financial period to the net defined benefit obligation.

(vii) Other interest

As outlined in note 1 d, the Group continues to cooperate with HMRC in relation to open tax cases arising from pre-merger legacy transactions in the Carphone Warehouse Group. The Group has risk assessed that certain of the cases have a probable chance of resulting in cash outflows to HMRC that are measured at £59m as at 29 April 2023 (comprising the amount of tax payable and interest up to 29 April 2023) (2021/22: £66m). During the period, interest of £2m accrued in relation to these cases which is based upon HMRC's prevailing interest rates.

(viii) Tax on other adjusting items

The effective tax rate on adjusting items is (1)%. The rate is lower than the UK statutory rate of 19.5% predominantly due to the goodwill impairment at (iii) above not being tax deductible.

A5 Reconciliation from statutory net finance costs to adjusted net finance costs

Adjusted net finance costs exclude certain adjusting finance cost items from total finance costs. The adjusting items include net pension interest costs and interest charged on Uncertain Tax Positions (UTP). Further information on these items being removed from our adjusted earnings measures is included within the definitions above.

The below provides a reconciliation from net finance costs, which is considered to be the closest IFRS measure, to adjusted net finance costs.

	Period ended 29 April 2023 £m	Period ended 30 April 2022 £m
Total net finance costs	(104)	(96)
Net interest on defined benefit pension obligations	7	8
Other interest	2	–
Adjusted total net finance costs	(95)	(88)

Glossary and Definitions continued

A6 Adjusted tax expense

a) Tax expense

The corporation tax charge comprises:

	Period ended 29 April 2023			Period ended 30 April 2022		
	Adjusted £m	Adjusting items £m	Statutory £m	Adjusted £m	Adjusting items £m	Statutory £m
Current tax						
UK corporation tax at 19.5% (2021/22: 19%)	14	–	14	21	(7)	14
Overseas tax	9	(1)	8	21	–	21
	23	(1)	22	42	(7)	35
Adjustments made in respect of prior years:						
UK corporation tax	–	(9)	(9)	1	–	1
Overseas tax	1	2	3	1	–	1
	1	(7)	(6)	2	–	2
Total current tax	24	(8)	16	44	(7)	37
Deferred tax						
UK corporation tax	17	9	26	(3)	13	10
Overseas tax	(13)	(1)	(14)	8	(3)	5
	4	8	12	5	10	15
Adjustments made in respect of prior years:						
UK corporation tax	–	(14)	(14)	5	–	5
Overseas tax	(1)	18	17	(2)	–	(2)
	(1)	4	3	3	–	3
Total deferred tax	3	12	15	8	10	18
Total tax charge	27	4	31	52	3	55

b) Reconciliation of standard to actual (effective) tax rate

The principal differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to profit/(loss) before taxation are as follows:

	Period ended 29 April 2023			Period ended 30 April 2022		
	Adjusted £m	Adjusting items £m	Statutory £m	Adjusted £m	Adjusting items £m	Statutory £m
Profit/(loss) before taxation	119	(569)	(450)	192	(66)	126
Tax at UK statutory rate of 19.5% (2021/22: 19%)	23	(111)	(88)	36	(12)	24
Items attracting no tax relief or liability ⁽ⁱ⁾	5	100	105	2	(6)	(4)
Movement in unprovided deferred tax ⁽ⁱⁱ⁾	(2)	19	17	4	24	28
Effect of change in statutory tax rate	4	(1)	3	3	(4)	(1)
Differences in effective overseas tax rates	(1)	–	(1)	2	–	2
Increase in provisions	–	–	–	1	–	1
Other tax adjustments	(2)	–	(2)	–	–	–
Adjustments in respect of prior periods ⁽ⁱⁱⁱ⁾	–	(3)	(3)	4	1	5
Total tax charge	27	4	31	52	3	55

The effective tax rate on adjusted earnings for the period ended 29 April 2023 is 23% (2021/22: 27%). The effective tax rate on adjusting items is (1)% (2021/22: (5)%). The future effective tax rate is likely to be impacted by the geographical mix of profits and the Group's ability to take advantage of currently un-recognised deferred tax assets.

(i) Items attracting no tax relief or liability relate mainly to non-deductible expenditure, including the goodwill impairment recorded in the period and share-based payments.

(ii) Deferred tax assets relating to tax losses and other short-term temporary differences in the UK business were de-recognised during the period (see note 6c).

