

We exist to build a better workplace for People and Planet.

A Word From Our Director

Since taking on the privileged responsibility of leading an extraordinary group of people in 2017, I've wanted to build a business centred around people, with a purpose beyond making a profit.

I recognise the decisions we've made, and will make in the future, have a far-reaching impact on the planet, in society, and for our people. At EFG, we are collectively committed in our purpose to build a better workplace for People and Planet.

I've always wanted the business to make a difference in our society, have a positive impact on the planet and to create an environment that enables our people to thrive.

Brief intro to EFG:

EFG have been going since 1931, so much has changed around us but so much remains the same. In 1931 and for a long period of our existence, we had little to no understanding of what our impact was having on the planet. Now we do and we are committed to playing our part and we are committed to making tangible change.

+2.0 +1.0 -1.0 -2.0 1931 - 2021

I'm delighted by the progress we have made this year which has been underpinned by our new Articles of Association. What can traditionally be seen as a few boring lines written by lawyers — now reflect the legacy that we want this business to have in the future, long after I've hung up my hat. We now have a legal requirement that matches our moral responsibility — to enact policies and decisions for all of our stakeholders, not just our shareholders: our people; our supply chain; our community, our planet and our customers.

Inner circle dipicts average temperatures in 1931. Outer circle dipicts average temperatures today.









In our view, society's most challenging problems cannot be solved by government and non-profits alone. Our articles are aligned to the UN Sustainable Development Goals with a primary focus on SDG's 8 — Decent Work And Economic Growth, SDG 12 Responsible Consumption And Production, SDG 13 Climate Action & SDG 17 Partnerships For The Goals.

We see our positive impacts and progress as just the start of our commitment to create inspiring furniture & workplace design that can drive positive change and I'm personally excited about what we can achieve in collaboration with our partners, our community, and our passionate team of people.

Thank you for taking an interest in our first impact report, and we hope you enjoy reading it as much as we did deciding on what to include.

David Murphy

Managing Director

David.Murphy@efgoffice.co.uk

David Murphy



Setting out our approach

This is our first impact report and so we needed to decide on what to measure and how to measure it. We had many questions that needed answering, what stakeholders need considering? What is our starting point? What have we achieved? What are we doing now? What are we working towards?

We felt it important to set out and understand where we are performing today and were surprised at the progress we're makingtoward sour. Vision to lead sustainable, social and responsible change in workplace environments.

EFG are open and transparent in publishing our impact report, measuring across 4 impact areas:

Governance

People

Community

Planet







Our Method

Before landing on our final structure we underwent a significant cataloguing exercise. Reviewing, tracking and cataloguing our good work as we went.

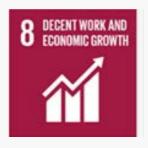
To help us on our journey we used 4 useful tools:

- NetPositive Report
- B Impact Assessment
- The SDG Action Manager
- Compare Your Footprint

For us, we needed a structure to pull all aspects of our business impact together and we found B Corp's
Business Impact Assessment (BIA) the most robust in reviewing our current levels of performance, opening our eyes to new areas of improvement, and benchmarking our business against others. The BIA also provides our business with a framework to continually measure and improve across all 5 impact areas.

SDG Mapping

We began our process with an SDG Mapping exercise. We reviewed each SDG and there accompanying targets to consider what our current impacts were for each, this also helped us to pinpoint the 4 Primary SDG Goals that we plan to build our future initiatives and targets around,









B-Corp is coming!

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy. This resonated with our values and business ethics, and we're submitting our assessment at the end of July 2022 for review by B Lab's verification analysts.





21 New Policies

Policies
Reviewed

23
consecutive years with ISO 14001 accreditation

20
Years of FSC® certification

We have changed our articles of association

People



100%

Of the team care about their job

Internal promotions this year

Newbies joined the rank

of employees have received formal skills based training this year

92 eNPS Score

Community.

10%
Top Fundraiser on JustGiving

306
hours dedicated to charity

122%
Out performing our sector in civic engagement

& giving

£2,888

Raised for
Women's Aid

20%
Of future net profits
committed to good cause
initiatives

Planer



2133
FSC® Certified
Products sold

100%

Measured & Offset
Scope 1 & 2
Emissions

254

Trees protected in Nii Kaniti. Peru

1.8 tonnes

of CO2 saved with our electric car scheme

88%

of our core portfolio hold sustainable credentials

Goals & Objectives

2020-21

Our team collectively establish a core set of business goals aligned to our impact areas and ultimate purpose. We report and track progress quarterly providing full visibility across the business.

I'm delighted to share our 2020-2021 progress within this report under the respective sections.

	Target	Result
9	Transform our business model to making a meaningful contribution to society and on the planet by the end of 2021	ACHIEVED
	Create our 1st annual impact report and publish in 2022	ACHIEVED
	We will ensure that every decision we take is in the knowledge of the impact of that decision on the environment and wider society	IN PROGRESS
Φ	We commit to measure & reduce our scope 1 and scope 2 GHG emissions 38% by 2030 from a 2021 base year	IN PROGRESS
	We commit to reach net-zero greenhouse gas emissions across the value chain by 2033 from a 2021 base year	IN PROGRESS
	Measure & benchmark our scope 1 and scope 2 GHG emissions by the end of 2021	ACHIEVED
	Measure and benchmark our scope 3 GHG emissions by the end 2023	IN PROGRESS
	We will remove plastic from our packaging by end 2022	DELAYED
	We will increase our environmental product portfolio to 50% by end 2021	ACHIEVED
	We will launch a new re-use solution by end 2021	ACHIEVED
	We will do more for our local community than ever before, managed and run by our Charities and Sustainability Committee	ACHIEVED



I've always wanted the business to make a difference in our society, have a positive impact on the planet and to create an environment that enables our people to thrive.

DAVID MURPHY MANAGING DIRECTOR

Governance

For us, governance is about putting down solid tracks that will always steer our business decisions in the right direction. It is the blueprint for our mission, ethics, accountability and transparency.

Target

We will ensure that every decision we take, is in the knowledge of the impact on the environment and

wider society

Result

[IN PROGRESS]

This year we have taken steps to introduce the conversation of have identified with our purpose, updated our vision, mission & values to communicate our position more clearly to our stakeholders. We want all of our team to understand how they can make a positive impact on people & planet within their roles. When asked in our latest anonymous survey if they can make a positive impact in their role, 92% responded with a resounding YES! When asked more specifically, how? We received a mixed bag of understanding, highlighting there's more learning to be done across the board.



