

Delivering long-term success

The Board of Directors comprises seven Non-Executive Directors and two Executive Directors. Four of the Non-Executive Directors are appointed by Virgin Group, which holds 51% of the Company's shares, and the other three Non-Executive Directors are appointed by Delta which holds 49% of the Company's shares. The two Executive Directors are the Chief Executive Officer and the Chief Commercial Officer, who are full-time employees of the Group. In addition, the Chief Financial Officer has been appointed as alternate Director to the two Executive Directors and is also a full-time employee of the Group.

The Executive Directors have regular meetings with representatives of both shareholders as well as with their Board representatives.

The Board is responsible for the long-term success of the Group. To achieve this the Board leads and provides direction for the Executive Management Team by setting our strategy. Its role includes overseeing strategic decisions, scrutinising the performance of its management in meeting the goals set by the Board, and taking a pro-active role in monitoring the performance of the Group as a whole.

The Board convenes in person regularly and there are additional calls for Management to update the Board on the Group's performance.

For the year ended 31 December 2017 the members of the Board were:



Sir Richard Branson
**President and
Non-Executive Director**

Conceived in 1970 by Sir Richard Branson, the Virgin Group has gone on to grow successful businesses in sectors including mobile telephony, travel and transportation, financial services, leisure and entertainment and health and wellness. Virgin is a leading international investment group and one of the world's most recognised and respected brands.

Since starting youth culture magazine "Student" at aged 16, Richard has found entrepreneurial ways to drive positive change in the world. In 2004 Richard established Virgin Unite, the non-profit foundation of the Virgin Group, which unites people and entrepreneurial ideas to create opportunities for a better world. Most of his time is now spent building businesses that will make a positive difference in the world and working with Virgin Unite and organisations it has incubated, such as The Elders, The Carbon War Room, The B Team and Ocean Unite. He also serves on the Global Commission on Drug Policy and supports ocean conservation with the Ocean Elders.



Peter Norris
**Chairman and
Non-Executive Director**

Peter is the Chairman of the Virgin Group, a position he took up in 2009. Prior to this he acted as an adviser to the Virgin Group from 1996 and had chaired Virgin Active from 2002 to 2007.

When he took up this position, Peter had over 35 years' experience in investment banking and business management having worked at both Barings and Goldman Sachs, before establishing a corporate finance business which, in 2007, he merged with AIM listed merchant bank Quayle Munro Holdings Plc. Peter served as CEO of the combined entity until 2009, when he resigned to take on the role of Chairman of Virgin Group, and remains a senior adviser to Quayle Munro.



Gordon McCallum **Non-Executive Director**

Gordon is a Non-Executive Director appointed by Virgin Group.

Gordon has extensive board, financial and management experience from a range of sectors including media, telecommunications, financial services and aviation.

Gordon joined Virgin in 1998, and led the strategic development of the Virgin Group from 1998 to 2012. During this time, he was heavily involved in the establishment of the Group's banking and mobile phone businesses and in Virgin Money's acquisition of Northern Rock.

In addition to serving as a Non-Executive Director at Virgin Atlantic Limited, Gordon is also a Director of a number of non-Virgin companies, including John Swire & Sons Limited and Hunter Boot Limited, where he serves as Chairman. Gordon is a Senior Advisor to private equity firm, Searchlight Capital.

Prior to joining Virgin, Gordon spent several years working as a management consultant at McKinsey & Co. in the US, and as an investment banker for Baring Brothers in London and Asia.



Ian Woods **Non-Executive Director**

Ian is the General Counsel and Chief Operating Officer (COO) at Virgin Group.

Ian has been with Virgin since 2005 and has responsibility for various functions within Virgin Management including Legal, People, Company Secretariat, Facilities and IT as well as for advising Virgin companies on a broad spectrum of legal issues across different business sectors and jurisdictions. Ian sits on the Board of various group companies including Virgin Management, Virgin Atlantic, Virgin Limited Edition and Virgin Enterprises (the owner of the Virgin trademark).

Ian previously worked as a corporate lawyer for leading international law firm Slaughter and May. Ian holds an LLB from Sheffield University.



Ed Bastian **Non-Executive Director**

Ed became Chief Executive Officer of Delta Air Lines on 2 May 2016 after nearly 18 years with the airline.

