easyJet plc

MAKING LOW COST TRAVEL EASY

ANNUAL REPORT AND ACCOUNTS 2024

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For more information, visit our corporate website:
corporate.easyJet.com

GO PAPERLESS

You can help us reduce our impact on the environment by signing up to receive your Annual Report and other shareholder communications digitally rather than in print.

Read more on page 208

CEO review

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AT A GLANCE

OUR PURPOSE

MAKING LOW-COST TRAVEL EASY

WHAT WE DO

We are a low-cost, European, point-to-point airline. We use our cost advantage, operational efficiency and leading positions in primary airports to deliver low fares for our customers – making great value travel accessible for everyone. We aim to provide simple, convenient travel and holidays at a competitive price with outstanding customer service.

KEY FACTS

Countries[1]

35

Core market positions[2]

1 OR 2

Routes[1]

1,099

Airports[3]

160

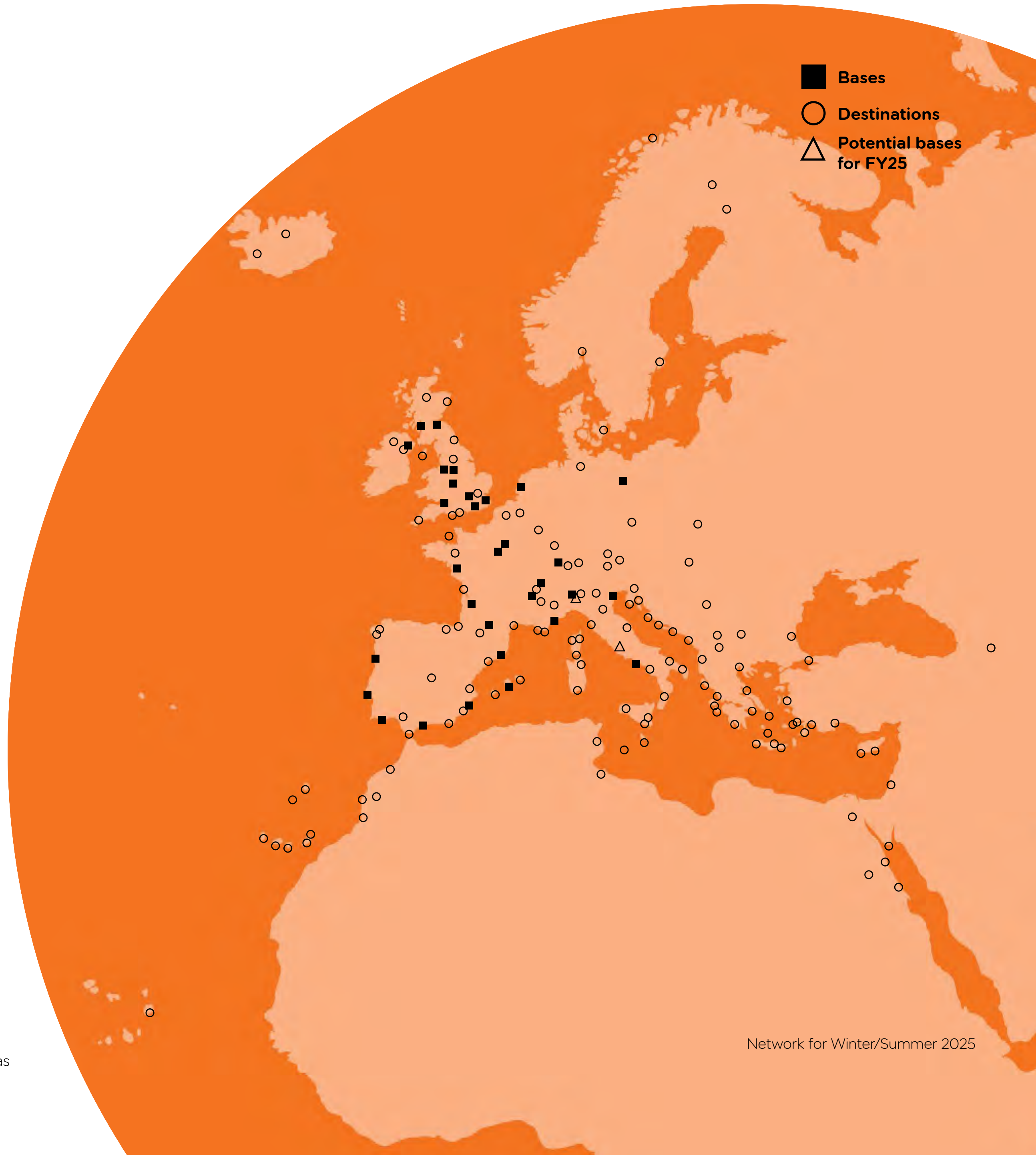
Number of aircraft

347

Aircraft in the fleet at 30 September 2024

	Total	Owned	Leased
A319	**82**	**18**	**64**
A320	**180**	**103**	**77**
A320neo	**69**	**62**	**7**
A321neo	**16**	**5**	**11**
TOTAL	**347**	**188**	**159**

1) As served over the financial year ending 30 September 2024.
2) Number one low-cost carrier in the core markets of the UK, France and Switzerland, where a carrier has >10% of market share.
3) Number of airports served at 30 September 2024.



Network for Winter/Summer 2025

CHAIR'S STATEMENT

2024: A YEAR OF PROGRESS AND DELIVERY

Sir Stephen Hester Chair

"easyJet performed very well in financial year 2024, whilst also making good progress towards our medium-term financial targets. Pleasingly, in so doing we directionally outperformed most European competitors.

In 2024, we extended the Company's post-pandemic record of consistent, effective execution and have a strong strategic framework with lots of potential to keep that going. Customers continued to choose easyJet due to its low fares, network of popular destinations and friendly service. We outperformed most competitors financially and made persuasive progress towards demanding medium-term targets, while delivering already attractive returns on capital.

easyJet's targeted growth and focus on productivity during the first half of the year resulted in a reduction in winter losses, a key lever of the medium-term targets. Good demand for travel continued into the summer where we delivered another record performance which, combined with the winter improvement, resulted in 34% growth in headline profit before tax for the year.

The wider external environment remained challenging to the industry, with ongoing conflicts in the Middle East and Ukraine, inflationary cost pressures, air traffic control underperformance across Europe, and continued OEM (original equipment manufacturer) production and supply chain challenges. easyJet has been able to successfully navigate these challenges from a financial and operational perspective, thanks to the resilience actions we took and embedded into our operations to safeguard the customer experience. These measures have delivered improved levels of operational performance and increased levels of customer satisfaction, although still not at the levels to which we aspire.

I remain convinced that easyJet is well positioned to prosper over the medium and long term. We aim to provide a high level of service to our customers, coupling our trusted brand with the flourishing easyJet holidays proposition. We are closely focused on creating shareholder value which should be achieved by determined progress towards our target of over £1 billion of profit before tax.

Turning to the specifics of 2024 for easyJet:

STRATEGY

Our strategy remains unchanged and is working well. We aspire to become Europe's most loved airline, winning for our customers, our shareholders and our people. As a champion of low-cost customer-friendly travel in Europe with an unrivalled network and positioning, we see this as a demanding but appropriate and achievable goal. It's pillars – building Europe's best network, transforming revenue, delivering ease and reliability and driving our low-cost model – are at the heart of what we are doing.

PERFORMANCE

In 2024, we made good progress towards the medium-term targets; return on capital employed (ROCE) for the full year was 16%, Group headline profit before tax (PBT) per seat was £6.08, a £1.17 increase towards the target of £7–10, and easyJet holidays' PBT was £190 million, a significant step towards its medium-term target of over £250 million PBT.