Believe that they can make a positive impact on people & planet

Believe that we have a clear purpose



Believe that EFG is committed to making ethical business decisions



Are proud to work at **EFGUK**

Transform our business model to make a more meaningful contribution in society and on the planet, by the end of 2021

Social & environmental sustainability is deeply embedded into our governance structure. In 2021, we transformed our business model and updated our overarching companies articles of association to reflect our commitment to doing things differently. In doing so, we've matched our moral responsibility with a legal requirement, where we must take into consideration all stakeholders in our decision-making process. We've adopted B Global Network's Theory of Change to transform the economic system into a more inclusive, equitable, and regenerative global economy.



Create our 1st annual impact report and publish in 2022

You're reading it!

Strengthening our **Transparency**

We have reviewed and enhanced our policy manual to include:

x14 reviewed policies x21 new policies implemented



1. Hybrid Working

We have supported our hybrid working model with 2 additional policies on both flexible and remote working, providing our team with a greater work / life balance and improved productivity.

2. Career Development

We created a robust employee development plan and turned this commitment into policy.

3. Volunteering

We put our 2 paid volunteering day entitlement into official policy.

4. Parental Support

With the first EFG baby in 5 years, we took this opportunity to have a fresh look at our parental policies and have enhanced our team's parental rights. We now go above and beyond our statutory responsibilities for Parental Leave, with progressive policies that includes extended Maternity, Paternity, Adoption, Sickness & Bereavement Leave. Welcome to the fold Baby Poppy!

Accreditations & Associations

Sustainability Partners



















<u>Industry Memberships</u>





Certifications















People

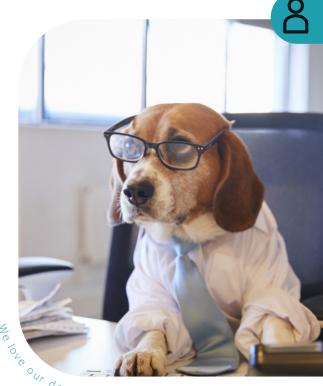
Our team are EFG UK. It is there hard work, dedication, knowledge and personality that blend into what has become a fantastic company culture that we are all proud to be a part of. As a business we are as committed to our employees, striving to continually improve their well-being, productivity and prospects as we grow



Our eNPS score is best in class at +92!

*An employee net promoter score can range from -100 to +100. According to Survey Monkey's global benchmark data of more than 150,000 businesses, the average eNPS score is +32. (Anything +80 or higher is considered best-in-class)

Employee Benefits



oggo's at EFG and often get a furry visitor!

1. Bonus Scheme

We run a bonus scheme that rewards all employees equally.

2. Time out to-do Good

We believe it feels good to-do good - and that's why we encourage our team to take advantage of 2 additional days paid annual leave, when they commit to volunteering this time for charity or supporting local community projects.

3. Carpool

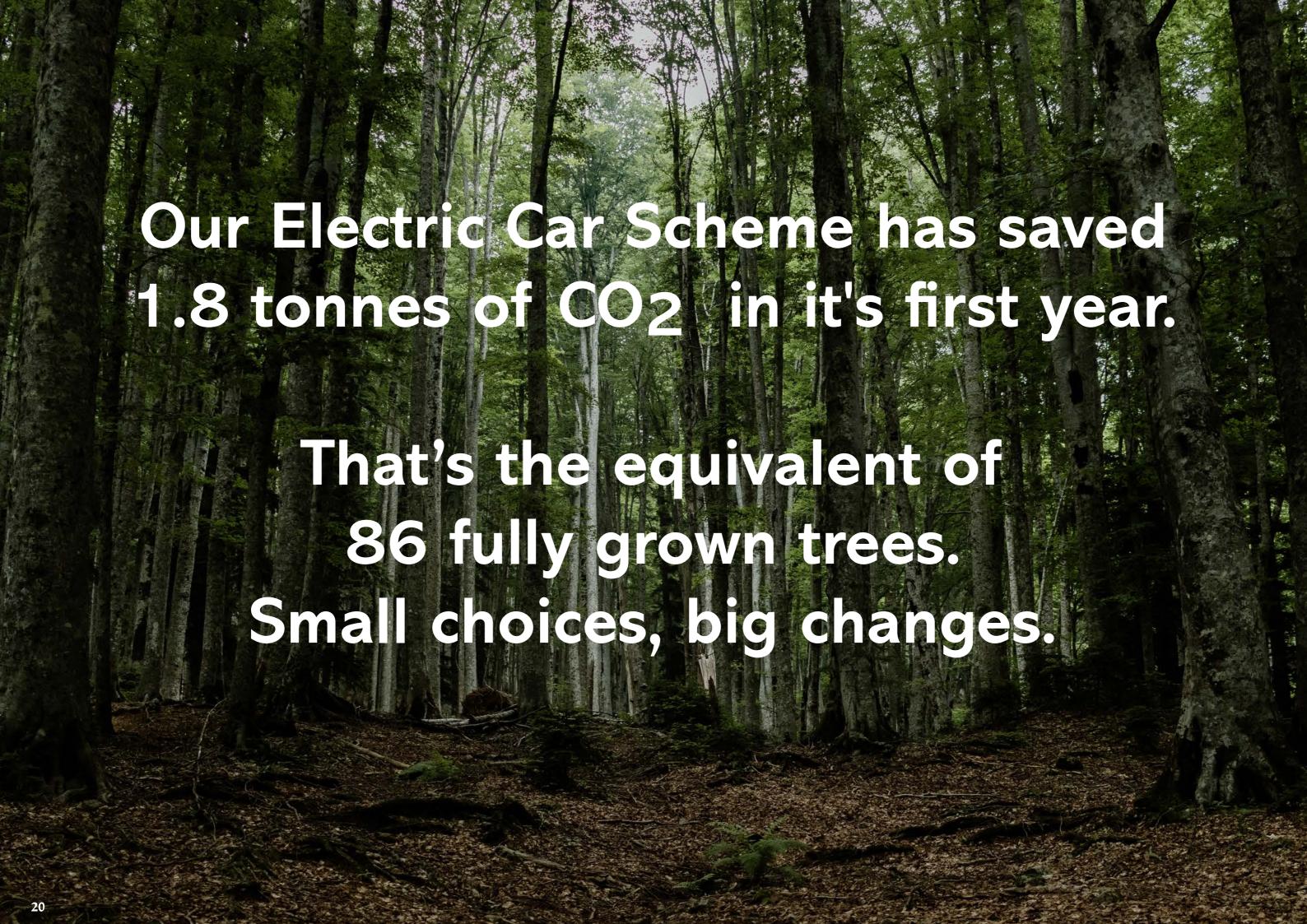
We offer additional incentives for employees who can car share for their journeys to the office.