In his previous role as President, Ed focused on leading Delta's commercial and international functions and strengthening Delta's financial foundation through innovation, debt reduction, revenue growth and bolstering the airline's global network.

Ed was a central part of the team that led the airline from bankruptcy to its current position as the industry's leader. Named Delta's CEO in May 2016, Ed is committed to putting Delta's shared values of honesty, integrity, respect, perseverance and servant leadership at the core of every decision.

Under Ed's leadership, Delta is focused on operating the nation's most reliable and customer-centric airline; expanding its global footprint; and striving to become the airline of choice for the next generation of travellers.

Prior to joining Delta, Ed held senior finance positions at Frito-Lay International and Pepsi-Cola International. Ed started his career with Price Waterhouse where he became an audit partner in its New York practice.



Glen Hauenstein **Non-Executive Director**

Glen Hauenstein is President of Delta Air Lines, a position he assumed on 2 May 2016. Glen was previously Executive Vice President and Chief Revenue Officer.

Glen oversees a team responsible for Delta's marketing, network, revenue management, reservation sales, customer care, customer engagement and loyalty strategies. Glen also oversees Delta's community engagement campaign, which inspires and enables thousands of employees to become more involved in the communities where they live and work.

Since joining Delta in 2005, Glen has masterminded the transformation of the airline's network from a primarily domestic operation to a nearly even mix of international and domestic service. He led a team in building a network that includes Delta flights to six continents and extended reach through a leading transatlantic Joint Venture with Air France-KLM and Alitalia, and a transatlantic Joint Venture with Virgin Atlantic Airways. During this time, Delta substantially improved its revenue performance compared to its competitors. Additionally, Glen has directed significant enhancements to Delta's product both on the ground and in the air. Under his leadership, Delta has also implemented significant enhancements to its technology and eCommerce capabilities, including the introduction of the popular Fly Delta app.

Before joining Delta, Glen served as Vice General Director for Alitalia, serving in the dual role of Chief Commercial Officer and Chief Operating Officer where he led a major restructuring of Alitalia's route network. Prior to joining Alitalia in 2003, Glen was Senior Vice President – Network for Continental Airlines.



Nathaniel Pieper

**Non-Executive Director
(resigned on 1 August 2017)**

Nathaniel (Nat) Pieper served as Senior Vice President - Europe, Middle East and Africa for Delta Air Lines. Nat resigned on 1 August 2017 having been promoted to Senior Vice President - Alliances for Delta Air Lines. In his role as Senior Vice President - Europe, Middle East, Africa and India he oversaw all commercial activities in the region. Delta achieved its highest-ever customer and employee satisfaction ratings in the region in 2015 and 2016 under Nat's leadership, translating into the two best years of EMEA profitability in the company's history.

Prior to moving to Europe, Nat served as Vice President - Fleet Strategy and Transactions, where he was responsible for all activities related to Delta's 1,300 aircraft, including strategy, analysis, acquisition, disposition, and fleet capital investments. Major fleet accomplishments in Nat's career include execution of eight distinct multi-billion dollar aircraft analysis and acquisition campaigns.



Cornelis Koster

**Non-Executive Director
(appointed on 1 August 2017)**

Cornelis (Corneel) Koster serves as Senior Vice President - Europe, Middle East, Africa and India for Delta Air Lines, and was appointed to the Board on 1 August 2017. Based in the UK, Corneel oversees Delta's sales in the region while also coordinating operational aspects and service delivery to Delta's customers, all in close partnership with Delta's partner airlines including Air France-KLM, Alitalia, Virgin Atlantic Airways and Jet Airways.

Corneel has a wealth of international leadership experience in the airline industry in senior operational as well as commercial roles held at Aeromexico, Virgin Atlantic, Air France-KLM, KLM and KLM Cargo. Before joining Delta, Corneel was Chief Operating Officer for Aeromexico, overseeing the operations, maintenance and performance of Mexico's leading airline group that runs over 650 services a day as well as the company's cargo and ground-handling subsidiaries. He previously served as Virgin Atlantic's Director of Operations, Safety and Security, leading all operational workforces in the air and on the ground, while also overseeing Corporate Safety and Security. Prior to that Corneel held several commercial leadership roles in the passenger, ground handling and cargo businesses of Air France-KLM, and before that KLM.

