

1. Introduction

As a UK employer and retailer of specialist workwear and clothing, DCC recognises its role in ensuring that no slavery or human trafficking takes place within either its direct operation or wider supply chain. With the clothing supply chain often encompassing a complex and global operation, we know that our customers and our employees share our wish to ensure that our supply chains are free from slavery and human trafficking.

This statement sets out the actions we have taken to understand all potential modern slavery risks within our supply chains and our plans to effectively and pro-actively manage these risks on an ongoing basis.

2. Organisational structure

DCC is a UK registered limited company based in the West Midlands. Part of a wider family of businesses, including Orbit International and Paroh, DCC supplies workwear and personal protective equipment (PPE) to the UK and European market.

DCC currently employs 120 people, the majority of whom are based out of the Head Office in Oldbury, West Midlands. The business is a retail-focused, customer-facing supplier of specialist workwear and utilises its sister company, Orbit International, to procure, manage and assure partnerships with a number of global clothing suppliers.

Industry Risk

Direct Corporate Clothing engage agents and contractors to provide some services to support our business regarding Management System Consultancy, Health & Safety, Facilities Management Tasks & Security.

Direct Corporate Clothing purchase certain products and garments from a UK based supplier, whose supply chain extends to South East Asia, China and other global locations.

Direct Corporate Clothing has an aim of establishing and maintaining a carbon offsetting proposition, whereby the offset projects are undertaken in jurisdictions which are likely to be at higher risk of modern slavery issues (e.g. exploitation).

Steps Taken

The business recognises the risk that certain contractors might engage and exploit casual workers and has controls in place to ensure that it only appoints reputable contractors who comply with applicable employment standards.

The business recognises the risk of working with suppliers whose supply chain extends into areas outside the EU, and has taken additional due diligence steps to ensure that those third-party supply chains comply with applicable employment standards.

The business recognises the risk posed by supporting projects in locations such as these and is a member of Sedex via which third party compliance SMETA audit of these activities are available, and results gathering and review which is currently underway.

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As a family business which is firmly rooted in the local area, DCC has always valued its wider role in delivering positive impacts, both within the local community and its wider supply chains. However, as the organisation has grown and global supply chains have become the norm, we recognised that a coordinated approach to sustainability and responsible business practice was required.

In 2017, we commissioned a comprehensive review of our sustainability strategy with the aim of leading the marketplace in this field. This included a comprehensive review and refresh of all our existing policies and procedures, the introduction of a new ethical Code of Conduct, internal training for team members and a broad supplier engagement project. This review has enabled us to develop a responsible business strategy to reflect the Vision and Values that underpin our organisation and ensure greater transparency and accountability across all areas.

3. Compliance with UK employment regulations

- **Right to work checks**

Under section 15 of the Immigration, Asylum and Nationality Act 2006 (the 2006 Act) an employer may be liable for a civil penalty if they employ someone who does not have the right to work in the UK. To ensure our compliance with this requirement, all current and prospective employees must provide evidence of their legal status and entitlement to work in the UK. For prospective employees, this evidence is checked before employment commences and a copy or the relevant documentation retained.

Where agency staff is utilised, we ensure that we only work with reputable employment agencies and will always verify the practices of any new agency before accepting employees from them.

Rate of Pay

As a minimum, all UK employees are paid in line with the National Living Wage. This is reviewed annually and increases made automatically where required. Whilst we are confident that we offer fair and competitive rates of pay, we regularly review this to ensure that our reward structures allow us to both attract and retain the talented individuals our growing business needs. All employees are paid via a payroll which is managed in accordance with HMRC regulations.

- **Employing Young People**

Whilst we seek to actively promote opportunities for young people and currently employ a number of apprentices, we do not employ people under 16 years of age. We are also alert to the risk of both conscious discrimination and indirect bias linked to age and carefully monitor our organisational age profile to ensure an appropriate balance is maintained.

