

# QSS 0 Products and Services without Bespoke Contracts

**Use: Typically Sub £50k processes without a bespoke contract.**

## Amendment History

Version	Date	Status
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V5	Jan 24	Updated for VMO2 Code of Conduct
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## 1. Quality Assurance Requirements:

### 1.1 Definitions

QA (Quality Assurance)	Means quality assurance.
Quality Management System	The policy, procedures, work instructions and standards used by Supplier to manage its operations.
Quality Plan	Shall have the meaning set out in paragraph 2.7
Quality Review Meeting	Shall have the meaning set out in paragraph 2.9
Quality Assurance	All activities undertaken to ensure that standards and procedures are adhered to and that delivered products and services both meet requirements and are optimised to Virgin Media O2 business needs.
Supplier	The supplier contracted with under this agreement
Sub-Contractor	Third parties used by the Supplier

### 1.2 Introduction

This Quality & Sustainability Schedule (“QSS”) sets out the quality assurance required from the supplier with respect to the supply of products and or Services to Virgin Media O2. This schedule applies where the product or services being supplied has no bespoke supply contract. It is not intended for use in the procurement of significant products or services that can directly impact the customer service experience.

### 1.3 Working with Virgin Media O2

Supplier will appoint a member of Supplier’s management team, a quality professional, who will be responsible for:

- Realising a QA strategy addressing all Services and Equipment, Software and Documentation supplied or supplied under this Agreement.
- maintaining an overview of all quality issues.
- Liaising with Virgin Media O2’s QA representatives and overseeing the effective resolution of any quality issues.
- Providing visibility of the supplier’s sustainability management policies, process, and activities.

Supplier will maintain an appropriately sized Virgin Media O2 facing account team demonstrably growing its capability and capacity in line with new business awards. Key individuals supporting the award shall be named and responsibilities detailed.

### 1.4 Problem Notification

Supplier will notify Virgin Media O2’s QA representative without undue delay of any problem that endangers or may endanger the Delivery timescales, Milestones and/or impacts the functionality of the Equipment, Software, and/or Services to be provided under this Agreement.

## 1.5 Quality Management System

Supplier and associated Sub-contractors will demonstrate to Virgin Media O2 (with respect to all Equipment, Software, Documentation and/or Services provided under this Agreement) conformance of its Quality Management System (QMS) in accordance with EN/ISO 9001 or TL9000 or its equivalent and any future versions. Where suppliers are required to be so certified and are not, they shall within 8 weeks of Contracting table a plan to achieve certification within an agreed timescale.

## 1.6 Right to audit

Without prejudice to Virgin Media O2's rights set out elsewhere in this Agreement with respect to audit, the Supplier shall carry out all its obligations under this Agreement in a controlled and managed manner, thereby allowing Virgin Media O2's QA representatives to evaluate such work. To this end:

- Virgin Media O2 is entitled to carry out quality reviews and quality audits of the Supplier's (and any relevant Sub-contractor's) Quality Management System (QMS) Product and Services, Supplier Equipment Documentation, Software and Services supplied under this Agreement. Each party bears its own costs incurred by such a quality review.
- The Supplier will make available all relevant information to Virgin Media O2 that Virgin Media O2 deems necessary for fulfilling its reviews or audits and will grant Virgin Media O2 access to the QMS documentation, project, and quality records.
- The QA representative or other authorised people of Virgin Media O2 may in all phases of the product creation process and service management, arrange quality reviews or audits by prior agreement with the Supplier at any time.
- The Supplier will work with Virgin Media O2 to resolve any concerns identified and provide routine progress reports addressing such concerns and describing the improvement action taken at an agreed frequency.

## 1.7 Regulatory Compliance

All services, equipment and software provided under this Agreement shall be demonstrably compliant with contractual requirements and relevant UK and EU legislation.