Corneel is a Dutch national and has worked extensively in Europe, Africa, the Middle East, Asia and the Americas.



Craig Kreeger

**Executive Director
(Chief Executive Officer)**

Craig was appointed Chief Executive Officer of Virgin Atlantic on 1 February 2013. Craig initiated and delivered the Company's successful Two Year Recovery Plan, returning it to profitability in 2014 while improving both customer service ratings and team engagement scores. Craig has led the implementation of Virgin Atlantic's transatlantic Joint Venture with Delta, rationalised the route network and dramatically shored up the balance sheet as the Company now focuses on delivering its Plan to Win.

Craig joined from American Airlines, where he had a 27-year career spanning commercial, financial and strategic roles in the US and around the globe.

Craig joined AA in 1985 as an analyst and was appointed Senior Vice President, Customer in 2012. He spent six years in London as Senior Vice President, International and was responsible for AA operations and sales throughout Europe, the Middle East, Africa and the Pacific. He has worked on AA joint ventures with British Airways and Iberia across the Atlantic, as well as its partnership with Japan Airlines in the Pacific.



Shai Weiss

**Executive Director
(Chief Commercial Officer)**

Shai joined the Virgin Atlantic Board in summer 2012 as a Non-Executive director from Virgin Management Ltd, where he had been an Investment Partner and was a Founding Partner of Virgin Green Fund. In July 2014 he became an Executive Director when he accepted a position as Executive Vice President and Chief Financial Officer in July 2014.

Shai became Chief Commercial Officer from 1 January 2017. Shai now oversees a team responsible for Virgin Atlantic's international marketing, network and alliances, revenue management, sales and loyalty. Shai is also responsible for developing the airline's long-term strategy as well as the Company's transformation programme aimed at becoming an even more agile and nimble carrier. Together with the leadership team, Shai is focused on achieving profitable growth by translating Virgin Atlantic's unique assets into a Virgin experience to delight our guests.

Shai has extensive financial and operational expertise. Prior to joining Virgin Group, he held several senior management positions at ntl:Telewest (now Virgin Media), the UK and Europe's largest cable operator. Shai was part of the turn-around of ntl with roles including Managing Director of Consumer Products, Director of Operations, and Director of Financial Planning for the Consumer division. Shai was also behind the merger of Virgin Mobile UK and ntl:Telewest and the re-brand to Virgin Media. Prior to ntl, Shai established the European office of early-stage technology venture fund JVP and was a senior associate with Morgan Stanley.



Dwight James

Alternate Non-Executive Director

Dwight James is appointed to the Board as alternate Director for Ed Bastian, Glen Hauenstein and Corneel Koster. Dwight serves as Senior Vice President - Transatlantic at Delta Air Lines, leading the Network and Pricing and Revenue Management functions of the Europe, Middle East, Africa and India regions. Dwight works closely with Joint Venture partners Air France-KLM and Alitalia, and Virgin Atlantic on all commercial activities to optimise revenue and profitability.

Prior roles at Delta include serving as Vice President of Pricing and Revenue Management, Chief Economist and Director of Corporate Strategy & Business Development.

Prior to Delta, Dwight was an entrepreneur, serving as Managing Partner with James-Lewis, a Management Consulting and Principal Investment firm. During that period, he was the interim Chief Operating Officer (COO) of one of their portfolio companies, a top 50 U.S. home remodeling firm. He also spent five years with The Home Depot in several roles, including Corporate Strategy, Finance-Mergers & Acquisitions and as a senior commercial leader within a Home Depot national subsidiary.

Earlier in his career, Dwight held various roles in Management Consulting and Private Equity.



Tom Mackay

Alternate Executive Director (Chief Financial Officer)

Tom Mackay was appointed Virgin Atlantic's Chief Financial Officer and Senior Vice President on 1 January 2017 and was appointed to the Board as alternate director for Craig Kreeger and Shai Weiss on 1 March 2017.

Tom is responsible for the financial operations of the business and is focused on achieving profitable growth combined with a healthy return on capital deployed. Legal, External Affairs, Sustainability and Fleet Planning also form part of Tom's activities.