(iii) Prior period adjustments were made to current and deferred tax balances following a review by management as set out in note 6d.



A7 Adjusted earnings per share

Earnings per share ('EPS') measures are adjusted in order to show an adjusted EPS figure, which reflects the adjusted earnings per share of the Group. We consider the adjusted EPS to provide a useful measure of the ongoing earnings of the underlying Group.

The below table shows a reconciliation of statutory basic and diluted EPS to adjusted basic and diluted EPS as these are considered to be the closest IFRS equivalents.

	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Profit after tax for the period		
Total	(481)	71
Adjustments	573	69
Adjusted profit after tax	92	140
	Million	Million
Weighted average number of shares		
Average shares in issue	1,133	1,165
Less average holding by Group EBT and Treasury shares held by Company	(29)	(35)
For basic earnings per share	1,104	1,130
Dilutive effect of share options and other incentive schemes	20	45
For diluted earnings per share	1,124	1,175
	Pence	Pence
Basic earnings per share		
Total	(43.6)	6.3
Adjustments	51.9	6.1
Adjusted basic earnings per share	8.3	12.4
Diluted earnings per share		
Total	(43.6)	6.0
Adjustments	51.8	5.9
Adjusted diluted earnings per share	8.2	11.9

* Adjusted EBIT and Tax in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

Basic and diluted EPS are based on the profit for the period attributable to equity shareholders. Adjusted EPS is presented in order to show the underlying performance of the Group. Adjustments used to determine adjusted earnings are described further in note A4.

A8 Reconciliations of cash generated from operations to free cash flow

Operating cash flow comprises cash generated from/(utilised by) operations, adjusting items (the nature of which are disclosed above), and after repayments of lease liabilities (excluding non-trading stores) and movements in working capital presented within the Performance review. The measure aims to provide users a clear understanding of cash generated from the operations of the Group.

Sustainable free cash flow comprises cash generated from/(utilised by) operations, but before movements in working capital, and after capital expenditure, capital repayments of lease liabilities, net cash interest paid, and income tax paid. Free cash flow comprises all items contained within sustainable free cash flow but after movements in working capital. Sustainable free cash flow and free cash flow are considered to be useful for users as they represent available cash resources after operational cash outflows and capital investment to generate future economic inflows. We consider it useful to present both measures to draw users' attention to the impact of movements in working capital on free cash flow.



Glossary and Definitions continued

A8 Reconciliations of cash generated from operations to free cash flow continued

The below provides a reconciliation of cash generated from operations, which is considered the closest equivalent IFRS measure, to operating cash flow, sustainable free cash flow and free cash flow.

Reconciliation of cash inflow from operations to free cash flow

	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Cash generated from operations	386	524
Capital repayment of leases cost and interest	(284)	(278)
Less adjusting items to cash flow	40	23
Less movements in working capital presented within the Performance review (note A10)	127	112
Facility arrangement fees	(1)	(6)
Operating cash flow	268	375
Capital expenditure	(111)	(133)
Add back adjusting items to cash flow	(40)	(23)
Taxation	(38)	(18)
Cash interest paid	(26)	(17)
Sustainable free cash flow	53	184
Add back movements in working capital presented within the Performance review (note A10)	(127)	(112)
Free cash flow	(74)	72

* Adjusting items to cash flow and working capital cash flow in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

Reconciliation of adjusted EBIT to free cash flow and sustainable free cash flow

	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Adjusted EBIT (note A1)	214	280
Depreciation and amortisation (note A3)	310	314
Working capital presented within the Performance review (note A10)	(127)	(112)
Capital expenditure	(111)	(133)
Taxation	(38)	(18)
Interest	(26)	(17)
Repayment of leases**	(271)	(249)
Other non-cash items in EBIT ***	15	30
Free cash flow before adjusting items to cash flow	(34)	95
Adjusting items to cash flow	(40)	(23)
Free cash flow	(74)	72
Less working capital presented within the Performance review (note A10)	127	112
Sustainable free cash flow	53	184

* Adjusted EBIT in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

** Repayment of leases excludes the impact of non-trading leases which are presented within adjusting items to cash flow.

*** Other non-cash items in EBIT, as disclosed within the Performance review, comprise share-based payments, profit / loss on disposal of fixed assets, impairments and other non-cash items.

