

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you sell or otherwise transfer or have sold or otherwise transferred all of your Ordinary Shares you should send this document and the accompanying Annual Report (except any personalised form of proxy, if applicable) as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted into any jurisdiction in which to do so would constitute a breach of the relevant laws and regulations of such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

Dunelm Group plc

(Incorporated and registered in England and Wales with No. 4708277)

Notice of Annual General Meeting

including Authority to Make Market Purchases of its Ordinary Shares, Rule 9 Waiver and certain other matters

This document should be read as a whole. Your attention is drawn to the letter from the Chair of Dunelm Group plc ('Dunelm') set out in Part 1 of this document which contains the recommendation by the Directors (excluding Sir Will Adderley for the purposes of the Waiver Resolution) to Shareholders to vote in favour of the Resolutions to be proposed at the Annual General Meeting, notice of which is set out in Part 5 of this document. Shareholders should read the whole of this document and not rely just on the summarised information set out in the Chair's letter.

Barclays Bank PLC, acting through its Investment Bank ('Barclays'), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Dunelm and no one else in connection with the Waiver Resolution and will not be responsible to anyone other than Dunelm for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Waiver Resolution or any other matter referred to in this document. Persons other than Dunelm are recommended to seek their own financial and other professional advice.

This document includes forward-looking statements concerning the Group. Forward-looking statements are based on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Group. The Group undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise save to the extent required in accordance with the Company's continuing obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and applicable laws and regulations.

Notice of the Annual General Meeting of Dunelm to be held at Stoke 2 Distribution Centre, White Rock Road, Prologis Park, Stoke on Trent, ST4 4FA at 11.30 am on 16 November 2023 is set out at the end of this document. The Form of Proxy for use at the Annual General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but, in any event, so as to reach Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, not later than 11.30 am on 14 November 2023. Shareholders who hold their Ordinary Shares in CREST may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Equiniti so that it is received no later than 11.30 am on 14 November 2023. Completion and return of the Form of Proxy, the transmission of a CREST Proxy Instruction or the electronic appointment of a proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting, should they so wish. Shareholders can submit their form of proxy electronically via www.sharevote.co.uk or www.shareview.co.uk, this is explained further on page 23. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform.

Contents

Part 1	Letter from the Chair	1
Part 2	Additional information	9
Part 3	Definitions	14
Part 4	Summary of the share plans	16
Part 5	Notice of Annual General Meeting	20

Your attention is drawn to the Definitions in Part 3 which apply throughout this document and the Form of Proxy unless the context requires otherwise.

All times referred to are London times unless otherwise stated.

PART 1 - LETTER FROM THE CHAIR

Dunelm Group plc

(Incorporated and registered in England and Wales with No. 4708277)

Directors:

Alison Brittain (Chair)
Nick Wilkinson (Chief Executive Officer)
Karen Witts (Chief Financial Officer)
Sir Will Adderley (Deputy Chair)
Ian Bull (Independent Non-Executive Director)
Kelly Devine (Independent Non-Executive Director)
William Reeve (Independent Non-Executive Director)
Peter Ruis (Independent Non-Executive Director)
Marion Sears (Non-Executive Director)
Arja Taaveniku (Independent Non-Executive Director)
Vijay Talwar (Independent Non-Executive Director)

Registered office:

Watermead Business Park
Syston
Leicester
Leicestershire
LE7 1AD

19 October 2023

To Shareholders of the Company

Dear Shareholder

1 Introduction

The purpose of this letter is to provide you with an explanation of the Resolutions to be proposed at the Annual General Meeting of the Company which will be held at Stoke 2 Distribution Centre, White Rock Road, Prologis Park, Stoke on Trent, ST4 4FA at 11.30 am on 16 November 2023 and to seek your approval of them. The notice of Annual General Meeting is set out at Part 5 of this document and definitions which apply throughout this document are set out in Part 3.

The Directors believe that the Resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and Shareholders as a whole and accordingly they recommend that you vote in favour of each of the Resolutions at the Annual General Meeting, save that Sir Will Adderley makes no recommendation with regard to the Waiver Resolution (being Resolution 22) as, in accordance with the provisions of the Takeover Code, Sir Will Adderley is considered to be interested in the outcome of the Waiver Resolution.

Voting on the business of the meeting will be conducted by way of a poll. The results of voting on the Resolutions will be posted on the Company's website: corporate.dunelm.com as soon as practicable after the Annual General Meeting. Each of the Resolutions to be proposed at the Annual General Meeting is explained in further detail below.

2 Ordinary Business

The ordinary business of the Annual General Meeting comprises Resolutions 1 to 17 inclusive.

Resolution 1: Report and Accounts

The Directors are required to lay the Directors' Report, the audited annual accounts of the Company and the independent Auditor's Report before Shareholders at the Annual General Meeting. Accordingly, Resolution 1 presents the accounts for the year ended 1 July 2023 and, although not a statutory requirement, proposes the accounts for adoption. A copy of the Annual Report accompanies this document and is available to download from the Dunelm website: corporate.dunelm.com.

Resolution 2: Final Dividend

Shareholder approval is required for the payment of a final dividend as recommended by the Board. Subject to Shareholder approval, this dividend will be paid on 20 November 2023 to Shareholders on the register of members of the Company at the close of business on 27 October 2023.

Resolutions 3 to 13: Re-election of Directors

In accordance with the provisions of the UK Corporate Governance Code, all directors will retire and offer themselves for re-election at the Annual General Meeting.

Under Listing Rule 9.2.2E R, because Sir Will Adderley and the other members of the Concert Party (further details of which are set out in Part 2 of this document) are Controlling Shareholders of the Company, the re-election of any Independent Director by Shareholders must be approved by a majority vote of both:

- the Shareholders as a whole; and
- the Independent Shareholders.

The Board considers that the following Directors are independent for the purposes of Listing Rule 9.2.2E R: Alison Brittain, William Reeve, Ian Bull, Arja Taaveniku, Peter Ruis, Vijay Talwar and Kelly Devine. Although no longer considered by the Board to be independent for the purposes of Listing Rule 9.2.2.E R due to her tenure of over nine years, Marion Sears will also put herself forward for re-election by a majority vote of both the Shareholders as a whole and the Independent Shareholders.

The Company will separately count the number of votes cast by the Independent Shareholders in favour of the relevant Resolutions (as a proportion of the total votes of Independent Shareholders cast on each Resolution) to determine whether the threshold referred to in (b) above has been met. The Company will announce the results of these Resolutions on this basis as well as announcing the results of the ordinary Resolutions of all Shareholders. For these purposes, the votes controlled by Sir Will Adderley and the other members of the Concert Party will therefore be excluded when calculating the votes of the Independent Shareholders as referred to in (b) above.

Under Listing Rule 9.2.2F R, if a Resolution to re-elect an Independent Director is not approved by a majority vote of both the Shareholders as a whole and the Independent Shareholders, a further resolution to re-elect the relevant Independent Director must be put forward to be approved by the Shareholders as a whole at a meeting which must be held more than 90 days after the date of the original vote but within 120 days of the date of the original vote.

Accordingly, if any of Resolutions 6, 7, 8, 9, 10, 11, 12 and 13 are not approved by a majority vote of the Shareholders as a whole and the Independent Shareholders at the Annual General Meeting, the relevant Director(s) will be treated as having been re-elected only for the period from the date of the Annual General Meeting until the earlier of (i) the close of any general meeting of the Company, convened for a date more than 90 days after the Annual General Meeting but within 120 days of the Annual General Meeting, to propose a further resolution to re-elect him or her, (ii) the date which is 120 days after the Annual General Meeting and (iii) the date of any announcement by the Board that it does not intend to propose a further resolution. In the event that the relevant Director's re-election is approved by a majority vote of all Shareholders at a second meeting, the Director will then be re-elected until the next annual general meeting at which they stand for re-election.

Biographies of each of the Directors are contained on pages 61 to 63 of the Annual Report, a copy of which accompanies this document and can also be found at corporate.dunelm.com and the National Storage Mechanism of the FCA at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Further hard copies of the Annual Report are available on request from Luisa Wright at investorrelations@dunelm.com or Dunelm Group plc, Watermead Business Park, Syston, Leicester, LE7 1AD (Tel: 0116 264 4400).

The Board believes, following the completion of the annual performance evaluation and appraisal exercise, that the performance of the Directors seeking re-election continues to be effective and that each of these Directors demonstrates commitment to their role. It is the Board's view that the key strengths set out in the Directors' respective biographies in the Annual Report illustrate why each of their contributions are, and continue to be, important to the Company's long-term sustainable success.

Further information is given below in relation to the independence of the Independent Directors named on page 2.

- (a) confirmation is given that none of the Independent Directors named on page 2 has or had any existing or previous relationship, transaction or arrangement with the Company, any of its Directors, any Controlling Shareholder or any other Associate of a Controlling Shareholder;
- (b) the independence of Non-Executive Directors is considered on appointment and then reviewed annually by the Chair as part of the evaluation process. There is also an annual Board discussion. The Board takes into account the provisions of the UK Corporate Governance Code, as well as policies and guidelines issued by investor representatives such as the Investment Association and the National Association of Pension Funds; and
- (c) the process for the selection of new Directors is described in the report of the Nominations Committee in the Annual Report. Thereafter the Nominations Committee formally puts forward the names of Directors to be proposed for re-election at each annual general meeting.

Resolution 14: Approval of revised Remuneration Policy

This is a Resolution to approve a revised Remuneration Policy, which is set out on pages 92 to 102 of the Annual Report. Under Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the '**Regulations**') and section 439A of the CA 2006, the Directors must prepare a binding Remuneration Policy to be put forward for approval by Shareholders at least

every three years. Once the Remuneration Policy has been approved, no payment may be paid to a Director or past Director unless it is consistent with the approved policy unless Shareholder approval is sought. The exception to this is if the payment is made pursuant to an agreement made before 27 June 2012 or as a result of any other obligation arising before that date, unless that agreement or obligation has been modified or renewed on or after that date.

Shareholders approved a binding Remuneration Policy at the annual general meeting which took place on 17 November 2020. An amended policy is now being put forward for approval. A summary of the amendments is set out in the Annual Report, and the proposed revised policy is also set out in full in the Annual Report, which accompanies this document and is available to download at: corporate.dunelm.com. The Shareholder vote will be binding, and if not passed the Board will either retain the existing policy approved in 2020, or amend the proposed new policy and put it forward for approval at a further vote at a specially convened general meeting.