## 1.8 Quality planning *(Does not apply to off the shelf products)*

All Equipment, Software, Documentation supplied, and Services performed under this Agreement shall be addressed by a quality plan(s). Subject always to the provisions of this Agreement, each quality plan(s) shall:

- contain no obligation for Virgin Media O2.
- be provided to Virgin Media O2 by a date to be agreed after this Agreement has been signed.
- be maintained by Supplier and followed for the duration of this Agreement.
- identify the standards and procedures, highlighting any critical processes that will be employed for all work pertinent to this Agreement.
- identify the QA objectives, strategy and measures being employed by the Supplier to ensure the quality of the Equipment, Documentation, Software or Services provided under this Agreement.
- detail the Supplier's organisation, responsibilities and resources supporting this Agreement including and Permitted Sub-contractors.
- be subject to Virgin Media O2's agreement.

Visibility of this QA strategy and its implementation will be provided to Virgin Media O2 by Supplier.

## 1.9 Quality & Sustainability Review Meetings

Without in any way limiting Supplier's obligations of reporting set out in this Agreement, the Supplier will at each Quality Review Meeting or upon request provide Virgin Media O2 with visibility of:

- Sub-contractors and work areas involved in delivery.
- Details of any subcontractor changes and
- Quality Plan(s) and QA strategies addressing supplier delivery to Telefónica.

At each sustainability review meeting provide evidence of how the supplier is managing sustainability internally and update on its delivery of any agreed sustainability initiatives.

## 1.10 Defect analysis, problem reporting & Quality improvement

Supplier will:

- analyse quality data including defects and use the result of this analysis to instigate continual quality improvements to the Equipment, Software, Documentation and Services supplied under this Agreement.
- agree with Virgin Media O2 QA representative and document in the Quality Plan the traceability of Equipment, Software, Documentation and Services provided back to an agreed level. Where no specific level is stated then all deliveries shall be traceable with respect to any design change, specific standards compliance, specific customer requirements, materials and components used, and production processes employed.
- produce and implement corrective action plans to address all identified quality concerns and progress in a timely manner.
- notify Virgin Media O2 without undue delay of any defect reports raised from their global customer base relevant to Equipment, Software, Documentation and Services received by Virgin Media O2, i.e., implement a "global problem alert process".

## 1.11 Risk Management

2.11.1 Supplier will operate formal risk management processes and make visible to Virgin Media O2 any risks that may impact on Equipment, Software, Documentation and Service quality or delivery timescales.

## 1.12 Release Criteria

Supplier will define, document and declare to Virgin Media O2 its Equipment, Software and Service release criteria. The Supplier shall amend its Equipment, Software and Service release criteria in line with any reasonable Virgin Media O2 request by mutual agreement.

## 1.13 Quality Reporting *(Applies to the supply of ongoing network products or services only)*

Supplier will provide to Virgin Media O2 QA representative at mutually agreed intervals an overall quality report, which provides key performance indicators in an agreed format, if requested.

## 1.14 Third Parties

Supplier will maintain formal contracts with all Sub-contractors involved in providing support to Equipment, Software and Services provided to Virgin Media O2 under this Agreement such that the support requirements agreed between Supplier and Virgin Media O2 are underpinned by formal contracts between the Supplier and any Sub-contractors.

## 1.15 Project and Product Management: *(Applies only when suppliers and managing projects to enable their supply to Virgin Media O2)*

When relevant the Supplier will create and agree with Virgin Media O2's Project Management a project plan supporting the delivery of all products and services provided to Virgin Media O2. The project plan shall include details of any associated risks, issues, assumptions, and dependencies. The plan, and its associated risks, issues, assumptions, and dependencies, shall be maintained and shared with Virgin Media O2 on request.

## 1.16 Reliability Management

Supplier will establish, implement, and maintain reliability planning for the solutions provided under this Agreement. Such planning and its outputs will be made available to Virgin Media O2. The planning and its outputs will provide visibility and evidence that agreed reliability objectives have been achieved and that the reliability of individual items of Equipment and Software is in line with its design objective and any specified requirements.