A9 Reconciliation from liabilities arising from financing activities to total indebtedness and net cash

Total indebtedness is a new measure used for the first time in the prior period and represents period end net cash, pension deficit, lease liabilities and lease receivables, less any restricted cash. The purpose of this is to evaluate the liquidity of the Group with the inclusion of all interest-bearing liabilities.

Net cash comprises cash and cash equivalents and short-term deposits, less loans and other borrowings. Lease liabilities are not included within net cash. We consider that this provides a useful alternative measure of the indebtedness of the Group and is used within our banking covenants as part of the leverage ratio.



A9 Reconciliation from liabilities arising from financing activities to total indebtedness and net cash continued

The below provides a reconciliation of total liabilities from financing activities, which is considered the closest equivalent IFRS measure, to total indebtedness and net cash.

	29 April 2023 £m	30 April 2022 £m
Loans and other borrowings (note 17)	(178)	(80)
Lease liabilities* (note 18)	(1,233)	(1,267)
Total liabilities from financing activities (note 24c)	(1,411)	(1,347)
Cash and cash equivalents less restricted cash (note 15)	67	96
Overdrafts (note 17)	(16)	(2)
Lease receivables* (note 12)	5	4
Pension liability	(249)	(257)
Total indebtedness	(1,604)	(1,506)
Restricted cash	30	30
Add back pension liability	249	257
Add back lease liabilities	1,233	1,267
Less lease receivables	(5)	(4)
Net cash	(97)	44

* Net lease liabilities within the Performance review relates to Lease liabilities less lease receivables.

Within the Performance review management also refer to average net cash/(debt) and total average indebtedness. Average net cash/(debt) and total average indebtedness comprises the same items as included in net cash and total indebtedness as defined above, however the net cash element is calculated as the average between April – April for the full period to align to the Group's Remuneration Committee calculation and as reported internally.

A10 Reconciliation of statutory working capital to working capital presented within the Performance review

Within the Performance review a reconciliation of the adjusted EBIT to free cash flow is provided. Within this, the working capital balance of £(127)m (2021/22: £(112)m) differs to the statutory working capital balance of £(136)m (2021/22: £(123)m) as cash flows on adjusting items are separately disclosed.

Working capital presented within the Performance review is a measure of working capital that is adjusted from total IFRS measures to remove the working capital on adjusting items, the nature of which are disclosed above. A description of costs included within adjusting items during the period and comparative periods is further disclosed in note A4.

As discussed above, the Group uses adjusted profit measures in order to provide a useful measure of the ongoing performance of the Group. A reconciliation of the disclosed working capital balance is as follows:

	Period ended 29 April 2023 £m	Period ended 30 April 2022 (restated)* £m
Movements in working capital (note 24b)	(136)	(123)
Adjusting items provisions	10	51
Exceptional receivable – legal settlement	–	(34)
Facility arrangement fees	(1)	(6)
Working capital presented within the Performance review	(127)	(112)

* Adjusted Working capital in the comparative period has been restated as explained in note A12 to the Glossary and definitions.

In the prior period the Group received £28m following the settlement of a contractual dispute with the counterparty that caused damage to the Group. A further £6m was received following the settlement of a separate legal case related to anti-competitive practices with a different counterparty.



Glossary and Definitions continued

A11 Summary of working capital presented within the Performance review

Within the Performance review a summary balance sheet is provided which includes a working capital balance of £(230)m (2021/22: £(342)m). The below table provides a breakdown of how the summary working capital balance ties through to the statutory balance sheet.

	Note	29 April 2023 £m	30 April 2022 £m
Non-current assets			
Trade and other receivables	14	148	123
Current assets			
Inventory	13	1,151	1,286
Trade and other receivables	14	631	696
Derivative assets	23	23	28
Current liabilities			
Trade and other payables	16	(2,067)	(2,368)
Derivative liabilities	23	(13)	(11)
Non-current liabilities			
Trade and other payables	16	(103)	(96)
Working capital presented within the Performance review		(230)	(342)



A12 Restatement of the Group's Performance review

The adjusted results and adjusting items for the prior period ended 30 April 2022 have been restated to reflect the updated adjusting items policy which is used to determine whether an item is to be classified as adjusting. Management believes the revised classification policy, with the main change being the removal of mobile network debtor revaluations, provides greater clarity on the current and future performance of the Group's ongoing omnichannel retail operations.