We aim to achieve capacity growth of around 5% compound annual growth rate (CAGR) from 2023 to 2028, and the capacity growth seen in the current year was above this at 8%. We clearly understand that in a capital-intensive industry, with some inherent volatility, being able to achieve attractive returns on capital lies at the heart of shareholder delivery, so we will remain carefully focused on how to deploy the additional capacity.

Financial strength is an important attribute in this industry and a focus for easyJet, given its nature and asset intensity. As at 30 September 2024, easyJet had a net cash position of £181 million, a £140 million improvement on the prior year. This strength, reflected in the investment grade credit ratings we hold, positions easyJet to be able to fund the capex programme ahead, as aircraft deliveries increase, but also provides a resilient base to deal with the challenges and opportunities that the current macroeconomic environment may present.

CHAIR'S STATEMENT (CONTINUED)

34%

INCREASE IN THE GROUP'S HEADLINE PROFIT BEFORE TAX COMPARED TO THE PRIOR FINANCIAL YEAR

DIVIDEND

Given the performance in the financial year alongside easyJet's strong liquidity position, the Board intends to pay an increased dividend of 12.1 pence per share, up 169% and equivalent to 20% of FY24's headline profit after tax. The Board is committed to maintaining regular returns to shareholders through this ordinary dividend.

Additional returns of any excess capital will continue to be assessed, taking into account market conditions, capex requirements and progress towards the Group's medium-term targets.

YOUR BOARD

I am pleased to report that your Board is functioning well and strongly focused on supporting management through strategy development and operational delivery. We announced in May that Johan Lundgren would step down as Chief Executive Officer (CEO) and leave easyJet early in 2025 and be succeeded by the current Chief Financial Officer (CFO), Kenton Jarvis.

Johan joined easyJet in 2017 and has steered the Company through exceptional challenges, including the pandemic period, during his time as CEO. We will be sad to see him go. He has many things to his credit and not least the development of easyJet holidays, which has been a powerful driver of shareholder value. From a personal perspective, Johan has been a pleasure to work with and truly a driving force in setting up easyJet to have the bright prospects we see ahead. The whole Board extends its sincere thanks and gratitude to Johan and wishes him well in the future.

I am also delighted to congratulate Kenton on his appointment, a reflection of his strong contribution and development since joining easyJet in 2021 as CFO. We look forward to supporting Kenton in his new role and to his leading the Company to execute on its strategy and deliver against the medium-term targets.

OUR PEOPLE

I continue to be hugely grateful to our employees, management and my Board colleagues for their continued dedication and commitment to delivering easyJet's purpose to all stakeholders. Johan Lundgren has led a talented team during this year and it is our people who have put easyJet on track towards our destination of being Europe's most loved airline.

STAKEHOLDERS

There has been a constant dialogue with our stakeholder groups throughout the year and, on behalf of the Board, I would like to take this opportunity to thank them for their engagement. At the front of our minds remain our shareholders and customers. We take very seriously the task of serving customers well to maintain and grow their numbers and their loyalty.

It is pleasing to see the high proportion of returning customers and the increase in customer satisfaction levels to above historical levels. Air travel is still too often the source of frustration as the challenges of complex supply and logistic chains, public policy, infrastructure shortcomings and macro issues like weather volatility create disruption and inconsistent experiences. Airlines alone cannot solve these problems, but we can help play our part to address them and can improve our own resilience and customer ease within that context. At easyJet we are constantly working towards and determined to do just that.

PUBLIC POLICY

The air travel industry plays a fundamental role in the modern economy. We are an essential building block of connectivity and thereby economic progress and we are also at the heart of fulfilment of family and leisure aspirations. It is therefore disappointing that all too often governments, regulators and public policy setters inhibit the good that air travel can do rather than enable it. Desperately needed airspace modernisation has been stalled for too long and infrastructure creaks without progress. Border arrangements all too often cause unnecessary inconvenience for customers and taxation is uneven in its application, with these ever-increasing costs inevitably passed onto the travelling public. These problems will become more and more pressing and so easyJet will do everything possible to encourage crucial progress. In that context we welcome the UK Government's new review of airspace usage, and hope radical but swift action, rather than talk, is the result, benefiting the economy and the environment mightily.

SUSTAINABILITY

The airline industry as a whole also has a particular responsibility to respond effectively to the climate-based challenges facing the world. It is therefore important that easyJet continues to play a positive role as a leader in mapping out the transition towards our ultimate ambition of zero carbon emission flying. This is set out through our net zero roadmap which was launched in September 2022. It is very pleasing that through our actions to drive operational efficiencies we are on track to meet our SBTi-validated 'interim' carbon target of 35% intensity reduction by 2035.

THE FUTURE

The Board and I will continue to work collectively with the management team and everyone at easyJet to execute against our strategy going forward and create shareholder value by progressing towards the delivery of our medium-term targets.

Sir Stephen Hester
Chair

> **We take very seriously the task of serving customers well to maintain and grow their numbers and loyalty. It is pleasing to see the high proportion of returning customers.**

HIGHLIGHTS

CONSISTENT STRATEGIC EXECUTION

"

The Board intends to pay an increased dividend of 20% of FY24's headline profit after tax.

Sir Stephen Hester
Chair

Read more on pages 27 to 35

FINANCIAL HIGHLIGHTS

Profit before tax

£602M

2024 602
2023 432

Headline profit before tax

£610M

2024 610
2023 455

Revenue

£9.3BN

2024 9.3
2023 8.2

Net cash

£181M

2024 181
2023 41

Headline EBIT

£597M

2024 597
2023 476

Headline EBITDA margin

14.7%

2024 14.7
2023 13.8

ALTERNATIVE PERFORMANCE MEASURES

We use various alternative performance measures (APMs) which we believe provide useful additional information for understanding the financial performance and financial health of the Group. See the glossary on pages 205 and 206 which provides a comprehensive list of the APMs that we use, an explanation of how they are calculated, why we use them and a reconciliation to the closest equivalent IFRS measure where relevant.

NON-FINANCIAL HIGHLIGHTS

Load factor

89.3%

2024 89.3
2023 89.3

Seats flown

100.4M

2024 100.4
2023 92.6

OTP (On-time performance)

69%

2024 69
2023 66

CO_2 emissions per passenger kilometre

66.6g

2024 66.6
2023 67.2

Q&A WITH JOHAN LUNDGREN AND KENTON JARVIS

HANDING OVER THE CONTROLS

Earlier this year we announced that CEO Johan Lundgren will step down and leave easyJet in early 2025. Kenton Jarvis, currently CFO, will succeed Johan. We talked to Johan about his thoughts at the end of his tenure, and to Kenton about his plans for the future of easyJet.

What are your reflections on the last seven years as easyJet's CEO?
Johan: Well first of all I would like to say what an absolute privilege it has been to have led easyJet all this time. I have always said this is the best job in the world and even on a tough day (and let's face it with a global pandemic, there have been some during my tenure) it is still a privilege to be in this position.

What have the biggest changes been during your time at easyJet and what do you think your legacy at easyJet will be?
Johan: In terms of changes, the Company has been transformed in so many ways, for example, due to the shape of the network and our improved revenue capability, we were able to come out of the pandemic years stronger. The establishment and fast growth of the holidays business is one of the biggest changes which continues to go from strength to strength.

The legacy I want to leave behind is of course a strong easyJet. I believe we have strong foundations for continued success into the future and I look forward to following the Company in the years to come to see it reach the goals we have set.

This Company has a unique culture and proudly continues to do what it was originally set up to – which is to make travel accessible to all.