Tom has a 20 year career in finance, bringing a wealth of financial experience from roles spanning a number of different industries. Prior to joining Virgin Atlantic in September 2015, Tom served as Head of Finance for the Food business at Marks and Spencer PLC, and had previously held the role of International Head of Finance, responsible for all areas of finance within the M&S international business.

Previously he held roles at Logica PLC the FTSE 100 IT and outsourcing group (now part of The CGI Group) as CFO for their International and Global Operations covering the Americas and Asia and prior to that Group Financial Controller, having begun his career at Ernst and Young, now EY.



Ian de Sousa

Group Company Secretary

Ian de Sousa is the Group Company Secretary and in this role, is responsible for ensuring that the Company and its subsidiary undertakings comply with standard financial and legal practice and maintain standards of corporate governance. In addition to Secretariat responsibilities, Ian has direct responsibility for the Group Data Protection and Insurance teams. Ian is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a BSc in Economics.

Leadership team



Craig Kreeger

Chief Executive

Appointed
February 2013

Previous experience
See Board of Directors section.



Shai Weiss

Executive Vice President and Chief Commercial Officer

Appointed
January 2017

Previous experience
See Board of Directors section.



Tom Mackay

Chief Financial Officer and Senior Vice President

Appointed
January 2017

Previous experience
See Board of Directors section.



Nikki Humphrey

Senior Vice President, People

Appointed
March 2017

Previous experience

Nikki has over 20 years' HR leadership experience across many sectors including rail, media, food manufacturing with the majority of her career, 15 years, in Financial Services. She joined Virgin Atlantic from Lloyds Banking Group in 2017. Her last role at Lloyds was Group Talent and Development Director having previously been HR Director for three years at Scottish Widows and prior to that, HR Director for Scottish Widows Investment Partnership, its asset management business and was part of the leadership team which divested the business to Aberdeen Asset Management.

Nikki holds a Bachelor of Science degree in Psychology & Politics from Aston University and is a corporate member of the Chartered Institute of Personnel & Development.



Phil Maher

Executive Vice President, Operations

Appointed
March 2013

Previous experience

Phil joined Virgin Atlantic from British Airways in 2004. He has held senior roles in Operations, Engineering and Safety and Security Management. He delivered significant improvements in operational performance and reliability, delivering substantial results in customer satisfaction. These have been driven through new aircraft, innovative cabin products, airport customer service improvements and new digital products onboard existing and new fleets. Phil is Virgin Atlantic's Accountable Manager for all regulatory approvals and certificates for Operations, Engineering, Safety and Security. He started his aviation career in the Army Air Corps in Dublin.

Phil holds a Masters Degree in Business from Henley and is a fellow of the Chartered Management Institute and the Royal Aeronautical Society.



Mark Anderson

Executive Vice President, Customer

Appointed
January 2017

Previous experience

Before his appointment, Mark was Senior Vice President and Managing Director of Virgin Holidays. In less than three years, he developed a high performing team that achieved record people engagement scores and operating profits with strong customer advocacy. He has over 25 years of senior management experience in retailing and travel including at C&A, the BAA and at Virgin Holidays since 2005.

Mark holds a Bachelor of Arts degree in English Language & Literature from the University of Southampton and studied at TIAS Business School in the Netherlands for a Masters in Retail Management.



Joe Thompson

Senior Vice President and Managing Director, Virgin Holidays

Appointed
January 2017

Previous experience

Joe joined Virgin Atlantic in 2003 and has built a wealth of experience in a number of leadership roles, most recently as Senior Vice President for Sales & Distribution. As part of this brief, Joe was responsible for the transatlantic Joint Venture relationship with Delta Air Lines as well as the global sales team.

Joe spent two years as General Manager – Airport Operations, where he led great progress in operational performance and customer service across the network. He became Director of Short Haul and Joint Venture Performance in spring 2013, before taking on the role of SVP Network and Alliances in 2014. Earlier in his Virgin Atlantic career, Joe led country teams in both Hong Kong and India with responsibility for all Virgin Atlantic's passenger activities in those territories.

Joe has a MA in Natural Sciences and a PhD in Materials Science from the University of Cambridge.