Resolution 15: Annual Report on Remuneration

Under Schedule 8 of the Regulations, the Directors must prepare an annual report which sets out how the Remuneration Policy that has been in force during the financial year has been applied during the year, and how the policy will be applied in the coming year. The Annual Report on Remuneration must also be put to Shareholders for approval at the Annual General Meeting, although this vote is advisory. If this vote is not passed, the Company will consult with Shareholders and will be obliged to put the Remuneration Policy back to Shareholders for approval at the Annual General Meeting of the Company in 2024.

This is the Resolution to approve the Company's Annual Report on Remuneration, which is set out on pages 103 to 118 of the Annual Report.

Resolution 16: Appointment of the auditors

PricewaterhouseCoopers LLP ('PwC') have been the Company's auditors since January 2014. Following the conclusion of a competitive audit tender during FY23 and on the advice of the Company's Audit and Risk Committee, the Board approved the reappointment of PwC as the Company's external auditors. The Company proposes that PwC be reappointed by Shareholders as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the next annual general meeting at which accounts are laid before the Company.

Resolution 17: Remuneration of the auditors

This Resolution, which is conditional on the passing of Resolution 16, gives authority to the Directors to agree the auditors' remuneration.

3 Special Business

The special business to be considered at the Annual General Meeting comprises Resolutions 18 to 25 inclusive.

Resolution 18: Authority to allot Ordinary Shares

This Resolution gives the Directors authority to allot share capital with a nominal value of up to £672,457, which, as at the Latest Practicable Date, represented approximately 33.3 per cent. of the Company's issued Ordinary Share capital (excluding treasury shares). As at the date of this document, the Company holds 1,689,700 Ordinary Shares in treasury representing approximately 0.84 per cent. of the Company's issued Ordinary Share capital (excluding treasury shares) as at the Latest Practicable Date.

PART 1 - LETTER FROM THE CHAIR

The Directors have no present intention of allotting new Ordinary Shares other than in relation to the Company's employee share scheme, however the Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to manage the Group's capital resources. This authority will expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution or, if earlier, on 31 December 2024 unless it is previously renewed, varied or revoked.

Resolution 18 will be proposed as an ordinary resolution.

Resolutions 19 and 20: Authority to issue shares on a non pre-emptive basis

These Resolutions (which will be proposed as special resolutions) give the Directors authority to allot equity securities of the Company (including any Ordinary Shares which the Company has purchased and elected to hold as treasury shares) for cash other than on a pre-emptive basis as provided by the CA 2006. Other than in connection with a rights or other pre-emptive issue, the authorities contained in these Resolutions will be limited to issues of Ordinary Shares representing an aggregate nominal value of £201,737, which in turn represents approximately 10 per cent. of the issued Ordinary Shares of the Company as at the Latest Practicable Date.

The Directors intend to adhere to the provisions in the Pre-Emption Group's Statement of Principles most recently published prior to the date of this Notice of Annual General Meeting, not to allot shares for cash on a non-pre-emptive basis pursuant to the authority in Resolution 19: (i) in excess of an amount equivalent to 5 per cent. of the total issued Ordinary Share capital of the Company; or (ii) in excess of an amount equal to 7.5 per cent. of the total issued Ordinary Share capital of the Company in a rolling three-year period, without prior consultation with Shareholders, in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

In accordance with the Pre-Emption Group's Statement of Principles, separate Resolutions are being proposed to (a) disapply pre-emption rights on up to 5 per cent. of the issued share capital (Resolution 19) and (b) disapply pre-emption rights for an additional 5 per cent. for transactions which the Board determines to be an acquisition or other capital investment as defined by the Statement of Principles (Resolution 20).

In relation to Resolutions 19 and 20, the Directors consider that it is in the best interests of the Company and its Shareholders generally that the Company should have the flexibility conferred by the above authorities. This is in line with corporate governance guidelines. However, the Directors have no present intention of exercising any of these authorities or to issue any unissued Ordinary Shares in the Company, other than in respect of the exercise of Share Options by employees under the Employee Share Schemes. If Resolutions 19 and 20 are passed, both authorities will expire on the earlier of either the conclusion of the annual general meeting to be held in 2024 or on 31 December 2024.

Resolution 21: Authority to make market purchases of Ordinary Shares

This Resolution (which will be proposed as a special resolution) seeks authority for the Company to buy back its own Ordinary Shares in the market as permitted by the CA 2006 (the '**Market Purchase Authority**'). The authority, if granted, limits the number of Ordinary Shares that could be purchased to a maximum of 5,000,000 Ordinary Shares, representing approximately 2.5 per cent. of the Company's issued Ordinary Share capital as at the Latest Practicable Date. Resolution 21 specifies the minimum and maximum prices which may be paid for any Ordinary Shares purchased under this authority, reflecting the requirements of the Listing Rules.

If Resolution 21 is passed, the Market Purchase Authority will expire on the earlier of either the conclusion of the annual general meeting to be held in 2024 or on 31 December 2024. The Company may either retain any of its own Ordinary Shares which it has purchased as treasury shares with a possible re-issue at a future date or cancel them.

Since the Company started a buyback programme of its Ordinary Shares in 2007, it has not cancelled any of the Ordinary Shares that it has bought. The Company has bought back 7,777,577 Ordinary Shares since starting the buyback programme and has transferred 6,087,877 of such Ordinary Shares out of treasury to employees exercising Share Options under the Employee Share Schemes. As at the Latest Practicable Date, the Company held 1,689,700 Ordinary Shares in treasury.

The Directors currently intend to utilise the Market Purchase Authority only to the extent necessary to satisfy future exercises of Share Options under the Employee Share Schemes and, as such, the Company intends to hold any Ordinary Shares that it purchases pursuant to the Market Purchase Authority as treasury shares for re-issue to employees exercising Share Options under the Employee Share Schemes, because the Board believes that this gives the Company the ability to cost-effectively fulfil Share Option entitlements, and provides the Company with additional flexibility in the management of its capital base. The Company does not currently intend to re-issue for sale or cancel any Ordinary Shares that it purchases pursuant to the Market Purchase Authority.

The Company intends on an annual basis to grant Share Options to Executive Directors and senior employees pursuant to the LTIP and to employees pursuant to the Dunelm Sharesave Scheme and, on an ad hoc basis, under the Dunelm 2020 Share Plan.

The total number of Share Options outstanding as at the Latest Practicable Date was 4,138,595, representing approximately 2.05 per cent. of the issued Ordinary Share capital of the Company (excluding treasury shares) as at that date. If the Market Purchase Authority and any remaining capacity under the equivalent existing authority given at the 2022 AGM were to be utilised in full, the total number of Share Options outstanding as at the Latest Practicable Date would, assuming no further Ordinary Shares are issued and no further Share Options granted, represent approximately 2.10 per cent. of the Ordinary Share capital of the Company (excluding treasury shares).

A purchase of Ordinary Shares by the Company pursuant to the Market Purchase Authority could increase the percentage of voting rights held by the Concert Party. In certain circumstances (described below) such an increase could trigger an obligation on the Concert Party to make a mandatory offer for the whole of the issued share capital of the Company pursuant to the Takeover Code. Non-Concert Party Shareholders will be asked, under Resolution 22, to approve the waiver by the Panel of the mandatory offer provisions such that the Market Purchase Authority will not trigger a requirement for the Concert Party to make a mandatory offer for the entire issued share capital of the Company. Further details of this waiver are set out below.

Resolution 22: The Waiver Resolution

The Waiver Resolution seeks Non-Concert Party Shareholders' approval of a waiver of the obligation that could arise on the Concert Party to make an offer for the entire issued share capital of the Company because of purchases by the Company of Ordinary Shares pursuant to the Market Purchase Authority.

Rule 9 of the Takeover Code

As an English company with its shares admitted to listing on the premium listing segment of the Official List and admitted to trading on the Main Market of the London Stock Exchange, the Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, where any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any persons acting in concert with such person, for any interest in shares in the company during the twelve months prior to the announcement of the offer.

Where members of a concert party hold more than 50 per cent. of the voting rights in a company, no obligations under Rule 9 normally arise from acquisitions by any member of the concert party. They may accordingly increase their aggregate interests in shares without incurring any obligation under Rule 9 to make an offer, although individual members of a concert party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent.

Impact of Rule 37 of the Takeover Code

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code (although a shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make a Rule 9 offer). Accordingly, if the Concert Party's aggregate shareholding increased as a result of the exercise of the Market Purchase Authority, the Concert Party would be required to make a mandatory offer for the remainder of the issued share capital of the Company.

Panel Waiver - exercise of the Market Purchase Authority

The Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit the Market Purchase Authority to be exercised by the Board (if such authority is approved by Shareholders) without triggering an obligation on the part of the Concert Party to make an offer to Shareholders. The Panel has agreed to waive the obligation to make an offer that would otherwise arise under Rule 9 of the Takeover Code as a result of purchases by the Company of up to 5,000,000 Ordinary Shares pursuant to the Market Purchase Authority, subject to the approval of Non-Concert Party Shareholders. Accordingly, the Waiver Resolution is being proposed at the AGM and will be taken on a poll. The members of the Concert Party will not be entitled to vote on the Waiver Resolution. No other Shareholder is considered to be acting in concert with the Concert Party.

The Concert Party

The Company has agreed with the Panel that the following persons are presumed to be acting in concert in relation to the Company: Sir Will Adderley, his wife, Lady Nadine Adderley and his mother, Jean Adderley, the Stonegate Trust (a private charitable trust of which Sir Will Adderley and Lady Nadine Adderley are trustees) and the Paddocks Discretionary Trust (a private trust relating to the Adderley family), WA Capital Limited and WA Capital Investments Limited.

Sir Will Adderley joined the business in 1992. He has worked in and is familiar with all major areas of the business and took over the running of the Group as Chief Executive from his father, Bill Adderley, in 1996. In February 2011, he relinquished the role of Chief Executive to Nick Wharton, and became Deputy Chair. Following the resignation of Nick Wharton, Sir Will Adderley was re-appointed Chief Executive on 11 September 2014. He resumed his previous role as Deputy Chair in January 2016. He continues to hold an executive role to support the business in matters agreed with the current Chief Executive, Nick Wilkinson, as required.