> **The legacy I want to leave behind is a strong easyJet.**
>
> **Johan Lundgren**

What are you most proud of in your time at easyJet?
Johan: I am proud that so much has been achieved over this time and of all of the people at easyJet who have made this possible. It is difficult to choose one thing, so to mention a few, of course everything the team did to navigate the airline through the pandemic to emerge in a stronger position, to sustainably step change the earnings power of our business.

Then, with the leadership of Garry and the team, the growing success of easyJet holidays, a deliberately different holidays company.

Finally, something close to my heart, it has been a huge collective effort which has helped us make progress on sustainability, carving out a leading position guided by our ambitious net zero roadmap.

Q&A WITH JOHAN LUNDGREN AND KENTON JARVIS (CONTINUED)

What are your plans now? Will you be taking an easyJet holiday come January?
Johan: Absolutely! I will continue to be a regular easyJet customer – as I was before I joined easyJet.

If there was one piece of advice you can give Kenton as he takes over, what would it be?
Johan: Well having worked with Kenton for many years, I know he has what it takes to lead the Company and so am very confident he will know how to navigate the challenges. My one piece of advice would be to remember that the industry will always be buffeted by external forces. Focus on those things you can control and always ensure you are thinking about the customer first and foremost.

How are you feeling about taking over in January? Are you looking forward to it?
Kenton: I am delighted to have been appointed and am looking forward to getting started! I have huge belief in easyJet as a company and will be very proud to take on this role. It will be a real privilege to lead such a fantastic company alongside my colleagues on the management board.

Since being appointed earlier this year, what have you been doing in preparation for taking over?
Kenton: Alongside appointing a new CFO to take over my current role, my priority has been to get out into the business and across the network to speak to our people. What is clear to me is that our people are a key differentiator and our amazing crew are one very important reason our customers continue to choose us.

How do you see easyJet's strategy developing and what will your key priorities be?
Kenton: I have led the strategy function at easyJet since joining the Board in February 2021 where, alongside Johan and the wider management team, we co-created the current strategy. I fully believe this is the right strategy and will be focused on continuing to execute against this plan. In terms of my priorities, I remain committed to achieving our medium-term targets. I am pleased with the good progress already made over the past financial year but remain of the view that there is much more to be achieved at easyJet. Another key priority of mine is to make low-cost travel easy for our customers and people with a focus on delivering consistent operational performance. And so I want to do everything I can to ensure we serve the 100 million customers each and every day, providing them with the low fares and friendly service they have come to expect from easyJet.

Are there things you feel you will do differently as CEO?
Kenton: While Johan and I are different people, we hold many similar values with a commitment to high performance and leading by example. Of course there will be differences, but we have also worked closely together for a number of years and have designed the current strategy together so there will also be continuity which is important.

And I am fortunate that we have great experience in the Airline Management Board.

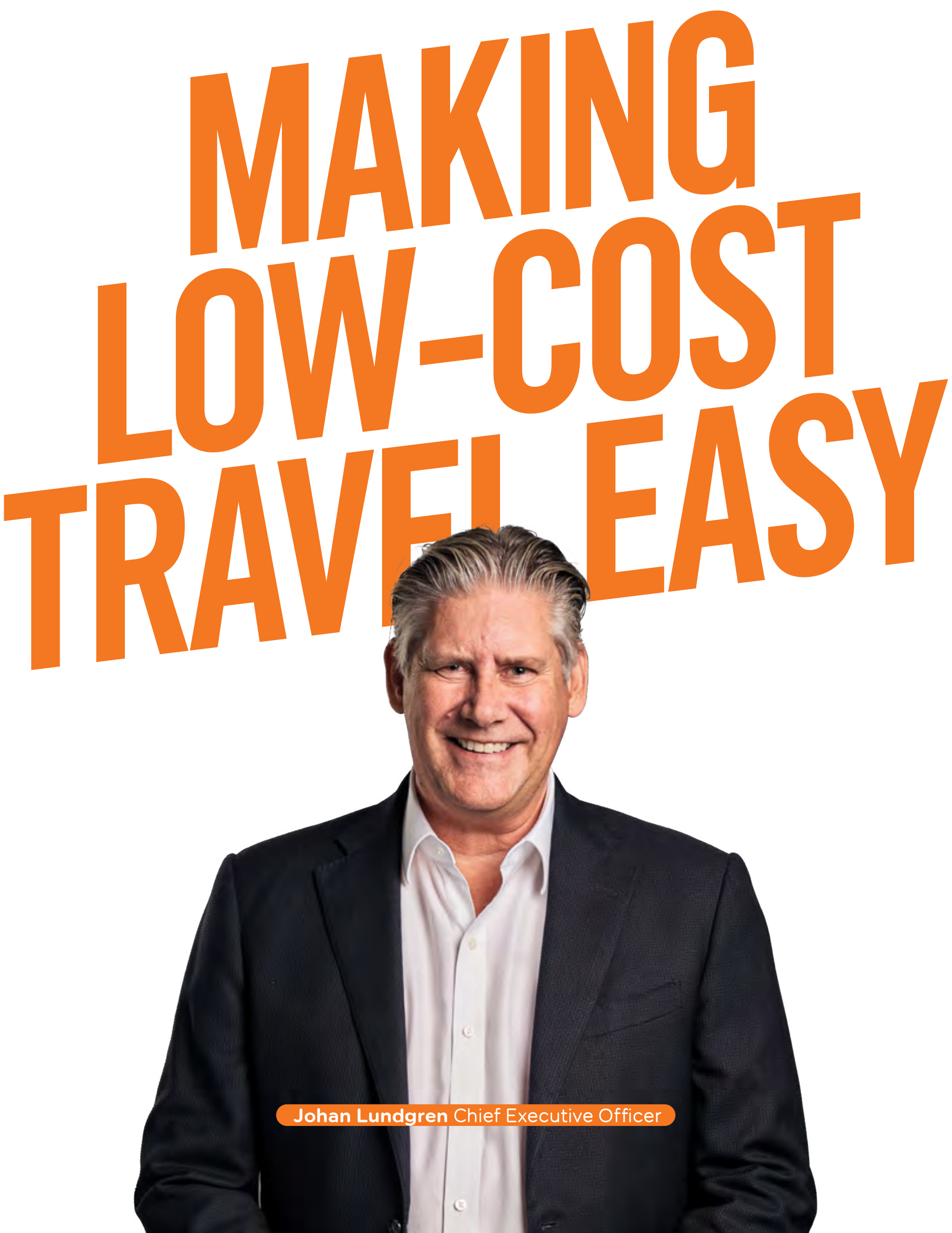
There has been a huge focus in the last few years on sustainability, will this continue?

Kenton: Absolutely! It is crucial that we maintain our focus both on reducing our impact each and every day in our operations, while also ensuring we lead and challenge the industry on future solutions like zero emissions technology and carbon capture. I'm really pleased with the progress we have seen to date, tracking slightly ahead of our net zero roadmap, and so I will continue to ensure there is good progress and momentum.

With easyJet's 30th birthday coming late next year, how do you see the brand in 2025?
Kenton: The fantastic thing about easyJet is that it has stayed true to why it was founded in the first place – to democratise travel and open up Europe with low fares. That's as true today as it was in 1995 and something that I know all of our people feel very proud to be able to do every day.