The impact of the restatement on the Group's adjusted results for the respective comparative periods is outlined below. There is no impact on statutory results as a result of the restatements.

	Period ended 30 April 2022		
	2021/22 as previously reported £m	Policy adjustment £m	2021/22 restated £m
Income Statement			
Adjusted revenue	10,122	22	10,144
Adjusting items to revenue	22	(22)	–
Revenue	10,144	–	10,144
Adjusted EBITDA	588	6	594
Adjusted EBITDA margin	5.8%	+10 bps	5.9%
Depreciation on right-of-use assets	(190)	–	(190)
Depreciation on other assets	(62)	–	(62)
Amortisation	(62)	–	(62)
Adjusted EBIT	274	6	280
Adjusted EBIT margin	2.7%	+10 bps	2.8%
Interest on lease liabilities	(70)	–	(70)
Finance income	2	–	2
Adjusted finance costs	(20)	–	(20)
Adjusted PBT	186	6	192
Adjusted PBT margin	1.8%	+10 bps	1.9%
Adjusted tax	(51)	(1)	(52)
Adjusted profit after tax	135	5	140
Adjusted EPS	11.9p	0.5p	12.4p
Cash flow			
Adjusted EBITDAR	602	6	608
Adjusted EBITDAR margin	5.9%	+10 bps	6.0%
Cash payments of leasing costs, debt & interest	(263)	–	(263)
Other non-cash items in EBIT	22	8	30
Operating cash flow	361	14	375
Operating cash flow margin	3.6%	+10 bps	3.7%
Capital expenditure	(133)	–	(133)
Adjusting items to cash flow	(33)	10	(23)
Free cash flow before working capital	195	24	219
Working capital	(88)	(24)	(112)
Segmental free cash flow	107	–	107
Cash tax paid	(18)	–	(18)
Cash interest paid	(17)	–	(17)
Free cash flow	72	–	72
Dividend	(46)	–	(46)
Purchase of own shares – share buyback	(32)	–	(32)
Purchase of own shares – employee benefit trust	(41)	–	(41)
Pension	(78)	–	(78)
Other	–	–	–
Movement in net cash	(125)	–	(125)
Net cash	44	–	44

Glossary and Definitions continued

Other definitions

The following definitions apply throughout this Annual Report and Accounts unless the context otherwise requires:

Acquisition intangibles	Acquired intangible assets such as customer bases, brands and other intangible assets acquired through a business combination capitalised separately from goodwill.
B2B	Business to business
Board	The Board of Directors of the Company
Carphone, Carphone Warehouse or Carphone Group	The Company or Group prior to the Merger on 6 August 2014
CGU	Cash-generating unit
CODM	Chief Operating Decision Maker
Company or the Company	Currys plc (incorporated in England & Wales under the Act, with registered number 07105905), whose registered office is at 1 Portal Way, London W3 6RS
Credit adoption	Sales on Credit as a proportion of total sales
Currys plc or Group	The Company, its subsidiaries, interests in joint ventures and other investments
Dixons Retail Merger or Merger	The all-share merger of Dixons Retail plc and Carphone Warehouse plc which occurred on 6 August 2014
EBT	Employee benefit trust
ESG	Environmental, social and governance
GfK	Growth from Knowledge
HMRC	Her Majesty's Revenue and Customs
IFRS	International Financial Reporting Standards as adopted by the UK
Market share	Market share is measured for each of the Group's markets by comparing data for revenue or volume of units sold relative to similar metrics for competitors in the same market
MNO	Mobile network operator
Net zero	Net zero emissions includes our Scope 1, 2 and 3 emissions as reported in the Sustainable business section of the Strategic Report. In 2020, we collaborated with The British Retail Consortium and other major retailers on the development of a Climate Action Roadmap to decarbonise the retail industry and its supply chains. The plan aims to bring the retail industry and its supply chains to net zero by 2040. Our commitment to net zero meets a number of the criteria of the SBTi Corporate Net-Zero Standard but is not fully aligned or validated against this standard. We will develop and publish a robust net zero emissions roadmap for the Group which will provide detail on carbon abatement for key emissions sources and neutralisation plans of any source of residual emissions that remain unfeasible to remove.
NPS	Net Promoter Score, a rating used by the Group to measure customers' likelihood to recommend its operations
Online	Online sales, Online market share, and Online share of business relate to all sales where the journey is completed via the website or app. This includes online home delivered, order & collect, Online in-store and ShopLive UK
Online in-store	Sales that are generated through in-store tablets for product that is not stocked in the store
Order & collect	Sales where the sale is made via the website or app and collected in store
Peak/post-Peak	Peak refers to the ten-week trading period ended on 7 January 2023 as reported in the Group's Christmas Trading statement on 18 January 2023. Post-Peak refers to the trading period from 8 January 2023 to the Group's year end on 29 April 2023.
RCF	Revolving credit facility
Sharesave or SAYE	Save as you earn share scheme
ShopLive UK	The Group's own video shopping service where store colleagues can assist, advise and demonstrate the use of products to customers online face-to-face
Store	Store sales, Store market share, and Store share of business relate to all sales where the journey is completed in store. This excludes online home delivered, order & collect, Online in-store and ShopLive UK
TSR	Total shareholder return
WAEP	Weighted average exercise price



