

Responsible Supplier Policy

Background

Both Virgin Atlantic's [Change is the the Air \(CIITA\)](#) sustainability programme and Virgin Holidays' sustainable tourism programme are now part of our overarching sustainability Centre of Excellence. Both have a strong emphasis on our environmental, supply chain and community investment (charity partnership) activities, and the products and services we buy are an essential part of fulfilling our business for good values.

In a cycle of continual improvement, we source goods and services in a way that treats the people we work with (directly and indirectly) with respect and dignity. We support practices that minimise damage to the environment and natural resources on which we all depend. To do this, we ask our suppliers to sign up to our Responsible Supplier Policy. This policy lays out the standards that we expect from our suppliers. These are in line with addressing key environmental challenges as well as international standards on basic human rights, such as the International Labour Convention (ILO) fundamental conventions, the United Nations (UN) Convention on Human Rights, and emerging legislation against human enslavement, in the form of the Modern Slavery Act.

Our Commitment

The people in our business with responsibility for procurement are provided with training and support in sustainable procurement practices. The sustainability criteria outlined in this policy are built into our procurement process, from sourcing and selection, to contract award and ongoing contract management. Over time these will increasingly become a pre-requisite for all our suppliers. We encourage all suppliers to proactively work to improve practices in relation to these principles, in order to secure new and on-going contracts with us.

People

As we do within Virgin Atlantic and Virgin Holidays, we expect our suppliers to provide safe and fair working conditions for their employees. Standards should, at a minimum, meet national laws and include the following:

- Suppliers must not use child labour (defined as anyone under 15 years of age, or that stipulated by local legislation, if this is higher);
- Suppliers must not use forced, bonded or compulsory labour;
- Employees should be free to choose to work for an employer and free to leave after reasonable notice is served. Suppliers must not hold or retain employees passports or other identity/travel documents in an attempt to restrict freedom of movement
- Employees should be paid a fair wage – if a minimum wage exists within the country, employees must as a minimum receive this, but ideally they should be paid a living wage, defined as one which meets the basic needs for an employee and their family, or as defined within the country of operation;
- Employees must be paid in money rather than paid in kind;

- Employees should be given an easy to read contract regarding their employment which details their role, remuneration and rights, including the appeal procedure. For those employees who are unable to read, the contract should be read to them prior to their signature, by the employees chosen representative;
- Employees should be allowed freedom of association. Where the law restricts freedom of association and collective bargaining, employers should facilitate alternative means of representation by staff;
- Employees working hours should comply with national laws and industry standards at a minimum. They should have at least 1 day off in 7 on average, and overtime should be voluntary and comply with local working law legislation. Employees should also be given regular breaks;
- Working conditions and any living quarters must be safe, comfortable and hygienic, with access to clean toilets and water for drinking and washing. There should also be access to medical care when needed;
- All employees should be provided with full and appropriate training to carry out the role required;
- Employees should not be submitted to harsh or inhumane treatment and all disciplinary procedures should be held on record;
- Employees should not suffer discrimination in employment on any grounds including but not limited to: race, age, gender, disability, religion, political affiliation, sexual orientation, medical condition or freedom of association;
- Where medical conditions such as HIV / AIDS, Malaria, Hepatitis B etc. are a significant issue, employers should raise awareness to their employees on the risks of these medical conditions and assist in providing access to education, treatment and medication where possible. Employers should not subject employees to mandatory testing or ask employees to disclose their status;
- Employers should not subject employees to mandatory pregnancy or virginity testing or questioning.
- Employees should receive regular health and safety training and guidance, with clear health and safety procedures for all staff in the workplace. A senior representative should hold responsibility for the health and safety of all staff and all accidents should be logged;
- Appropriate protection should be given to all employees exposed to potential hazardous or harmful situations;
- Emergency procedures should be tested annually at a minimum.

Environment

As an airline and tour operator, we take the environmental impact of our operations very seriously, and work hard to minimise our impacts as far as possible. As part of our sustainability Centre of Excellence initiative, we set out our targets and commitments on key environmental impacts. We can't do this without the help of our suppliers to support us to achieve those targets and in reducing their own impacts. Some examples of how this can be done are:

- As a minimum, we expect all suppliers to comply with local and national environmental legislation;
- We expect our suppliers to have an environmental management system (EMS) in place, whereby relevant, material environmental impacts are monitored and steps taken to reduce these.
- For all onboard products, suppliers can help us minimise our carbon emissions by providing us with lightweight products (without detriment to the safety or security of that product);
- Over time, we expect all Virgin Holidays accommodation providers to achieve certification of at least one sustainability standard from those recognised by the [Global Sustainable Tourism Council \(GSTC\)](#) and to provide evidence of the standard/s reached.
- Suppliers can help us reduce our carbon emissions on the ground and improve local air quality by running efficient logistical systems that reduce transport of our customers, staff and products as far as possible;
- Suppliers can help us reduce the carbon footprint of our products through utilising efficient manufacturing processes, and by using materials which do not require excessive energy to extract or produce;
- As signatories to CDP (formally called the Carbon Disclosure Project), we will require some of our key suppliers to provide us with the Scope 1 and 2 emissions associated with the products and services they supply to us, on an annual basis. More detail will be provided to those suppliers involved in this process;
- The use of environmentally damaging chemicals should be kept to a minimum and conform appropriate legislation, such as the Control of Substances Hazardous to Health (COSHH) regulations. Where possible low chemical or natural alternatives should be used.
- Disposal of any chemicals, including cleaning fluids, should be done in a way to ensure against impact on the environment;
- Suppliers can help us reduce our waste by providing re-usable or recyclable products (with clear labelling to show the material name and recycling classification number so that it can be reclaimed), and by reducing the amount of packaging supplied to us. Suppliers can also help us reduce our waste by providing us with products which are durable and long lasting, so they will not need to be replaced as often;
- Suppliers can also help us minimise our use of natural resources, by aiming to source all materials from sustainable or renewable sources. For example, all paper / wood products should be either made from recycled or other sustainability-certified source..
- All goods and services should be resource efficient wherever possible, e.g. energy efficient lighting and appliances, fuel efficient cars, renewable electricity or low water use appliances;
- Suppliers are required to ensure products associated with high rainforest destruction risk (i.e., made from, or consisting of, beef, leather, paper, wood, soy, palm oil or biofuels) are responsibly sourced through transparent supply chains with the appropriate independent certification.

Animal Welfare

- We source meat, fish and dairy produce for our customers and employees and we expect suppliers to provide assurance that products use credible animal welfare and sustainability standards. For all farmed meat, poultry and fish, suppliers should aim for equivalence with the [UK's RSPCA Freedom Food Standards](#). For farmed fish Aquaculture Stewardship Council (ASC) or Best Aquaculture Practices (BAP) certification or equivalent can also be used. For wild caught fish Marine Stewardship Council certification (or equivalent) should be provided;
- Suppliers of tourist attractions featuring animals (and hotels with zoos) should adhere to the minimum standards set out in the ABTA Global Guidelines for Animal Welfare;
- Suppliers of tourist attractions or hotels featuring captive whales and/or dolphins should sign and adhere to the conditions laid out in The Virgin Pledge on sea mammals.

Business Ethics

We have a strict anti bribery policy and expect our suppliers to uphold high standards of integrity, transparency and governance. At a minimum we expect:

- Suppliers to comply with all relevant local laws and regulations;
- Suppliers must not be associated with any group that supports acts of violence or terrorism;
- Suppliers must not offer, promise, give or receive any bribe or kickback and/or other improper advantage to or from any person, customer or supplier;
- Suppliers must not make nor offer, directly or indirectly, any payment, gift or other advantage to a Foreign Public Official with the intention of influencing them and obtaining or retaining an advantage in the conduct of business.

Our Supplier Engagement Process

We are working hard to communicate our Responsible Supplier Policy to our suppliers, to ensure our new and existing products and services, whether onboard the aircraft or on the ground, are more sustainable than those they replace. We expect openness and transparency in our relationships with our suppliers and will support continuous improvement with any of our suppliers who need help in any area of this policy. We provide training and support to our procurement personnel to further their expertise in this area. Ultimate responsibility for this policy is held by our Vice President of Procurement with full endorsement by our Chief Executive Officer.

We ask our suppliers to sign up to this policy and commit to the following:

- To embrace the policy and assign a senior member of the business to promote compliance;
- To set up a monitoring process to verify standards are met and continually reviewed to ensure compliance, with a process for corrective actions to be set up and followed through;
- To look to impose a policy of similar or higher standards on their own supply chain, including any sub-contractors they work with. The expectation is that each supplier in the supply chain will monitor their own compliance with a view that Virgin Atlantic or Virgin Holidays may wish to audit any tier in the chain if this is required;

- The Supplier's workforce (including those not directly employed by the Supplier i.e. agency staff, contractors and subcontractors) should be made aware of the policy or the Supplier's own policy, if this is to a higher standard and provided with the appropriate training to continually improve the supply chain.

I have read and understood this policy and I am committed to the continuous progress of my company on all of the criteria laid out in this policy.

Signed..... Print Name.....

Company..... Position in Company.....

Dated.....