> **"Our people are a key differentiator.**
>
> **Kenton Jarvis**

CEO REVIEW



We have a clear strategy and purpose to make low-cost travel easy, winning for our customers, our shareholders and our people.

easyJet achieved a record profit performance during summer 2024 and positive full-year 2024 growth of 34% in headline profit before tax, thanks to the successful execution of our strategic plans. This result was supported by good consumer demand for easyJet's trusted brand and network, alongside our targeted growth at primary airports, transformation of our revenue capability, in part driven by the significant growth in easyJet holidays, and a constant focus on delivering our low-cost model. This resulted in a pre-tax headline profit of £610 million for the 2024 financial year, an improvement of £155 million on the previous year.

Our two newest bases, Alicante and Birmingham, provide further choice for our valued customers with both bases performing above our initial expectations this summer. During the year we announced our 10th UK base opening at London Southend which will be operational from next March, continuing the growth of our leisure network in the UK where easyJet holidays plays an increasingly important role.

The great service provided by our crew and the resilience we built into our operations have enabled us to deliver an improved operational performance, despite the continued worsening of the European air traffic control environment. This helped to drive an increase in customer satisfaction. We have a clear strategy and purpose to make low-cost travel easy, winning for our customers, our shareholders and our people.

It has been a pleasure to lead the amazing easyJet team as CEO for the past seven years. I am proud to have achieved another record summer performance and to be leaving this fantastic Company in a positive and strong position to continue to prosper into the future. I hand over to Kenton, the new CEO, a company that has a clear strategy and is on its way to achieving its medium-term targets. I wish the Company and all our people the best going forward.

FINANCIAL PERFORMANCE

Total revenue increased by 14%, reaching £9,309 million compared to £8,171 million in 2023, primarily due to an increase of 8% in capacity to 100.4 million seats from 92.6 million in 2023, coupled with positive ticket pricing and an increase in ancillary revenue including easyJet holidays.

Passenger revenue increased by 9% to £5,715 million, up from £5,221 million in 2023, as we operated with higher capacity compared to the prior financial year. The passenger revenue per seat (RPS) also slightly increased by 1% since the prior year to £56.90 compared to £56.37 in 2023. The growth is as a result of easyJet's optimised network at primary airports driving increased yields especially during the first half of FY24.

Group ancillary revenue increased by 22% to £3,594 million, as capacity increased and as easyJet holidays continues its rapid growth, with customers up 36% year on year. Airline ancillary RPS also increased by 4% to £24.45 as easyJet's embedded ancillary products continue to see enhanced revenue generation.

Group headline costs, excluding fuel, rose by 14% to £6,476 million, up from £5,683 million in 2023. This increase is attributed to the 8% increase in capacity and the continued expansion of easyJet holidays.

Headline Airline cost per seat (CPS), excluding fuel, saw a marginal increase of 1% to £55.03 from £54.30 in 2023. Disruption costs were improved during the year, offset by inflationary pressures. Fuel CPS increased by 1% with rising fuel prices seen in the first half year partially offset by lower fuel prices in the second half.

Headline profit before tax of £610 million was a 34% improvement year on year. This equates to a Group headline profit before tax of £6.08 per seat, which is a strong first step towards our medium-term target of £7 to £10 Group PBT per seat.

CEO REVIEW (CONTINUED)

OUTLOOK

The outlook for 2025 is positive, we continue to see good customer demand into this winter and remain focused on delivering further progress towards our medium-term targets. We are aiming to further reduce our winter losses, with an increased sector length as we grow capacity into winter sun destinations and improve productivity and utilisation further.

Despite the ongoing supply chain issues, we continue to expect that easyJet will take delivery of nine new A320neo family aircraft in the 2025 financial year, as planned. This, alongside continued fleet efficiency improvement, will provide the capacity for an expected capacity growth of c.3%.

We anticipate that easyJet holidays will continue to grow and progress towards its medium-term target of over £250 million profit before tax.

Overall, we remain on track to create shareholder value through earnings growth as we continue to progress towards our ambition to deliver over £1 billion Group profit before tax.

MEDIUM-TERM TARGETS

easyJet has ambitious and credible medium-term targets, that in addition to the delivery of our strategy, will be integral to achieving easyJet's ambition to deliver more than £1 billion profit before tax.

Disciplined capacity growth of c.5% CAGR between 2023 and 2028

Group profit before tax per seat of £7 to £10

Growing easyJet holidays to deliver over £250 million of profit before tax

High teen ROCE

Read more on page 13

100.4M

INCREASED CAPACITY TO 100.4 MILLION SEATS FROM 92.6 MILLION IN 2023

SUSTAINABILITY

Our net zero roadmap is key to helping us address our environmental impact and we are on track to meet our SBTi-validated 'interim' carbon target of 35% intensity reduction by 2035. We are the best ESG rated European airline from Sustainalytics (score of 21.4) and MSCI (AA rating). We hold a best in class rating from CDP (A-) and we also retained our position in FTSE4Good for a second year running – another sign we are moving in the right direction. We were also pleased this year to receive our recertification of the IATA environment management standard which has been extended until 2026.

We remain focused on the three-pronged approach to our net zero roadmap; reduce, replace and remove. We have reduced our emissions intensity by 0.9% year on year, nearly a quarter of our fleet is comprised of the highly efficient NEO aircraft and we have completed the Descent Profile Optimisation (DPO) retrofit which will save 88,600 tonnes of CO_2 each year. Looking forward to reducing emissions further, we have operated IRIS satellite-based datalink technology, a tool to progress modernising air traffic management, and announced our new partnership with JetZero, supporting the development of its ultra-efficient blended-wing solution.

Our leadership position within the Hydrogen in Aviation alliance allows us to progress with hydrogen research to develop jet fuel replacement technologies. Finally, in terms of removal and Direct Air Carbon Capture and Storage (DACCS), we were the first airline to sign up to Airbus's carbon removal initiative with 1PointFive.

OUR PEOPLE

easyJet continues to have a market-leading reputation as an employer of choice. This is evidenced by both easyJet and easyJet holidays being named 'best place to work' by Glassdoor and The Sunday Times respectively.

Our people are a key source of differentiation, and engaging our colleagues in our strategy and purpose of making low-cost travel easy helps to deliver excellent customer experience and loyalty. This year we have put in place a new recognition platform where we celebrate each other's achievements, which is supported by our annual Spirit Awards and our transparent approach to communication to build trust and connectivity across the network. We also continue to evolve our wellbeing offer with new healthcare benefits and are proud to be the first airline to be officially recognised as menopause friendly. Our commitment to sharing our success with our colleagues has meant we have invested £8 million into our performance shares which were awarded to all our people.

As we journey towards our destination to be Europe's most loved airline, we are focused on creating Europe's most loved place to work, where diversity can thrive, learning is encouraged and you can do your best work while growing your career.

Johan Lundgren
Chief Executive Officer

OUR PURPOSE FRAMEWORK

MAKING LOW-COST TRAVEL EASY

We are passionate about connecting people by making travel easy, enjoyable and affordable for customers, whether for leisure or business. Our purpose defines who we are and guides our actions and decision making.

A PURPOSE-LED BUSINESS

LOW-COST
We are a low-cost, European, point-to-point airline.

TRAVEL
We believe in the power of travel to bring people and places together.

EASY
Low-cost travel should be a positive and hassle-free experience.

DELIVERING OUR STRATEGIC PRIORITIES

Building Europe's best network
Read more on pages 14 and 15

Transforming revenue
Read more on pages 16 and 17

Delivering ease and reliability
Read more on pages 18 and 19

Driving our low-cost model
Read more on pages 20 and 21

TO ARRIVE AT OUR DESTINATION OF BEING EUROPE'S MOST LOVED AIRLINE, WINNING FOR

OUR CUSTOMERS
Read more on page 11

OUR SHAREHOLDERS
Read more on page 13

OUR PEOPLE
Read more on page 12

MADE POSSIBLE BY OUR PEOPLE LIVING OUR VALUES

Always with safety at our heart

Always challenging cost

Making a positive difference

Always warm and welcoming

Living the Orange Spirit

Read more on pages 56 to 60

CUSTOMER PROPOSITION

WINNING FOR OUR CUSTOMERS

To be Europe's most loved airline, we win for customers by offering an unbeatable network and delivering value through a best-in-class customer experience at competitive prices.

