MODERN SLAVERY STATEMENT
2021
Sir Richard Branson, the Branson family and the Virgin group support the global fight against labour abuse in business operations and supply chains and are vocal champions of supply chain transparency.

We have a zero-tolerance position towards slavery and human trafficking in all forms. Modern slavery is wholly incompatible with our ethics and the general standards of integrity expected of all our employees. As well as working to prevent modern slavery in our business operations and supply chain, we use the platform that the Virgin brand provides to promote human rights around the world.

Companies covered by this statement

This statement has been published in accordance with the Modern Slavery Act 2015 (the “Modern Slavery Act”) and provides information about the business and supply chains of Virgin, as defined in the paragraph below. Virgin Holdings Limited, Virgin Management Limited and Virgin Enterprises Limited are required to report under the Modern Slavery Act. The other Virgin entities who are reporting in this statement do so voluntarily.

This statement is made on behalf of (1) Virgin Holdings Limited (VHL), as well as the following of its group undertakings: (2) Virgin Management Limited (VML), (3) Virgin Enterprises Limited (VEL), (4) VUKH Limited (VUKH), (5) VM Advisory Limited (VMAD), (6) VHL, VML, VEL, VUKH and VMAD together being the “Virgin Management Companies”), (7) Virgin StartUp Limited, and additionally (8) The Virgin Foundation (Virgin Unite), (all together hereafter referred to as “Virgin”, “we”, “our”) [1].

The ultimate parent company of VHL is Virgin Group Holdings Limited, which is a company incorporated in the British Virgin Islands and wholly owned by Sir Richard Branson.

[1] For the avoidance of doubt, all other Virgin branded businesses, which are separately governed and operated entities, such as Virgin Money and Virgin Atlantic, are responsible for their own approaches to tackling modern slavery. Should you wish to see the Modern Slavery Act statements for other Virgin branded companies, please go to their respective websites.
Who we are and what we do

The Virgin Management Companies are the home of Virgin, supporting the Branson family and the growth of the Virgin brand by developing and nurturing valuable Virgin businesses.

At Virgin, we create unique customer experiences, challenge the status quo and champion people and the planet. For five decades, in six business sectors and on five continents, our purpose is to change business for good.

The Virgin branded businesses span multiple sectors: Travel & Leisure, Health & Wellness, Music & Entertainment, Telecoms & Media, Financial Services and Space. The strength, diversification and maturity of the portfolio enables the Virgin group to realise certain holdings, reinvesting profits and proceeds from sales to support, develop and grow new and existing businesses.

The Virgin Management Companies are headquartered in London alongside Virgin Start Up Limited, which provides government-backed loans and other support to entrepreneurs, and Virgin Unite, our independent non-profit foundation uniting people and entrepreneurial ideas to create opportunities for a better world.
Understanding and risk assessing our supply chain

Our operations are primarily based in two offices – one in the United Kingdom and one in the United States. At 31st December 2021 we had a total of 169 employees – 89% in the UK, 10% in the US and the remaining 1% elsewhere.²

In 2020 we analysed our procurement spend by category to help understand the risk of slavery in our supply chain. Our procurement categories have not changed materially and this data remains relevant. The bulk of our procurement by spend is on third party services to support our business, including legal firms, consultancies, brand and marketing agencies, IT support, HR services, facilities and travel. We also procure a limited selection of goods including office furniture, food and beverages for our offices and IT equipment. 92% of our spend was on professional advisers and consultants, which we consider to be a class of supplier relatively low in risk in terms of modern slavery. A further 5% was on facilities suppliers – primarily catering and telecommunications; 2% on travel, and 1% on IT.

² Unless otherwise specified, statistics contained herein cover the Virgin entities who are reporting in this statement and related Virgin management companies.
Our policies to mitigate the risk of modern slavery

As an organisation of modest size, with a relatively simple supply chain, we have no central procurement function or formal procurement policy. Instead, employees are required to comply with the following policies and our supplier set-up procedure, which supports Virgin to operate with the highest possible standards of ethical conduct and integrity.