Sir Will Adderley is currently beneficially interested in an aggregate of 75,231,779 Ordinary Shares, representing 37.29 per cent. of the voting rights in the Company as at the Latest Practicable Date, held by himself directly and through WA Capital Limited (a private company established by Sir Will Adderley to act as a long-term holding company for his beneficial shareholding in the Company) and WA Capital Investments Limited (a wholly owned subsidiary of WA Capital Limited). The Concert Party holds and/or is presumed to be interested in, in aggregate, 86,340,279 Ordinary Shares representing 42.80 per cent. of the voting rights in the Company as at the Latest Practicable Date.

PART 1 - LETTER FROM THE CHAIR

Pursuant to the Relationship Agreement, each of Jean Adderley, Bill Adderley and Sir Will Adderley accepted certain restrictions relating, inter alia, to their relationship with the Group and their voting rights for so long as, individually or together, they are entitled to exercise, or to control the exercise of, 30 per cent. or more of the rights to vote at general meetings of the Company or they are able to control the appointment of directors who are able to exercise a majority of votes at board meetings of the Company. Bill Adderley, Sir Will Adderley's father, is no longer considered to be a member of the Concert Party as he transferred his entire shareholding to Sir Will Adderley and Jean Adderley in 2018 and has no further involvement with the business.

Further information on the Concert Party is set out in Part 2 of this document. Shareholders should, in particular, note the commentary around any further increases in the aggregate interests in shares in the Company of the Concert Party.

Impact of the exercise of the Market Purchase Authority

If the Company were to repurchase from persons other than Sir Will Adderley the maximum number of Ordinary Shares for which it is seeking authority pursuant to the Market Purchase Authority, Sir Will Adderley's interest in 75,231,779 Ordinary Shares would (assuming no other allotments of Ordinary Shares) represent 38.24 per cent. of the voting rights in the Company by virtue of such action. Similarly, if the Company were to repurchase from persons other than members of the Concert Party the maximum number of Ordinary Shares for which it is seeking authority pursuant to the Market Purchase Authority, the interests of the Concert Party in, in aggregate, 86,340,279 Ordinary Shares would (assuming no other allotments of Ordinary Shares) represent 43.89 per cent. of the voting rights in the Company.

A table showing the respective individual interests in shares of the members of the Concert Party if the Company were to repurchase from persons other than members of the Concert Party the maximum number of Ordinary Shares for which it is seeking authority pursuant to the Market Purchase Authority (assuming no other allotments of Ordinary Shares or transfers of Ordinary Shares from treasury) is set out below:

Concert Party member	Number of Ordinary Shares at the Latest Practicable Date	Per cent. of the voting rights of the Company at the Latest Practicable Date	Number of Ordinary Shares on exercise of the Market Purchase Authority in full ¹	Per cent. of the voting rights of the Company on exercise of the Market Purchase Authority in full ¹
Sir Will Adderley	36,070,000	17.88	36,070,000	18.33
Lady Nadine Adderley	Nil	–	Nil	–
WA Capital Limited	3,161,779	1.57	3,161,779	1.61
WA Capital Investments Limited	36,000,000	17.85	36,000,000	18.30
Jean Adderley	9,968,500	4.94	9,968,500	5.07
Stoneygate Trust	967,250	0.48	967,250	0.49
The Paddocks Discretionary Trust	172,750	0.09	172,750	0.09
Total	86,340,279	42.80	86,340,279	43.89

Note:

1 Assuming: (i) all Ordinary Shares repurchased by the Company pursuant to the Market Purchase Authority had been repurchased from persons other than members of the Concert Party; (ii) no other allotments of Ordinary Shares had been made; and (iii) there had been no changes in the number of Ordinary Shares in which each member of the Concert Party was interested as at the Latest Practicable Date.

Following exercise of the Market Purchase Authority (either in whole or in part), Sir Will Adderley and separately the Concert Party will continue to be interested in shares carrying more than 30 per cent. of the voting rights of the Company but will not hold shares carrying more than 50 per cent. of the voting rights of the Company. Any further increase in the number of shares in which he or they (for so long as they continue to be acting in concert with him) are interested (other than pursuant to a further exercise of the Market Purchase Authority) will be subject to the provisions of Rule 9 of the Takeover Code.

Intentions of the Concert Party

Apart from supporting the Board's process for continually refreshing its membership, and the Board changes announced, being (i) the appointment of Alison Brittain on 7 September 2022; and (ii) the resignation of Andy Harrison on 31 December 2022, each member of the Concert Party has confirmed to the Company that no member of the Concert Party has any present intention to change the Company's plans with respect to (a) the future business of the Company, including any research and development functions; (b) the continued employment of the employees and management of the Company and of its subsidiaries, including any material change in conditions of employment or balance of skills and functions of the employees and management; (c) its strategic plans for the Company, or their likely repercussions on employment and on the locations of the Company's places of business, including on the location of the Company's headquarters and headquarters functions; (d) employer contributions into the Company's pension scheme(s) (including with regard to current arrangements for the funding of any scheme deficit), the accrual of benefits for existing members, or the admission of new members; (e) the redeployment of the fixed assets of the Company; and/or (f) the maintenance of the Company's listing on the London Stock Exchange, as a result of the proposals set out in Resolution 22.

No member of the Concert Party is intending to purchase any additional Ordinary Shares during the period covered by the Market Purchase Authority.

If the Waiver Resolution is passed, the Concert Party will not be restricted from making an offer for the Company.

Intentions of the Directors

The Directors intend to maintain the listing of the Ordinary Shares on the Official List for the foreseeable future.

The Independent Directors anticipate that they will continue to seek Shareholder approval on an annual basis of the waiver of any Rule 9 obligation which may arise as a result of the exercise of a renewed buy back authority.

Resolution 22 will be proposed as an ordinary resolution.

Resolution 23: Notice period for general meetings

This Resolution, which will be proposed as a special resolution, relates to the requirement under the CA 2006 which increases the notice period for general meetings of traded companies to 21 days unless certain conditions are met. One of the conditions is that a shareholder resolution, such as Resolution 23, reducing the notice period to 14 clear days, is passed on an annual basis. The shorter notice period will, if approved by Shareholders, not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be in the best interests of Shareholders as a whole.

Resolutions 24 and 25: Approval of the amendments to the Company's Long Term Incentive Plan and Sharesave Plan

Resolutions 24 and 25 relate to the amendment of the Dunelm Group 2014 Long Term Incentive Plan (the '2014 LTIP') and the Dunelm Group 2014 Sharesave Plan (the 'Sharesave').

The 2014 LTIP and the Sharesave were approved by shareholders and adopted by the Company in 2014, with shareholders subsequently approving amendments to the 2014 LTIP at the Annual General Meetings in 2015 and 2017. The 2014 LTIP is the Company's long-term share-based incentive arrangement for Executive Directors and other members of the Company's leadership team. The Sharesave is an 'all-employee' share based incentive plan.

The LTIP and Sharesave as originally approved by shareholders expire for the purposes of new awards in 2024, following the end of their originally anticipated ten-year life. In Resolutions 24 and 25, the Company is seeking approval for amendments to the 2014 LTIP and Sharesave, including to the extension of the life of each plan for a further period of ten years. Although the plans are not scheduled to expire until 2024, this approval is sought now to coincide with the approval of a revised Directors' Remuneration Policy as referred to in relation to Resolution 14.

Although shareholders are only being asked to approve the amendments to the 2014 LTIP and Sharesave, as the amended plans will last for a further ten years we have included a full summary of the plans as amended in Part 4 of this document.

Resolutions 24 and 25 will be proposed as ordinary resolutions.

4 Audited consolidated accounts and significant change

The audited consolidated accounts for the periods to 2 July 2022 and 1 July 2023 can be found at corporate.dunelm.com, and are incorporated into this document by reference. For the avoidance of doubt, the content of the website is not incorporated into and does not form part of this document.

If you require a hard copy of the audited consolidated accounts for FY22 or FY23 or the trading update dated 19 October 2023 referred to below, a request should be sent to Luisa Wright at investorrelations@dunelm.com or Dunelm Group plc, Watermead Business Park, Syston, Leicester, LE7 1AD (Tel 0116 264 4400).

The Directors are not aware of any significant change in the financial or trading position of the Group since 1 July 2023, being the end date of the last financial period for which audited accounts were published.

5 Action to be taken

A Form of Proxy for use in connection with the Annual General Meeting is enclosed. Whether or not you intend to be present at the meeting, you are requested to complete, sign, and return the Form of Proxy by one of the following methods:

- 5.1 in hard copy form using the Form of Proxy enclosed by post, by courier or by hand (during normal business hours) to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or
- 5.2 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 8 and 9 to the Notice of Annual General Meeting set out at Part 5 of this document; or
- 5.3 electronically by visiting www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed on the Form of Proxy). Alternatively, if you have already registered with Equiniti Limited's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are provided on both websites; or
- 5.4 if you are an institutional investor, electronically via the Proxymity platform in accordance with the procedures set out in note 11 to the Notice of Annual General Meeting set out at Part 5 of this document,

and in each case so that it is received by the Company's registrars, Equiniti Limited, as soon as possible and in any event not later than 11.30 am on 14 November 2023.

Completion and return of the Form of Proxy, the transmission of a CREST Proxy Instruction or the electronic appointment of proxies will not preclude Shareholders from attending and voting in person at the Annual General Meeting, should they so wish.

PART 1 - LETTER FROM THE CHAIR

6 Additional Information

Your attention is drawn to the Annual Report and to Part 2 of this document which contain certain additional information in respect of the Company, including Directors' interests. Shareholders are advised to read the whole of this document and the Annual Report and not rely solely on the summary information set out in this letter.

7 Recommendations

In the opinion of the Board, each of the Resolutions to be proposed at the Annual General Meeting is in the best interests of the Company and Shareholders as a whole, save that Sir Will Adderley makes no recommendation with regard to the Waiver Resolution (Resolution 22) as, in accordance with the provisions of the Takeover Code, Sir Will Adderley is considered to be interested in the outcome of the Waiver Resolution.

Accordingly, the Board, excluding Sir Will Adderley for the purposes of the Waiver Resolution, recommends that Shareholders vote in favour of the Resolutions at the Annual General Meeting, as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, which amount to 37.27 per cent. of the issued Ordinary Shares, save that Sir Will Adderley will not vote in respect of his beneficial holdings of Ordinary Shares, which amount to 36.98 per cent. of the issued Ordinary Shares, on the Waiver Resolution, in which he is considered to be interested.

