Modern Slavery and Human Trafficking Statement

Year ending 28 June 2026

DFS GROUP



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DFS GROUP

Introduction

With more than half a century of UK manufacturing and retail heritage, our business has long been grounded in doing the right thing and making principled choices.

At the core of who we are is our Group Purpose: **Furnishing Better Lives Together**. Living this purpose means taking full responsibility for how we operate. We are firmly committed to trading ethically, sourcing responsibly and maintaining a absolute zero-tolerance approach to modern slavery, forced labor and human trafficking, both across our internal operations and throughout our broader supply chain.

Modern slavery is a serious crime and a violation of fundamental human rights. It encompasses any situation where individual freedom is stripped away for personal or financial gain, including slavery, servitude, forced or compulsory labor and human trafficking.

Exploitation of any kind directly contradicts our values. We remain resolute in championing fair treatment, integrity and respect for every person who contributes to our business and supply chain.

Guided by Our Values

Our dedication to human rights and fair labour standards is driven by the behaviors we live every day:

Customer at our Heart
Giving our customers consistent, reliable experiences built on trust means ensuring every item we craft and sell is made responsibly. We build that trust by holding ourselves to the highest ethical standards.

Better Never Stops
We know that no supply chain is entirely immune to the risks of modern slavery. Driven to make each day better, we continuously refine our procedures and strengthen oversight systems.

Everyone Together
We act with integrity to build a safe, welcoming community for all. Protecting people from exploitation requires working as one team, partnering closely with our key suppliers.



Tim Stacey statement

People are the foundation of our business - our colleagues, customers, suppliers and communities. Our purpose embodies this approach. We are committed to doing what we can to tackle modern slavery and championing the inalienable right to be treated with integrity and respect at work.

Ethical Supply Chain

We recognise that the manufacturing sector carries an elevated risk of forced or child labor linked to imported commodities, particularly in regions characterised by:

- migrant workers (both cross-border and domestic);
- a high presence of displaced or refugee populations;
- marginalised minority groups;
- young workers vulnerable to child labor exploitation; and/or
- contract, agency and temporary labor forces.

This risk is heightened across global supply chains where there may be less transparency around the day to day practices of Tier 2 & Tier 3 suppliers, including our essential raw materials such as timber, textiles and leather. We recognise there is an increased potential for harm driven by the financial pressures on lower-tier suppliers to deliver low-cost materials, products and services.

Sourcing Footprint

Direct group-owned manufacturing facilities operating alongside 11 vetted Tier 1 upholstery partners across the UK, Europe and the Far East.

- 80% upholstery volume produced by top 5 long-term partners
- Extended ranges (bedroom/dining) sourced from trusted wholesalers

Standards & ESG Clauses

Mandatory Supplier Code of Practice enforceable across all Tier 1 & Tier 2 partners covering labor, human rights, safety and anti-bribery.

- Strict compliance with international labor standards & legislation
- Explicit contractual rights to terminate relationships on breach

Logistics & GNFR Vetting

UK distribution is internalised through The Sofa Delivery Co., directly employing drivers and warehouse staff across domestic CDCs.

- Shipping handled by vetted multinational carriers
- Goods/Services Not for Resale require modern slavery policies

Monitoring & Remediation

Post-contract award oversight to actively identify, evaluate and mitigate modern slavery risks throughout supplier operational lifecycles.

- Ongoing ethical audits & risk assessments
- Collaborative remediation plans with suppliers when issues arise

Governance

The DFS Group treats the mitigation of modern slavery risks as a central operational imperative. Embedded within our ESG framework, our strategy focuses on comprehensive, independent ethical audits covering both products sold to customers (Goods for Resale - GFR) and the operational services and supplies required to run our business (Goods Not for Resale - GNFR).

We are committed to actively identifying and eradicating human rights abuses and modern slavery throughout our supply chain and operations. The Group Chief Legal & Assurance Officer holds executive oversight for this initiative, working in collaboration with the Group Legal function, the DFS Sustainability, Procurement and Quality teams and other internal stakeholders.

Our leadership team assumes full responsibility for policy enforcement, ensuring that the necessary resources are available to combat forced labor, human trafficking and slavery within our network. A specialised Modern Slavery Working Group, chaired by the Chief Legal & Assurance Officer, manages our strategy. This group meets quarterly to assess and improve our risk-mitigation efforts.

We maintain direct reporting lines to the Group CEO and the Board regarding emerging issues and overall progress. The Board is responsible for the formal approval of this statement and conducts annual reviews of our ethical trading performance and policies. Additionally, our Whistleblowing Officer reports monthly to the Governance, Risk and Compliance Committee, ensuring that any reports or disclosures related to modern slavery are handled with urgency and proper escalation.



Our Business

The DFS Group is the UK's premier retailer of living room and upholstered furniture, defining industry standards through a comprehensive approach that integrates design, manufacturing, retail and logistics.

- With a heritage that spans more than 57 years, DFS maintains its position as the leading sofa brand in the UK market. While our ambitions are national, we remain deeply proud of our Yorkshire roots, with our central headquarters firmly established in Doncaster.
- The DFS Brand serves our customers through a leading online platform complemented by 115 physical showrooms located across the UK and the Republic of Ireland.
- Our Sofology brand, which is headquartered in Golborne, provides a distinct customer experience through an additional 56 showrooms and web platform operating across the UK.
- The core of our business model focuses on made-to-order furniture, meticulously crafted, either within our own specialised manufacturing facilities situated in South Yorkshire and the Midlands, or through a network of trusted, long-term supply chain partners
- Our dedicated logistics brand, The Sofa Delivery Company, manages complex, nationwide operations. By leveraging more than 20 customer distribution centers (CDCs) across the UK.