Our **Anti-Slavery Policy** sets out our zero-tolerance stance on slavery and human trafficking. The policy provides our employees with guidance on how to identify and report slavery concerns, if necessary using our separate **Whistleblowing Policy**.

Our **Know Your Partner Policy** sets out how we risk assess and conduct due diligence on new suppliers. This helps us evaluate potential risks associated with a supplier, for example whether the supplier (or a substantial part of their upstream supply chain) is located in a country known for labour abuses.

Our **Supplier Code of Conduct** sets out the labour, social and environmental standards that we expect of our suppliers and their sub-contractors, subsidiaries and own suppliers. The Supplier Code of Conduct states that suppliers are required to ensure there is no slavery, forced labour or human trafficking in their business or at any stage of their supply chain and those suppliers who manufacture products should meet the provisions of the Ethical Trading Initiative Base Code or similar standards.

We continue to develop and improve our policies, procedures, codes of practice, requirements and monitoring processes to address issues of human rights. In 2020 we commissioned a gap analysis of our modern slavery policies and processes from independent experts Slave-Free Alliance. Slave-Free Alliance provided a number of insightful recommendations for improvement in our policies and processes, in response to which it is our intention to continue to undertake the following actions:

- Build on our current approach by creating a documented multi-year modern slavery action plan
- Further develop our anti-slavery policy, supplier code of conduct and modern slavery escalation process
- Further develop our supplier management processes

We continue to incorporate evolving good practices and ensure our anti-modern slavery approach remains consistent with government guidance.
Accountability for human rights and modern slavery relating to our business operations and supply chain continues to be the responsibility of VML’s Chief Operations Officer.
Due diligence

Due diligence is undertaken to ensure compliance with our policies detailed above. Further assurance is provided (as approval for all new suppliers is required) from both a department head and a member of the executive management team.

We continue to take a risk and materiality based approach to due diligence. For our business, the risk of slavery or human trafficking sits predominantly in our supply chain. We are conscious that some of our investments and licensees have a greater risk of modern slavery and human trafficking than we have in our own operations and supply chain.

Our general supply chain response (see below) applies to all suppliers. In addition, those identified as at higher risk of modern slavery (whether through procurement category, country of operation or volume of spend) are subject to further due diligence.

General supply chain response

All current and new suppliers are issued with our Supplier Code of Conduct.

When entering into an agreement with new suppliers or renewing contracts with existing suppliers, we conduct a due diligence exercise and undertake a risk assessment of that supplier in a manner outlined by our Know Your Partner Policy.

We actively look to impose contractual commitments on material suppliers requiring them both to comply with applicable law, specifically including the Modern Slavery Act, and to comply with our Supplier Code of Conduct.

Higher risk supply chain response

In addition to our general supply chain response, our high category risk and high spend suppliers are subjected to greater scrutiny.

In early 2020 our due diligence approach to higher risk suppliers changed. We widened the procurement categories deemed to represent a higher risk of modern slavery. Where a potentially high risk supplier is identified through the supplier setup process, we liaise with the procuring manager to identify any risk and provide appropriate advice and mitigation. This more tailored approach affords us the opportunity to learn about the supplier and nature of products or services to be bought, and accordingly identify whether this does indeed present an elevated risk of modern slavery.
Where is our supply chain risk?

While our overall supply chain is generally not complex and the risk of modern slavery is low, we can identify certain areas where risk is higher. Examples of higher risk sectors include cleaning services, catering services, clothing, IT equipment and recruitment services.