The Independent Directors, who have been so advised by Barclays, consider the Waiver Resolution to be fair and reasonable and to be in the best interests of the Non-Concert Party Shareholders and the Company as a whole. In providing its advice to the Independent Directors, Barclays has taken account of the Independent Directors' commercial assessments.

Accordingly, the Independent Directors unanimously recommend that Non-Concert Party Shareholders vote in favour of the Waiver Resolution to be proposed at the Annual General Meeting, as the Independent Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, which amount to approximately 0.29 per cent. of the issued Ordinary Shares.

Yours faithfully

Alison Brittain
Chair

PART 2 - ADDITIONAL INFORMATION

1 Responsibility

- 1.1 The Directors take responsibility for the information contained in this document other than:
- (a) the recommendation and associated opinion attributed to the Independent Directors set out in paragraph 7 of the Chair's Letter; and
 - (b) the statement in paragraph 3 of the Chair's Letter (under the heading 'Intentions of the Concert Party' on page 6) that the Concert Party has no present intention of changing the Board or the employment rights of employees,

and the only responsibility accepted by the Directors in respect of the information in this document relating to the Concert Party has been to ensure that such information has been correctly and fairly reproduced or presented as notified to the Company (and no steps have been taken by the Directors to verify this information).

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

- 1.2 Each member of the Concert Party takes responsibility for the statements in paragraph 3 of the Chair's Letter that relate to them and their respective intentions. To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Independent Directors take responsibility for the recommendation and associated opinion attributed to them in paragraph 7 of the Chair's Letter. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 The Company

- 2.1 The Company was incorporated and registered in England and Wales on 23 March 2003 and with registered number 4708277. The registered office of the Company and the business address of all of the Directors is Watermead Business Park, Syston, Leicester, Leicestershire LE7 1AD.
- 2.2 The Company is a UK homewares retailer.
- 2.3 As at the Latest Practicable Date, the issued share capital of the Company was 203,426,835 Ordinary Shares, carrying one vote each and the Company held 1,689,700 Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company as at the Latest Practicable Date was 201,737,135.
- 2.4 As at the Latest Practicable Date, there were 4,138,595 Share Options outstanding over the Ordinary Shares, representing 2.05 per cent. of the Ordinary Shares in issue (excluding treasury shares).

3 The Concert Party

- 3.1 The Concert Party holds 86,340,279 Ordinary Shares representing 42.80 per cent. of the voting rights in the Company as at the Latest Practicable Date.
- 3.2 Sir Will Adderley is currently beneficially interested in an aggregate of 75,231,779 Ordinary Shares, representing 37.29 per cent. of the voting rights in the Company as at the Latest Practicable Date. 36,070,000 Ordinary Shares are held by him directly. 3,161,779 Ordinary Shares are registered in the name of WA Capital Limited, a private company established by Sir Will Adderley to act as a long-term holding company for his beneficial shareholding in the Company. Sir Will Adderley and his wife Lady Nadine Adderley are directors and the sole shareholders of WA Capital Limited. 36,000,000 Ordinary Shares are registered in the name of WA Capital Investments Limited, a private company and wholly owned subsidiary of WA Capital Limited. On 20 September 2016, WA Capital Investments Limited entered into a loan facility with Barclays Bank plc and granted a security interest in favour of Barclays Bank plc over 18,000,000 Ordinary Shares as security for any amounts which may be due from time to time under the facility. On 8 December 2017, the size of this security interest increased by 18,000,000 Ordinary Shares to 36,000,000 Ordinary Shares in total. On 23 September 2021, this security was released, and a replacement granted in favour of Banco Santander S.A in connection with a loan facility with that bank. In the case of both the security interest granted to Barclays Bank plc and the replacement to Banco Santander S.A, WA Capital Investments Limited remains the beneficial owner of the Ordinary Shares subject to the security interest and retains full voting rights.
- 3.3 In addition, Sir Will Adderley is presumed to hold a legal interest in 967,250 Ordinary Shares held by the Stoneygate Trust and 172,750 Ordinary Shares held by the Paddocks Discretionary Trust. Sir Will Adderley and Lady Nadine Adderley are the trustees, but not beneficiaries, of the Stoneygate Trust and the Paddocks Discretionary Trust.
- 3.4 Furthermore 9,968,500 Ordinary Shares are held by Jean Adderley, Sir Will Adderley's mother.

PART 2 - ADDITIONAL INFORMATION

4 Directors and Concert Party interests and dealings

4.1 The names of the Directors and their functions are set out on page 2 of this document.

4.2 As at the close of business on the Latest Practicable Date, the interests, rights to subscribe and short positions of each Director, their immediate families and persons connected with them in the Ordinary Share capital of the Company, together with any options in respect of such share capital, (all of which are beneficial unless otherwise stated) were as follows:

Director	Ordinary Shares
Sir Will Adderley	75,231,779 ¹
Alison Brittain	37,500
Ian Bull	11,000
Kelly Devine	–
William Reeve	22,000
Peter Ruis	–
Marion Sears	105,000
Arja Taaveniku	6,000
Vijay Talwar	9,670
Nick Wilkinson	371,330
Karen Witts	24,918

Note:

¹ This number includes 36,070,000 Ordinary Shares held by Sir Will Adderley, 3,161,779 Ordinary Shares registered in the name of WA Capital Limited and 36,000,000 Ordinary Shares registered in the name of WA Capital Investments Limited but does not include the following Concert Party holdings: 967,250 Ordinary Shares held by the Stoneygate Trust, 172,750 Ordinary Shares held by the Paddocks Discretionary Trust and 9,968,500 Ordinary Shares held by Jean Adderley.

Director	Date of award	Nature of award	Share Options at Latest Practicable Date	End of performance period	Option price
Sir Will Adderley	–	–	Nil	–	–
Nick Wilkinson	November 2020	FY21-23 LTIP	94,846	June 2023	Nil
	October 2021	FY22-24 LTIP	89,078	June 2024	Nil
	October 2022	FY23-25 LTIP	139,765	June 2025	Nil
	November 2022	FY23 Sharesave	2,698	n/a	667p
Karen Witts	June 2022	FY22-24 LTIP	73,979	June 2024	Nil
	October 2022	FY23-25 LTIP	108,043	June 2025	Nil
	November 2022	FY23 Sharesave	2,698	n/a	667p

4.3 As at the close of business on the Latest Practicable Date the interests, rights to subscribe and short positions (all of which are beneficial unless otherwise stated) of each member of the Concert Party in the Ordinary Share capital of the Company as notified to the Company were as follows:

Concert Party member	Number of Ordinary Shares	Per cent. of voting rights in the Company
Sir Will Adderley	36,070,000	17.88
Lady Nadine Adderley	Nil	–
WA Capital Limited	3,161,779	1.57
WA Capital Investments Limited	36,000,000	17.85
Jean Adderley	9,968,500	4.94
Stoneygate Trust	967,250	0.48
Paddocks Discretionary Trust	172,750	0.09
Total	86,340,279	42.80

- 4.4 During the period of 12 months preceding the date of this document, there have been no dealings in relevant securities by members of the Concert Party.
- 4.5 If the Company were to repurchase from persons other than Sir Will Adderley, the maximum number of Ordinary Shares for which it is seeking authority pursuant to the Market Purchase Authority, Sir Will Adderley's interests in Ordinary Shares would (assuming no other allotments of Ordinary Shares) represent 38.24 per cent. of the voting rights in the Company by virtue of such action.
- 4.6 If the Company were to repurchase from persons other than members of the Concert Party, the maximum number of Ordinary Shares for which it is seeking authority pursuant to the Market Purchase Authority, the Concert Party's aggregate interests in Ordinary Shares would (assuming no other allotments of Ordinary Shares) represent 43.89 per cent. of the voting rights in the Company by virtue of such action.

5 Concert Party and other related party arrangements

- 5.1 No member of the Concert Party has entered into any agreements, arrangements, or understandings (including any compensation arrangement) with any of the Directors which has any connection with or dependence upon the Waiver Resolution. In addition, save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangement) having any connection with or dependence upon the Waiver Resolution between any member of the Concert Party and any person interested or recently interested in shares in the Company, or any other recent director of the Company.
- 5.2 Each member of the Concert Party has confirmed that there is no agreement, arrangement or understanding for the transfer of their Ordinary Shares to any third party.
- 5.3 It is not the Directors' intention to sell any of their shareholdings back to the Company pursuant to the Market Purchase Authority. The Directors also believe that there are no related parties from whom Ordinary Shares are proposed to be purchased and in the event that any Shareholders of the Company come within the definition of related party set out in the Listing Rules, the Directors confirm that there is no prior understanding, arrangement or agreement between the Company and any related party.

6 Material contracts

- 6.1 Except as specified in paragraph 6.2 below, no contracts (not being in the ordinary course of business) have been entered into by the Company or any member of the Group in the two years immediately preceding the date of this document which are, or may be, material.
- 6.2 The Company has in place an unsecured Revolving Credit Facility ('Facility') dated 9 December 2021, which had an initial term of four years. On 7 September 2023, the Company entered into a renegotiated agreement for a further four years, which may be extended by a maximum of an additional two years subject to lender consent. Under the terms of the revised Facility, Barclays Bank PLC, National Westminster Bank plc, Banco Santander S.A, London Branch, BNP Paribas, London Branch, Caixabank S.A, UK Branch and Credit Industriel et Commercial (together the 'Lenders') make funds of up to £250,000,000 available for drawdown by the Company as required.

7 Middle market quotations

The middle market quotations for the Ordinary Shares of the Company, as derived from the London Stock Exchange Daily Official List, on the first Business Day of each of the six months immediately preceding the date of this document and on the Latest Practicable Date, were:

Date	Price per Ordinary Share (p)
Latest Practicable Date	1,050.00
2 October 2023	1,043.00
1 September 2023	1,145.00
1 August 2023	1,165.00
3 July 2023	1,120.00
1 June 2023	1,117.00
2 May 2023	1,163.00

8 Ratings and outlooks

No ratings agency has publicly accorded the Company with any current credit rating or outlook.

