



GROUP TAX STRATEGY

FINANCIAL YEAR 2024

PREFACE

The easyJet Group tax strategy sets out our approach on tax governance, tax risk, attitude to tax planning and engaging with tax authorities, which are aligned to the overall strategy and operation of easyJet Group's business. It is publicly available on easyJet's website in order to allow external stakeholders to understand the Group's approach to taxation. The group tax strategy is compliant with the UK legislative requirements set out in Part 2 of Schedule 19 Finance Act 2016.

The easyJet Group tax strategy is set by the easyJet plc Board of Directors in consultation with the Director of Tax & Fuel. It has been reviewed and approved by the easyJet plc Board of Directors.

The tax strategy is periodically reviewed and published each financial year to ensure that the level of tax risk is aligned to the easyJet Group's overall risk appetite.

TAX STRATEGY

easyJet's Group tax strategy is to ensure tax is managed in a manner that is transparent, aligned to our business strategy, consistent with both the letter and spirit of the law, justifiable to tax authorities, does not adversely impact the Group's reputation, brand, corporate and social responsibilities, or future working relationships with HMRC or other tax authorities, to ensure that we pay the right amount of tax at the right time, as prescribed by legislation.

GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE

The Group is headquartered, managed and controlled in the UK but also has taxable establishments in several other countries and is accordingly subject to tax in those jurisdictions. The Group employs an in-house team of tax professionals who business partner commercial teams and interface with local country teams to identify and manage the group's tax risks in a controlled and proactive manner.

easyJet's approach to tax is that it will be managed in a way which is transparent, aligned with the business strategy and justifiable to the relevant tax authorities.

All tax matters are managed by a central group tax team who are fully integrated into the business operations of the company. Corporate, Indirect and Employment taxes report into the Director of Tax and Fuel. We endeavour to fully involve our tax team in all significant business developments so that we can fully assess any potential tax consequences of our actions in advance and seek external tax advice, as appropriate, to support and document tax positions adopted.

We have established and maintain appropriate policies and compliance processes to ensure the integrity of our tax returns, and timely and accurate tax payments in all countries in which we operate.

At easyJet the Senior Accounting Officer ('SAO') is the Chief Financial Officer. Our robust internal review arrangements support the SAO in certifying to HMRC that we have appropriate tax accounting,

controls and procedures in place. We periodically conduct audits of specific areas, conducted internally or by engaging a third-party adviser. Through the Audit Committee, routinely attended by the Director of Tax and Fuel, the Board has a line of sight on tax compliance risk, tax planning and key tax judgements and disclosures in financial statements.

ATTITUDE TO TAX PLANNING

We manage our tax affairs responsibly and transparently. Tax planning is limited to structuring the Group's affairs in a manner that is wholly consistent with both the spirit and letter of the law. The resultant outcome being one that reflects the commercial and economic reality of the Group's activities.

easyJet may consider different tax outcomes when considering how to structure commercially motivated transactions, but does not undertake aggressive tax planning for the purpose of tax avoidance. We understand the importance of corporations not wilfully engaging in tax schemes that conflict with the intended policy objective of the relevant legislative authority.

Where alternative routes exist to achieve the same commercial result, the most tax efficient approach in compliance with all relevant laws should be considered. However, we will always strive to pursue our primary objectives of paying the right amount of tax at the right time, as prescribed by legislation, and maintaining our strong reputation with stakeholders including HMRC and other tax authorities. Accordingly, due consideration is given to easyJet's reputation, legislative and regulatory requirements, brand, and corporate and social responsibility when considering business developments, and associated tax consequences. Overall, the decision-making process will be influenced by easyJet's commitment to its shareholders and whether any potential tax and reputational risk is within the business's risk appetite.

We aim to form strong tax technical positions as well as fully understanding the business, commercial and regulatory context of transactions. Where tax law is unclear or subject to interpretation, professional advice or advance clearance from tax authorities may be sought to ensure that easyJet's position is robust.

We utilise government-sponsored tax incentives, reliefs and exemptions in line with tax legislation. In the UK this includes, *inter alia*, Research and Development Expenditure Credits, tax loss relief provisions and Customs Duty exemptions.

In international matters, we adhere to the provisions of applicable Double Tax Treaties and OECD guidelines in dealing with such issues as transfer pricing and the establishment of a tax presence.

Further, we have established appropriate policies and compliance processes to ensure integrity of tax filings and timely and accurate tax payments in all countries in which we operate. We expect employees to comply with all applicable policies and compliance processes and to ensure they do not involve any easyJet group entity in tax evasion. In line with Part 3 of the Criminal Finances Act 2017, we have in place reasonable procedures in order to prevent the facilitation of tax evasion by any non-easyJet party such as a customer, supplier, agent, contractor or other business partner.

LEVEL OF TAX RISK ACCEPTED

The group's approach to tax risk is integrated within our broader corporate risk and governance framework.

easyJet's processes, policies and governance operate to ensure compliance with tax laws and regulations in the territories in which we operate and are designed to identify and mitigate material tax risks. In the event that applicable tax legislation is subject to interpretation, we seek appropriate tax technical and case law assurance regarding the position taken.

easyJet's risk appetite includes tax risk as well as broader commercial, financial and reputational risks and is a critical attribute of the business decision making process. The level of tax risk that is accepted by the business will be continually evaluated and revisited. We monitor our tax controls frequently to ensure that they operate effectively, and that the tax team are consulted on relevant developments by the wider business on a timely basis. The monitoring of key tax controls is embedded within the overall easyJet risk management framework.

The easyJet plc Board determines the level of acceptable tax risk, in consultation with the Director of Tax and Fuel. easyJet's approach to the level of acceptable tax risk is to be cautious and prudent. If a business transaction or corporate action presents a material tax uncertainty (for example, where a tax position after both internal and external analysis is not considered robust), easyJet will raise the uncertainty with HMRC (and/or other appropriate fiscal authority(ies)).

INTERACTION WITH TAX AUTHORITIES

We actively seek open and transparent dialogue with HMRC and other tax authorities, in pursuit of a professional relationship of constructive compliance.

We try to develop and foster good working relationships with tax authorities whilst operating in a professional, courteous and timely manner.

Where tax enquiries or audits are opened, we adopt a proactive approach to the provision of information to the relevant tax authorities in order to expedite resolution of any queries. To supply such information, we endeavour to comply with all local document retention requirements.

We comply with reporting requirements proactively and fully as and when they are introduced. We take an active role in contributing to the UK and international tax policy-making process, where relevant, including taking part in formal and informal consultations.

Where a material tax uncertainty is identified on any past, current or proposed transaction, easyJet will engage with relevant tax authorities with the aim of obtaining certainty on the tax position or any material factors leading to such uncertainty, or voluntarily disclose any historic error or judgement that is not considered to be technically robust.