4. Electric Car Scheme

We offer additional incentives and workplace charging for employees who make the switch to electric. Bridging the gap of affordability and inspiring an environmental lifestyle change.

Our first team member to take this up has seen a 45% reduction in CO2 emissions. Saving 1.8tonnes of CO2

Equivalent to 86 fully grown trees can absorb in 1 year.



REPORT FINDINGS

In September 2021 we took part in a science backed survey, SHAPE, that produced an in depth look into the health, productivity and engagement of our people.

Themes for Improvement



1. Health & Well-being

There has been a definite correlation between the adverse themes around sleep, diet, and work life balance and the realities of working through a global pandemic. As humans, it is natural for our sleep and diet to fall out of balance when getting used to a new routine. This has only been exaggerated by life in a global pandemic that has flipped our sense of 'work' and 'life' on it's head, and propelled many of us into new styles of working.

SHAPE demonstrated that most of the team were struggling in some way with a lack of sleep and felt that they weren't consuming a healthy diet. Many of the team were feeling increased financial pressures, were finding it difficult to wind down after a work day and felt that their workload was causing them stress. It was clear from the results that their were things we could do as a business to help our people strike more of a work-life balance.

We quickly changed policies and actioned initiatives to support the team. Including 2 new policies - flexible and remote working, developed to support our hybrid working model and help improve our colleagues work life balance. We also introduced reduced weekend and out of hours work for our logistics teams through improved planning and routing, which also benefited our carbon emissions.

We are hugely appreciative of the resilience of the team through this hard period and were able to come back stronger with improved processes and additional recruits to alleviate pressures. There's still a way to go with our sleep patterns however. If anybody knows the secret - let us know!

2. Career Development - SDG 4

An important finding within the SHAPE report was the colleagues felt a lack of professional development and/or training, or did not understand their career prospects within the company, again exacerbated by remote working. This was an area we were able to address almost immediately, implementing an annual personal career development plan for every team member within 6 months. This lead to 75% of employees receiving formal, skills-based training specific to their own individual career development plans, focused on their individual aspirations.

75% of employees have received formal skills based training this year



O_{riving} at Work Training Passed by our Logistics Team

Themes for Celebration

1. Committed & Engaged

We spend a third of our lives in the workplace, so we believe it is crucial to create an environment that can be enjoyed! The benefits of having a happy & engaged workforce are countless for both employees and businesses. Aside from the obvious well-being aspects, being happy at work and loving what you do fuels productivity and often enhances performance. People who enjoy what they do are more likely to be optimistic, motivated, learn faster, make fewer mistakes, and better business decisions. Our SHAPE report found that our teams are proud to work at EFG UK and

believe that their individual role is important Infact, it was highlighted that 100% of our team care about their job, and aim to work consistently at their best - making them a reliable bunch!

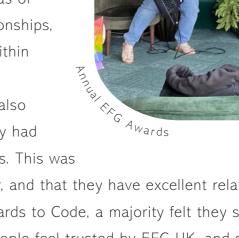
"Working at EFG is knowing that no matter what we face as individuals, there is always a whole team of people ready to help, support and encourage you. The people I work with are not only colleagues or friends, but definitely a little family. It's a fantastic culture to be a part of, and a fantastic crazy

family too!"



2. Culture

Our culture was highlighted in 3 key areas of the SHAPE report - Collaboration, Relationships, and Code. The most apparent positive within the report, was our collaborative culture, scoring 93%. Crucial to collaboration is also great communication. Most staff felt they had great communication with their managers. This was



bolstered by our people feeling cared for, and that they have excellent relationships with their peers and managers. With regards to Code, a majority felt they shared the same values as the business. Our people feel trusted by EFG UK, and safe from bullying or harassment in the workplace. And perhaps a culmination of all of the above, and most crucial in the findings, our people feel that they fit well within the organisation.

This is important to us, as a core value is that we encourage everyone to be themselves. So, how did we get here? The culture we have been able to hone over the past 7 years has become more and more apparent over time. It began with our shared values and is lived out each day by the small things. The silly awards, the 'lets work late' pizza bribes when an exciting deadline looms, and the 'Pling Plings' where we share our sucesses. As a result of this intangible 'something', we can't quite put our finger on - we are able to build an inclusive and welcoming space together.

Sofia Somani, Commercial Manager

Hybrid Working - the future is now

Our teams adapted quickly to the more flexible working style and embraced the change to hybrid, with 94% of employees in traditional office-based roles, scoring the change positively.

We were able to support staff with flexible hours when needed, which has helped to relieve additional pressures around childcare.

We supported our hybrid working model with 2 new policies on flexible and remote working to help improve our staff's work life balance, increase productivity levels, and reduce our environmental impact.

of traditional office based employees percieve the change to hybrid as positive





"Before the pandemic I was solely based in the office. We all had to adapt quickly and have now found a happy balance between office days and working from home.

Being able to work remotely frees up time where I would usually be commuting and helps to reduce the weekly fuel bill - which I appreciate.

I like to use my remote days to work through admin and catch-up. Having this time to focus has reduced what could take up to 4 days in broken increments down to 1 consolidated day, which is satisfying for me but also makes for an improved customer response time."



Joanne Taylor
Financial Support Executive on Hybrid working

REPORT FINDINGS



Good Health & Well-being

Here are some stats we are particularly proud of from this years SHAPE report.