PART 2 - ADDITIONAL INFORMATION

9 General

- 9.1 Barclays has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 9.2 As at the Latest Practicable Date, and save as disclosed in paragraphs 4.2 to 4.4 of this Part 2 of this document:
- (a) no member of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the CA 2006), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts owns or controls, or has borrowed or lent, or is interested in, or has any right to subscribe for, or any arrangement concerning, directly or indirectly, any relevant shares or securities of the Company, or has any short position (whether conditional or absolute and whether in the money or otherwise), including a short position under a derivative, any agreement to sell or any delivery obligation in respect of any right to require any person to purchase or take delivery of, any such relevant shares or securities of the Company;
 - (b) no member of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the CA 2006), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts has dealt in relevant securities during the period of twelve months prior to the Latest Practicable Date;
 - (c) there are no relevant securities which any member of the Concert Party has borrowed or lent (excluding any borrowed relevant securities which have either been on lent or sold);
 - (d) none of:
 - (i) the Directors or any member of their immediate families or related trusts;
 - (ii) the Company or any associated company of the Company; and/or
 - (iii) any pension fund or employee benefit trust of the Company or of any associated company of the Company; and/or
 - (iv) any connected adviser to the Company or any associated company of the Company or any person acting in concert with the Directors; and/or
 - (v) any person controlling, controlled by or under the same control as any connected adviser falling within (iv) above (except for an exempt principal trader or an exempt fund manager); and/or
 - (vi) any other person acting in concert with the Company, owns or controls, has a short position, or has borrowed or lent (or entered into any financial collateral arrangement of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code), or has any interest in, right to subscribe in respect of or short position in relation to, or any arrangement concerning, directly or indirectly, any relevant securities of the Company;
 - (e) there are no relevant securities which the Company or any person acting in concert with the Company has borrowed or lent (excluding any borrowed relevant securities which have either been on lent or sold); and
 - (f) save as disclosed in paragraph 3 of this Part 2 of this document, neither of the Company nor any of the Directors nor any member of their immediate families or related trusts, owns or controls or is interested, directly or indirectly in or has any short position in, any member of the Concert Party or any securities convertible into, or exchangeable for, rights to subscribe for and options (including traded options) in respect of, and derivatives referenced to, any of the foregoing.
- 9.3 No management incentivisation arrangements have been discussed.
- 9.4 The Directors are not aware of any agreement or arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the Market Purchase Authority will be transferred to any other person. Such Ordinary Shares will, in accordance with the CA 2006, either be held in treasury up to the amounts permitted to be held in treasury by the CA 2006 or be cancelled and the issued share capital of the Company reduced by the nominal amount of those Ordinary Shares so purchased and cancelled.

10 Directors' service contracts and letters of appointment

- 10.1 Each Executive Director has entered into a service contract of no fixed term with a notice period for termination from either the Executive Director or the Company of 12 months for Sir Will Adderley and 6 months for each of Nick Wilkinson and Karen Witts. In addition to basic salary (as set out in paragraph 10.3 below), each Executive Director is entitled to benefits including pension, car and travel allowance, a discretionary bonus, and discretionary entitlements under the Employee Share Schemes (details of which are set out in paragraph 4.2 above and the Annual Report). Payments on termination are restricted to a maximum of the value of base salary and benefits for the notice period and the Remuneration Committee may apply mitigation in respect of any termination payment. Each service contract includes a non-compete arrangement.
- 10.2 Each Non-Executive Director has entered into a letter of appointment with the Company for an initial period of three years with a notice period for termination from either the Non-Executive Director or the Company of one month (or 3 months in the case of the Chair). Since Marion Sears has now served more than nine years on the Board her contract is renewed annually.

10.3 Further details of each service contract or letter of appointment are set out below:

Name	Contract/letter of appointment date	Base salary/Fee (FY24)	Notice period
Sir Will Adderley	28 September 2006	£1	12 months
Alison Brittain	7 September 2022	£337,177	3 months
Ian Bull	10 July 2019	£69,806	1 month
Kelly Devine	1 March 2022	£58,490	1 month
William Reeve	1 July 2015	£76,996	1 month
Peter Ruis	10 September 2015	£58,490	1 month
Marion Sears	22 July 2004	£58,490	1 month
Arja Taaveniku	15 February 2021	£58,490	1 month
Vijay Talwar	1 October 2021	£58,490	1 month
Nick Wilkinson	1 February 2018	£611,100	6 months
Karen Witts	9 June 2022	£472,500	6 months

10.4 No service contract or letter of appointment has been entered into or amended within 6 months of the date of this document.

10.5 There are no commission or profit-sharing arrangements between the Company and any of the Directors. On termination of any Director's service contract or letter of appointment, the maximum amount payable by the Company is the value of salary and benefits or fees and expenses (as relevant) for the notice period.

11 Documents available for inspection

11.1 Copies of the following documents are available on the Company's website: corporate.dunelm.com and hard copies are available on request from Luisa Wright at investorrelations@dunelm.com or Dunelm Group plc, Watermead Business Park, Syston, Leicester, LE7 1AD (Tel 0116 264 4400):

- (a) this document;
- (b) the Company's memorandum of association;
- (c) the Articles;
- (d) the audited consolidated accounts of the Company for the financial years ended 2 July 2022 and 1 July 2023;
- (e) the consent letter from Barclays referred to in paragraph 9.1 above;
- (f) the marked-up rules of the Dunelm Group 2014 Long Term Incentive Plan; and
- (g) the marked-up rules of the Dunelm Group 2014 Sharesave Plan.

Dated: 19 October 2023

PART 3 - DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

'2022 AGM'	the annual general meeting of the Company held at 11.30 a.m. on 30 November 2022	'dealing' or 'dealt'	in the context of the Takeover Code means: (a) acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of relevant securities; (b) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any relevant securities; (c) subscribing or agreeing to subscribe for relevant securities; (d) exercising or converting, whether in respect of new or existing relevant securities, any securities carrying conversion or subscription rights, (e) acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying, a derivative referenced, directly or indirectly, to securities; (f) entering into, terminating or varying the terms of any agreement to purchase or sell securities; (g) redeeming or purchasing, or taking or exercising an option over, any of its own relevant securities by the offeree company or an offeror; and (h) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position
'2014 LTIP'	the Dunelm Group 2014 Long Term Incentive Plan	'derivatives'	includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security
'Annual General Meeting' or 'AGM'	the annual general meeting of the Company to be held at Stoke 2 Distribution Centre, White Rock Road, Prologis Park, Stoke on Trent, ST4 4FA at 11.30 am on 16 November 2023, notice of which is set out at Part 5 of this document	'Disclosure Guidance and Transparency Rules'	the disclosure guidance and transparency rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
'Annual Report'	the annual report and accounts of the Company for the year ended 1 July 2023, a copy of which accompanies this document	'Dunelm 2020 Share Plan'	the Dunelm 2020 Share Plan
'Articles'	the articles of association of the Company in force at the date of this document	'Dunelm Group Company Share Option Scheme'	the Dunelm Group Company Share Option Scheme, under the 2003 or 2013 rules as the case may be
'Associate'	in relation to a Controlling Shareholder has the meaning set out in the Listing Rules	'Dunelm SAYE Scheme' or 'Dunelm Sharesave Scheme'	the Dunelm Group Savings Related Share Option Plan 2005, and / or the Dunelm Group 2014 Sharesave Plan as the case may be
'associated company'	in the context of the Takeover Code means in relation to any company, that company's parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other. For these purposes, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status	'Employee Share Schemes'	the LTIP, the Dunelm SAYE Scheme, the Dunelm Group Company Share Option Scheme and the Dunelm 2020 Share Plan
'Board' or 'Directors'	the board of directors of the Company	'Euroclear'	Euroclear UK & International Limited, the operator of CREST
'Business Day'	any date on which banks are generally open in England and Wales for the transaction of normal banking business other than a Saturday, Sunday or public holiday	'Executive Directors'	the Directors of the Company who hold an executive office
'CA 2006'	the Companies Act 2006, as amended	'Form of Proxy'	the form of proxy enclosed with this document for use by Shareholders in connection with the Annual General Meeting
'Company' or 'Dunelm'	Dunelm Group plc	'FCA'	the Financial Conduct Authority
'Concert Party'	together, Sir Will Adderley, Jean Adderley, Bill Adderley, Lady Nadine Adderley, the Stoneygate Trust, the Paddocks Discretionary Trust, WA Capital Limited and WA Capital Investments Limited		
'connected adviser'	has the meaning set out in the Takeover Code		
'control'	in the context of the Takeover Code means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are exercisable at a general meeting, irrespective of whether such interest or interests give de facto control		
'Controlling Shareholder'	has the meaning set out in the Listing Rules		
'CREST'	the system for the paperless settlement of trades in securities operated by Euroclear in accordance with the CREST Regulations		
'CREST Manual'	the current version of the CREST Manual which at the date of this document is available on www.euroclear.com		
'Crest Proxy Instruction'	has the meaning in the CREST Manual		
'CREST Regulations'	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)		