## 1.17 Documents

Supplier will compile, keep up-to-date and secure all Documentation relating to this Agreement. Quality records will be maintained by the Supplier which demonstrates achievement of the Agreement requirements. Such records will be identified in a list provided to Virgin Media O2 and the details made available to Virgin Media O2 upon request.

The Supplier will keep all test results for a period of five (5) years.

The Supplier will maintain a list of all Equipment and Software supplied to Virgin Media O2 and supply copies of the final test records in electronic form to Virgin Media O2 upon request.

## 1.18 Service Readiness *(Applies to services only)*

The Supplier will:

- Operate defined service readiness criteria for all services provided under this Agreement addressing, as a minimum, personnel capability, resource levels, tools and processes that must be in place to successfully deliver services
- Maintain a view of their service readiness.
- At Virgin Media O2's discretion, provide a maintained current service readiness.
- Ensure service continuity requirements are identified and agreed with Virgin Media O2; and
- At Virgin Media O2's discretion, agree Service Readiness Plans with Virgin Media O2 Subject experts.

### 1.19 Product Recall *(Applies to Consumer products only, e.g. handsets, routers, wearables)*

Where a consumer product is being provided the supplier will define and agree with Virgin Media O2a product recall management process identifying the data that will be monitored to identify any potential need for a product recall, associated responsibilities, and the communication and management processes for dealing with a product recall.

## 2. Security & Business Continuity

### 2.1 Security *(where there is a separate security schedule it supersedes this requirement)*

Supplier shall and shall procure that its Permitted Sub-contractors shall provide demonstrable evidence that they maintain a security policy and operate a supporting security strategy that complies with ISO/IEC 27001 and additional current best industry standards as deemed appropriate to satisfy Virgin Media O2 security requirements. Where the Supplier is not certified to ISO/IEC 27001 and has access to Virgin Media O2 customer or employee data they shall have a plan to become certified within agreed timescales.

### 2.2 Business Continuity: *(where there is a separate BC schedule it supersedes this requirement)*

Supplier shall provide a copy of their Business Continuity Plan that demonstrates how they will maintain the contracted service level in the event of an emergency. The Suppliers Business Continuity Policy and Planning must align with the Business Continuity Standard ISO22301 Business Continuity Management. Draft planning will be provided pre contract where Suppliers wish to be considered for Virgin Media O2 supply and final planning provided at contract placement, along with evidence of certification to 22301 if held by the Supplier. /Business Continuity Policy and planning as it relates to any product or service provided to Virgin Media O2 shall be subject to Virgin Media O2 agreement and must be updated and submitted to Virgin Media O2 at least annually or within 3 months of any significant organisational change.

## 3. Safety Requirements

4.1 The Supplier shall, and shall procure that its Permitted Sub-contractors, shall demonstrate to Virgin Media O2 (with respect to all products and services provided under this Agreement) a documented Health and Safety Management System to ensure effective planning, operation, risk assessment and control of safety risks in conformance to the relevant parts of ISO 45001, or equivalent health and safety management system and its future evolutions. Where the supplier has a head count of greater than 250 or is involved in production the safety management system shall be certified to ISO 45001 Occupational Health and Safety Management System.

4.2 Virgin Media O2 places great importance on health and safety of their employees and the proper and safe process for the handling of Orders by the Supplier. The Supplier shall assure the following safety requirements:

4.2.1 The Supplier has access to, and complies with, all relevant and up to date legal and official regulations of every relevant country necessary, to do the requested work in a way that the health and safety of the personnel involved can be assured.

4.2.2 The Supplier has current knowledge of the local regulations of the trade inspection, the trade association, or workplace regulations, for health and safety for workers, for fire prevention as well as the recognised rules for all work to be carried out under this agreement.

4.2.3 The personnel used by the Supplier are competent, has the skills, necessary training courses, experience and protection equipment needed to fulfil the assigned work in a way that health and safety of the personnel involved, and others affected by the work can be guaranteed.

