

Group Environmental Policy

We are putting your sofa at the heart of your home by delivering an exceptional experience and an exceptional product that we strive to ensure is ethically sourced and manufactured. We champion sustainable development at all stages of the design, manufacture, and distribution process. We assess and try to address the immediate and long-term impact of our activities and will act to reduce that impact on the environment continually. We will consider ethical and social issues & sustainability when making strategic and operational decisions.

DFS Group recognises the crucial role of addressing climate change risks and opportunities for its long-term success. We have established a clear governance framework for climate change and sustainability.

Environmental and Sustainability have been identified as principal risks and we are committed to proactively addressing the environmental impacts of our operations. We understand that failure to anticipate and proactively address the impact our operations have on the environment would fall short of the expectations of our stakeholders, including customers, colleagues, investors, and regulators.

By implementing sustainable practices and adhering to regulatory standards, we aim to mitigate environmental risks, ensure the availability and quality of key raw materials, and strengthen our supply chain resilience. This approach helps protect our reputation, maintain product quality, and control costs, ultimately supporting our long-term business sustainability.

Objectives

We shall reduce the impact of our activities by:

- The reduction of consumption.
- The reduction of waste produced, and when it cannot be avoided, then we will reuse, recycle, and send it to landfill as a last resort or use it as RDF (refuse-derived fuel).
- The use of alternative materials and processes.
- The use of technology (existing and future).
- Identifying opportunities for improvement within the Group.
- By encouraging and pursuing behavioural change, from both within the Group and from our partners.

To measure the effectiveness of the Environmental Policy and Environmental Management System, proactive and reactive measures are available such as:

- Consumption reviews including SECR (Streamlined Energy and Carbon



Reporting) submissions and other reporting systems and platforms.

- Waste and recycling reviews.
- Carbon footprint measuring.
- Incident data review.
- EGS Committee which includes the setting of targets and reviewing results.
- Internal and external auditing of the Group and our partners is undertaken by the Group's Internal Risk team, third-party consultants, and ISO auditors/representatives.
- Corrective actions and opportunities will be fed back and reviewed for effective completion with a clear goal of helping to achieve a sustainable environment.

The DFS Group Environmental Management System (EMS) is an integral part of our operating policies and Integrated Management System (IMS). There is a commitment and recognition from all colleagues within the Group and the Group Leadership Team (GLT) to ensure the effectiveness of all policies and procedures.

This policy and the EMS will be regularly reviewed and updated, particularly to reflect any change in the nature or size of the Group.

Our sustainability strategy is not seen as a short-term project; it is embedded within our culture and will be considered in everything we do as a group or brand. Together, we can make a huge difference in improving performance year on year.

Tim Stacey
Group CEO