'FSMA'	the Financial Services and Markets Act 2000 (as amended)	'Regulations'	Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended)
'Group'	the Company and its subsidiary undertakings	'Relationship Agreement'	the relationship agreement dated 2 October 2006 and entered into between Jean Adderley (1), Bill Adderley (2), Sir Will Adderley (3) and the Company (4), to which Lady Nadine Adderley and WA Capital Limited have become a party, as amended on 10 July 2014
'Independent Directors'	the directors of the Company other than Sir Will Adderley, who are presumed not to be interested in the Waiver Resolution or, when used in the context of the explanation of Resolutions 3 to 13 at paragraph 2 of the Chair's letter only, the directors of the Company whom the Company has determined to be independent under the UK Corporate Governance Code	'relevant securities'	in the context of the Takeover Code, means Ordinary Shares, or any securities convertible into, or exchangeable for, and rights to subscribe for, any Ordinary Shares (including Share Options)
'Independent Shareholders'	Shareholders other than a Controlling Shareholder and its or their Associates	'Remuneration Committee Report'	the Remuneration Committee Report set out in the Annual Report, comprising the Letter from the Chair of the Remuneration Committee, the Policy Report and the Annual Report on Remuneration
'interest'	in the context of the Takeover Code, a person will be treated as having an interest in relevant securities, in particular, where a person: (a) owns securities; (b) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities or has general control of them; (c) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or (d) is party to any derivative whose value is determined by reference to the prices of securities and which results, or may result, in his having a long position in them	'Resolution' or 'Resolutions'	the resolutions set out in the notice of Annual General Meeting at Part 5 of this document
'Latest Practicable Date'	17 October 2023	'Rule 9 Waiver'	the waiver of the obligation that could arise on the Concert Party to make an offer for the entire issued share capital of the Company because of purchases by the Company of Ordinary Shares pursuant to the Market Purchase Authority, as more particularly described at paragraph 3 of Part 1 of this document
'Listing Rules'	the listing rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA	'Shareholder(s)'	(a) holder(s) of Ordinary Shares
'London Stock Exchange'	London Stock Exchange plc or its successor	'Share Options'	options to subscribe for Ordinary Shares pursuant to an award made under the Employee Share Schemes
'LTIP'	the Dunelm Group Long-Term Incentive Plan, under the 2005, or the 2014 rules, as the case may be	'Sharesave'	the Dunelm Group 2014 Sharesave Plan
'Main Market'	the main market for listed securities of the London Stock Exchange	'short position'	in the context of the Takeover Code, means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery
'Market Purchase Authority'	the authority for the Company to make market purchases of Ordinary Shares to be proposed to Shareholders in the terms of Resolution 21 set out in the notice of Annual General Meeting set out in Part 5 of this document	'subsidiary undertaking'	shall, unless otherwise stated, be construed in accordance with the CA 2006 (but for these purposes ignoring paragraph 19(1)(b) of Part 1 of Schedule 6A to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008)
'Non-Concert Party Shareholders'	Shareholders other than members of the Concert Party	'Takeover Code'	the City Code on Takeovers and Mergers
'Non-Executive Directors'	the Directors of the Company who do not hold an executive office	'United Kingdom' or 'UK'	the United Kingdom of Great Britain and Northern Ireland
'Official List'	the official list maintained by the FCA for the purposes of Part VI of FSMA	'UK Corporate Governance Code'	the 2018 version of the corporate governance code which sets out standards of good practice for UK listed companies published by the Financial Reporting Council
'Ordinary Shares'	ordinary shares of one penny each in the capital of the Company	'Waiver Resolution'	Resolution 22 in the form set out in the notice of Annual General Meeting at Part 5 of this document approving a waiver of the mandatory offer provisions set out in Rule 9 and Rule 37 of the Takeover Code
'Panel'	the Panel on Takeovers and Mergers		
'Registrars' or 'Equiniti'	Equiniti Limited, the registrars of the Company		

PART 4 - SUMMARY OF THE SHARE PLANS

The summaries below of the Dunelm Group 2014 Long Term Incentive Plan (the '2014 LTIP') and the Dunelm Group 2014 Sharesave Plan (the 'Sharesave') reflect the terms of the 2014 LTIP and Sharesave as they are proposed to be amended as referred to in Resolution 24 and Resolution 25.

The Dunelm Group 2014 Long Term Incentive Plan

A summary of the principal terms is set out below.

The 2014 LTIP will be administered by the Board or any duly authorised committee of it. In this summary, references to the Board include any such committee. Decisions in relation to any participation in the 2014 LTIP by the Company's Executive Directors and other persons in respect of whom the Company's Remuneration Committee is required to determine remuneration will always be taken by the Board or that committee.

1. Eligibility

Any employee (including an Executive Director) of the Company or any of its subsidiaries will be eligible to participate in the 2014 LTIP at the discretion of the Board. In practice, awards are likely to be limited to Executive Directors and the senior leadership team.

2. Form of Award

Awards may be in the form of:

- (a) a conditional right to acquire ordinary shares in the Company at no cost to the participant ('**Conditional Award**');
- (b) an option to acquire ordinary shares at no cost to the participant ('**Nil-Cost Option**');
- (c) an option to acquire ordinary shares with an exercise price equal to the nominal value of the ordinary shares ('**Nominal Value Option**'); or
- (d) a right to receive a cash amount which relates to the value of a certain number of notional ordinary shares ('**Cash Award**'), although it is intended that awards will be granted over ordinary shares rather than in respect of notional ordinary shares wherever practicable.

Conditional Awards, Nil-Cost Options, Nominal Value Options and Cash Awards are together referred to as 'Awards' and each an 'Award'. References in this summary to ordinary shares include notional shares to which a Cash Award relates.

Awards may be granted under the 2014 LTIP in respect of remuneration forfeited to join the Group ('**Recruitment Awards**').

3. Performance conditions

Awards which are not Recruitment Awards will be subject to the satisfaction of a performance condition(s) which will determine the proportion (if any) of the Award which will vest following the end of a performance period, ordinarily of three years.

Recruitment Awards may be granted subject to the satisfaction of a performance condition(s).

Any performance condition may be amended or substituted if the Board considers that an amended or substituted performance condition is reasonable, appropriate and would not be materially less difficult to satisfy than the original performance condition when it was set.

4. Individual Limit

Awards will not be granted to a participant over ordinary shares with a market value (as determined by the Board) in excess of 250 per cent. of salary in respect of any financial year. The quantum of Award granted to any Executive Director of the Company will be consistent with the Company's Directors' Remuneration Policy as approved by Shareholders from time to time.

Recruitment Awards are not subject to (and do not count towards) this limit.

5. Grant of Awards

Awards may only be granted within the six-week period:

- (a) commencing on the date of the Company's 2023 Annual General Meeting;
- (b) following the announcement of the Company's results for any period (including any quarterly trading update);
- (c) commencing on any approval by Shareholders of the Company's Directors' Remuneration Policy;
- (d) commencing on the date on which an employee (including an Executive Director) first becomes employed by the Company or any of its subsidiaries; or
- (e) commencing on any day on which the Board determines that exceptional circumstances exist.

However, if the Company is restricted from granting Awards during any such period, Awards may be granted in the period of six weeks following the relevant restriction being lifted.

6. Terms of Awards

Awards may be granted over newly issued ordinary shares, treasury shares or ordinary shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

7. Dividends

The Board may determine at any time before ordinary shares are delivered to satisfy an Award to provide additional cash or ordinary shares to a participant based on the value of some or all of the dividends paid on vested ordinary shares to which their Award relates over such period as the Board determines ending no later than the date on which the Award vests. In these circumstances, the Board has the discretion to determine the basis on which this additional amount will be calculated, which may assume the reinvestment of the relevant dividends into ordinary shares.

8. Overall limits

The following overall limits apply to all Awards:

- (a) in any 10 year period, the number of ordinary shares which may be issued under the 2014 LTIP and under any other discretionary share plan adopted by the Company may not exceed 5 per cent of the issued ordinary share capital of the Company from time to time; and
- (b) in any 10 year period, the number of ordinary shares which may be issued under the 2014 LTIP and under any other employees' share plan adopted by the Company may not exceed 10 per cent of the issued ordinary share capital of the Company from time to time.

Treasury shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

9. Reduction for Malus and Clawback

The Board may, in its absolute discretion, determine at any time prior to: (1) in the case of an Award subject to a performance condition, the third anniversary of the assessment of the extent to which that performance condition is satisfied; and (2) in the case of a Recruitment Award which is not subject to a performance condition, the period ending on the third anniversary of the normal vesting date (or such other date as the Board determines) to:

- (a) reduce the number of Shares to which an Award relates;
- (b) cancel an Award;
- (c) impose further conditions on an Award; or
- (d) require the participant to transfer or repay some or all of the cash or ordinary shares received in respect of an Award,

in the following circumstances:

- (i) a material misstatement of any Group member's financial results;
- (ii) a material error in assessing an Award's performance condition or in the information or assumptions on which the Award was granted or vests;
- (iii) a material failure of risk management in any Group member;
- (iv) serious reputational damage to any Group member;
- (v) the participant being guilty of serious misconduct or material error;
- (vi) material corporate failure in any Group member; or
- (vii) any other circumstances similar in their nature or effect to those listed above.

The Board may, in its absolute discretion, determine at any time to take the action referred to in paragraphs (a) to (d) above or to require the participant to repay or transfer some or all of the shares or cash received on the vesting or exercise of an award, in the event of the participant committing fraud.

10. Vesting and Exercise

Following the end of the performance period or, in the case of a Recruitment Award that is not subject to a performance condition, at the date determined by the Board when the Recruitment Award is granted, the Board will determine the extent to which the Award will become capable of vesting. This will be based on the satisfaction of any applicable performance condition, and any adjustment determined by the Board including if it considers that the vesting level that would otherwise apply does not reflect the underlying financial or non-financial performance of the participant or the Group, is not appropriate in the context of circumstances that were unexpected or unforeseen when the Award was granted (a '**Vesting Adjustment**').

An Award may be granted on the basis that it is subject to a holding period (a '**Holding Period**') which begins following the determination of the extent to which it will become capable of vesting. Any such Holding Period will ordinarily last for two years. An Award which is subject to a Holding Period will vest following the end of the Holding Period.

An Award which is not subject to a Holding Period will vest following the determination of the extent of vesting and may be granted on the basis that ordinary shares acquired must be retained for a period, other than any ordinary shares sold to cover tax liabilities. In practice, it is intended that this approach will be applied rather than imposing a Holding Period which delays the vesting of the Award.

The application of a Holding Period or a post-acquisition retention requirement to Awards granted to any Executive Director will be consistent with the Company's Directors' Remuneration Policy as approved by Shareholders from time to time.

Nil-Cost and Nominal Value Options will normally be exercisable from the date of vesting until the tenth anniversary of the grant date.

At any time before or after the point at which an Award has vested, or a Nil-Cost or Nominal Value Option has been exercised, but the underlying ordinary shares have yet to be issued or transferred to the participant, the Board may decide to pay a participant a cash amount equal to the value of the ordinary shares they would otherwise have received.

11. Cessation of Employment

Cessation before the extent of vesting is determined

If before the extent to which an Award vests is determined a participant leaves employment due to their death, ill-health, injury, or disability, or because their employer is transferred out of the Group, or for any other reason at the discretion of the Board, they will retain the benefit of the Award. If the participant leaves in this period for any other reason their Awards will lapse. An Award which is retained will ordinarily continue until the originally anticipated vesting date. However, in the event of death the Award will vest early and the Board has discretion to vest the Award early in other circumstances. The extent to which an Award vests will be determined taking into account the extent to which any performance condition is satisfied, any Vesting Adjustment determined by the Board, and, unless the Board determines otherwise, the period of time that has elapsed from the grant date to the date of cessation.

Cessation after the extent of vesting is determined but before the vesting date

If after the extent to which an Award vests is determined but before the Award vests (for example during a Holding Period) a participant leaves employment for any reason other than their summary dismissal, they will retain the benefit of the Award. If the participant is summarily dismissed, their Awards will lapse. A retained Award will ordinarily continue until the originally anticipated vesting date. However, the Board has discretion to vest the Award early, and would do so in the event of death. The extent to which an Award vests will be determined taking into account the extent to which any performance condition is satisfied, any Vesting Adjustment determined by the Board, and, unless the Board determines otherwise, the period of time that has elapsed from the grant date to the date of cessation.

