Virgin

Modern Slavery Statement 2016

Richard Branson and the Virgin Group support the global fight against labour abuse in supply chains and are vocal champions of supply chain transparency.

Who we are

This statement is made by Virgin UK Holdings Limited (VUKH) whose ultimate parent company is Virgin Group Holdings Limited (a company incorporated in the British Virgin Islands which is wholly owned by Sir Richard Branson). This statement is made in relation to VUKH’s supply chain, as well as (1) those of the following of its subsidiary undertakings: Virgin Management Limited (VML), Virgin Enterprises Limited (VEL), Virgin Holdings Limited (VHL) and VM Advisory Limited (together with VUKH, VML, VEL and VHL, the “Virgin Management Companies”) and Virgin.com Limited, Virgin Red Limited, Virgin Start Up Limited and (2) The Virgin Foundation (altogether, “Virgin”).

The Virgin Management Companies are the home of Virgin. We work alongside the Branson family and promote the growth of the Virgin brand by developing and nurturing valuable Virgin businesses. We aspire to change business for good.

We support the Branson family’s investments in the following sectors: travel & leisure, financial services, health & wellness and mobile, media & technology. We oversee both branded and unbranded investments and manage the portfolio of brand licensing agreements with all Virgin companies.

The Virgin Management Companies are headquartered in London alongside Virgin.com, which operates the Virgin website, social media and digital assets; Virgin Red, our members’ platform for living a life more Virgin; Virgin Start Up, which provides government-backed loans to entrepreneurs and The Virgin Foundation, known as Virgin Unite, our non-profit foundation uniting people and supporting entrepreneurial ideas to create opportunities for a better world.

Our supply chains

Our supply chain includes professional services providers, brand and marketing consultants, utilities, cleaning and waste management, IT equipment and other office-supply companies. We also procure food and beverages for our offices, and occasionally clothing, such as t-shirts and caps. Risks of labour abuse often occur in second and third tier suppliers in certain industries and we are undertaking a comprehensive risk analysis to understand how this concerns our suppliers. The relevant Virgin team receiving the goods or services is responsible for procuring them.
Our policy

Virgin is committed to acting ethically and with integrity in all our business relationships. We are implementing effective systems to lessen the risk of slavery and human trafficking taking place anywhere in our supply chains.

We have an Anti-Slavery Policy that sets out our approach to combatting slavery and human trafficking in more detail as well as providing employees with guidance on how to report slavery concerns using the separate Whistleblowing Policy.

In addition to managing our own supply chains, we actively encourage our investees, licensees and suppliers to proactively manage material labour, social and environmental risks in their supply chains, including taking steps to stamp out slavery and human trafficking.

Due diligence processes

We have a supply chain compliance programme to ensure all of our suppliers are aware of our policy and are working to achieve best practice. So far we have developed a code of conduct, which covers labour issues, and a questionnaire for suppliers, which monitors compliance with the code of conduct. We will be asking suppliers to complete the questionnaire and seeking to impose contractual commitments on suppliers to comply with the code of conduct. By the end of 2017 we aim to have surveyed 75 per cent of all our suppliers by spend and any of those suppliers identified as high risk. We aim for all of our supply chain to adhere to our code of conduct in future years.

We will also produce a risk-map of our various suppliers, to understand where the material risks lie and ways to work together to change business for good. We will take a balanced approach to ensuring supply chain compliance and in certain high risk sectors, like food and beverages and clothing, consider using third party verification tools.

Non-compliance

If we find a supplier is non-compliant with our policies or code of conduct or provides inadequate information, we will work with them to improve their performance. In cases of material or persistent non-compliance, we may consider terminating the business relationship as soon as possible.

Team members who don’t follow the policy will be given the opportunity to receive additional training. If their behaviour doesn’t improve, they may face disciplinary action.
Key performance indicators

We will track and report in future statements on key performance indicators including:

- How our supply chain is performing against the compliance programme outlined above.
- Percentage of Virgin employees involved in procurement who are trained on slavery issues in the supply chain.
- The results of our risk analysis exercise.

Training

We have held a town hall session for all Virgin team members to raise awareness of the scale of modern slavery. We have also held training sessions to ensure that those employees particularly involved in procuring services are aware of the Modern Slavery Act, understand our policy in relation to slavery and human trafficking and take practical steps to ensure we follow the policy.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes Virgin's slavery and human trafficking statement for the financial year ending December 31st 2016.

Ian Woods
Director

Ajaz Ahmed
Trustee
The Virgin Unite Foundation

James Tipple
Director
Virgin Red Limited

Mei Shui
Director
Virgin Start Up Limited

Virgin UK Holdings Limited, Virgin Management Limited, Virgin Enterprises Limited and Virgin Holdings Limited are required to report under the Modern Slavery Act 2015. The other entities who are reporting in this statement do so voluntarily. Should you wish to see the Modern Slavery Act statements for other relevant subsidiaries or Virgin branded companies which are not covered by this statement, please go to their respective websites.