Supplier Audits

Ensuring absolute ethical compliance across our global supply chain through robust verification:

- **SMETA Standards:** All external supplier partners have signed up to SEDEX Members Ethical Trade Audits (SMETA)
- **Onsite Audits:** Our Quality team (including fluent Chinese speakers) conduct live visits and bilingual document reviews.
- **Global Reach:** Audited 47 Tier 1 and 12 Tier 2 suppliers across the UK, China, Poland, Lithuania and Vietnam.
- **Desktop Audits:** Lower-risk GNFR partners undergo desk reviews and self-certify compliance.

Due Diligence & Risk Assessment

Proactive risk mitigation and supplier vetting integrated into our procurement lifecycle:

- **Industry Risks:** Monitoring risk factors such as short lead times, unethical pricing, delayed payments, and unapproved subcontractors.
- **Supplier Vetting:** All new GNFR suppliers are required to complete a comprehensive modern slavery questionnaire.
- **Strict Onboarding:** Suppliers must provide their own modern slavery policy or formally commit to DFS standards.



Our Policies

The DFS Group treats all allegations of human rights violations within our direct operations and supply chain with the utmost seriousness. To maintain full compliance with evolving legislation, we continuously assess and refine our policies through ongoing collaboration with in-house experts, suppliers, and external stakeholders.

Human Rights Policy

Approved by the Responsible and Sustainable Business Committee, our policy upholds the UN Guiding Principles on Business and Human Rights. It protects vulnerable groups and aligns with International Labour Organization standards by guaranteeing freedom of association and opposing all forms of child and forced labor.

Whistleblowing Policy

Available on our website, the policy encourages employees, contractors, and suppliers to report any business or supply chain concerns, including modern slavery risks. Reports can be made anonymously via an independent hotline or QR code, and all cases are promptly investigated and resolved.

Anti-Slavery & Trafficking

Published across our corporate, DFS, and Sofology websites for investors and customers, this policy reinforces our zero-tolerance stance on modern slavery. It outlines the processes used to prevent human trafficking and modern slavery throughout our business and supply chains.

Group Code of Conduct

Reflecting our commitment to ethical practices, this policy enforces controls across our business to keep our supply chain entirely free of modern slavery and human trafficking.

Supplier Code of Practice

We require all suppliers to uphold our Supplier Code of Practice, ensuring safe working conditions, lawful labor practices, and fair, respectful treatment for all workers.

Recruitment Policy

We partner exclusively with approved recruitment agencies that share our strict commitment to preventing modern slavery and human trafficking.

Modern Slavery Guidance For Managers

Within our operational environment, forced labor is the primary form of modern slavery we are likely to encounter. This guide equips our managers to recognise warning signs and take appropriate action whenever an employee suspects someone may be a victim.

Corporate Website
Scan to view our policies

DFS GROUP

Awareness and adherence to Our Values and Ethics

Education is vital in eradicating modern slavery. As employees and suppliers are our primary defense, we provide ongoing training to empower teams to identify risks, understand human trafficking, and take action. In FY26, 1,233 colleagues completed this training (95% of those allocated).

We maintain a zero-tolerance policy against all forms of modern slavery. To partner with GFR, all suppliers must:

- Sign our Anti-Slavery and Human Trafficking Policy.
- Adhere to our Supplier Code of Practice.
- Agree to our standard contract terms, which enforce compliance with the Modern Slavery Act and grant us the right to audit facilities.
- Audit their own supply chains to ensure full legal compliance.

We act swiftly on any unresolved non-compliance, which may lead to immediate contract termination.





Highlights from the year

- Invested in training two members of our manufacturing quality team to obtain ISO 9001 Lead audit certification to cover the Group
- Every Tier 1 supplier to DFS Group is audited by our Quality Team who are all ISO certified auditors against our Group Code of Practice.
- A SMETA certification is conducted by a third-party and is a comprehensive overview of the employee conditions including onsite inspections and interviews. SMETA certifications are valid for two years.
- All suppliers are required to hold a valid SMETA certificate under the Group Code of Practice. INitially we accept a 2-Pillar certificate moving to a 4-Pillar certificate in subsequent audits. In FY26 62% of our Tier 1 suppliers and 33% of our Tier 2 supplier had a SMETA audit.

Going forward

Our plans in FY27

1. Implementation of new delivery partner contracts and onboarding will include modern slavery training and ‘right to work’ checks.

2. We will continue to expand the number of colleagues who have obtained a SEDEX SMETA 7 Qualification.

3. We will complete the review of employment agencies for temporary hires, ensuring the employment practices of any new agency meet our stringent criteria.

4. We will continue to require all our suppliers to have robust policies and processes to combat modern slavery.

5. We will further develop our audit approach to ensure that we identify and understand human rights risks in key geographic sourcing regions.

6. We will review and update our Anti-Slavery and Human Trafficking policy in FY27.







Board of Directors Approval

Board of Directors' Approval This statement has been approved by the Board of Directors of DFS Furniture PLC on behalf of itself and its subsidiary companies (together "the DFS Group") pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 ("the Act").

This statement covers the activities of DFS Furniture PLC and the following companies which are its subsidiary undertakings:

- DFS Trading Limited
- Sofology Limited
- The Sofa Delivery Company Limited

and will be published on the UK Government's online Modern Slavery Statement Registry and will be available on all DFS Group websites.

This statement outlines the activities and actions undertaken by the DFS Group during the financial year ending 28 June 2026, to ensure that slavery and human trafficking is not taking place in our supply chain or in any part of our business. The above is factually correct and has been approved by DFS Furniture PLC's Board of Directors.

Tim Stacey
Group CEO
DFS Furniture PLC
Date: 12 November 2026

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