<table>
<thead>
<tr>
<th>HIGH CATEGORY RISK</th>
<th>HIGH COUNTRY RISK</th>
<th>HIGH SPEND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers, representing ~3% of our spend, provide goods and services that may be</td>
<td>Suppliers, representing 0.2% of our spend, are based in countries identified by our</td>
<td>75.0% of our spend is concentrated in 14.3% of our suppliers³.</td>
</tr>
<tr>
<td>deemed to be at an elevated risk of modern slavery.</td>
<td>third party impact assessment tool as having an elevated risk of modern slavery.</td>
<td>These high spend suppliers generally provide low-risk services such as professional consultancy but given the scale of our spend with them are subject to increased due diligence.</td>
</tr>
</tbody>
</table>

³ Suppliers with which we spent at least £1,000 in 2020
Mitigating risk from high risk procurement categories

We use Made in a Free World’s FRDM tool to periodically assess the risk of slavery and human trafficking throughout our supply chain, involving an analysis of all our direct suppliers as well as the inputs to create the goods and services which we procure from these suppliers.

Some examples:

IT equipment and mobile phones

We might purchase a mobile phone from a reputable UK supplier, but we are aware the manufacturing of components or sourcing of raw materials to create the phone has a significantly increased risk of involving slavery. We use this information to ensure greater due diligence is carried out in these higher risk procurement categories.

We procure IT equipment and mobile phones primarily from the manufacturers HP and Apple, which scored in the top five of seventeen computer hardware manufacturers assessed for sustainable resource consumption credentials by Greenpeace in 2017, and which each have published material on their websites detailing extensive anti-slavery programmes.

Food

While closed for much of 2021 due to the Covid pandemic, our London headquarters offers in-house catering to our workforce. Our on-site food and beverages contractor has been awarded three stars (the highest) from the Sustainable Restaurant Association. Most of the food is sourced domestically. Although the UK is considered relatively low-risk in the Global Slavery Index, there have been a number of cases of modern slavery in the farming sector. We have encouraged our catering provider to speak to its suppliers in respect of modern slavery risk mitigation, to research the topic, and to take mitigating action as appropriate.
Our investments and brand licensing

As a responsible investor we are committed, where we have influence, to ensuring the companies we invest in and / or license the Virgin brand to are making sure that slavery and human trafficking does not exist in any part of their businesses or supply chains.

While the businesses that Virgin invests in and / or licenses its brand to are responsible for their own corporate governance processes, we endeavour to use our relationships with these entities to emphasise the importance of tackling modern slavery in their own operations and supply chains. We hold regular formal and informal reviews with licensees, which provides a forum to discuss matters including modern slavery.

VML has an internal team dedicated to proactively supporting the companies in which Virgin invests or to which it licenses its brand with managing the social and environmental risks in their own supply chains, including risks relating to slavery and human trafficking – examples of activities carried out by VML to ensure best practice to eradicate modern slavery is embedded among these companies include:

- Supporting the development of anti-modern slavery processes for companies situated in territories at higher risk of labour abuse
- Supporting those companies required to report under the UK Modern Slavery Act to review their compliance, offering support where necessary in developing their modern slavery policies and processes
- Running forums with companies on the issue of modern slavery, targeting companies’ Sustainability and Safeguarding leads and Marketing and People Team leads
- Ensuring that we share our modern slavery guidance and our expectations of companies in relation to anti-modern slavery practices.
Recruitment

We hold one-to-one interviews with all prospective staff, including agency staff. The few recruitment agencies we use have all committed and confirmed to us that they adhere to the Modern Slavery Act. Virgin Management Limited is a “Living Wage Employer” as certified by the Living Wage Foundation covering both our employees and the regular employees of contracted companies who provide services to us including cleaning and catering staff.

To ensure a high level of understanding, all staff are required to undertake modern slavery training, which includes training on identifying slavery in the supply chain and explains our internal reporting procedures.
## Performance in 2021

<table>
<thead>
<tr>
<th>PERFORMANCE INDICATOR</th>
<th>2021 TARGET</th>
<th>2021 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>RISK ANALYSIS</td>
<td>Proportion by spend of suppliers deemed to have a low risk of slavery as determined by our third party impact assessment tool</td>
<td>To continue to use a high proportion of low risk suppliers</td>
</tr>
<tr>
<td>TRAINING</td>
<td>Proportion of permanent employees to have completed and passed an anti-slavery e-learning course</td>
<td>100%</td>
</tr>
</tbody>
</table>
Priorities for the future

We have identified certain areas to continue to progress moving forward, in relation to tackling modern slavery.