Shareholder and Corporate Information

Currys plc is listed on the main market of the London Stock Exchange (stock symbol: CURV) and is a constituent of the FTSE 250.

Company registration number

07105905

Registered office

1 Portal Way, London W3 6RS, United Kingdom

Corporate website

www.currysplc.com

The website includes information about the Group's vision and strategy, business performance, corporate governance, sustainability, latest news and press releases. The Investors section includes information on the latest trading performance, records of past financial results, share price information and analyst coverage.

Share registrar

Equiniti is the share registrar for Currys plc. Shareholders can contact Equiniti as follows:

Post – Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom

Online – <https://equiniti.com/uk/contact-us/shareholder-enquiries> for FAQs as well as an online query form

Telephone – +44 371 384 2030 (Please use the UK telephone country code when calling from outside the UK). Telephone lines are open on UK business days between 8.30am and 5.30pm UK time, excluding UK Bank Holidays. For deaf and speech impaired customers, Equiniti welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

Shareholder enquiries

Any queries that shareholders have regarding their shareholdings, such as a change of name or address, transfer of shares or lost share certificates, should be referred to Equiniti using the contact details above.

Managing shares online

Shareholders can manage their holdings online by registering with Shareview at www.shareview.co.uk. This is a secure online platform which is provided by Equiniti. To register, you will need your shareholder reference number, which can be found on your share certificate, form of proxy or any correspondence from Equiniti.

ShareGift

If you have a very small shareholding that is uneconomical to sell, you may wish to consider donating it to ShareGift (Registered charity no. 1052686), a charity that specialises in the donation of small, unwanted shareholdings to good causes. You can find more information by visiting sharegift.org or by calling 020 7930 3737.

Unauthorised brokers (boiler room scams)

Currys plc is legally obliged to make its share register available to the general public in certain circumstances. Consequently, some shareholders may receive unsolicited phone calls or correspondence concerning investment matters which may imply a connection to the company concerned. These are typically from 'brokers' who target shareholders offering to buy their shares or to sell them shares in what can turn out to be worthless or high-risk investments. These communications can be persistent and extremely persuasive.

Share fraud includes scams where investors receive unsolicited calls and offered shares that often turn out to be worthless or non-existent, or an inflated price for shares they own. These calls come from fraudsters operating in 'boiler rooms' that are mostly based outside the UK. While high profits are promised, those who buy or sell shares in this way usually lose their money.

If you are approached about a share scam, you should tell the Financial Conduct Authority using the share fraud reporting form at www.fca.org.uk/consumers/report-scam-us where you can find out about the latest investment scams. You can also call the Consumer Helpline on 0800 111 6768 or 0300 500 8082 from the UK or +44 207 066 1000 from abroad.

Electronic communications

Shareholders will receive annual report and accounts and other documentation electronically, unless they tell our registrar that they would like to continue to receive printed materials. This is in line with best practice and underpins our commitment to reduce waste. Shareholders may view shareholder communications online instead of receiving them in hard copy. Shareholders may elect to receive notifications by email whenever shareholder communications are added to the website by visiting www.shareview.co.uk and registering online.

Auditor

KPMG LLP, 15 Canada Square, Canary Wharf, London E14 5GL
www.kpmg.com/uk

Joint stockbrokers

Citigroup Global Markets Limited, 33 Canada Square, Canary Wharf, London, E14 5LB
www.citigroup.com

Liberum Capital Limited, 25 Ropemaker Street, London EC2Y 9LY
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