62
Physical Health

73
Psychological Health

69
Factors Outside Work

Employee Commitment 80 Employee Engagement

77

Job Satisfaction

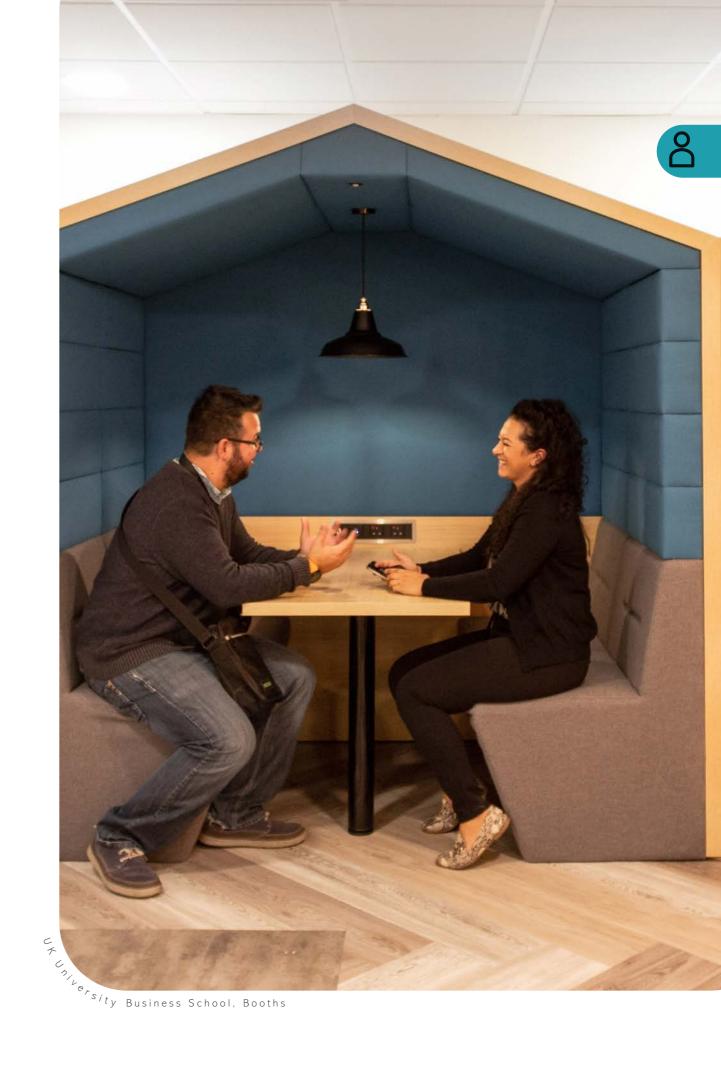
81
Corporate
Culture

Business Fundementals 74
Physical Work
Environment

94
Personal Work
Ethic

82
Management
Style

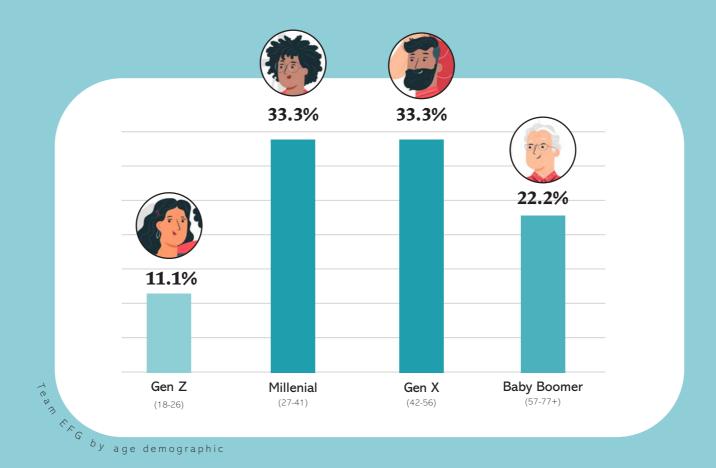
75
Soft Work
Environment



28

Deeper than Demographics

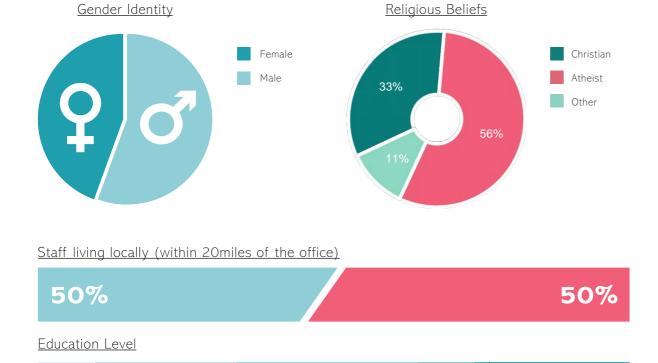
At the core of our business we aim to instill a sense of belonging. We measure diversity and inclusion as a tool that can provide insight into the needs of all of our team members. We believe that a diverse workplace brings with it a wider range of experience, views & ideas that allow us to continully improve as a business.





Workplace Diversity Survey 2021

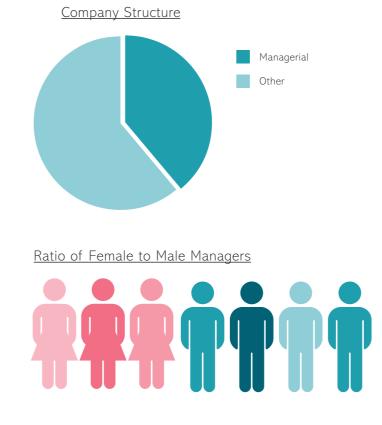
Here are some of the results of this years Workplace Diversity Survey.



L3

L4 L5

L6



1/7 of our management team members identify as being from an underrepresented social group (excluding gender)

*This is 28.74% above the current UK statistics according to Annual Population Survey by Office of National Statistics, Published 27 July 22

SDG 8 Decent Work & Economic Growth

EFG are proud to have been an accredited Living Wage employer since 2018. Being part of the Initiative aligns with our core values.

Here at EFG we believe that the minimum wage is not a fair reflection of the cost of living in the UK and that workers earning minimum wage aren't receiving a fair deal. We believe in providing employees with a package that meets or exceeds the legal minimum standards.

We feel a commitment to make our employees feel valued for the time and effort they put into making EFG what it is.

2021 was our third year running as one of their accredited employers which brings us immense pride.

Our Living Wage Employer Commitment

As an accredited Employer, EFG UK has committed to:

- 1. Pay the real UK or London Living Wage to all of our directly employed staff over the age of 18.
- 2. We will ensure all our third-party contracted and sub-contracted regular, on-site staff are paid the real UK or London Living Wage (as appropriate).
- 3. Increase the wages of these employees and contracted staff to the Living Wage, within six months of any rise in the calculated rates.





IMPACTS



Community

Exploring how we can create positive impacts within our local community in which we operate, hire from, and source services from, is really important to us. That's why, in 2021, we decided to formalise our commitments by declaring 20% of net profits will be donated back into the community through charity or community projects.