Read more on pages 18 and 19

Continual improvement in customer experience has driven our overall customer satisfaction score up by 3ppt to 76%[1] for the year. Our focus on great service, alongside advances in technology, continues to improve travel experiences. Our people are key. Our new Airport Customer Experience Specialists, alongside enhanced training for frontline staff, contribute to improving the customer experience. Connected technology is enabling easier customer journeys, with more targeted communications and the industry-leading easyJet app, allowing us to help our customers during times of disruption.

Customers have responded positively, with 75% of seats in FY24 booked by returning passengers. In our core markets – the UK, France and Switzerland – we lead for perceptions on providing value for money and for making travel easy[2].

1) The percentage of customers completely, very or quite satisfied with their experience in the easyJet internal On The Day survey by KPMG.
2) Value and ease perceptions are from our brand tracker with Delineate, compared to other low-cost carriers.

SEATS BOOKED BY RETURNING PASSENGERS

CUSTOMERS

easyJet	easyJet holidays
89.7M	2.6M

CUSTOMER SATISFACTION

easyJet	easyJet holidays
76%	84%

ON-TIME PERFORMANCE

69%

PEOPLE PROPOSITION

WINNING FOR OUR PEOPLE

Our purpose is clear and our destination is well understood, to be Europe's most loved airline. Winning for our people means we win for our customers.

Read more on pages 56 to 60

Over the last couple of years, we have moved from recovery to growth. This has brought an optimistic feeling around our business and we know that our people experience is stabilising after a challenging period. Having achieved our profit targets in FY23, we reintroduced performance shares this year for the first time since the pandemic, enabling all our people to be shareholders in easyJet. The growth of easyJet holidays has brought new energy and momentum to our culture. We are also agreeing longer-term pay deals that will provide trust and certainty in our future. And we are finding that more people want to join us and fewer people want to leave.

> **"Great place to work, friendly colleagues. You get out what you put in, easyJet are very fair, caring and giving.**

GLASSDOOR RATING

4.2

ENGAGEMENT SCORE:

7.3/10

81% in customer-facing roles

BEST PLACES TO WORK 2024 GLASSDOOR
easyJet

THE SUNDAY TIMES Best Places to Work 2024
BIG ORGANISATION
easyJet holidays

SHAREHOLDER PROPOSITION

WINNING FOR OUR SHAREHOLDERS

Our strategic priorities – building Europe's best network, transforming revenue, delivering ease and reliability and driving our low-cost model – will deliver shareholder value over the long term.

Read more on pages 27 to 35

Focusing on these strategic priorities will drive us towards achieving the ambitious medium-term targets which we set ourselves last year, ultimately leading to the goal of making a profit before tax (PBT) greater than £1 billion. We measure the overall success of our strategy by our progress towards achieving these medium-term targets.

	Target	FY24	FY23	Change
Group PBT per seat	£7–£10	**£6.08**	£4.91	+£1.17
Holidays PBT	>£250m	**£190m**	£122m	+£68m
ROCE	>17%	**16.1%**	12.6%	+3.5ppt
Capacity growth	5%	**8.4%**	n/a	n/a

GROUP PBT PER SEAT

£6.08

MEDIUM-TERM TARGETS

Group PBT per seat

£7–10

Holidays PBT contribution

>£250M

ROCE[1]

HIGH-TEEN%

Capacity growth CAGR[2]

c.5%

1) ROCE is calculated by taking headline profit/(loss) before interest, foreign exchange gain/(loss) and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by the average capital employed. Capital employed is shareholders' equity, excluding the hedging and cost of hedging reserves, plus net debt.
2) Capacity growth between 2023 and 2028.

OUR STRATEGY IN ACTION

CASE STUDY

WE'RE GOING PLACES

We launched 158 new routes in 2024, with growth into existing key leisure markets such as Greece and Spain.

We also opened new bases in 2024 in Birmingham and Alicante with three aircraft located at each base. In a slot constrained environment, we have added one additional aircraft to our Naples base, further strengthening our competitive position in this important market.

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BUILDING EUROPE'S BEST NETWORK

OVERVIEW

- Lead and build scale in our core markets
- Maintain and build leadership positions in slot-constrained airports
- Accelerate investment in destination bases
- Additional expansion when opportunities arise

OUR STRATEGY IN ACTION (CONTINUED)
BUILDING EUROPE'S BEST NETWORK (CONTINUED)

Our network of number one and two positions at primary European airports is unique and gives easyJet an advantage that another airline would find hard to match.

"Our two newest bases, Alicante and Birmingham, provide further choice for our valued customers.

UNRIVALLED NETWORK USING SOUGHT-AFTER AIRPORTS

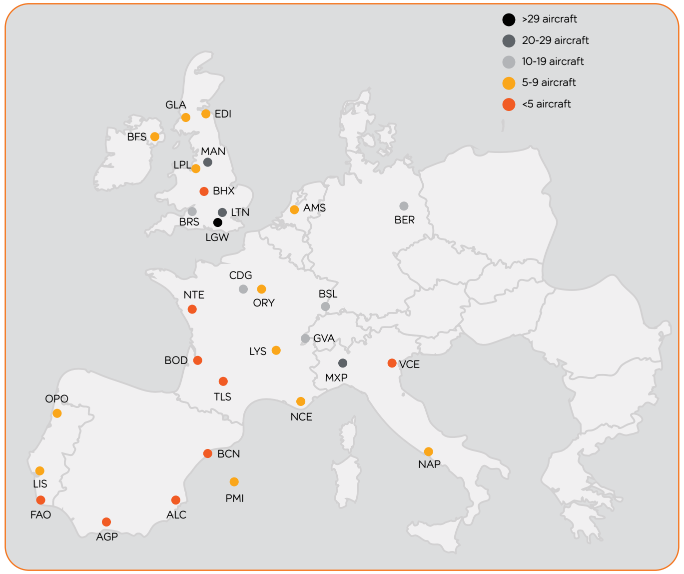
Our network strategy gives us a competitive advantage. We are building our strength at Europe's most popular airports with large catchment areas, increasing opportunities at the most slot-constrained airports where our returns are highest. More flights and a wider range of destinations in these airports provide customers with the best choice and value when compared with our competitors.

The map below shows the airports where we have bases and how many aircraft are located at each.

LEAD AND BUILD SCALE IN OUR CORE MARKETS

We have many opportunities to grow in our core markets. Larger aircraft will provide 6% growth in capacity by 2028, as they enable us to increase our overall share of passengers in core slot-constrained airports without obtaining additional slots. We will also expand our existing markets. The regional market in the UK continues to perform extremely well and we have added additional aircraft in Manchester, Bristol and Liverpool as well as opening the new base in Birmingham.

Aircraft numbers at easyJet bases as at 30 September 2024



AIRCRAFT ORDER

In December 2023, shareholder approval was obtained to purchase an additional 157 A320neo family aircraft (56 A320neo and 101 A321neo) to be delivered between FY29–34, as well as purchase rights for a further 100 A320neo family aircraft. This takes our total order book with Airbus to 299 A320neo family aircraft. Securing these scarce order book positions will enable the ongoing renewal of the fleet to continue by completing the fleet replacement programme of A319 aircraft and replacing approximately half of the older A320ceo aircraft. A younger, more technologically advanced fleet will deliver substantial fuel and carbon efficiencies, helping to deliver our net zero pathway and drive improved profitability. The new aircraft also have more seats than the aircraft they are replacing and, as noted, this upgauging helps to increase capacity without the need to acquire additional slots, which can further improve overall profitability per seat.