4.2.4 The Supplier, if:

- Acting as a duty holder defined under the Construction Design Management Regulations
- Involved in worked covered by Work at Height Regulations 2005 or the Control of Asbestos Regulations 2012,
- Undertaking any other high or medium risk work, i.e., work that includes but is not limited to:
  - Working with heavy machinery
  - Working in confined spaces
  - Working on live electrical systems
  - Working on tasks where a 'Permit to work is required' – UK only

shall be successfully certified to the specific SafeContractor UK Safety Schemes in Procurement (SSIP) under for the relevant scope, <https://www.safecontractor.com/contractor-accreditation>.

Where certification does not cover the scope of works awarded under this agreement accepting Virgin Media O2 business will be a commitment by the supplier to become certified in timescales agreed with Virgin Media O2 but in any case, not later than within 12 weeks of Contracting.

4.2.5 The Supplier shall demonstrate how they procure and appoint competent sub-contractors to undertake work on their behalf by evidence of assessment.

4.2.6 The said personnel have the necessary knowledge and skills to provide first aid assistance at any time.

4.3 Virgin Media O2 reserves the right for their personnel to give instructions to the Supplier's personnel regarding the completion of work of the Supplier. This includes the right to immediately stop any work in case of severe problems regarding health and safety for Virgin Media O2 personnel as well as third parties or equipment owned by one of those three parties.

4.4 The Supplier confirms that all expenses for meeting any of the health and safety requirements listed in this Schedule are included.

4.5 The Supplier shall stop the work immediately if the Supplier becomes aware that the health and safety of themselves or other parties is endangered. The supplier is requested to immediately notify Virgin Media O2 of any hazards or concerns in relation to the health and safety of the workplace or working practices on site.

4.6 The Supplier's personnel are obliged to immediately report every accident and near miss incident, or health & safety problem on equipment or facilities under responsibility and control of Virgin Media O2 or third parties which might or will affect the work.

4.7 The Supplier's personnel shall routinely monitor their safety performance and routinely notify Virgin Media O2 of the result.

4.8 Virgin Media O2 reserves the right to audit the supplier's health and safety management system and performance.

4.9 Supplier providing Contractors to Telefónica must ensure they are aware of and comply with the Telefónica UK H&S Guide for contractors.



## 4. Environmental Management Requirement

**4.1 Environmental Policy:** The Supplier shall have an up to date, documented Environmental Policy including commitment to environmental protection, prevention of pollution, compliance with environmental legislation, continuous improvement and to procure in line with its policy. The policy shall be effectively communicated to and understood at all levels within the organisation. The Supplier shall also be able to provide evidence of implementation.

**4.2 EMS:** The Supplier shall have a documented Environmental Management System to ensure effective planning, operation, and control of environmental aspects. This Environmental Management System shall be certified to ISO 14 001 or other internationally recognized standards. Continuous improvement efforts shall be addressed within the Environmental Management System.

**4.3 Programs for Improving Environmental Performance:** The Supplier shall identify significant environmental impacts associated with its operations and implement continuous improvement programs to address them. These programs shall cover the efficient recycling and/or disposal of waste materials and improving treatment and control of waste emissions affecting air, water, and soil. The Supplier shall be able to provide supporting evidence.

**4.4 Carbon Reduction Requirements:** The suppliers will demonstrate that that they have an active carbon reduction programme. The programme will have a baseline and a clear time bound improvement target with respect to that baseline. Periodic progress reporting against the carbon reduction programme will be provided to Virgin Media O2 detailing progress and using a recognised carbon reporting methodology for example:

- [ISO14064](#) – Greenhouse gases. Part 1 (2006)
- The WRI / [WBCSD Greenhouse Gas Protocol](#): A Corporate Accounting and Reporting Standard (Revised Edition)
- UK Government's Environmental Reporting Guidance – [DEFRA](#)
- Carbon Disclosure Project ([CDP](#))
- The Science Based Targets initiative ([SBTi](#)),

