

Afternoon session

Tim Stacey & Jo Shawcroft



dfs

dwell

safology



the sofa delivery co



CAPITAL MARKETS DAY

Welcome

11:00 - 11:20

Welcome & Introduction

Tim Stacey & Mike Schmidt

Travel to stores

11:35 - 13:05

DFS & Sofology Store Visit

Nick Smith & Emma Dinnis

Travel & Lunch

14:05 - 14:25

Introduction to Platforms

Tim Stacey & Jo Shawcroft

14:30 - 15:25

Breakout Sessions: Home & Data

Nick Smith & Russell Harte

15:30 - 16:00

Recap, Financial Ambition, Q&A

Tim Stacey & Mike Schmidt



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STRATEGY

Today...

OUR VISION

To lead **furniture** retailing in the digital age

“PILLARS & PLATFORMS”

GROUP
STRATEGY

dfs

sofology

HOME

Sourcing & Manufacturing Platform

Technology & Data Platform

Logistics Platform

People & Culture Platform

ESG

Sourcing & Manufacturing Platform

OUR COMPETITIVE ADVANTAGE:

1. Styles to suit everybody + 'Good, Better, Best'
2. Exclusive brands
3. Made to order meaning negative working capital
4. Strong, long-term partnerships

UK	EUROPE	FAR EAST
Focus & specialism:	Focus & specialism:	Focus & specialism:
Fabric	Fabric, Leather	Leather
'Better, Best'	'Entry level, Good'	'Good, Better, Best'
Exclusive Brands	Volume/Value, (Motion)	Motion
30% output by value	35% output by value	35% output by value

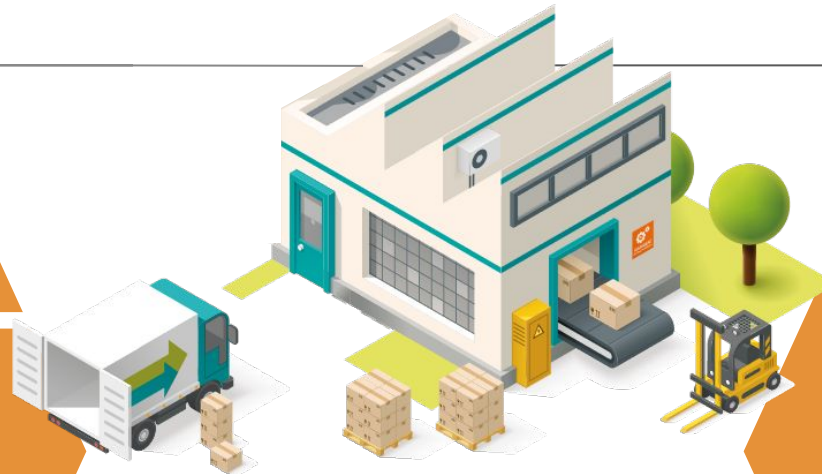
New investment in UK manufacturing

Rationale

Addresses manufacturing capacity challenge
Including Legacy systems & labour pool

Addresses changing customer needs
Lead time increasingly important consideration

Addresses changing product portfolio
Range requirements of our Pillar Brands, e.g. motion



+ Supply chain resilience

+ Margin /return

+ Sustainability/ ESG

+ Handcrafted quality

Ambition

To create the UK's most responsible, resilient, flexible & efficient sofa manufacturing operation

Plan to invest incremental c.£15m over next 3 years

Technology & Data Platform

A large, stylized graphic of an iris, composed of concentric rings of small dots in shades of blue and purple, creating a sense of depth and movement. The word "IRIS" is centered within this graphic in a white, sans-serif font.

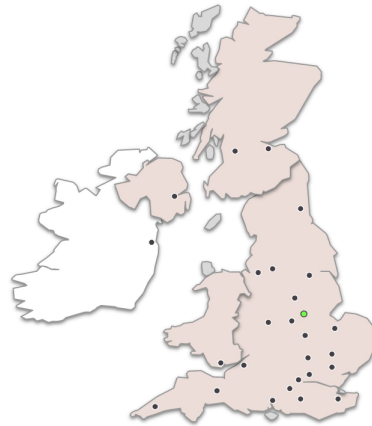
IRIS

INTEGRATED
RETAIL
INTELLIGENCE
SOLUTIONS

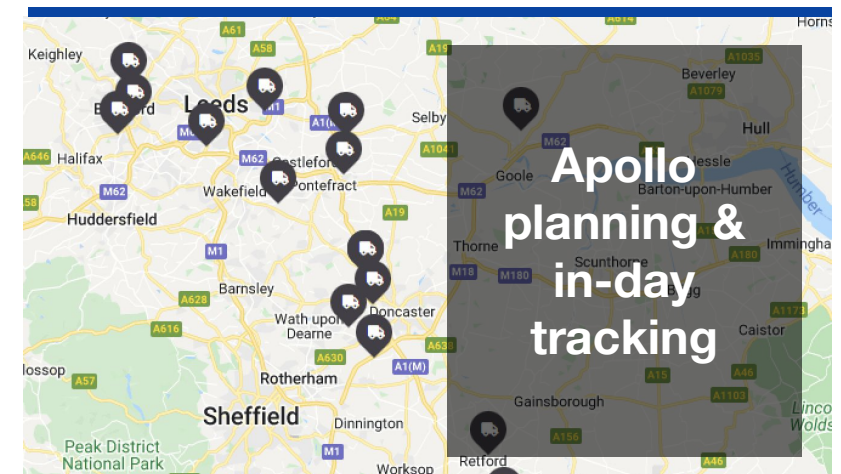
Logistics Platform

OUR COMPETITIVE ADVANTAGE:

