



MODERN SLAVERY STATEMENT

2019

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 UK Holdings Limited, Virgin Management Limited, Virgin Enterprises Limited and Virgin Holdings 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 UK Holdings Limited (VUKH), as well as the following of its group undertakings: (2) Virgin Management Limited (VML), (3) Virgin Enterprises Limited (VEL), (4) Virgin Holdings Limited (VHL), (5) VM Advisory Limited, (VUKH, VML, VEL and VHL together being the “Virgin Management Companies”), (6) Virgin.com Limited, (7) Virgin Start Up Limited and (8) The Virgin Foundation (Virgin Unite), (all together hereafter referred to as “Virgin”, “we”, “our”)¹.

The ultimate parent company of VUKH 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 Care, 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

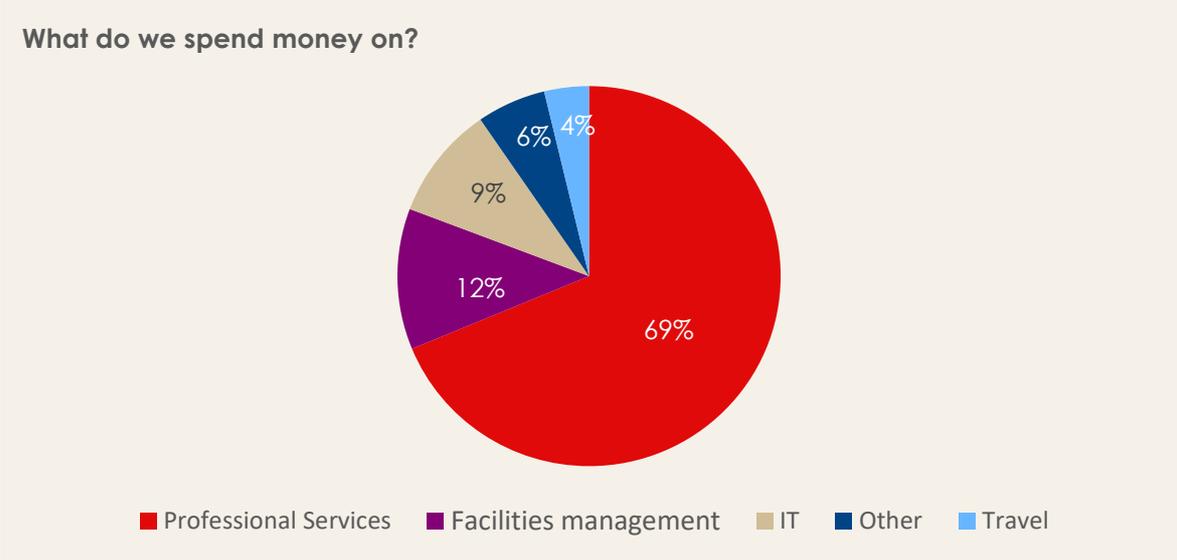
The Virgin Management Companies are the home of Virgin and support the Branson family and the growth of the Virgin brand by developing and nurturing valuable Virgin businesses. We aspire to change business for good.

The Virgin Management Companies support the Branson family's investments in the following sectors: travel and leisure, telecoms & media, music & entertainment, financial services, and health and wellness. The Virgin Management Companies 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 Start Up Limited, which provides government-backed loans and other support to entrepreneurs, and Virgin Unite, our 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 2019 we had a total of 191 employees – 87% in the UK, 11% in the US and the remaining 2% elsewhere.²



The bulk of our procurement by spend continues to be 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. 69% of our spend is 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 12% is on facilities suppliers – primarily office rent and rates, which are also at relatively low risk.

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 ensures Virgin operates 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. However, we acknowledge that no code can address every situation that a third party may encounter and therefore the Supplier Code of Conduct is not a substitute for our suppliers' own accountability and responsibility to exercise good judgement and proper business conduct

We continue to develop and improve our policies, procedures, codes of practice, requirements and monitoring processes to address issues of human rights. We regularly review these documents and behaviours to make sure they remain up to date and fully compliant with modern slavery legislation and, where possible, best practice. Our Anti-Slavery Policy and Supplier Code of Conduct will next be reviewed in 2020/21. Our process for reviewing a policy includes appropriate consultation with internal stakeholders, alignment with good practice from other organisations, and where appropriate expert input from third parties such as the Slave Free Alliance.

Accountability for human rights and modern slavery relating to our business resides with the VML 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.

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 Policy.