This order is a significant step in assuring the trajectory of the business and ensuring that easyJet has capacity available to implement its strategy between 2029 and the mid-2030s.

PROGRESS IN FY24

- UK regional base expansion with more aircraft added into Manchester, Bristol and Liverpool and a new base created at Birmingham (three aircraft). The UK regions are a particular strength for easyJet holidays; for example, since the launch of the new Birmingham base, 17% of all departing airline seats to international destinations have been easyJet holidays customers.
- New base created at Alicante, with three aircraft located there.
- Added three aircraft into Switzerland, providing customers with additional choice for skiing and other winter sports.
- Summer 2023 investments into our network in Porto and Lisbon continue to deliver profit improvements as these routes mature.
- Beach capacity increased by around 7.7% with a large proportion of this occurring over the winter season to provide winter sun destinations, particularly in the Canary Islands and Egypt.
- We also increased capacity to city destinations by 9.6% as city breaks and business travel continue to recover.

FY25 INITIATIVES

- Targeted winter growth to help reduce winter losses further. This will see a c.45% increase into North Africa including Tunisia and Egypt and the launch of Cape Verde, a new network point for H1 2025.
- Recommended short-haul remedy taker for available slots at Milan Linate and Rome Fiumicino where, if successful, we plan to have eight aircraft at these new bases for Summer 2025.
- 10th UK base announced at Southend to open Summer 2025, further building on easyJet's leisure network and easyJet holidays' continued growth.
- Unfortunately we have had to make difficult proposals around the future of our bases in Toulouse and Venice as a consequence of commercial underperformance over a sustained period. In September 2024, we therefore entered consultation processes for plans to close the Toulouse base by the end of the Winter 2024 season in March 2025, and for Venice by the beginning of the Summer 2025 season. In both cases the plans are to reassign the five aircraft to other bases in France and Italy and strive to find all staff alternative employment at other bases. easyJet's momentum remains strong across France and Italy and our focus will be to strengthen our other bases to enable us to open up new destinations to our customers in France and Italy.
- We expect capacity growth of c.5% per annum on average (CAGR) between 2023 and 2028. In FY24, we achieved capacity growth of 8% and we expect the growth in FY25 to be c.3%.

RELEVANT RISK THEMES

- **Safety, security and operations**
- **Asset performance**
- **Macroeconomic and geopolitical**

Read more on pages 70 to 74

TRANSFORMING REVENUE

OVERVIEW

Maximise the revenue potential of our market

Transform our ancillary revenue capability

Diversify our sources of revenue, continuing to focus on easyJet holidays

+36%

YEAR-ON-YEAR GROWTH IN HOLIDAY CUSTOMER NUMBERS

CASE STUDY

BIG SPLASH

easyJet holidays has made a big splash this year, increasing its customer numbers by 36% to 2.6 million and being named UK and Ireland Travel Company of the year at the 2024 Travel Industry awards.

The business generated total revenue of £1.5 billion, which represented incremental revenue for the Group of £1.1 billion, the first time it has exceeded £1 billion, and it now makes up 12% of Group revenue. easyJet holidays' profit before tax grew by 56% compared to the prior financial year, to £190 million, even more impressive given that this is only its third fully operational year under the current business model.

OUR STRATEGY IN ACTION (CONTINUED)
TRANSFORMING REVENUE (CONTINUED)

Continuing to develop and build on our recent revenue performance is a key element of our strategy. We are transforming our ability to develop new ancillary revenue products for our customers based on their specific needs. Our customers only have to pay for ancillary products that they want, rather than products that they don't want included in the price of the ticket.

"Spend per seat on in-flight retail has increased by 12.2% to £2.38 and profit per seat by 13% to £0.68. We are planning to deliver over £1 profit before tax per seat over the medium term.

In addition, we have enhanced our in-flight retail service recently to be able to offer products tailored to local markets and we continue to invest in technology to enhance customer convenience. An ongoing focus on easyJet holidays will further diversify our sources of revenue.

PROGRESS IN 2024

- We are giving customers more choice and they are responding well to further unbundling, such as enabling them to book an upfront seat without having to book a large cabin bag. Airline ancillary revenue in the current financial year was £2.5 billion, an increase of 13% compared to the prior year, and 30% of the airline's revenue now comes from the sale of ancillary products.
- easyJet's in-flight retail brand and proposition is delivering growth across all KPIs and is allowing us to tailor our product offering to our customers. This has been a real success and spend per seat has increased by 12.2% to £2.38 and profit per seat by 13% to £0.68. We are planning to deliver over £1 profit before tax per seat over the medium term.
- In addition to the development of ancillary revenue, we are also benefiting from the significant growth of easyJet holidays. This year it has performed strongly once again, contributing incremental revenue of £1.1 billion to the Group and generating £190 million profit from 2.6 million passengers (including agent commission passengers) whilst increasing its UK market share from 5% to 7%. This growth is being delivered through strong customer satisfaction of 84%, with over 82% of customers likely to rebook. Growth also continued to be supported by key trade distribution partners. Furthermore, following the launch into Switzerland in 2023, during the current financial year the business launched into the French and German markets.

FY25 INITIATIVES

- We are planning further growth of easyJet holidays with an aim to deliver a c.25% increase year on year in customers, which will support progress towards its medium-term objective of achieving profit before tax of over £250 million. The next phase of our growth plan includes increasing our UK market share to 10% by introducing new destinations and products, and growing the leisure and city break sector. We will look to convert as many of our airline passengers as possible into easyJet holidays customers, as one key advantage of our holidays business is that it has no constraints on growth. Key initiatives in FY25 include plans to optimise pricing, enhance its city break proposition, and increase the product offering through room options and further ancillary products.
- We will focus on the continued development of our in-flight retail offering to make it even more attractive to our customers, as evidenced by the introduction of Costa Coffee in September 2024. These initiatives will help drive towards delivery of our medium-term target of £1 profit before tax per seat.

CASE STUDY

SHOP IT LIKE IT'S HOT

Cabin bags and our leisure bundles, among other ancillary products, have continued to deliver incremental revenue throughout the year, as well as provide customers with the products they want.

Alongside this, easyJet's in-flight retail proposition has seen profit per seat increase by 13% compared to FY23. These initiatives have contributed to the airline's ancillary revenue per seat being 4% higher than last year. In September 2024 Costa Coffee was launched across easyJet's network, bringing a new in-flight drinks range from the Nation's Favourite Coffee Shop[1] onboard all the airline's flights. We expect this to further drive spend per seat in FY25.

1) Allegra Strategies, 2023

- In 2024 we assessed the introduction of closed-loop wi-fi and, having solved some technical complexities, we now look forward to introducing this across our network in time for the Summer 2025 season. This will facilitate an enhanced in-flight retail experience by enabling customers to browse the product offering with latest prices on their phone and to order to their seat.
- Similarly, we will also assess the development of pre-order capability for in-flight retail for food, drink and duty free.