1. **Last mile logistics platform:** good for customer experience
2. **Highest postcode densities:** lowest variable cost of delivery
3. **7-day operation** with capacity to grow



Established
30 CDC's
nationwide



People & Culture

Covid 2020:
Moving forward with our people

Strong communication & connection throughout

Financial support for our teams

Covid: a 'People First' philosophy

Today:
Delivering fundamental culture change

New DFS retail remuneration:
Best of both worlds

Flexible working:
Hybrid, 4 on/4 off

Plus...new Group Wide
4Y People Strategy

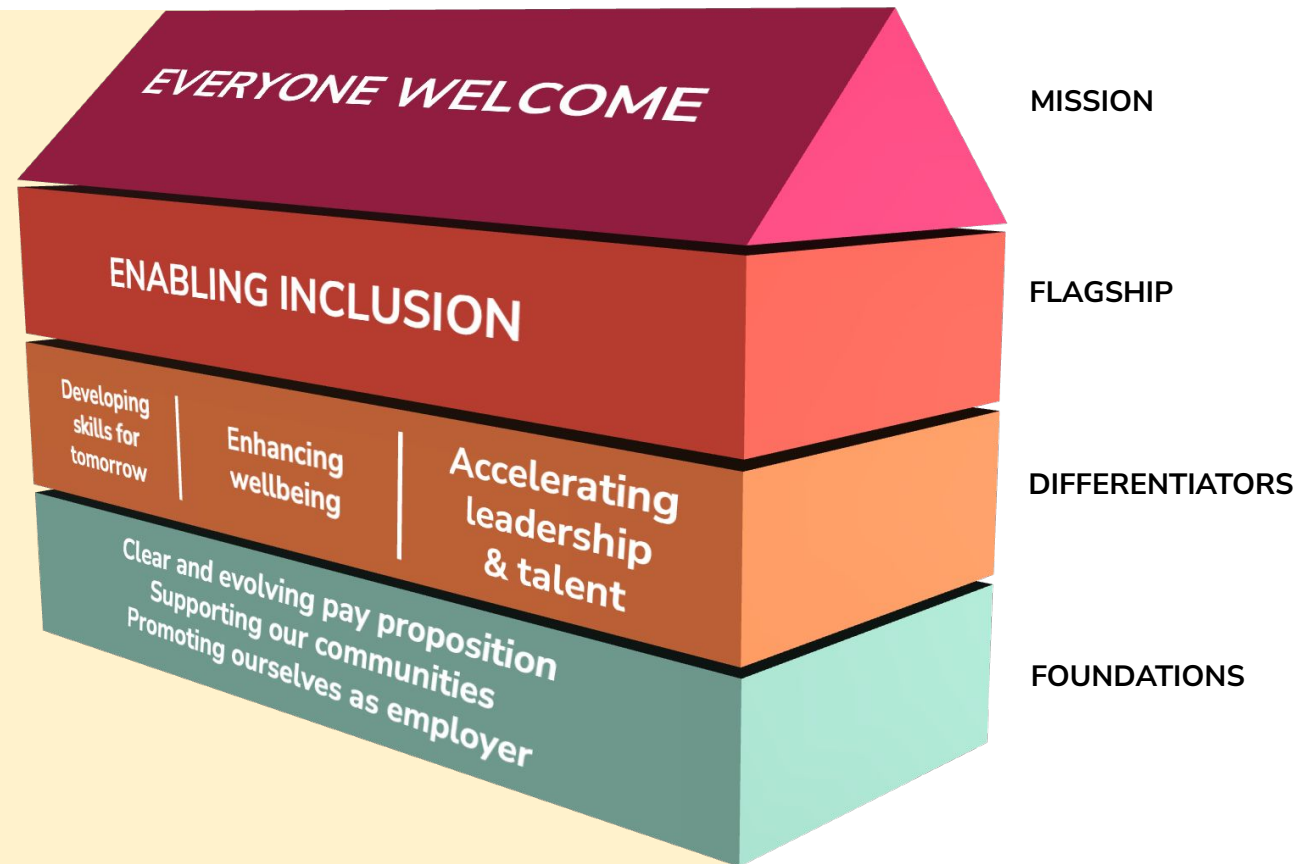


People & Culture

Our People Strategy

Key highlights:

- New framework unites all parts of the Group
- New “Everyone Welcome” mission
- Immediate focus on Inclusion & Wellbeing



People & Culture



DFS Retail in 2019

- % of female colleagues **30%**
- % of part time colleagues **5%**

Key demographics today

- female colleagues **46%**
- part-time mix in DFS Retail is **43%**

Colleague engagement

- increase of 14 points in 2021, marked increase in Group Functions 1* - 3*
- 2022 Best Retail Companies:
 - Sofology #2;
 - DFS #7

Cultural Shift

Activating key elements within our new People Strategy

Driving Results

Driving real changes within our workforce

Sustainability

Key focus areas:

- Supply chain assurance journey continues
- Carbon Reduction > Scope 3 Emissions model > Net Zero Roadmap & SBTi
- Carbon Fluency engagement programme
- Recycling > closing the loop > lead market and continue development
- Product innovation > test & learn model > innovate and lead market



PLATFORMS

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