Higher risk supply chain response

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

Our enhanced due diligence of these suppliers sees them issued with a **Code of Conduct Questionnaire** to assess their current performance against our Supplier Code of Conduct. The responses to this questionnaire help us establish whether a supplier satisfactorily meets the requirements of our Supplier Code of Conduct and, where areas for improvement are identified, we share corrective actions with the supplier so they can achieve full compliance. In cases of material or persistent non-compliance, we would consider terminating the business relationship, though being mindful that in some cases ceasing to engage with the supplier may not tackle the problem.

We are exploring whether any elements of our modern slavery and human trafficking response could be improved by reviewing our approach to mitigating modern

slavery risk in our supply chain, including considering changes to our supplier setup process for launch in 2020, and commissioning an independent third party review from the Slave Free Alliance. We will continue to review and develop our due diligence processes and guidance to ensure ongoing compliance with all applicable laws.

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. The below data is for our supply chain in the period October 2018 to September 2019.

HIGH CATEGORY RISK	HIGH COUNTRY RISK	HIGH SPEND
<p>17 of our suppliers, representing 5.8% of our spend, provide goods and services that our independent third party impact assessment tool deems to be at elevated risk of modern slavery.</p>	<p>Five of our suppliers, representing 0.2% of our spend, are based in countries identified by the Global Slavery Index 2018 as having elevated risk of modern slavery.</p>	<p>77.7% of our spend is concentrated in 13.5% of our suppliers³. 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.</p>

³ Those suppliers with which we spent at least £1,000 in the twelve month reporting period

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 entire 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. We'll continue sourcing IT equipment and mobile phones from manufacturers that demonstrate supply chain transparency and efforts towards combating modern slavery.

T-shirts

We buy a small number of t-shirts, mostly for promotional purposes. We're aware that t-shirts, even when bought from reputable retailers, have the potential to fuel modern slavery or unsafe working standards in some countries. Where possible we provide guidance to those purchasing t-shirts on certifications, such as Fairtrade, which help reduce the likelihood of modern slavery.

Food

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 continue to support our catering provider to better understand their upstream food supply chain.

Recruitment

The majority of our staff are directly employed. In addition to 191 employees at 31st December 2019, our staff numbers included 16 consultants, all in high skill roles at low risk of modern slavery.

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.

Key performance indicators for 2019

	PERFORMANCE INDICATOR	ACTUAL	TARGET
RISK ANALYSIS	Percentage by spend of suppliers deemed to have a low risk of slavery as determined by our third party impact assessment tool	Over 95%	To continue to use a high proportion of low risk suppliers
DUE DILIGENCE PROCESSES	Proportion of high spend suppliers requested to complete a Code of Conduct Questionnaire	100% (representing 77.7% of spend on suppliers)	100%
DUE DILIGENCE PROCESSES	Proportion of high risk suppliers requested to complete a Code of Conduct Questionnaire	100%	100%
TRAINING	Proportion of employees to have completed and passed an anti-slavery e-learning course and test	100%	100%

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 is particularly 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 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.

Virgin's policy lead for modern slavery attends Continuing Professional Development sessions and good practice seminars as appropriate, to ensure that our response is informed by best practice. Learnings are cascaded through the business where relevant.

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, including by writing numerous blogs for the Virgin.com website on the subject.

Our investments

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

We have a dedicated internal team who work with the various Virgin branded companies worldwide to develop their ability to proactively manage material social and environmental risks in their supply chains, including risks relating to slavery and human trafficking. In 2019, this team facilitated three best practice forums for Virgin branded companies to learn from experts and share knowledge on combatting slavery and other social and environmental risks in their respective supply chains. The team also provides a framework to help Virgin branded companies to report and respond to suspected incidents of modern slavery.

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 principle 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, Holly 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 our intranet, website and periodically by email. 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 2019.



Amy Stirling

Director
Virgin UK Holdings Limited

This statement was approved by the board of this entity on 02 June 2020



Ian Woods

Director
Virgin Holdings Limited
Virgin Management Limited
Virgin.com Limited
VM Advisory Limited

This statement was approved by the boards of this entity on 04 June 2020.

Lisa Thomas

Lisa Thomas

Director
Virgin Enterprises Limited

This statement was approved by the board of this entity on 08 June 2020.



Andrew Fishburn

Director
Virgin Start Up Limited

This statement was approved by the board of this entity on 22 June 2020

A handwritten signature in black ink, enclosed in a thin black rectangular border. The signature is stylized and cursive, with a large initial 'P' and 'N'. Below the signature, a horizontal dashed line extends across the width of the signature box.

Peter Norris

Trustee
The Virgin Foundation

This statement was approved, insofar as is relevant, by the board of this entity on 24 June 2020.