Don Langford

Senior Vice President, Technology

Appointed
September 2015

Previous experience

Don joined Virgin Atlantic from American Airlines (AA) and has over 30 years' experience in the airline industry. In his prior role at AA, Don was Vice President-Customer Care, responsible for 12 contact centres and 81 airports where he led over 8,000 employees across the globe. Don spent over a decade working for AA in the UK. He was Managing Director for Customer Service, Europe and India, and before that he was Managing Director of AA's operations at Heathrow.

Don graduated from the University of Minnesota.

Committees of the Board

Audit Committee

Role of the Committee

The role of the Audit Committee is to review the appropriateness of accounting policies, compliance with accounting standards, and assess the appropriateness of estimates and judgements made by management; monitor the adequacy and effectiveness of internal reporting and control systems; agree the scope of the external and internal audit plans and monitor the actions required as a result of the auditors' findings; agree the external auditors' remuneration; and consider the reappointment or replacement of the external auditors.

Key responsibilities

The Committee is responsible for the integrity of the financial statements, the effectiveness and adequacy of internal controls, and the effectiveness and independence of the internal and external auditors. It receives regular updates on the audit programme from the Group Head of Internal Audit. It meets with the Group Head of Internal Audit and the External Audit Partner without Management present at least once a year.

Members of the Committee

The Audit Committee is made up of two Virgin-appointed Non-Executive Directors and two Delta-appointed Non-Executive Directors. As at 31 December 2017 the Committee members were Gordon McCallum (Chairman), Peter Norris, Glen Hauenstein and Cornelis Koster. The Committee meets three times a year or more often if required.

Remuneration Committee

Role of the Committee

The Remuneration Committee is responsible for making recommendations to the Board on the terms of appointment or dismissal, as well as the remuneration and other employment benefits, of senior management employed by the Company. The Committee also oversees the introduction and amendment of any long or short term incentive plans.

Key responsibilities

In carrying out its responsibilities the Committee seeks to fulfil the following aims:

- To set and monitor fair and appropriate remuneration policy and the application thereof for the populations in its scope and to ensure that policies and reward decisions align with business strategy and support sustainable business performance
- To balance the needs of Executive and shareholder interest and ensure alignment of reward policies with Executive talent management strategy

Members of the Committee

The Remuneration Committee is made up of two Virgin-appointed Non-Executive Directors and two Delta-appointed Non-Executive Directors. As at 31 December 2017 the Committee members were Peter Norris (Chairman), Ian Woods, Edward Bastian and Glen Hauenstein.

Safety Governance

Role of the Committee

The Virgin Atlantic Safety & Security Review Board (VASSRB) is owned and led by Virgin Atlantic's Accountable Manager and Duty Holder and chaired by an independent third party advisor to the Board. It is supported by Virgin Atlantic's Nominated Post Holders and Safety and Security specialists. The VASSRB is strategic and deals with high-level issues in relation to policies, resource allocation and safety and security performance monitoring. Proactively reviewing data and encouraging continuous improvement, the VASSRB assures the safety and security of its people and customers. The VASSRB also monitors the effectiveness of the safety supervision and has oversight of sub-contracted operations.

The VASSRB promotes an open and honest reporting and discussion forum, enabling the airline to learn from both internal and industry incidents. Virgin Atlantic adopts and makes use of industry-recognised risk management principles, allowing the VASSRB to evaluate safety and security risks through a transparent risk management framework. The VASSRB also ensures the organisation develops, maintains, reviews and tests its emergency response, threat management and resilience plans.

The Board receives regular updates and reports from the Safety and Security Review Board and Independent Chair.

Key responsibilities

The VASSRB was established to monitor, improve and constantly enhance safety and security management across the airline.

Joint Venture Steering Committee

Role of the Committee

The Joint Venture Steering Committee (JVSC) meets quarterly and is formed of equal numbers of senior managers from each party to the Joint Venture with at least one representative of each party at Senior Vice President or Chief Officer authority. In addition, Virgin Group has the right to appoint an observer who can attend and address all JVSC meetings and report back to the Board. The Board receives regular updates and reports from the JVSC.

In the past 12 months, the JVSC has taken an increasingly strategic role, having been involved in a greater level of detail during the initial years. The introduction of a monthly Joint Venture Leadership meeting has aided this transition.

