



# ***MODERN SLAVERY STATEMENT***

**Published July 2020**

This statement is made by Virgin Red Limited.



# MODERN SLAVERY STATEMENT

## **Introduction**

Virgin Red has 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 partners, suppliers, and employees. This statement sets out our approach as well as the steps we have taken to prevent modern slavery in our business and supply chains.

# ***ABOUT VIRGIN RED***

Virgin Red is part of the Virgin Group, and is headquartered in London, United Kingdom. Virgin Red is a loyalty programme offering exclusive offers and rewards from Virgin companies and other partners. Virgin Red's existing platform comprises a website and mobile app, via which anyone can join Virgin Red to access offers and rewards. Our partners operate in a variety of sectors, including travel, leisure, finance and other services and consumer goods.

We work with numerous suppliers, most prominently in connection with the operation of our loyalty platforms. Virgin Red is also a supplier to other Virgin companies and partners of loyalty-related services.

# OUR SUPPLIERS

## Understanding the risks

As a technology business, we outsource the provision of some services in relation to our platforms to third party suppliers. We are firm in our commitment to using ethical suppliers and taking steps to mitigate the risk of use of inhumane and illegal practices in our supply chain. As a new business we are in the process of investing in supplier monitoring tools and risk assessment software. At the moment, we consider each supplier individually and measure the risks of slavery and human trafficking occurring within these suppliers continuously.

The bulk of our procurement by spend is on third party services to support our business, including IT services and technology development. We also procure some other services including legal firms, consultancies, brand and marketing agencies, facilities and travel, as well as a limited selection of goods including office furniture, food and beverages for our offices and IT equipment.

The majority of our spend is on goods and services provided by suppliers in Europe or the USA. Our Procurement Director oversees all our purchasing contracts, and assesses the risks posed by the relevant supply chain.

# OUR SUPPLIERS

## Policies to mitigate

Before working with any new supplier, or renewing contracts with existing suppliers, we carry out due diligence checks on each of our suppliers to evaluate risk. We take a risk and materiality-based approach to due diligence with all suppliers. This involves:

- conducting risk assessments;
- “know-your-business” screening of the organisation or a relevant individual;
- where appropriate, completion of a security questionnaire;
- review of business sustainability (financial and environmental);
- evaluating geographical risks associated with a supplier e.g. if a supplier is located in a country known for labour abuses; and
- actively imposing contractual commitments on suppliers requiring compliance with the Modern Slavery Act 2015 (and other applicable laws).

We have recently developed our Supplier Code of Conduct which sets out the standards to which we expect our suppliers, and their own supply chain, to adhere. The Supplier Code of Conduct includes Virgin Red’s core values and states that suppliers are required to protect human rights, provide a safe and healthy working environment, and ensure workers are not subject to any slavery or forced labour practices. Our aim is to ensure that all suppliers agree to our Supplier Code of Conduct, and in the upcoming financial year we will increase distribution and mandated compliance by our suppliers with the Code.

# **OUR SUPPLIERS**

We recognise that our obligation to monitor supplier compliance with anti-slavery and human trafficking laws is ongoing. We aim to ensure that all suppliers are under an obligation to notify Virgin Red of any incidences of modern slavery within their supply chain, and the remedial actions taken to resolve the incident. Certain suppliers may also be required to attest to their compliance with anti-slavery practices on an annual basis. In cases of non-compliance, Virgin Red would cease to use a supplier.

Virgin Red is a new company. As we expand our operations, we will continue to monitor, evolve and improve our supply chain practices to mitigate the risk of any involvement in unethical supply chains.

# OUR PARTNERS

## Understanding the risks

As mentioned above, Virgin Red's partners operate in a wide range of sectors. We have recently inherited partner relationships from other companies within the Virgin Group, so are undertaking a due diligence process in relation to these inherited partners, alongside new partners. Our ongoing analysis has not raised any issues so far.

When we consider working with a new partner, we assess the benefits that the partner would provide to our members, alongside the brand and reputation of the relevant company and the commitments they make to avoid unethical practices, including anti-slavery and human trafficking.

# OUR PARTNERS

## Policies to mitigate

Over the past year we have integrated a due diligence process in respect of partners we choose to work with. This involves:

- completion of a risk assessment in the manner outlined by our “know your partner” policy;
- “know-your-business” screening of the organisation or equivalent screening of an individual;
- review of business sustainability (financial and environmental); and
- consideration of other businesses or brands that a partner works with.

We require contractual commitments from all our new partners in relation to the Modern Slavery Act 2015, and to anti-slavery requirements and procedures. This would also extend to their suppliers, and we would expect our partners to demand the same of Virgin Red. We would not work with new partners who fail to agree to these commitments. In appropriate cases, we may also request information from partners on the training their employees have completed in relation to anti-slavery and other practices.



# **OUR EMPLOYEES**

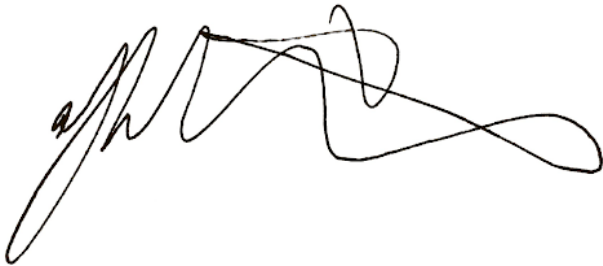
All Virgin Red employees and staff are expected to complete and pass our anti-slavery course and test upon joining Virgin Red. We provide our employees with guidance on how to identify and report slavery concerns, if necessary, using the separate Virgin Red Whistleblowing Policy and/or Anti-Slavery Policy.

Where employees are directly involved in procurement processes we ensure that relevant members receive additional, separate and specific training on ethical procurement of suppliers in order prevent use of slavery and human trafficking from the very start of our working relationship with individuals and organisations.

Our people are our priority and our employees are encouraged to report any concerns that they may have with suppliers, partners or any other third party.

# APPROVAL

Virgin Red is providing this statement pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 December 2019.

A handwritten signature in black ink, appearing to be 'AS', with a large, sweeping flourish extending to the right.

**Andrew Swaffield**  
**CEO**

This statement is signed by the CEO of Virgin Red, Andrew Swaffield and was approved by the Virgin Red Board of Directors on 15 July 2020.