Where the supplier has received a business award from Virgin Media O2 that is >£1m its Carbon Reduction plan must:

- (1) align with the 2021 SBTi standard and support VMO2 emission reduction goals as defined at the time of contracting. Suppliers are required to be carbon neutral with respect to scope 1 and 2 emissions by 2030 and Net Zero across Scope 1,2 and 3 emissions by 2040 with a defined scope 3 interim target for 2030

### Definitions

- *Scope 1 (Direct emissions from their operational activities)*
- *Scope 2 (Indirect emissions from energy purchasing)*
- *Scope 3 (Value chain emissions)*

Plans to realise this commitment must be in place within 12 months of any qualifying purchase award.

Plans to realise this commitment must be in place within 6 months of any qualifying purchase award.

Reports must be sent to [SusProc@telefonica.com](mailto:SusProc@telefonica.com) within 6 weeks of award and then at 6 monthly intervals. Where at the point of award a supplier does not already have an active carbon reduction programme their first report must detail their progress against a time bound plan to establish such a programme tabled at tender.

5.4.2 Where the supplier's activities in support of Virgin Media O2 are viewed by Virgin Media O2 as having the potential to generate significant emissions, the supplier will have a plan to specifically reduce the emissions it makes on Virgin Media O2's behalf. This may be an identifiable element within the supplier's general programme

5.4.3 Where the supplier's carbon emissions are not in-house but predominantly from their supply chain, then the supplier's carbon reduction programme must address its significant emissions from procured products and services.

5.4.4 Where suppliers provide significant Network equipment to Virgin Media O2 then power efficiency must be integrated into all product roadmaps, presented to Virgin Media O2, so that we can consider this routinely when making decisions. Maintained power efficiency roadmap for solutions offered to Virgin Media O2 shall be provided upon request.

5.4.5 **Green Energy:** Suppliers are required to grow their use of green energy in line with its availability in their operating geography. UK based suppliers, where green energy is widely available, are required to use only green energy where they are in control of energy sourcing.

## 5. Sustainability Requirements

### 5.1 Supply Chain Sustainability Policy Compliance

Suppliers must comply with Virgin Media O2 Supplier Code of Conduct. Suppliers and their Sub-contractors shall demonstrate to Virgin Media O2 that they maintain policies to protect and promote standards in their supply chains that as a minimum comply with these requirements.

At the point of contracting suppliers must either be fully compliant or have a plan agreed with Virgin Media O2 to move to full compliance within an agreed timescale which must not exceed 60 working days. Suppliers may comply by operating their own aligned code of conduct

5.1.1 Suppliers will not in their operations use workers below the legal minimum age for employment or use any form of forced or bonded labour and prior to business placement will formally certify to Virgin Media O2 that this is the case.

5.1.2 Suppliers will provide to Virgin Media O2 on request an annual statement detailing the measures it has taken to ensure that requirements detailed in this schedule and in Virgin Media O2 Supplier Code of Conduct Sustainability on Health and Safety, Forced Labour, and Trafficking and on Child and Young Person labour are respected within its operations and supply chains.

**Supplier will, if requested:**

5.1.3 **Make an EcoVadis or Integrity Next risk submission** for itself and any facilities it will use to manufacture products for supply under this agreement, if requested. Suppliers receiving a business award that do not yet have an EcoVadis or Integrity Next assessment must get an assessment and where their score is below 44 points agree an improvement plan to move to a score of at least 44 points as a condition of business placement. Suppliers using facilities in Asia or eastern Europe to supply Virgin Media O2 shall make an EcoVadis or Integrity Next risk submission, the related scorecards must be maintained and updated annually.

5.1.5 **Notify Virgin Media O2 annually and on request of the steps it has taken to minimise the risk of forced labour or trafficking in its operations and supply chains** and operate a similar requirement of its suppliers.