Key responsibilities

The transatlantic Joint Venture with Delta is managed through the JVSC. This approach enables the Joint Venture to offer customers a wider range of travel options at competitive prices and to compete more effectively with the air transportation services of other airlines and other global airline alliances. The relationship fosters commercial cooperation between the parties, facilitates actions that will result in cost efficiencies, and expands service benefits for the travelling and shipping public. The JVSC has no independent authority to act for either party, but has the delegated authority to resolve most issues.

Members of the Committee

The members appointed by Virgin Atlantic are Craig Kreeger, Shai Weiss, Mark Anderson and the members appointed by Delta are Glen Hauenstein, Steve Sear, Bill Carroll.

Directors' report

The Directors present their annual report and the audited financial statements for Virgin Atlantic Limited and subsidiary companies for the year ended 31 December 2017. The comparative amounts are stated for the year ended 31 December 2016.

Pages 1 to 52, inclusive, of this annual report comprise the Directors' report that has been drawn up and presented in accordance with English Company law and the liabilities of the Directors in connection with that report shall be subject to the limitations and restrictions provided by such law.

The Company was incorporated on 29 January 2014 as Virgin Atlantic (Holdings) Limited, and changed its name to Virgin Atlantic Limited on 30 May 2014. The Company acquired the Group as part of a group reorganisation in March 2014. The consolidated financial statements have been prepared using the principles of merger accounting and present the results for the Group headed by the immediate subsidiary Company, Virgin Atlantic Two Limited (formerly Virgin Atlantic Limited) prior to March 2014.

Directors and Directors' interests

The Directors who held office during the year were as follows:

Sir Richard Branson (President)

Peter Norris (Chairman)

Gordon McCallum

Ian Woods

Edward Bastian

Glen Hauenstein

Nathaniel Pieper (resigned on 1 August 2017)

Cornelis Koster (appointed on 1 August 2017)

Craig Kreeger

Shai Weiss

Dwight James (appointed on 1 January 2016 as alternate for Edward Bastian, Glen Hauenstein and Nathaniel Pieper and on 1 August 2017 as alternate for Cornelis Koster)

Tom Mackay (appointed on 1 March 2017 as alternate for Craig Kreeger and Shai Weiss)

Share based payments: long-term incentive plan

Virgin Atlantic has a Long-Term Incentive Scheme for Executive Directors and other invited participants to incentivise and recognise execution of our Plan to Win. The details of this share appreciation rights (cash settled) scheme can be found in note 8.

Results, business review and future developments

The results of the Group for the period are set out on page 55 and are commented on within the Strategic report. The Strategic report also contains a review of the business and the future developments.

Employees

In considering applications for employment from disabled people in the UK, Virgin Atlantic seeks to ensure that full and fair consideration is given to the abilities and aptitudes of the applicant against the requirements of the job for which he or she has applied. Employees who become temporarily or permanently disabled are given individual consideration, and where possible equal opportunities for training, career development and promotions are given to disabled persons.

Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of our business and are of interest and concern to them as employees. Virgin Atlantic also encourages employees, where relevant, to meet on a regular basis to discuss matters affecting them.

Dividends

The Company did not pay a preference dividend during the year (2016: paid £nil). The Directors did not declare or pay interim ordinary dividends in respect of the year ended 31 December 2017 (2016: paid £nil).

The Directors recommend that no final ordinary dividend be paid in respect of the year ended 31 December 2017 (2016: £nil).

Overseas branches

Virgin Atlantic flies to a number of countries and a number of overseas branches have been established in many of these countries to facilitate this. Virgin Atlantic has also established branches in countries to which it does not fly.

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2016: £90,000).

Going concern

The Directors have satisfied themselves that it is reasonable for them to conclude it is appropriate to adopt the going concern basis for preparing these financial statements. The business activities, performance, strategy, risks and financial position of the Group are set out elsewhere in these reports and financial statements. The Directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Disclosure of information to Auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board

Ian de Sousa

Company Secretary

Company Secretariat
The VHQ
Fleming Way
Crawley
West Sussex
RH10 9DF

14 March 2018

Registered number: 08867781

Directors' responsibility statement

Statement of Directors' responsibilities in respect of the Annual report, Strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Annual report, Strategic report, the Directors' report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU) and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the EU;

- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.