- **Terms of Employment**

All permanent employees have a signed, written agreement which outlines the terms of their employment, including pay rates, working hours (in line with the Working Time Directive) and notice period.

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In addition, all employees are provided with a copy of the Employee Handbook which sets out the code of conduct expected of our employees. At DCC we set high standards for the behaviour we expect of our people and we trust them to maintain these standards and behave ethically at all times.

- Whistleblowing policy

We encourage all our employees, customers and other business partners to report any concerns related to our direct activities, or those of our supply chain. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking.

Our whistleblowing procedure, which was fully reviewed and updated regularly, is designed to make it easy for our employees to make disclosures, without fear of retaliation.

4. Policies in Relation to Slavery and Human Trafficking

- Supplier ethical code of conduct

We are committed to ensuring that our suppliers meet our high ethical standards. We ask our direct suppliers to provide safe working conditions, treat their employees with dignity and respect, and act ethically and within the law in their use of labour.

Given the potential for complexity in clothing supply chains, we pay particular attention to promoting and monitoring ethical standards in our wider supply chain. In 2017 we developed a new 5 stage process to manage this approach, which focused on developing a robust, ongoing process to review the ethical and environmental performance of our manufacturers and product suppliers. To date we have successfully completed detailed assessments of our top 20 product suppliers, who together represent nearly 75% of our total procurement spend.

All suppliers are assessed against a risk-based criteria which considers the country, contract value and product. In addition to regular written reporting, key suppliers identified through this approach are required to complete rigorous site inspections by independent auditors. Where issues are identified, we make every effort to work with them to rectify these issues. However, where appropriate, a serious violation of the DCC supplier code of conduct will lead to the immediate termination of the business relationship.

Going forward, all new suppliers must complete a pre-qualification process to ensure that they are aware of DCC's values and agree to operate in line with our Code of Conduct. Neither DCC nor our sister company Orbit International will knowingly use suppliers whose values do not reflect our own.

- Anti-bribery and corruption policy

We are clear that bribery and corruption will not be tolerated within DCC or our wider supply chains and we encourage employees across the supply chain to report any concerns that they may have so that we can investigate them fully.

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5. Due Diligence and Assessing and Managing Risk

All new suppliers are subject to rigorous checks and due diligence process before contract commencement. We also regularly review our existing suppliers via methods including:

- Supply chain review process based on an initial supply chain mapping. Risk assessment linked to industry, geography and product.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, including by reviewing, where necessary, the controls that our suppliers have in place and carrying out other suitable checks via supplier audits and/or assessments. Monitor potential risk areas in our supply chains on a periodic basis.
- Working with supplier to improve areas of concern, including providing advice and support to develop action plans
- In the case of serious violations or failure to improve, additional sanctions including contract termination.

6. Assurance and Key Performance Indicators

Responsibility for ensuring that our procedures are adequate and are adhered to in all areas of our activities rests with the directors of Direct Corporate Clothing.

We report on compliance with the Sustainability Policy on an annual basis and supply chain assessments are repeated every 2 years.

7. Training and Awareness

Everyone within DCC has a responsibility to be alert to the risks, however small, of slavery and human trafficking within our business or in the wider supply chain.

We also provide training to relevant employees on supply chain risks, including the risk of slavery and human trafficking at suitable intervals. Our participation in industry associations and our dealings with suppliers also provide information on where slavery and human trafficking risks may arise in the industries where we are active and best practice in avoiding them.

Employees are expected to report any concerns that they may have and we expect our suppliers to act upon them.

DCC and Orbit International require all employees working with suppliers to be aware of the Modern Slavery Act and its objectives. Where required, modern slavery prevention training is provided to ensure awareness and compliance.

Our Ethical Code of Conduct is also set out in our employee handbook and all suppliers are required to agree to operate in line with these fundamental principles.

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8. Nature of this Statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement.

This statement has been approved by the board of directors of Direct Corporate Clothing who will review and update it annually.