





DFS Furniture Group Biodiversity Policy

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Version Control

| Version | Last Modified By | Change Description | Last Modified On |
|---------|------------------|--------------------|------------------|
| V1 | K Wright | Initial draft | 26/01/2024 |
| | | | |

Review History

| Version | Document Owner | Review Comments | Reviewed Date |
|---------|----------------|-----------------|---------------|
| V1 | K Wright | Initial draft | 18/03/2024 |
| | | | |

Reviewers

| Version | Reviewer Name | Reviewer Role | Review Date |
|---------|---------------|---------------|-------------|
| V1 | ESG Committee | ESG Committee | 06/02/2024 |
| | | | |

Authorised by

| Version | Approver Name | Approver Role | Approved Date |
|---------|---------------|---------------|---------------|
| V1 | RSC Committee | RSC Committee | 19/03/2024 |
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Biodiversity Policy

1. POLICY STATEMENT

- 1.1 Biodiversity is important for its own sake and humanity. It helps maintain the ecosystem balance and provides food, medicine, and other resources. Human activities such as deforestation, pollution, and climate change threaten biodiversity and put many species at risk of extinction. As the market-leading sofa retailer, DFS Furniture PLC (the "DFS Group") recognises its impact and responsibilities on biodiversity through our own operations and supply chain.
- 1.2 This policy applies to the monitoring approach of biodiversity in our own operations and our expectations of our suppliers.
- 1.3 This policy will be reviewed annually for accuracy, completeness and relevance.
- 1.4 This policy is approved by the Board of Directors of DFS Furniture PLC on behalf of itself and its subsidiary companies, DFS Trading Limited, Sofology Limited and The Sofa Delivery Company Limited (together "the DFS Group").

2. OUR APPROACH

- 2.1 Biodiversity and nature impacts are local and contextualised, which means that impacts and dependencies need to be location-specific this makes any response granular and complex.
- 2.3 The DFS Group recognise that good practice of respecting biodiversity is essential to sustainable life on this planet.
- 2.4 Our approach to responsible and sustainable sourcing ensures that we maintain ethical standards while providing our customers with the best products.
- 2.5 This policy should be read in conjunction with our <u>Environmental</u>, <u>Sustainable</u> <u>Sourcing Policy and Leather Sourcing Policy</u>. They form part of the DFS Group's Environmental, Social, and Governance Programme, on which we report annually.

3. OUR COMMITMENT

- 3.1 Continually monitoring and assessing the biodiversity impact of our own operation and our supply chain using publicly available data integrated into our Sustainable Sourcing Policy.
- 3.2 We will endeavour to set action plans to mitigate biodiversity risk in our own operation and supply chains when we have a sufficiently robust baseline.
- 3.3 We will engage our manufacturing partners and wider value chain to assess their biodiversity impact on the production of our product and seek mitigating actions where possible.

4. DFS Group Risk Management Procedure

4.a. OUR OPERATION

- DFS Group will regularly assess and monitor our biodiversity impact and dependencies across all our sites using the WWF Biodiversity Risk tool.
- We will work to address identified issues where they are within our control or collaborate with businesses and organisations where possible.
- We will continually review initiatives to reduce biodiversity impact in our operations, where possible, and benchmark our efforts against our baseline.

4.b. OUR VALUE CHAIN

- DFS Group will work with our direct suppliers to develop value chain maps to identify products and processes that have biodiversity impacts and dependencies and assess these using the WWF Biodiversity Risk Tool.
- All cotton should be Better Cotton Initiative (BCI), a chain of custody initiative
 that supports farmers and businesses utilising sustainable practices that meet
 the BCI criteria. The BCI protocol integrates the conservation of natural habitats
 and biodiversity.
- DFS Group will continually engage, review, and assess the impacts of our products and value chain, and update the requirements as required.

5. Approvals

This policy has been approved by the Responsible and Sustainable Business Committee, a committee of the Board of Directors of DFS Furniture PLC. It is not part of any employee's employment contract, and we may amend it at anytime.

Date - 19.03.2024

Appendix 1- Definitions

Better Cotton Initiative (BCI) is a non-profit, multistakeholder governance group that promotes better standards in cotton farming and practices globally. Follow this <u>link</u> to find out more.

Biodiversity is the variety of all life on Earth. It includes all species of animals and plants – everything that is alive on our planet generally and in one region or ecosystem specifically. Biodiversity is important for its own sake, and human survival depends upon it.

WWF Biodiversity Risk Tool is an online tool that enables companies and financial institutions to Inform, Explore, Assess, and Respond to biodiversity risks.