12. Corporate Events

Change of control before the extent of vesting is determined

In the event of a change of control of the Company before the extent to which an Award vests is determined, the Award will vest as determined by the Board taking into account the extent to which any performance condition is satisfied, any Vesting Adjustment determined by the Board, and, unless the Board determines otherwise, the period of time that has elapsed from the grant date to the date of the change of control.

PART 4 - SUMMARY OF THE SHARE PLANS

12. Corporate Events continued

Change of control after the extent of vesting is determined but before the vesting date

In the event of a change of control of the Company after the extent to which an Award vests is determined but before the Award vests (for example during a Holding Period), the Award will vest to the extent already determined.

If other corporate events occur such as a winding-up of the Company, demerger, delisting, or other event which, in the opinion of the Board may affect the current or future value of the Company's shares, the Board may determine that Awards will vest on a similar basis to vesting in the event of a change of control.

13. Adjustments

In the event of a variation of the Company's share capital or a demerger, delisting, special dividend, rights issue or other event, which may, in the Board's opinion, affect the current or future value of ordinary shares, the number of the Company's shares subject to an Award, the exercise price of any Nominal Value Option and/or any performance condition attached to Awards, may be adjusted.

14. Amendment and Termination

The Board may amend the 2014 LTIP at any time, provided that prior approval of the Shareholders in a general meeting will be required for amendments to the advantage of eligible employees or participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the ordinary shares or cash comprised in an Award and the impact of any variation of capital.

However, any minor amendment to benefit the administration of the 2014 LTIP, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without Shareholder approval.

No amendment may be made to the material disadvantage of participants unless consent is sought from the affected participants and given by a majority of them.

The 2014 LTIP will usually terminate on the tenth anniversary of the Company's 2023 Annual General Meeting, but the rights of existing participants will not be affected by any termination.

15. Documents available for inspection

The rules of the 2014 LTIP marked-up to show the proposed changes are available on the Company's website corporate.dunelm.com and are also available on the National Storage Mechanism of the FCA at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Hard copies will be available for inspection during normal business hours on each business day at the registered office of the Company from the date of this notice until the date of the Annual General Meeting and also at the place of the Annual General Meeting for 15 minutes prior to and during the Annual General Meeting.

The Dunelm Group 2014 Sharesave Plan

A summary of the principal terms is set out below.

The Sharesave will be administered by the Board or by any duly authorised committee of it. In this summary, references to the Board include any such committee.

1. General

Participating employees will be given the opportunity to save up to £500 per month (or such other amount permitted under the relevant legislation from time to time) in accordance with a savings contract for three or five years (a 'Sharesave Contract').

The proceeds of the Sharesave Contract can be used to exercise an option to acquire ordinary shares in the Company at an option price set at the date of invitation, which shall not be less than 80% (or such other percentage as may be permitted by the relevant legislation) of the market value of an ordinary share at the date of invitation.

The Sharesave is proposed to satisfy the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 such that options granted under it will offer beneficial tax treatment to the participant and the member of the Group employing the participant.

2. Eligibility

All employees (including an Executive Director) of the Company or any of its subsidiaries which participates in the Sharesave, who have been in employment for a minimum period determined by the Directors (not exceeding five years), and any other employees nominated by the Directors may apply for an option on any occasion on which invitations are issued.

3. Issue of invitations

When calculating the market value of an ordinary share for the purposes of setting the option price, share prices may only be used from within the six week period commencing on: (1) the date of the Company's 2023 Annual General Meeting; (2) the day immediately following the announcement of the Company's results for any period (including any quarterly trading update); (3) any day on which changes to legislation affecting employee share schemes are proposed or made or (4) on any day on which the Board determines that exceptional circumstances exist. However, if the Company is restricted from issuing invitations during any such period, prices may be used from the period of six weeks following the relevant restriction being lifted.

The dates when invitations to apply for options may be issued shall be determined accordingly.

4. Overall limit

In any 10 year period, the number of ordinary shares which may be issued under the Sharesave and under any other employees' share plan adopted by the Company may not exceed 10 per cent of the issued ordinary share capital of the Company from time to time. Treasury shares will be treated as newly issued for the purpose of this limit until such time as guidelines published by institutional investor representative bodies determine otherwise.

5. Exercise of options

Ordinarily, an option may be exercised within six months of maturity of the Sharesave Contract.

6. Cessation of employment

Options may be exercised if a participant leaves employment by reason of death, injury, disability, redundancy, retirement, the transfer of the entity that employs the participant out of the Group or, provided the option has been held for at least three years, any other reason apart from the termination of the participant's employment by their employer.

If a participant ceases employment with the Group in any other circumstances, any option they hold shall lapse on the date on which the participant ceases employment.

7. Corporate events

Options may be exercised early in the event of a change of control or winding-up of the Company.

8. Adjustments

In the event of a variation of the Company's share capital, the number of ordinary shares subject to an option, and the option price, may be adjusted.

9. Amendment and termination

The Board may amend the Sharesave at any time, provided that prior approval of the Shareholders in a general meeting will be required for amendments to the advantage of eligible employees or participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the ordinary shares comprised in an option and the impact of any variation of capital.

However, any minor amendment to benefit the administration of the Sharesave, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without Shareholder approval.

No amendment may be made to the material disadvantage of participants unless consent is sought from the affected participants and given by a majority of them.

The Sharesave will usually terminate on the tenth anniversary of the Company's 2023 Annual General Meeting, but the rights of existing participants will not be affected by any termination.

10. Documents available for inspection

The rules of the Sharesave marked-up to show the proposed changes are available on the Company's website corporate.dunelm.com and are also available on the National Storage Mechanism of the FCA at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Hard copies will be available for inspection during normal business hours on each business day at the registered office of the Company from the date of this notice until the date of the Annual General Meeting and also at the place of the Annual General Meeting for 15 minutes prior to and during the Annual General Meeting.

PART 5 - NOTICE OF ANNUAL GENERAL MEETING

Dunelm Group plc (the 'Company')

(Incorporated and registered in England and Wales with No. 4708277)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2023 Annual General Meeting of the Company will be held at Stoke 2 Distribution Centre, White Rock Road, Prologis Park, Stoke on Trent, ST4 4FA at 11.30 am on 16 November 2023 for the purpose of considering and, if thought fit, passing the following Resolutions, which, in the case of Resolutions 19, 20, 21 and 23 will be proposed as special resolutions and, in the case of the other Resolutions, will be proposed as ordinary resolutions. Voting on all Resolutions will be by way of a poll. As Sir Will Adderley is interested in the outcome of Resolution 22, he, and all other members of the Concert Party of which he is a member, will be precluded from voting on that Resolution.

Capitalised terms used but not defined in this Notice of Annual General Meeting, including the notes hereto (the '**Notice**') shall have the same meanings given to them in the circular of the Company dated 19 October 2023 (the '**Circular**'), of which this Notice forms part.

Ordinary Business

- 1 That the Company's annual accounts for the financial year ended 1 July 2023 together with the Directors' Report and the Auditors' Report on those accounts be received and adopted.
- 2 To declare a final ordinary dividend on the Ordinary Shares of 27p per Ordinary Share in respect of the year ended 1 July 2023.
- 3 That Sir Will Adderley, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as an Executive Director of the Company.
- 4 That Nick Wilkinson, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as an Executive Director of the Company.
- 5 That Karen Witts, who is retiring as a Director of the Company, and being eligible, is offering herself for re-election, be reappointed as an Executive Director of the Company.
- 6 That Alison Brittain, who is retiring as a Director of the Company, and being eligible, is offering herself for re-election, be reappointed as a Non-Executive Director of the Company.
- 7 That Marion Sears, who is retiring as a Director of the Company, and being eligible, is offering herself for re-election, be reappointed as a Non-Executive Director of the Company.
- 8 That Ian Bull, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as a Non-Executive Director of the Company.
- 9 That Arja Taaveniku, who is retiring as a Director of the Company, and being eligible, is offering herself for re-election, be reappointed as a Non-Executive Director of the Company.

- 10 That William Reeve, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as a Non-Executive Director of the Company.
- 11 That Peter Ruis, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as a Non-Executive Director of the Company.
- 12 That Vijay Talwar, who is retiring as a Director of the Company, and being eligible, is offering himself for re-election, be reappointed as a Non-Executive Director of the Company.
- 13 That Kelly Devine who is retiring as a Director of the Company, and being eligible, is offering herself for re-election, be reappointed as a Non-Executive Director of the Company.
- 14 That the Directors' Remuneration Policy 2023 be approved.
- 15 That the Annual Report on Remuneration for the year ended 1 July 2023 be approved.
- 16 That PricewaterhouseCoopers LLP be re-appointed as auditors to the Company.
- 17 That, subject to the passing of Resolution 16, the Directors be authorised to determine the auditors' remuneration.