In-flight retail profit per seat

£0.68

RELEVANT RISK THEMES

- **Technology**
- **Macroeconomic and geopolitical**

Read more on pages 70 to 74

OUR STRATEGY IN ACTION (CONTINUED)

DELIVERING EASE AND RELIABILITY

OVERVIEW

- Provide an easy and reliable customer experience
- Protect and build on easyJet's strong brand
- Grow and deepen relationships with our customers
- Establish sustainability leadership

CASE STUDY

FASTER AND BETTER AI-EQUIPPED OPERATIONS

Colleagues based at the new integrated control centre near Luton Airport, Bedfordshire, have access to Jetstream, a generative AI tool.

This helps them solve operational issues for pilots and crew on the ground more quickly, for example, by more accurately predicting standby crew requirements and recommending the best crew options for each operation.

13,000

FLIGHTS MANAGED PER WEEK BY NEW OPERATIONS CONTROL CENTRE

OUR STRATEGY IN ACTION (CONTINUED)
DELIVERING EASE AND RELIABILITY (CONTINUED)

Giving customers an enjoyable, hassle-free experience and reliable service that makes them want to fly with us again will always be one of the key cornerstones of our strategy. Ease and reliability is at the centre of our purpose to make low-cost travel easy.

"Our customer app has been rebuilt with modern technology that will allow us to develop new features.

Airline customer satisfaction score

76%

We aim to deliver a seamless and digitally enabled customer journey at every stage and we are working continuously to enhance the customer experience, particularly at the airport.

Sustainability continues to be a priority for easyJet and our customers, and our net zero roadmap demonstrates our commitment to leading in this area.

easyJet has a loyal customer base, with 75% of seats booked by returning customers, as our crew provide a warm onboard experience. The latest brand tracker confirmed our number one position in our core markets when it comes to value, which is all the more important at a time when consumers' disposable income continues to be squeezed.

In preparation for the Summer 2024 season, we recruited 1,230 crew, onboarding them ahead of season to ensure we were fully prepared.

Unfortunately, despite easyJet being fully prepared for this summer, we saw operational challenges outside of our control, in particular with air traffic control (ATC), which was the single biggest source of delays this year across the network. Congested airspace from the continued invasion of Ukraine, French ATC strikes and weather-related disruption all drove operational challenges in 2024.

We continued to take proactive action throughout the summer to manage in this challenging operating environment including making some changes to our schedule to minimise the knock-on effects from delays to aircraft in the morning.

PROGRESS IN FY24

- Significant investment in spares made during the year, continuing a trend started in 2023. Global supply-chain issues with spares means that it is no longer viable to run a just-in-time spares process due to delivery delays, and so we have made this investment to minimise the period of time when aircraft are grounded whilst awaiting new parts.
- SkySYM software used to better plan the schedule to minimise disruption effects.
- We have been recognised with European airline sector-leading scores by the ESG ratings agencies CDP, Sustainalytics, FTSE4Good and MSCI.
- Continued to support Rolls-Royce's research into hydrogen engine development.
- Announced a new partnership with US-based start-up JetZero to develop a blended-wing body aircraft that is expected to provide up to 50% lower fuel burn and greenhouse gas emissions (GHG) versus traditional tube-and-wing designs and which has the potential to be powered by hydrogen.

FY25 INITIATIVES

- Towards the end of 2024 we updated our customer app. It has been rebuilt with modern technology that will allow us to develop new features and make the experience faster and more efficient. We plan to introduce new service-related features in FY25 and will continue to refine and evolve the app with new features.
- Continue investment in spares and spare aircraft to minimise the impact on the flying schedule and therefore customers when aircraft are grounded whilst awaiting repairs or new parts.

RELEVANT RISK THEMES

- **Safety, security and operations**
- **Asset performance**
- **Our people**
- **Environmental sustainability**
- **Technology**

Read more on pages 70 to 74

INDUSTRY-LEADING CUSTOMER PERCEPTION – NUMBER ONE LOW-COST CARRIER[1]

	UK	France	Switzerland
Delivering on value	#1	#1	#1
Brand awareness	#1LCC	#1LCC	#1LCC
Delivering on network	#1LCC	#1LCC	#1LCC
Delivering on reliability	#1LCC	#1LCC	#1LCC
Making travel easy	#1LCC	#1LCC	#1LCC

1) Number one low-cost carrier (LCC) in the core markets of the UK, France and Switzerland, where a carrier has >10% market share.

Source: Delineate Brand Tracker (August 2024)

OUR STRATEGY IN ACTION (CONTINUED)

DRIVING OUR LOW-COST MODEL

OVERVIEW

- Drive our business with sustainable efficiency
- Invest in our fleet
- Optimise our capital efficiency
- Deliver strong productivity

PROPORTION OF HEAVY MAINTENANCE EXPECTED TO BE CONDUCTED BY MALTA IN THE FUTURE

25%

CASE STUDY

MAINTENANCE IN MALTA

In May 2024, we acquired the SR Technics maintenance facility in Malta.

We will use the facility, which has a workforce of more than 400, to undertake heavy maintenance on our growing fleet of more than 340 aircraft. The six-bay aircraft maintenance facility has undertaken heavy maintenance for the easyJet fleet of aircraft for several years. In recent years, we have brought much of our aircraft maintenance operations in-house and so taking on the facility is very much aligned with this strategy and will help to drive our low-cost model.

OUR STRATEGY IN ACTION (CONTINUED)
DRIVING OUR LOW-COST MODEL (CONTINUED)

Disciplined implementation of our low-cost model underpins all elements of the easyJet strategy:

> A highly efficient point-to-point network delivering simplicity in operations and scale within airports.
> Providing disaggregated products and relevant bundles of products, allowing customers to pay for what they value.
> Ensuring we have a fleet with exceptional fuel efficiency and low maintenance costs.

And most importantly, it means always challenging cost, ensuring that where easyJet spends it delivers tangible value to our customers. Alongside a focus on productivity and investing in processes and tools which deliver truly sustainable long-term cost efficiency.

"

Upgauging the fleet will help us to keep costs per seat down, as the fixed costs involved with flying an aircraft are spread over a greater number of seats. In addition, the newer aircraft are more fuel efficient.

£3

Cost-saving per seat expected from rise in average gauge to above 190

Upgauging the fleet will help us to keep costs per seat down, as the fixed costs involved with flying an aircraft are spread over a greater number of seats. In addition, the newer aircraft are more fuel efficient. Our average gauge is expected to increase from 181 at September 2024 to above 190 in FY28. This will give us a cost-saving per seat of greater than £3, which is a benefit that no other European airline has on this scale over the next four years.

The capacity we added in the FY24 winter season helped to drive aircraft utilisation improvements of 4% for the year as a whole. The productivity and utilisation benefits this increased capacity facilitated was the main driver behind our cost per seat, excluding fuel, being up by only a small amount across FY24 as a whole.

PROGRESS IN FY24

> Fleet renewal continues with the delivery of 16 A320neo family aircraft in FY24, comprising 15 A320neos and one A321neo.
> Average gauge of all aircraft in the fleet 181 (FY23: 179) and average age of fleet 10.2 years (FY23: 9.9 years).
> Insourcing heavy maintenance in Malta with the acquisition of the SR Technics Malta maintenance facility. The entity has been renamed easyJet Engineering Malta Ltd and it is expected that c.25% of easyJet's heavy maintenance will be carried out in Malta in future years.
> Increasing automation of self-service management: increasing digitalisation of customer flows and reducing the need for contact centre support. 68% of customer queries are now served via live chat, an increase of 46 ppts year on year.
> Maintaining our cost discipline is a core focus for the business and this has enabled our non-fuel unit costs for the airline to be broadly flat year on year.

