



MODERN SLAVERY ACT STATEMENT 2018/19

INTRODUCTION

This statement is made pursuant to the Modern Slavery Act 2015 and relates to the financial period ending 26 January 2019. Set out below are the steps that we have undertaken - and are continuing to take - to ensure that modern slavery is not taking place within our business or supply chain.

OUR BUSINESS

The Dune Group is proud of the products it designs and sells. We believe that we must be committed to ethical business practices in all of our operations worldwide. Our strategy to address the risks in our supply chain and to ensure compliance with ethical standards is monitored by the Audit Committee which includes members of our Board and key department heads. During the course of the year, the Audit Committee initiated a review of the ways in which we are addressing and minimising the risk of modern slavery within our business and supply chain. The outcomes of the review were to engage a third-party expert in sustainability and ethical trading, to conduct a review of our Code of Conduct, to create a comprehensive map of our supply chain and to amend internal policies which may have an impact on modern slavery.

SUPPLY CHAIN

We recognise that footwear and fashion are complicated businesses which can be impactful on the environment, our communities and in particular on the lives of the people who work in our supply chain. Modern slavery is not tolerated in any part of our business or supply chain. The Dune Group team has long standing relationships with the majority of our own label suppliers. Any new supplier or factory proposed to Dune must complete the supplier and factory set-up process before any purchase orders are agreed. This process has been developed to ensure that we have appropriate visibility of the factories being used. We have in place a programme of visits to supplier factories by Dune's buying and design teams and by our QA team that allows us to assess and review suppliers.

SUPPLY CHAIN

In order to improve and increase transparency and visibility at all stages of our production processes, we begun a comprehensive map of our supply chain. We successfully mapped our tier one suppliers. Our shoes are predominantly sourced from specialist footwear manufacturers based in China, Bangladesh, India, Brazil and Europe. These maps will be used, inter alia, to formalise the audit process so that we can assess and identify any geographies and/or activities that present a hurdle to managing our modern slavery risks. We will prioritise visits to factories based in higher risk areas.

CODE OF CONDUCT

The Dune Group Supplier Manual constitutes an agreement between The Dune Group and all its own label suppliers and is designed to help our suppliers to achieve Dune standards throughout the whole product process. The Supplier Manual contains The Dune Group's Code of Conduct. Our key external brand partners have similar Codes of Conduct and processes of their own in place. Whilst a breach of these commitments is one of the grounds for termination of the supplier relationship, our preferred approach is to support our suppliers and their workforce to put remedial actions in place. We also require our suppliers to comply with all applicable laws and regulations of the country in which they conduct business.

We believe that by assessing supplier factories against the working conditions standards set out in our Code of Conduct, we take responsibility for a better understanding of the working conditions of those who make our products. Recognising that the Code is the bedrock of our standards, we engaged specialist expertise to support a more in-depth assessment of our Code. The Code has been updated and modernised to reflect all applicable laws and conventions regulating child working and bonded labour and provisions that ensure appropriate workplace health, safety and welfare conditions are maintained.

CODE OF CONDUCT

We are now in the process of restating the principles which overlay The Dune Group's commitment to eradicate modern slavery in its supply chain. The communication of our revised Code of Conduct will be a key tenet of the increased transparency of our supply chain. Through further developing our working relationship with our supply base through auditing and a programme of regular visits by Dune's buying and design teams, we will be able to assess and review our supplier's performance against our Code of Conduct standards.

POLICIES AND TRAINING

We operate a number of internal policies that are designed to ensure that we are conducting business in an ethical and transparent manner. Our employee handbook includes, among other things, policies on bribery, diversity, health and safety, grievance procedures and whistleblowing. Upon launch, policies are communicated to all employees and are maintained on our intranet. They also form part of our mandatory induction process. This year we considered which policies could help to minimise the risk of harm associated with matters related to modern slavery such as unsatisfactory working conditions and discrimination. The whistleblowing policy, in particular, ensures that all employees know that they can raise concerns without fear of reprisals. Our anti-bribery and corruption policy strengthens our company-wide awareness of the consequences of accepting bribes to take or not take a particular course of action. Specific in-house training was given to our buying, design and merchandise teams on anti-bribery measures with a particular focus on matters overseas. Our Audit Committee team continue to build their knowledge in this area through training, conferences and events. We will continue to enhance our policies and are committed to continually improving our approach to training and processes throughout the next financial year as we are aware there are opportunities for us to effect improvements.

ASSESSMENT OF EFFECTIVENESS

We are committed to increasing the transparency within our supply chain year upon year. We recognise that it is a collaborative approach and that we must be mindful to engage all stakeholders. Our journey of identifying and minimising the risk of modern slavery is continuous. We have reviewed the effectiveness of the steps taken throughout the previous financial year and following this review, we intend to take the following further steps:

- Communicate our new Ethical Trading Code of Conduct to suppliers.
- Formalise the audit process by adopting appropriate risk management strategies and adequate supplier due diligence processes.
- Identify our biggest exposure in our product supply chains and focus on our key suppliers in these geographic regions.
- Ensure our sustainability agenda includes responsible and resilient supply chain engagement.

This statement has been approved by the Board of Directors of Dune Group Limited on behalf of itself and each member of The Dune Group.



James Cox, CEO
Dune Group Limited