Target

Result



We will do more for our local community than ever before, managed and run by our Charities and Sustainability Committee **ACHIEVED**



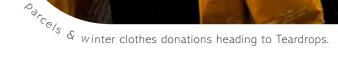
Illustration via The Book Of St Helens Project www.heartofglass.org.uk/tbosh



Doing more than ever before

According to our pre-qualified B-Impact scoring we are currently **outperforming our sector by 122%** in terms of our commitments to civic engagement & giving. This is an outstanding result and testament to the character of our team members.





306 hours dedicated to charitable causes

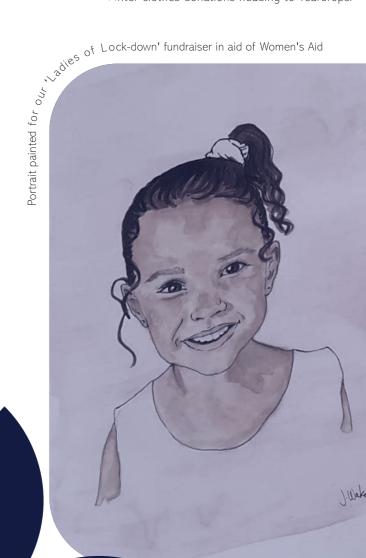
Throughout the pandemic many of our team dedicated their time to charitable work in their local communities by committing their resource to homeless shelters and vaccines centres, while others looked to raise awareness and funds towards EFG's Women's Aid Campaign.

Business for Good

In Dec 2020, we introduced our Christmas appeal that encouraged our suppliers to rethink their traditional corporate giving, redirecting these funds into physical or monetary donations for those more in need through the winter months. This was so successful, it's become an EFG tradition, with a few of our suppliers even implementing this through their own networks.

Fundraising Legends

In December 2020 we raised £2,888 for Women's Aid and were bestowed the status of 'Fundraising Legend' by JustGiving. Our Virtual Purple Day initiative was one of the most successful JustGiving pages during the campaign. Out of thousands of fund-raisers on JustGiving, our donations were in the top 10%. It was also a personal best for the team compared to previous years, despite being in lock-down during this time. We learnt lots from the initiative that we can take forward for our future fundraising.



Developing Skills in the community

An important part of our community engagement is wrapped up in our commitments to SDG 8, Decent Work & Economic Growth. We are always exploring ways in which to give back, including through skills & experience based knowledge sharing. We were honoured to appoint 2 new employees through our local councils Kickstarter Scheme, with great success. The scheme was set up to support young people into work.

SDG 8 Decent work & Economic Growth.

SDG 10 Reduced Inequalities, SDG 11 Sustainable Cities & Communities

SDG 17 Partnerships for good – Supporting local SME's

XICKSTART®



"The team made me feel welcome by providing constant support whenever I needed it. Being part of the scheme has been more useful than I originally expected. I have tried lots of different aspects of working at the company and it has helped me to develop a more varied array of skills. I expected to be mostly working by myself, but I have worked more closely with the team. I have also learned how to use excel to a better effect. Helping in the warehouse and on deliveries I have developed some skills in assembly and understanding the logistical process of getting the items to the customer. I have learnt quite a lot of different things while here and I have gotten better at working with a team as a result. "

Dan Arnold, Sales Support Executive via our Kickstarter Programme

The Power in Purple

Each year our charity committee choose a charity or topic to raise awareness around. This is usually driven by current events, with this year being no different. With UK citizens confined to their homes, domestic pressures were increased - with access to key services or opportunities to find support for a period all but ceased. This was reported widely in the news and evoked the need for action within our Charity Committee. The impact of the Covid-19 Pandemic on Domestic Abuse Survivors and the Services Supporting them has been profound. With Women's Aid sighting a 90.9% increase in demand for online support.



Our aim was to raise funds to support the extension of opening hours for Women's Aids Live Chat services and our modest goal was to raise £75 per employee, the amount it takes to support a Women to escape domestic abuse including using services such as the Live Chat.

We set about planning a virtual purple event, encouraging attendees to dress in the nationally recognised colour for domestic abuse as well as encouraging team members to lead there own fundraising. The campaign was a real success and a personal best for the team, despite being in lock-down during this time. We learnt lots from the initiative that we can take forward for our future fundraising.

In December 2020 we were bestowed the status of 'Fundraising Legend' by JustGiving.

Our Virtual Purple Day initiative was one of the most successful JustGiving pages during the



Commisioned portraits in progress, created to raise funds for Women's Air



"Thank you for your wonderful fundraising efforts!

The £2,888 that you raised made a huge difference to the work that we were able to do for survivors, particularly through services such as the Live Chat Helpline.

At the start of 2020, the Live Chat Helpline was only able to operate for two hours a day, Monday-Friday. Thanks to the efforts of fundraisers and donors like yourselves, we were able to extend the hours of our Live Chat Helpline significantly to reach our current opening hours of 8am-6pm on weekdays, and 10am-6pm on weekends, meaning that we are able to support even more survivors.

Thank you once again for your amazing fundraising efforts, without which our work would not be possible!"

Holly Thurgood, Fundraising Officer Women's Aid

#Workplacesafeplace

An even more remarkable feat to come from our awareness campaign was that it served as a catalyst to inspire our wonderful colleague Jeni Pilkington to take on the challenge of becoming a certified workplace champion - we are all so proud of her journey and grateful for her support.

To become a workplace champion, you participate in five days of specialist training, to learn how to listen, identify and signpost survivors to access the best support. And are also coached as to how to enhance the overall level of knowledge and awareness within the organisation in relation to domestic abuse.



"In Christmas 2020, EFG's charity focus was to raise funds for Women's Aid. At the same time, in fact on the very same day I was pulled into a charity meeting to get the ball rolling, I was requested by my solicitor to write a Scot Schedule, detailing incidents throughout my marriage which would later be used in court. A lot of soul searching and acknowledgment of memories from a very difficult time, very much blocked out, meant that I came to terms with what I had dealt with and kept to myself. It takes on average 7 years to leave an abusive relationship, with generally very little outside help and support. Doing this course equipped me with the tools I needed to actually help somebody."

Jeni Pilkington, Domestic Abuse Workplace Champion

Work may be the only safe place for someone experiencing domestic abuse or violence. The Merseyside Domestic Abuse Workplace Scheme has enabled EFG to provide its employees with a secure working environment, creating safe spaces where staff affected by domestic abuse can talk in confidence. It includes employers having a safe domestic abuse policy ensuring employees who are experiencing domestic abuse or perpetrating the abuse receive an appropriate and effective response. For example, facilitating employees to be able to organise leaving an abusive relationship in work hours.



