



# SUPPLIER CODE OF CONDUCT

VIRGIN AUSTRALIA GROUP

June 2020

Version	Owner	Date of issue	Date of last review	Modified by
1.0	Head of Procurement	26/06/20	n/a	Group Procurement

## Purpose and scope

The Virgin Australia Group (Virgin Australia) Supplier Code of Conduct (Code) clearly sets out the expectations we have of our Suppliers. Suppliers include contractors, vendors, service providers and their employees and suppliers. The expectations outlined in the Code are not substitutes for any applicable laws, nor do they amend contracted obligations. As a Virgin Australia Supplier, we expect you will commit to and act in accordance with our Code and ask that you clearly communicate these same expectations to your employees and suppliers.

Suppliers' ability to meet or exceed the Code's expectations will be taken into account by Virgin Australia when making procurement and supply-related decisions, regardless of whether or not the Code has been formally incorporated into a relevant contract with the Supplier. Where our contracts set out more specific social, environmental and/or ethical requirements, this Code will supplement those provisions.

## Compliance with laws

Virgin Australia is committed to fully complying with applicable laws and regulatory requirements wherever it operates.

Our expectations of our Suppliers include that they:

- Operate their business in full compliance with, and ensure their goods and/or services comply with, the laws, rules, regulations and standards of the countries in which they operate and where the goods and/or services are provided to Virgin Australia
- Act in a manner that does not result in or cause Virgin Australia to contravene any laws, rules, regulations or standards
- Maintain accurate and transparent business records in accordance with all applicable laws, regulations and generally accepted accounting standards.

## Safety and security

Providing a safe and secure environment for our employees, agents, officers, consultants, contractors, Directors (Personnel), customers and visitors is – as always – our number one priority.

Our expectations of our Suppliers include that they:

- Be proactive and take reasonable measures to provide a safe and healthy working environment for all those with whom they work
- Promote a positive safety culture within their organisation and supply chain
- Comply with all applicable workplace health and safety (WHS), aviation safety and security laws, rules and regulations
- Demonstrate continuous improvement in WHS practices
- Comply with any Virgin Australia safety and security requirements of which the Supplier is made aware.

## Human rights and employment practices

All Personnel are entitled to work in an environment free from discrimination, bullying and harassment. Virgin Australia takes modern slavery seriously, strongly opposing it in all its forms, together with human trafficking and forced or child labour. We're committed to doing all we can to ensure that such abhorrent practices do not occur in our business or in any segment of our supply chains. We actively encourage equal employment opportunities, fair pay and freedom of association.

Our expectations of our Suppliers include that they:

- Foster a culture where people feel respected, recognised and rewarded for their work
- Have zero tolerance for any form of physical, sexual, psychological or verbal harassment or abuse in their organisation
- Ensure their Personnel are aware of and understand their rights by having effective human resources support embedded in their business
- Comply with all applicable laws and regulations relating to discrimination and employment practices, including wages, work conditions, work hours and overtime
- Ensure no use of forced, compulsory or child labour, human trafficking, slavery or servitude and that work activities are undertaken voluntarily, without threat of penalty or sanction and not based on deception
- Conduct their business in ways that respect human rights, including aligning work practices to the United Nations Declaration of Human Rights and to the ILO Declaration on Fundamental Principles and Rights at Work
- Identify, avoid, minimise or mitigate and remedy any human rights impacts on communities
- Strive to deliver working conditions that go beyond minimum requirements, with a demonstrable focus on employee health and wellbeing.

## Acting with ethics and integrity

Virgin Australia's business objectives are best achieved through acting fairly, honestly and with integrity. Ours is an environment where concerns about illegal or unethical behaviour can be reported without fear of retaliation. Any such issues can be raised by contacting Virgin Australia's Ethics Hotline. The hotline service operates 24/7 and is managed by an external independent provider. Free calls can be made within Australia on 1800 829 466, or internationally on +61 499 221 005 (fees and charges may apply).