Special Business

- 18 That in accordance with section 551 of the Companies Act 2006, the Directors be authorised to allot Ordinary Shares in the Company or grant rights to subscribe for Ordinary Shares or to convert any securities into Ordinary Shares in the Company up to a maximum nominal amount of £672,457 to such persons and on such terms as the Directors may determine provided that this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution, or, if earlier, on 31 December 2024 unless previously renewed, varied or revoked although the Directors may exercise this authority after this date in respect of an offer or agreement made while this authority was in force.
- 19 That subject to the passing of Resolution 18 above, and in accordance with section 570 of the Companies Act 2006, the Directors be given power to allot equity securities for cash or by way of a sale of treasury shares pursuant to Resolution 18 above as if section 561(1) of the Companies Act 2006 does not apply to the allotment provided that:
 - (a) the powers under this Resolution shall be limited to the allotment of equity securities:
 - (i) where securities have been offered to holders of Ordinary Shares in proportion (as nearly as may be) to their existing holdings of Ordinary Shares subject to any exclusions or other arrangements that the Directors consider necessary or expedient to deal with fractional entitlements and legal or practical problems under the law of, or the requirements of any recognised regulatory body or stock exchange in any territory; and
 - (ii) otherwise than pursuant to paragraph (a)(i) above, having a nominal amount not exceeding in aggregate £100,869;

- (b) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution or, if earlier, on 31 December 2024 although the Directors may exercise this authority after this date in respect of an offer or agreement made while this authority was in force; and
- (c) all previous unutilised authorities under section 570 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 570(4) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this Resolution which would or might require equity securities to be allotted on or after that date).
- 20 That subject to the passing of Resolution 18 above, and in accordance with section 570 of the Companies Act 2006, the Directors be given power to allot equity securities for cash or by way of a sale of treasury shares pursuant to Resolution 18 above as if section 561(1) of the Companies Act 2006 does not apply to the allotment provided that:
- (a) the powers under this Resolution shall be:
- (i) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £100,869; and
- (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice;
- (b) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution or, if earlier, on 31 December 2024 although the Directors may exercise this authority after this date in respect of an offer or agreement made while this authority was in force; and
- (c) save for any authority granted pursuant to Resolution 19 above, all previous unutilised authorities under section 570 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 570(4) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this Resolution which would or might require equity securities to be allotted on or after that date).
- 21 That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693 of the Companies Act 2006) of Ordinary Shares provided that:
- (a) the maximum aggregate number of Ordinary Shares authorised to be purchased is 5,000,000 (being approximately 2.5 per cent. of the issued ordinary share capital at the Latest Practicable Date);
- (b) the maximum price (not including expenses) which may be paid for each Ordinary Share is an amount equal to the higher of (i) 105 per cent. of the average of the middle market quotations for an Ordinary Share, as derived from the London Stock Exchange Daily Official List, for the five Business Days immediately before the day on which the purchase is made; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out; and
- (c) the minimum price (not including expenses) which may be paid for each Ordinary Share is 1 penny.
- This authority shall, unless previously varied, revoked or renewed, expire at the conclusion of the next annual general meeting of the Company or, if earlier, on 31 December 2024, except in relation to a purchase of Ordinary Shares the contract for which was concluded before such time and which will or may be executed wholly or partly after such time.
- 22 That the waiver granted by the Panel of the obligation that would otherwise arise on the members of the Concert Party, both individually and collectively, to make an offer to the shareholders of the Company pursuant to Rule 9 of the Takeover Code as a result of any increase in the percentage of shares of the Company carrying voting rights in which any member of the Concert Party is interested following the exercise by the Company of the authority to purchase its own Ordinary Shares granted to the Company pursuant to Resolution 21 above, as described in the Circular, be and is hereby approved.
- 23 That a general meeting of the Company other than an annual general meeting may be called on not less than 14 days' notice.
- 24 That the amendments to the rules of the Dunelm Group 2014 Long Term Incentive Plan (the '**2014 LTIP**') shown in the marked-up version of the rules of the 2014 LTIP produced to the meeting and initialled by the Chair for the purposes of identification, the principal terms of which are summarised in Part 4 of the Circular, be approved and the Directors of the Company be authorised to adopt the amendments and do all acts and things which they may, in their absolute discretion, consider necessary or expedient to give effect to them.
- 25 That the amendment to the rules of the Dunelm Group 2014 Sharesave Plan (the '**Sharesave**') shown in the marked-up version of the rules of the Sharesave produced to the meeting and initialled by the Chair for the purposes of identification, the principal terms of which are summarised in Part 4 of the Circular, be approved and the Directors of the Company be authorised to adopt the amendments and do all acts and things which they may, in their absolute discretion, consider necessary or expedient to give effect to them.

Dated: 19 October 2023

Registered Office:

Watermead Business Park
 Syston
 Leicester
 Leicestershire
 LE7 1AD

L Wright
Secretary

By order of the Board

PART 5 - NOTICE OF ANNUAL GENERAL MEETING

Notes

Entitlement to attend, speak and vote

1. Under the Articles, the holders of ordinary shares are entitled to attend the AGM and to speak and vote. Duly appointed proxies are entitled to attend, speak and vote at the AGM on their Shareholder's behalf.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the AGM or any adjourned meeting (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company at 6.30 pm on 14 November 2023 (or 6.30 pm on the date two business days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend, speak or vote at the AGM.

Entitlement to appoint proxies

3. A member entitled to attend, speak, and vote at the AGM may appoint one or more proxies (who need not be a member of the Company) to attend and to speak and to vote on his or her behalf. A separate Form of Proxy must be deposited for each proxy appointed. Further copies of the Form of Proxy may be obtained from the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or you may photocopy the Form of Proxy enclosed. If you appoint multiple proxies, please indicate in the box next to the appointed proxy's name the number of shares in relation to which the person named on the Form of Proxy is authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned to Equiniti. Where multiple proxies are appointed, failure to specify the number of shares to which the proxy appointment relates or specifying a number which exceeds the number held by the member when totalled with the number specified on other proxy appointments by the same member, will render all appointments invalid.
4. In order to be valid, an appointment of proxy (together with any authority under which it is executed or a copy of the authority certified notorially) must be returned by one of the following methods:
 - 4.1 in hard copy form using the Form of Proxy enclosed by post, by courier or by hand (during normal business hours) to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or
 - 4.2 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below in notes 8 and 9; or
 - 4.3 electronically by visiting www.sharevote.co.uk or, (subject to having registered with Shareview) www.shareview.co.uk and following the instructions provided in note 10 below; or
 - 4.4 if you are an institutional investor, electronically via the Proxymity platform in accordance with the procedure set out below in note 11,and in each case must be received by the Company's registrars, Equiniti, not less than 48 hours (excluding non-working days) before the time of the AGM.

5. Appointment of a proxy does not preclude a shareholder from attending the AGM and voting in person should they wish to do so. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
6. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. The 'vote withheld' option is to enable shareholders to abstain on any particular Resolution. This is not a vote in law and will not be counted in the votes 'for' or 'against' any Resolution.

CREST proxy appointments

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment thereof by using the procedures described in the CREST Manual available at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a '**CREST Proxy Instruction**') must be properly authenticated in accordance with Euroclear UK & International Limited's ('**Euroclear**') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in note 4. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Electronic proxy appointments

10. Electronic proxy appointment is available for the AGM by logging onto the website www.sharevote.co.uk. This facility enables shareholders to lodge their proxy appointment by electronic means on a website provided by Equiniti. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed on the Form of Proxy). Alternatively, if you have already registered with Equiniti's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are provided on both websites.

Please note that Equiniti takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out, but Equiniti cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from Equiniti and recommends that the members subject all messages to virus checking procedures prior to use. Any electronic communication received by Equiniti, including the lodgement of an electronic proxy form, that is found to contain any virus will not be accepted.

11. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrars. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11:30 am on 14 November 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Nominated persons

12. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communication from the Company in accordance with section 146 of the Companies Act 2006 ('**Nominated Persons**'). Nominated Persons may have a right under an agreement with the registered shareholder who holds shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Voting by corporate representatives

13. A corporation that is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that they do not do so in relation to the same shares. Representatives of shareholders that are corporations will have to produce evidence of their proper appointment when attending the AGM. Please contact the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA if you need any further guidance.

Changing or revoking proxy instructions

14. To change your proxy instructions simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.
15. Subject to note 5 above, in order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. In the case of a shareholder which is a corporation, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the corporation or an attorney for the corporation. Any authority under which the revocation notice is executed or a copy of the authority certified notarially must be included with the revocation notice.

The revocation notice must be received by Equiniti no less than 48 hours (excluding non-working days) before the time of the AGM.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid.

Voting and voting rights

16. The issued share capital of the Company as at 17 October 2023 (being the latest practicable date prior to the publication of this document) was 203,426,835 Ordinary Shares, of which the Company held 1,689,700 Ordinary Shares in treasury. The Company is not permitted to exercise voting rights in respect of Ordinary Shares held in treasury. Therefore, the total number of voting rights in the Company on 17 October 2023 was 201,737,135, each Ordinary Share carrying one vote.
17. Voting on all Resolutions will be by way of a poll. On a poll, every shareholder who is present in person or by proxy has one vote for every ordinary share held by him/her. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. If you attend the AGM this year, you will be issued with a paper poll card on registration and full instructions for completing this will be given at the appropriate time during the AGM. If you have already voted by proxy, you will still be able to vote by completing the paper poll card and your vote on the day will replace your previously lodged vote.

PART 5 - NOTICE OF ANNUAL GENERAL MEETING

18. The members of the Concert Party will not be entitled to vote on Resolution 22. No other Shareholder is considered to be acting in concert with the Concert Party. Every Non-Concert Party Shareholder will have one vote for every Ordinary Share held.
19. As soon as practicable following the AGM, the results of the poll at the AGM will be announced through a Regulatory Information Service and will also be available on corporate.dunelm.com.

Right to ask questions

20. Pursuant to section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the meeting, except in certain circumstances, including, for example, where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.

Communicating with the Company in relation to the AGM

21. Shareholders who have general queries about the AGM should contact Luisa Wright at investorrelations@dunelm.com. No other methods of communication will be accepted. You may not use any other electronic address provided either in this document or any related documents (including the Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

Website

22. Information regarding the Annual General Meeting, including the information required by section 311A of the Companies Act 2006, is available on corporate.dunelm.com.

Inspection of documents

23. Copies of the Executive Directors' service agreements with the Company, the Non-Executive Directors' letters of appointment, the marked up rules of the Dunelm Group 2014 Long Term Incentive Plan and the marked-up rules of the Dunelm Group 2014 Sharesave Plan will be available for inspection during normal business hours on each business day at the registered office of the Company from the date of this notice until the date of the AGM and also at the place of the Annual General Meeting for 15 minutes prior to and during the AGM.

Shareholder requests under section 527 of the 2006 Act

24. Pursuant to Chapter 5 of Part 16 of the Companies Act 2006 (sections 527 to 531), where requested by either: (a) a member or members having a right to vote at the AGM and holding at least 5 per cent. of total voting rights of the Company; or (b) at least 100 members having a right to vote at the AGM and holding, on average, at least £100 of paid up share capital, the Company must publish on its website a statement setting out any matter that such members propose to raise at the AGM relating to the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM.

Where the Company is required to publish such a statement on its website: (a) it may not require the members making the request to pay any expenses incurred by the Company in complying with the request; (b) it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and (c) the statement may be dealt with as part of the business of the AGM.

A member wishing to request publication of such a statement on the Company's website must send the request to the Company using one of the following methods:

- (a) in hard copy form to Luisa Wright, Company Secretary, at the Company's registered office; or
- (b) by email to investorrelations@dunelm.com with a confirmation in writing to the Company's registered office.

Whichever form of communication is chosen, the request must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported, and be received by the Company at least one week before the AGM.