# WHY IS THIS IMPORTANT TO US?

As our Group purpose states, we want to bring great design and comfort into every living room. But we want to do it in an affordable, responsible and sustainable manner. This means making sure our business is built on the right ethical foundations to ensure that, with our sofas, people feel more comfortable - in every way. Therefore, we have put significant time and effort into developing our approach to ESG, and now have a strategy for our Group that builds on the values already established across all our businesses. We think developing and adapting this strategy as we move forward with it is a big opportunity to continue growing our business, as well as helping us fulfil our obligations to the environment and society.

## OPPORTUNITY, RATHER THAN OBLIGATION

We believe that by helping us use resources efficiently, our initiatives will provide us with opportunities to help us to grow and mitigate many risks to our business in areas such as regulation, health & safety, motivating and attracting good colleagues, our supply chain integrity and reduced credit risk. On top of that it helps demonstrate the quality of our business and management team, enabling customers to make more informed purchasing decisions. Our ESG strategy is also a differentiator in our market. Furniture companies vary greatly in how much effort and ambition they put into their ESG - but none of them are really talking about sofa-specific sustainability.

## IT'S THE WAY WE DO BUSINESS

It all adds up to our belief that we can meet our customers' expectations and continue to grow our business while embracing our social and environmental responsibilities. We know sustainability is essential to our business, and ESG is an integral part of our growth strategy. That's why everyone in the senior leadership team is involved and accountable in some way for the ESG strategy. It's all part of putting our customers and colleagues - and planet - at the heart of everything we do.

#### **Our Values**

Our values run through everything we do. They guide our actions to create a sustainable and responsible business.

#### **Think Customers**

We always treat customers as we would our own family. We keep them front of mind because they are the heart of our business.

#### Be Real

We bring our whole selves to work, our point of view is valued and we are encouraged to have our say. We respect each other and as a family are driven by our purpose.

### **Aim High**

We are ambitious and play to succeed at our shared family ambition. We are bold, brave; we see challenges as opportunities to be innovative and lead by example.

## FROM SCALE AND COMPLEXITY COMES **OPPORTUNITY**

As the UK's largest sofa retailer we see ESG as an opportunity to do the right thing, from sourcing ethically and fairly through our supply chain, to how we design and sell our sofas. Navigating the ESG landscape can be daunting, but to inspire us - and challenge us, we've looked at best practice across many industries, including what our competitors are doing.

We're involving our whole business, from shop floor to boardroom, through design, manufacturing and logistics, to meet the ESG challenge. Our Sofa Cycle demonstrates the complexity of creating a sofa for a customer, and reusing all its components responsibly. But importantly for us, it provides us with the framework to be completely open about how we are doing, and to show how we are innovating across our entire business.

In trying to do the right thing, we may not always get it right, and in many ways we are just at the beginning of our ESG journey. But we are doing this, not because we have to, but because we know it's the right thing to do for our business, our shareholders, our customers, our colleagues and the wider communities we work and live in.

5,600 people work for us across the Group of businesses.

in the UK are manufactured in our factories.

people visited one of our 235

of all sofas we sell that are made

74%

sofas were made by us last year. If we stacked them on top of each other they would be more than

double the height of Mt. Everest.

showrooms in 2019.

combined unique visitors to our brand websites every month.

miles are travelled annually by our 288 delivery vehicles, all with the support of over 600 people in our delivery team.

