



GENDER PAY GAP REPORT 2024

At Sofology, we are building a modern, diverse culture where there is a seat for everyone. Our Inclusion strategy is central to this transformation, and we continue to engage, educate, and inspire Sofologists to join us on this journey.

Despite having made significant progress within our showrooms and support functions, we are part of an organisation covering the entire sofa cycle from manufacturing to delivery and service, and as a Group, we do face challenges from what has always been a traditionally male-dominated industry.

To address this, we are working Group wide to focus on achieving gender parity by actively recruiting and promoting more women into management roles, connecting women across the organisation through our network, and launching initiatives to support their success.

sofology
Feel at home on a sofa you love

A note from our Chief Operating Officer, Russ Harte:

"I'm pleased to see a continuous shift towards becoming a more equal and diverse organisation, particularly from a gender perspective. Our inclusion agenda and the work of our colleague network groups hold the business to account for positive change, and I'm confident to say that we are making a conscious effort to attract, retain and develop different people across our Group.

With my responsibility for people as well as our Group Operations, I remain focused on making our workplace one where women can thrive and progress in their careers, and where they are supported across different life stages, with an equal voice to their male counterparts. As a male ally, I have taken the role as Executive Sponsor to our 364 Women's network and am enjoying my role as a mentor within the Diversity in Retail Women's Leadership Programme.

Across the Group, we are committed to ensuring our colleagues are rewarded fairly and consistently, with equal development opportunities for all. We'll continue to drive our Inclusion agenda with internal education and engagement activity, alongside longer-term plans at brand and functional levels to make a measurable difference to the diversity of our workforce.

I confirm that DFS Furniture Group has prepared its 2024 gender pay gap report is accurate and in line with mandatory requirements and I am pleased to report a positive shift forwards."

Russ Harte | Chief Operating Officer





**OUR MEDIAN
GENDER PAY GAP 6.1%**

**OUR MEAN
GENDER PAY GAP 6.9%**

Median gender
bonus gap **27%**

Mean gender
bonus gap **19%**

% Females
receiving bonus **100%**

% Males receiving
bonus **100%**

Our pay gap is driven by the number of males in leadership roles.

% OF FEMALES IN EACH PAY QUARTILE IN THE ORGANISATION

39%
Upper
Quartile

40%
Upper
Middle

39%
Lower
Middle

62%
Lower
Quartile

UNDERSTANDING OUR PAY GAP

Median pay gap: The median pay gap is the difference between the midpoints of hourly pay, therefore if we lined up all of our female colleagues from lowest to highest paid and did the same with our male colleagues, the median gender pay gap is the difference in hourly pay between the female and the male at the mid point.

Mean pay gap: The mean pay gap is the difference in average hourly pay between men and women. The mean hourly pay rate is calculated by adding up the hourly pay of every woman and dividing by the total number of women. The same is then done for all men.

Pay quartiles: The pay quartiles are calculated by listing the pay for each colleague lowest to highest, then splitting the list into 4 equal-sized groups. Then calculating the % of women in each of the four groups

INTRODUCING OUR NETWORK

364 Women, our largest inclusion network, is focused on advancing gender equality. The name reflects the idea that International Women's Day is often the only time we talk about women's challenges at work, and this conversation should happen all year round, across the other 364 days of the year. For International Women's Day 2024, the group chose not to run a traditional campaign but instead launched a survey to understand how our workplace supports women. Over 400 colleagues from across the business, including Retail, Manufacturing, Logistics, and Group Support Functions, shared their insights, providing a diverse range of feedback

The Discovery Phase

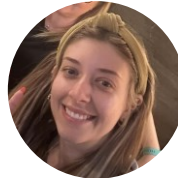
The survey results revealed a slight difference in perspective between the genders, with men generally viewing the experience of women within our Group more positively than women themselves did.

Women across our organisation expressed a desire for a supportive community where they can share challenges and experiences in a safe space, while also receiving guidance from their peers.

The survey also highlighted some basic changes that we need to make to support our female team in everyday practical ways too, such as ensuring sanitary provisions are available at all sites if needed, with the understanding that support for women should extend beyond just that time of the month, but through all stages of life.

Finally, there's a strong desire to see and hear more from our female senior leaders. The sentiment is clear: "If you can see it, you can be it."

"It gives me lots of energy speaking to the women and our male allies across the Group to understand where we can really support and help gender equity within the workplace. I feel very passionate about bringing the network together to highlight and action change within the business. We've had honest conversations around our experiences both inside and outside of the business, our job is to create a supportive space for everyone, but one where people really want to put the work in to make a real difference."



Anna Talbot - Co-Chair and Group Senior Learning and Development Partner

"As a committed feminist and insights professional, I've thoroughly enjoyed the research phase as we've brought the network together, and am looking forward to delivering solutions that make a difference for women across our Group. Having worked for the business for over 8 years, I have witnessed the cultural shift taking place, and welcome the open and honest dialogue around what more needs to be done."

Caroline Herring - Co-Chair and Group Senior Insights Manager DFS



Taking Positive Action

- **Allyship Training;** We recognise we need to help to educate men as allies for women in the workplace and are exploring how to support this through training, open dialogue and practical guidance.
- **Virtual Sessions;** We're building a calendar of virtual content, creating an online space where women can choose to attend sessions to access support and guidance from peers and senior leaders as new starters, new mums or when looking to advance their careers or explore new opportunities.
- **Sanitary Provision;** we missed a trick here, so are replicating our support office facilities across all sites to help those who may be unexpectedly caught out whilst at work.
- **Supporting across all life stages;** we continue to offer menopause support with Peppy, available to all colleagues as a transferable benefit. But we also recognise the need to enhance our policies around flexible working, maternity and fertility, so are looking to review these this coming year.

FUTURE FOCUSED

We are really proud to have increased our gender balance in leadership, our showroom manager population is now at 33% and we continue to work towards a 50/50 ambition in the longer term.

We recognise the importance of developing women across the Group, and especially those aspiring to achieve senior leadership and board positions. Our strengthening partnership with **Diversity in Retail** has provided the opportunity to enter two of our female leaders onto their **Women's Leadership Programme**, with our CEO and COO supporting the initiative as mentors within this cohort.



"I'm getting a lot out of the programme, especially by connecting with other women outside the organisation. It's reassuring to realise my challenges aren't unique, and it's been helpful to hear how others have managed their return to work after maternity, like I did two years ago. I'm proud of my career progress and feel fortunate to be part of a programme that supports female leaders. If I can inspire others to build a career in Retail and experience the same development, support, and challenges I've had, it would mean a lot to me"

Cherie Donnelly, Group People Operations Director



"Finally stepping into my first store management role last year, after over 10 years as a Sofologist, I had to face into my imposter syndrome as a black woman in a traditionally white, male environment.

Celebrating my success as a woman is embracing my self worth and that is a necessity on the road to reaching my goals. My recent experience on the Ethnic Future Leaders Programme with Diversity in Retail has played a huge part in settling into these reflections.

The experience was truly life-changing. I met some incredible people and felt inspired to chase my dreams. I am aware that being a leader from an ethnic minority background positions me as a role model for others, and that's something I take very seriously. There's no stopping me now - I intend to smash all those ceilings."

Joy Mutandiro, Store Manager, Sofology