The scheme currently has 44 organisations signed up, providing 35,802 employees across Merseyside access to a Trained Workplace Champion so far. If your business is based in the Merseyside area, consider the profound benefits joining this scheme can have for your employees.

Domestic Abuse Workplace Scheme

A workplace might be their only safeplace

If you are suffering from Domestic Abuse, please talk to a Workplace Champion in confidence



MY MANAGER
THINKS I'M
JUST UNRELIABLE





www.merseysidepcc.info/DAWorkplaceScheme.aspx

/DAWorkChampions #workplacesafeplace





IMPACTS



Our biggest learning curve has been taking a deep dive into environmental issues facing business and industry. Our goal is to find a place where our performance meets our passion for the challenge.

In this section of the report, we will explore the progress we have made against the 5 environmental targets set out in 2021 and their subsequent impacts.

Target

- Measure & benchmark our scope 1 and scope 2 GHG emissions by the end of
- Measure & benchmark our scope 3 GHG emissions by the end of 2023
- Set targets to reduce our scope 1 and scope 2 GHG emissions 38% by 2030 from a 2021 base year
- We commit to reach net-zero greenhouse gas emissions across the value chain by 2033 from a 2021 base year
- We will remove plastic from our packaging by end 2022
- We will increase our environmental product portfolio to 50% by end 2021
- We will review and re-launch our circular services by end 2021

Result

ACHIEVED

Our scope 1 emissions were: 5.07tonnes of CO2 Our scope 2 emissions were: 4.06tonnes of CO2

IN PROGRESS

On track to be complete by June 2023

IN PROGRESS

Roadmap to Net Zero project due for completion April 2023

IN PROGRESS

Roadmap to Net Zero project due for completion December 2023

DELAYED

We expect to conclude our findings by December 2022 however acknowledge that any improved solutions will need to be actioned in 2023

ACHIEVED & SURPASSED

88% of our core portfolio hold sustainable credentials

ACHIEVED



Our evolving climate strategy

EFG have made public commitments to be at the forefront of carbon reduction within our Industry. To minimise and mitigate the impact of our supply chain and operations upon climate change. We will provide updates starting from our initial impact report, then every 3 months thereafter with the progress we have made on the strategy outlined below.

We have committed, through our Charity and Sustainability Committee to become scope 1 & scope 2 carbon Net Zero by the end of 2025 and Scope 3 by 2033.

This commitment has been driven by our colleagues and committed to by our Board and owners. We recognise that this commitment is extremely challenging, however, we believe by having challenging targets we will focus our whole organisation to drive positive change through a detailed carbon reduction programme with short, medium and longer-term goals.

Moving Beyond Compliance

Over the years EFG UK have become increasingly aware of our impact on the planet's finite resources and have been committed to learning how we can improve our business to become truly sustainable.

The international certification ISO 14001 has been hailed as the world's most successful environmental standard. Like all ISO management system standards, ISO 14001 includes the need for continual improvement of systems and approach to environmental concerns. To be certified, you need to have an independent certification body that audits practices against the requirements of the standard. We've been independently audited and held ISO 14001 certification for 23 consecutive years, validating to our stakeholders our commitment to monitoring and continually improving our impact on the planet.

At EFG we understand that collectively, we are all responsible for our impact on the planet and in our opinion, it is vital that we move urgently beyond compliance and minimum targets, and as quickly as possible beyond low carbon, to no carbon.

Managing the risks of climate change is fast becoming a necessity for everyone, including our buisness. If we wish to ensure the long-term prosperity of EFG UK's commercial interests and investments. Future-proofing our organisation means adopting a net zero strategy.





The road to Net Zero of

We recognise that, as an SME, we won't be able to achieve these ambitions on our own and have therefore invested in a range of external organisations and consultants to help us succeed in both measuring our impacts and setting reduction targets:



Compare your footprint

As our first step towards net zero, we set out to measure our current scope 1 and scope 2 GHG emissions. For this, we used Compare Your Footprint's online platform which allows us to track our GHG emissions and compare them to others within our industry. Our first year of reporting our scope 1 and scope 2 GHG emissions, including waste, energy, staff travel, and all of our deliveries, have been 100% counterbalanced through Ecopshere+.

Impact for Good

A business consultancy firm who specialises in delivering sustainable business growth and creating long-term value by delivering impactful social & environmental strategies. Impact for Good has been appointed to assist in articulating our purpose, increasing our impact through B Corp certification, developing our staged Net Zero targets, and helping with our internal programme of change.

Lancaster University Eco-Innovation Centre

EFG are sponsoring Masters Student Changtong Huang to measure our scope 1, 2 and 3 GHG emissions, and develop a framework for reduction and abatement, within, and outside our full value chain. The project is ongoing and due for completion April 2023.

ecosphere P



CERTIFICATE OF CARBON CREDIT RETIREMENT

EFG European Furniture Group Ltd.

has purchased the amount of

10 tonnes

double verified carbon credits from the

Nii Kaniti project

For the purpose of rebalancing impact from its

annual scope 1 and scope 2 emissions



YOU'RE DIRECTLY PROTECTING:







Habitat for High Conservation Value species



Sustainable livelihoods with seven indigenous communities

You are helping to finance the conservation of almost 120,000 hectares of threatened forest; protect habitat for threatened species including the jaguar, blue-headed macaw and tapir; support seven indigenous communities through sustainable enterprises and commodities; empower women to develop and revalue ancestral art techniques; and thereby helping to achieve the following Sustainable Development Goals:



















To offset or not to offset, that is the question..

We believe that using carbon offset's while continuing business as usual in fossil fuel use, is not a solution to climate change! We feel there is a place for offsetting, and that it can make important contributions to reaching Net Zero, when combined with progressive commitments to dramatically cut greenhouse gas emissions. It's been widely reported that many carbon 'offset' schemes are not as good as they first appear. That's why we choose to only invest in the highest quality, nature-based, offsetting solutions, rigorously screened and selected by B Corp Ecosphere+, who ensure wider environmental and social responsibility.

EFG UK are proud to have measured and offset 100% of our Scope 1& 2 emissions with Ecosphere+ in our first reporting year. This means that we know that when we deliver products to our clients, we know they're saving the threatened rainforest. Places like the Nii Kaniti project in Peru, that focuses on protecting rainforest and avoiding deforestation on community land through scaling up sustainable community forest management. It integrates conservation activities that put a value on indigenous-led development with FSC® certified timber extraction and cacao agroforestry.