These include:

- reviewing and, where appropriate, implementing the recommendations of the Slave Free Alliance gap analysis,
- developing a modern slavery e-learning refresher course for staff,
- reviewing our approach to strategic supplier engagement, including with respect to modern slavery, and
- continuing to support and encourage the businesses we invest in and licensees to mitigate the risk of modern slavery and human trafficking in their own operations and supply chains.
Training

Any employee can be responsible for purchasing goods and services for their respective departments. As such, we require that all employees receive modern slavery training. This training is designed to meet the learning needs of those most likely to encounter modern slavery victims directly, and those who can prevent modern slavery occurring in the supply chains they manage.

100% of permanent employees have completed our modern slavery e-learning course. This provides an overview of modern slavery and guidance on recognising, reporting and tackling modern slavery in the supply chain. To complete the training, participants must pass a test based on the e-learning course content.

Employees receive a full corporate induction, including a core curriculum of subjects such as modern slavery, anti-bribery and the Criminal Finances Act.

VML is a member of the Slave Free Alliance and as such benefits from their briefings, events and practical support in the event of identification of modern slavery in our operations or supply chain.

Our modern slavery e-learning was first launched in 2018. At the time of its launch, every member of staff took part in the training, and every subsequent new starter has also completed the training.
Our broader contribution to securing human rights for all

The Branson family and Virgin also make a broader contribution to tackling modern slavery and securing human rights for all. Sir Richard Branson uses his considerable platform to raise awareness of modern slavery and to advocate for action to tackle it.

The B Team

In 2013, Sir Richard Branson and Jochen Zeitz worked with Virgin Unite to create the non-profit organisation The B Team, which the Branson family and Virgin Unite continue to support. The B Team’s global collective of business and civil society leaders are working together to build a better way of doing business that benefits humanity and the planet.

Workplace equality is one of three principal causes pursued by The B Team, helping the private sector take action and developing resources and tools that help businesses put workplace equality in action. Specific action to combat modern slavery includes The B Team’s 2018 publication of ‘Eradicating Modern Slavery: A Guide for CEOs’. More information about the report and The B Team is at https://bteam.org/our-thinking/reports/modern-slavery-ceos and https://bteam.org.

The Elders

Virgin Unite also incubated the non-profit organisation The Elders, founded by Nelson Mandela and Graça Machel, uniting independent global leaders working together for peace and human rights. Modern slavery is one of the priorities the organisation addresses within its ‘access to justice’ focus.

Virgin Unite continues to support The Elders, and Sir Richard Branson and Jean Oelwang (President of Virgin Unite) sit on the organisation’s Advisory Council. More information about The Elders is at www.theelders.org.

Our advocacy work is communicated to employees through a range of communication channels and events. The clear focus on human rights in our advocacy and philanthropy, together with our company purpose of changing business for good, supports our efforts to ensure respect for human rights and zero tolerance of modern slavery is embedded throughout the organisation.
This statement is made in accordance with Section 54 of the Modern Slavery Act 2015 and constitutes Virgin’s slavery and human trafficking statement for the financial year ending 31 December 2021.

Ian Woods
Director
Virgin Holdings Limited
Virgin Management Limited
VUKH Limited
VM Advisory Limited
This statement was approved by the boards of these entities on 8 June 2022.

Andrew Swaffield
Director
Virgin Enterprises Limited
This statement was approved by the board of this entity on 8 June 2022.

Andrew Fishburn
Director
Virgin StartUp Limited
This statement was approved by the board of this entity on 22 June 2022.

Jean Oelwang
Trustee
The Virgin Foundation
This statement was approved, insofar as is relevant, by the board of this entity on 22 June 2022.