

Virgin Trains West Coast – Slavery and Human Trafficking Statement

Modern slavery is a global problem transcending age, gender and ethnicity. Richard Branson and the Virgin Group support the global fight against labour abuse in supply chains and are vocal champions of supply chain transparency.

At Virgin Trains West Coast, we are passionate about being a responsible business that treats its people with dignity and respect. They make our business the success it is today. We don't tolerate slavery and human trafficking and outlined below is our commitment to ensuring they have no place in our business.

Virgin Trains West Coast has operated the West Coast passenger train franchise since 1997 and is the trading name for Virgin Rail Group Holdings Limited and its subsidiaries. We employ over 3000 people and have a supply chain of over 700 suppliers operating mainly in the UK delivering a wide variety of goods and services including catering, marketing, facilities management, technology and our train fleet. Our Procurement and Operations teams primarily manage our relationships with these suppliers.

To mitigate the risk of slavery and human trafficking in our supply chain in the past year we have:

- Identified and updated pre-existing policies and procedures relevant to slavery and human trafficking. For example, our supplier code of conduct, procurement policy, whistle-blowing policy and our training program.
- Conducted an internal risk assessment of our Tier 1 suppliers that manufacture goods and/or provide services in countries and/or sectors where instances of modern slavery and human trafficking are more common to identify potentially higher risk suppliers.
- Partnered with SEDEX, the world's largest collaborative platform for sharing responsible sourcing data, to gather labour standards data across our supply chain, focusing on 10 suppliers identified as potentially higher risk in our internal risk assessment.
- Held a supply chain forum with other Virgin Group companies to share modern slavery and human trafficking mitigation best practice; specifically, on supply chain reporting, food and beverage sourcing and supplier code of conduct policy drafting.
- Put in place a dedicated modern slavery working group comprised of representatives from our Procurement, Human Resources and Sustainability functions.

As part of the working group's mission to assess and address modern slavery and human trafficking risks, we are undertaking the following further activities in the coming year:

- By March 2018 undertaking a further risk assessment of Tier 1 and previously defined high-risk suppliers that manufacture goods and/or provide services in countries and/or sectors where instances of modern slavery and human trafficking are more common, using our learnings from last year.
- Meeting with suppliers identified as high-risk face to face to understand more about their businesses, supply chains and the steps they are taking to reduce any identified risks. Specific, timed action plans will be put in place to address any issues and failure to complete will result in a re-tendering process to seek alternative supply solutions.

- Reviewing our contractual arrangements and supplier code of conduct document to identify how these can be further strengthened to reduce the risks across our supply chain. These will operate alongside our risk assessments and mitigating actions.

In addition, we believe that driving awareness of Modern Slavery and Human Trafficking with our own staff is vital, equipping them with knowledge and tools relevant to their roles to further reduce risk. We will investigate and look to roll out:

- Bespoke training led by external modern slavery experts designed to equip those colleagues managing our key suppliers with knowledge and tools to minimise risks.
- Bespoke training information to equip our front-line colleagues with the knowledge to spot and deal with potentially trafficked passengers.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Virgin Trains West Coast's slavery and human trafficking statement for the current financial year.

Phil Whittingham, Managing Director of Virgin Trains West Coast