By supporting this project we've helped protect more than 127,000 hectares of critical rainforest ecosystem, the project has reduced global emissions by 2.5 million tonnes of CO2 to date.

While we recognise it's not the end solution, it is an important building block as we continue to work to reduce our emissions.

We'll be transparent about the volume of carbon credits we buy to neutralise our emissions, as we support our own, our customers and the UK's journey towards net zero. This year our total was 9.13 tonnes of CO2.

Scope 1: 5.07 tonnes of CO2 Scope 2: 4.06 tonnes of CO2

EFG are committed to achieving our Net Zero objectives and recognise that while technology in certain areas, for example, transport, is not where it needs to be to remove all GHG from our operations, that we will also need to look at additional investments to help us achieve Net Zero.

EFG are working to the following time-lines:

Target	Result
Measure & benchmark Scope 1 & 2 GHG emissions by the end of 2021	ACHIEVED
Understand scope 3 emissions from a FY '21 base line, by April 2023	ON TRACK
Agree action plan and achieve certified verification by SBTi by the end 2022	ON TRACK
Agree action plan for carbon abatement & neutralisation for scope 1 & 2 by the end of 2030	ON TRACK
Agree action plan for carbon abatement & neutralisation for scope 3 by the end of 2033	ON TRACK
Publicly report our company wide scope 1, 2 & 3 GHG emissions inventory and progress against published SBTI's on an annual basis.	NOT STARTED



Energy

We pledge to only use verified 100% renewable energy by the end of 2024

Urgent action is needed to switch the world to low carbon power, and yet our energy system is broken, tied to fossil fuels, needlessly complex, and overpriced for those who can least afford it. Nothing should stand in the way of people making clean energy choices. We've partnered with certified B Corp Big Clean Switch to help exit our current contract which ends in 2024. This will be a significant step in the right direction to supporting our ambitions in achieving Net Zero by 2033.





Responsible Consumption & Production

Target

We will increase our environmental product portfolio to 50% by end 2021

Result

ACHIEVED & SURPASSED

88% of our core portfolio hold sustainable credentials

Early in 2021 we set ourselves the goal to ensure that we were able to provide at least 1 product per category that had been designed with environmental considerations in mind. Although we had a good idea that some products held certifications and others had great recyclable qualities - we had at the time no current method for tracking how sustainable our portfolio really was.

Our Workstations are

√ 75% post-consumer recycled, FSC[®] certified table tops

√ 100% post-consumer recycled steel makes the base

Designed with 100% repairable and/or replaceable parts

100% recyclable



What constitutes environmental design?

We have set out 5 key factors that we would consider as contributing towards reducing environmental impacts within product design & manufacturing. This gave us a clear guide to score our portfolio against.

- Any product that incorporates FSC® certified wood is included
- Any products with an element of recycled materials are included
- Any products that can be more than 80% recycled are included
- Any products that have been certified by Svansen or Mobelfakta
- Product designed in accordance with the Nordic Ecolabel criteria / Circular Principles. I.e. replaceable parts

Sustainable ranges within our core portfolios, by product category

	Manufactuerer	Ranges By Product Category	Sustainable Ranges	%
	EFG UK	41	33	80%
2021	EFG	73	66	90%
2021	SAVO	12	12	100%
	TOTAL	126	111	88%

Sustainable ranges sold within our core portfolios, by product category

	Manufactuerer	Ranges Sold By Product Category	Sustainable Ranges	%
2021	EFG UK	29	26	90%
	EFG	45	40	89%
	SAVO	4	4	100%
	TOTAL	78	70	90%

*Accurate as of 08/07/2022 taken from records of our last financial year Oct 2020 - September 2021

Embodied Carbon

As part of our partnership with Lancaster Universities Innovation Centre we are undergoing a research project within our supply chain to build an attributional Life Cycle Assessment (LCA) analysis tool that will quantify the environmental impact of any product we supply to our clients.

The life cycle assessment will calculate greenhouse gas (GHG) emissions from multiple categories such as raw materials, utilities, transport, waste management & packaging which are all converted into the common functional unit of kilograms of carbon dioxide equivalent, kgCO2e, which has been released into the atmosphere as a result of the business processes & manufacturing associated with producing the product.

We expect that by the end of 2022, at least 50% of product material breakdown and embodied carbon will be captured and 100% by the end of 2025. We believe that having this level of data will be crucial to driving improvements within our supply chain but will also ready us with the tools to inform customer decision making.

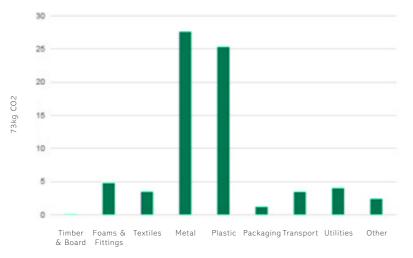
Our supply chain have been fully supportive in this ongoing project meaning that we are well on our way to capturing the material breakdowns and embodied carbon for a significant proportion of our portfolio. All new products manufactured within our core range will be quantified through this new tool at design phase and well prior to launch.

So far the exercise has filled us with excitement for what the future holds as we begin to compare some of our ranges to industry benchmarks with staggering results. One to note being the SAVO Soul Task Chair, when compared against the Furniture Industry Research Associations Study of 13 comparative office chairs, the footprint of our partner model came in 6kg CO2 lighter than that of their average scoring - an 8.2% saving. This clearly illustrates the direct reductions in impact we can make when thinking about the furniture we specify on client projects.

Impact Assessment Result by FIRA - 24h Office Chair

Data Set - 13 Chairs from 6 different companies

Average footprint - 73kg CO2e







Plastic fantastic?

Target

We will remove plastic from our packaging by end 2021

Result

[DELAYED]

There's no way around it, single-use plastics are devastating to the environment and our natural world. They epitomize our modern throwaway culture. According to a UN Environment report, only 9% of the world's 9 billion tons of plastic have been recycled so far. This means that the bulk of our plastic ends up in landfills. From here, much of it washes into our waterways, rivers, and oceans, choking native wildlife and polluting their habitats.

In 2020, we set out to review our packaging with an ambition to eradicate plastic packaging waste from our supply chain by the end of 2021, prioritising 'single use' plastics. This focus needed to shift during the pandemic, as we mobilised all resources to secure the long-term sustainability of EFG.