Our expectations of our Suppliers include that they:

- Foster a culture of honesty and transparency
- Provide clear ways for Personnel, suppliers and partners to speak up if they see something that is unsafe, unethical or potentially harmful involving Virgin Australia's operations or activities
- Ensure their Personnel are made aware of Virgin Australia's ethics hotline
- Embed sound corporate governance protocols and procedures within their organisation that comply with applicable laws and regulations, including accurate record keeping and risk and compliance reporting
- Make efforts to be a good corporate citizen.

We also expect Suppliers to have in place effective policies and procedures to proactively prevent:

- Bribery and corruption, or any activities aimed at securing an improper advantage, such as attempting to influence someone, including government officials to improperly perform their duties

- Money laundering, including hiding illegal funds (especially those with possible links to terrorism or criminal activity) or giving such funds apparent legitimacy
- Violations of all applicable laws and regulations relating to sanctions, export, re-export, import and trade controls
- Actual or apparent conflicts of interest between personal and business interests, including using Virgin Australia's information and resources for improper gains
- Anti-competitive conduct, including any form of agreement or understanding with competitors to fix prices, rig bids, allocate customers or restrict supply
- Inappropriate provision of gifts, entertainment, or meals to Personnel employed by or representing Virgin Australia.

## Emergency response and business resilience

Virgin Australia has established a corporate risk framework comprising clear business resilience and emergency response procedures and plans. This robust framework acts to effectively protect our people, our assets, our brand and our operations in the event of a major disruption, incident, emergency or crisis.

Our expectations of our Suppliers include that they:

- Embed within their own organisation a culture focused on mitigating risks to the day-to-day management and continuity of their business
- Have clear, documented business continuity and recovery plans to minimise disruption resulting from unplanned events
- Promptly notify Virgin Australia of any disruption to their normal operations that may impact supply chain activities that Virgin Australia relies upon
- Uphold appropriate risk frameworks and regularly review internal and external risks to their organisation and supply chain
- Strive to continually strengthen the resilience and preparedness of their operations and supply chain.

## Driving sustainable development

We recognise that making a positive contribution to the community, our people, the economy and the environment is essential to our business' longevity. Virgin Australia works hard to achieve this by embedding these considerations into how we operate.

Our expectations of our Suppliers include that they:

- Promote a company culture that values the importance of minimising the impact of their operations on the environment
- Create and encourage a culture of diversity and inclusion;
- Foster positive social impacts and work as partners with the communities in which they operate
- Work with their suppliers and partners to ensure alignment with this approach to business; and
- Transparently report on their environmental and community performance.

## Safeguarding information

Virgin Australia takes the protection of personal information and confidential information (Information) very seriously, including our compliance with applicable laws and regulations.

Our expectations of our Suppliers include that they:

- Comply with all laws, regulations and standards applicable to the protection or use of Information relating to the provision of goods and/or services to Virgin Australia
- Create a culture which recognises the value of trust and compliance; where Personnel are educated on the proper handling of Information
- Ensure the appropriate safeguarding of Information through best practice security procedures and protocols
- Notify us immediately of any breach involving Information relating to the provision of goods and/or services to Virgin Australia and swiftly provide all assistance requested by us in connection with such a breach.

## Supply Chain Risk Management program

Virgin Australia's Supply Chain Risk Management program monitors our supply chain and implements the necessary systems, controls and processes to protect us from disruption, risk or activities unaligned with the expectations set out in this Code.

We may sometimes request information from our Suppliers, including, but not limited to, Supplier and subcontractor names and locations, factory locations, sources of raw materials, and results of historic audits. We may also obtain Supplier-related information from third party sources.

Our expectations of our Suppliers include that they:

- Participate in Virgin Australia's Supply Chain Risk Management activities
- Be transparent, providing honest, accurate and comprehensive information when requested
- Commit to working with Virgin Australia on supply chain improvements where risks are identified
- Retain and make available documentation demonstrating compliance with this Code.

## Questions and suggestions

If you have questions or suggestions about any aspect of this Code, or about Virgin Australia's Supplier expectations, please get in touch with your Virgin Australia contact and/or our Procurement team at: [procurement@virginaustralia.com](mailto:procurement@virginaustralia.com).