



DFS Furniture PLC

Board Diversity & Inclusivity Policy

DFS Furniture PLC (“DFS”) believes in diversity, inclusion and equal opportunities for all and values the benefits that diversity can bring to its Board of Directors (the “Board”).

The Policy is intended to assist the Board, through the work of the Nomination Committee, in creating and maintaining optimum Board and Committee composition. A separate DFS Group Equal Opportunities Policy (which also covers inclusion) applies to all employees in the DFS Group of companies.

It is DFS’ policy to maintain and develop the diversity of its Board of Directors without compromising on the calibre of new directors appointed and for it to operate within an inclusive environment where all Board members can contribute fully.

Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that DFS has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

DFS is committed to maintaining a Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination and to promote diversity throughout its organisation. For the purposes of Board composition, diversity includes, but is not limited to, business experience, geography, age, gender, and ethnicity. In particular, the Board should include an appropriate number of female directors.

As at the date of this policy, the Board exceeds the Hampton -Alexander Review target of 33% of women on FTSE350 Boards by the end of 2020 and this has been exceeded, with 42% of the Board being women.

Furthermore, going forward the Board will take into consideration the recommendations of the Parker Review Report February 2020 when considering the appointment of any new director to the Board.

It is key to us to nurture high-potential and high-performing candidates in less senior management roles, to ensure progression occurs. In this regard, the Board is committed to increasing the pipeline of diverse talent within the organisation and increasing diversity overall and regularly reviews management succession and talent plans.

The Nomination Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and works with Executive search firms in a manner which enhances opportunities for diverse candidates to be considered for appointment. The Committee recommends appointments of new directors.

The Committee supporting the Board reviews the results of the board evaluation process that relate to the composition and succession planning of the Board. As part of this evaluation, the Committee will consider the balance of skills, experience, independence and knowledge of the Board and its diversity and inclusion. A summary of this policy, and of the progress made in achieving its objectives, will be disclosed in the Annual Report & Accounts.

Ian Durant

Chairman

3 March 2020