Since steering the business through the pandemic, we've now completed a packaging audit to understand; what we use today and identify what alternative eco packaging is available.

Packaging Audit

- 1. Cardboard (re-use)
- 2. Plastic Wrap (single use)
- 3. Plastic Bags (single use)
- 4. Blankets (re-use)

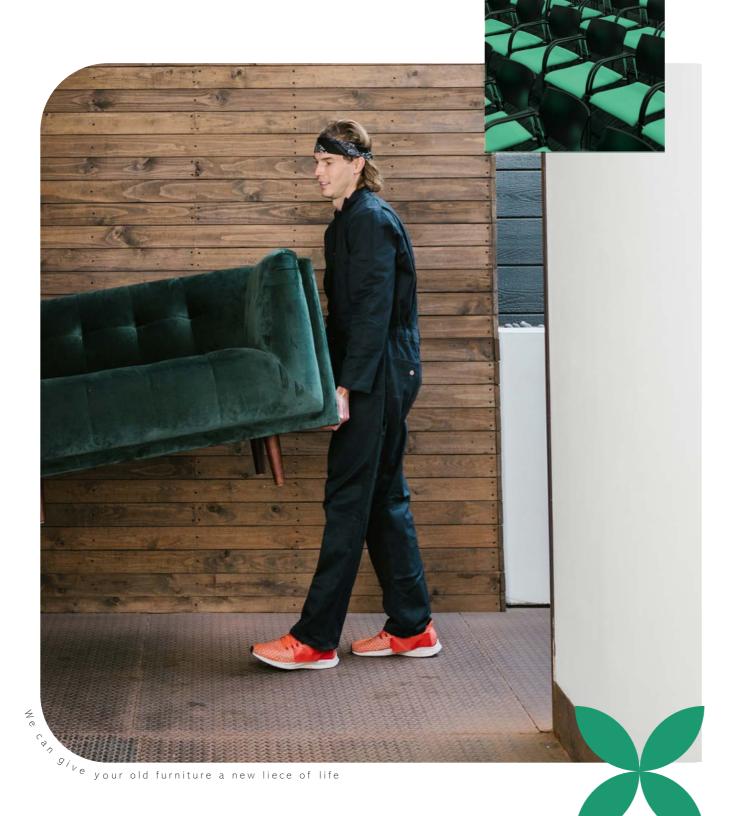
During our research, we found the issue is more complex than we initially thought. Whilst re-usable packaging appears to be a more sustainable option for the planet, some alternatives we've explored use habitually more water and energy in the manufacturing process, resulting in a higher carbon footprint.

As a result of this we have agreed to revisit this objective in April 2023, once we've completed our Scope 3 GHG emissions measurement. Our commitment to remove single use plastics remains, we just need to figure out the balanced approach.





How can we reduce the impacts of an office refurbishment?



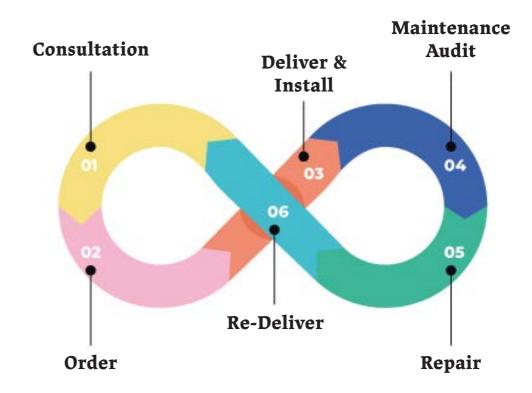
Services that serve more

We will review and re-launch our circular services by the end of 2021.



Refurbishment & Repair, Recycle & Rehome

We pride ourselves in offering a sustainable removal & relocation solution for unwanted or broken office furniture. In our 7th year of providing this service, we've bolstered our efforts by partnering with industry leaders to expand our relocation reach and streamline our refurbishment efforts and repair processes.



Closing the loop on circular furniture management Our Reuse Services can offer:

- takes the pain of furniture replenishment away and ensures • extended warranties. that your organisation always has a stylish environment, with a conscience.
- significantly reduces a project's carbon impact.
- asset life-cycle benefits.
- flexible, scalable procurement packages.
- dedicated asset management plans tailored to our clients' needs.

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What Next?

To ensure that our efforts serve a higher purpose, we have based our tangible objectives on Agenda 2033 and the 17 global sustainable development goals. In particular the 4 we believe we can make the most positive impact. Our 'primary' goals 8, 12, 13, 17











However, in 2023 we plan to tender for a provider for plans that specifically include socially-responsible investing options.

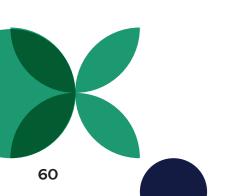
1. Government-sponsored pension or superannuation plans

2. Private Pension or Provident Funds

•	
Supply Chain Management - Social or Environmental Purchases: We will accelerate our understanding of the environmental impact of our products, including the materials used, recycled content, recyclability, and embedded carbon. We will also track the volume of products provided by suppliers with third-party social or environmental certification and/or purpose-driven objectives. We aim for this to cover 50% of our product range by the end of 2022 and 100% by the end of 2023	12
We will set more improvements within our packaging streams to reduce carbon and landfill impacts by end 2023	12
We will continue to increase our environmental product portfolio to above 90% by end 2022	13
We will create our scope 1 and 2 carbon reduction plan by June 2023 and scope 3 by the end of December 2023, demonstrating how we will achieve our 2033 net zero target and sharing both our data and approach to help our wider ambitions to decarbonise the industry towards a net zero target by 2050.	13

Target

SDG's



Closing Statement

Thanks for reading our first ever sustainability report.

At EFG UK, we're on a journey to build a healthier and more sustainable workplace for people & planet.

In producing this report, it's been an amazing opportunity to collaborate with teams across the company on our vision for a more inclusive, environmentally friendly business. We've been able to come up with some great ideas and it's been incredibly rewarding.

We have now made an open commitment to report on our progress, challenges and learnings each year. With this strong foundation, we are confident that EFG UK will continue to create meaningful change as we grow.

Thank you to all of our contributors.

For more discussions about the topics covered in this report, please contact me,

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<u>Imagery</u>

European Furniture Group - Product Imagery Illustration via The Book Of St Helens Project Storyset via Freepik - illustrations

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Data Sources

Changtong Huang, Lancaster University
Eco-Innovation Centre
FIRA
SHAPE Survey
EFG UK, Workplace Diversity Survey
National Statistics



