

Virgin Atlantic positions itself for post-Covid19 future

Dear Travel Partner,

We need to let you know of some changes to our business.

Virgin Atlantic has announced plans to reshape and resize its business to ensure that it is fit for the future, in response to the severe impact of the Covid-19 pandemic on the global economy, our nation and the travel and aviation industry. Following the pattern of previous crises including 9/11 and the Global Financial Crisis, capacity across the aviation industry will significantly reduce, with recovery to pre-crisis levels expected to take up to three years. Uncertainty around when flying will resume, coupled with unprecedented market conditions brought on by the pandemic, has severely reduced revenues for the global aviation industry and Virgin Atlantic.

Accordingly, the airline has taken decisive action to reduce costs, preserve cash and to protect as many jobs as possible. Virgin Atlantic continues constructive discussions with several stakeholders including the UK Government, to get additional funding, while the Company continues to benefit from shareholder support. However, to safeguard the future of the airline so it can emerge from this crisis a sustainably profitable business and to positively influence the outcome of the funding we seek, further action is required

Our vision is more important than ever, but our path forward must change

Virgin Atlantic's vision remains to become the most loved travel company and the sustainability leader in our industry. To emerge from this crisis, against an uncertain backdrop, the airline must radically adapt, so that it can continue to thrive, while always keeping its people and customers at the heart of everything it does. Once the crisis subsides, Virgin Atlantic will make a significant contribution to the UK's economic recovery by providing essential connectivity and competition. In addition, we continue to provide access to London and Manchester from the US, our largest market outside of the UK.

As Virgin Atlantic aims to establish itself as the sustainability leader, it will fly only wide-body, twin-engine aircraft from London Heathrow and Manchester to the most popular destinations. It will be moving its flying programme from London Gatwick to London Heathrow, with the intention of retaining its slot portfolio at London Gatwick, so it can return in line with customer demand.

From today, Virgin Atlantic will no longer use all of its seven 747-400s, with four A330-200 aircraft retiring in early 2022 as planned.

By 2022 the simplified, greener fleet will comprise of 36 twin engine aircraft reducing CO₂/RTK emissions by an estimated further 10%, building on the 18% efficiency already achieved between 2007-2019.

Warm regards,

Yuli Thompson

VP North America & International Sales

Virgin Atlantic Airways Ltd