FY25 INITIATIVES

> Our overall ambition for the forthcoming financial year is to ensure that our cost per available seat kilometre (CASK), excluding fuel, is flat, year on year. We aim to achieve this through our continued focus on making cost savings through efficiencies and procurement savings that do not jeopardise the quality of our service offering, combined with larger initiatives such as those described below.
> Delivery of nine NEO aircraft scheduled for FY25, comprising six A320s and three A321s. NEO aircraft typically deliver at least a 15% boost in fuel efficiency and therefore help to keep our overall fuel costs down, as well as producing significantly lower carbon emissions and being quieter.
> Continued upgauging of the fleet: efficiency benefits will be unlocked as A319s leave the fleet, being replaced by A320neo family aircraft. This will enable us to unlock efficiency benefits, increasing the average gauge from 181 to the low 190s by FY28 and the low 200s by FY34. The increased mix of NEO aircraft will see additional fuel and airport incentive benefits as easyJet's order book of 299 A320neo family aircraft enter the fleet.
> Continue to explore the use of AI technology to improve efficiency and reduce costs across the business.


CEO designate Kenton Jarvis with the Duke of Edinburgh during the royal visit to the Malta facility

RELEVANT RISK THEMES

> **Asset performance**
> **Environmental sustainability**

Read more on pages 70 to 74

Support for customers

68%

Queries now served via live chat

OUR BUSINESS MODEL

CREATING VALUE THROUGH LOW-COST OPERATIONS

We deliver our purpose by leveraging the low-cost airline business model with network and service differentiation

	STANDARD LOW-COST MODEL	EASYJET DIFFERENTIATION
NETWORK AND SCHEDULE	> Point-to-point routes > Frequency of schedule	> Leadership positions in primary and slot-constrained airports in many of Europe's largest catchments with high customer demand. > These positions have proven to be among the highest yielding in the market and enable us to tap into both business and leisure demand. > Our network is unrivalled and difficult to replicate.
SCALE AND GROWTH	> Scale drives high brand awareness and facilitates volume pricing deals (e.g. airports, fleet) > Spreads fixed overheads over larger volume of seats	> We have strengthened and will continue to strengthen our positions as the competitive landscape evolves, bidding for additional slots where it makes economic sense. > We have an opportunity for further growth by investing in new, larger aircraft with greater seat numbers (known as upgauging).
PRODUCT PRICE AND DISTRIBUTION	> Low fares predicated on basic airport and cabin product > Unbundled fares with additional charges for bags, seats and catering	> Industry-leading revenue management capability, including dynamic pricing of ancillaries. > Continued evolution of the Group's product portfolio to build on spend per customer and deliver enhanced sustainable returns. > Limited indirect distribution to capture additional value.
ENVIRONMENTAL AND SOCIAL	> Compliance with relevant laws and regulations	> Leading the way with our detailed net zero roadmap. > An industry-leading A- score from the Climate Disclosure Project (CDP) and the leading airline in Europe on Sustainalytics. > Our net zero partnerships (e.g. Rolls-Royce, SkyPower, JetZero, Airbus, DACCS) and advocacy for zero carbon emissions technology set us apart. > Driving more sustainable tourism, with nearly 40% of easyJet holidays top 100 hotels Global Sustainable Tourism Council (GSTC) recognised. > Over £17 million raised for UNICEF.
CUSTOMER	> Standardised products to meet the needs of individuals	> Leading customer app which improves the overall experience from booking to check-in to reaching the aircraft, often without the need for human interaction. > Warm welcome and personal service from our motivated people who live the Orange Spirit. > Disruption management self-service tool makes it easier for customers to be better supported, informed and able to make changes when disruption does occur.
CAPITAL EFFICIENCY	> Single fleet type with standard specification > High density, single-class cabin > Short turnarounds and high aircraft utilisation > Young fleet	> Opportunity to increase the average gauge of our aircraft through our fleet renewal programme, bringing in larger aircraft. > This presents us with a considerable opportunity for organic growth by increasing our overall seat capacity. > 299 A320neo family aircraft on order to fully replace the A319s in the fleet today, alongside approximately half of the A320ceo aircraft currently in the fleet.
COST EFFICIENCY	> High productivity and strong cost culture	> Long-term strategic partnerships with key airports and ground-handling operators. > Focus on seasonal bases which increases cost flexibility, with 24 aircraft now operating for eight months of the year from these bases. New seasonal base opened in Alicante in 2024.

MARKET REVIEW

The key factors and trends which influence easyJet and all operators within the European airline industry.

DEMAND

KEY MARKET DRIVER

The airline industry overall is a cyclical one, with demand for flights driven primarily by economic growth. Demand is also seasonal, particularly in leisure travel. However, the business model of low-cost carriers such as easyJet tends to be more resilient to recession, as there will be some customers who seek greater value during periods of low economic growth, attracted by our lower prices and our network of primary airports.

Demand in the first half of the year grew strongly as the momentum from Summer 2023 continued, despite the temporary reduction in demand triggered by the conflict in the Middle East which began in early October 2023. Overall, easyJet's passenger numbers in H1 grew by 11% compared to the equivalent six-month period in the previous year. While there was some disruption in the summer caused by weather events and air traffic control (ATC) restrictions, passenger numbers continued to increase in the second half (7% higher in H2 versus the previous financial year).

Overall, easyJet flew 89.7 million passengers (2023: 82.8 million) in this financial year, an increase of 8% on the previous year.

After this period of rapid catch-up after the pandemic, the rate of growth in passenger numbers is now forecast to slow as most countries return to their long-term growth trajectory. Geopolitical tensions remain a risk for the airline sector.

However, most institutions are now forecasting key easyJet markets to grow marginally faster in 2025 versus 2024. Furthermore, results from multiple surveys suggest consumers remain willing to protect their spend on holidays and travel above most other items of discretionary expenditure. There are also increasing signs that business travel is recovering. We believe easyJet will also be protected by the increasing emphasis put on value, which is another key finding from consumer research.

IMPACT ON OUR INDUSTRY

- Most European airlines have seen customer numbers increase this year, although the size of the increase has varied in strength according to specific product and/or route offerings.
- The continued increases in the cost of living and the associated squeeze on household and business incomes across European economies are likely to increase the emphasis on value in the short term, to the natural advantage of low-cost carriers such as easyJet.

HOW WE ARE RESPONDING

- We have moved a significant percentage of our fleet to destination bases, which allows us to reallocate capacity from one source market to another rapidly in response to demand fluctuations.
- We focus on constrained airports, where demand is more resilient to these macroeconomic pressures.
- The combination of low fares, primary airports and our city network is an attractive offering for business travellers when cost focus is paramount.
- Our strategic focus on 'Building Europe's best network' and 'Transforming revenue' addresses these market dynamics, including how we manage the associated risks. Read more on pages 14 to 17.

FUEL

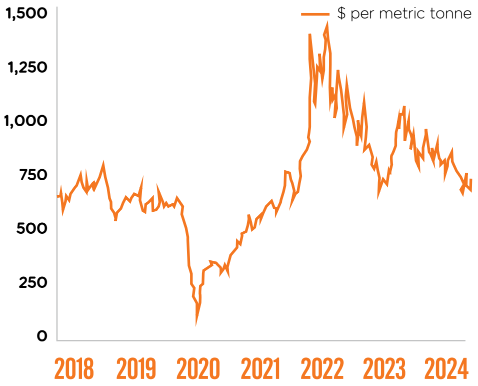
KEY MARKET DRIVER

Fuel is one of the biggest costs airlines face and one of the most volatile.

Fuel represented 26% of easyJet's headline cost base in the current financial year.

The spot price of jet fuel has fluctuated between $672 and $1,010 per metric tonne over our financial year, with the price falling sharply in our fourth quarter. At 30 September 2024 the price was $703 per metric tonne, c.33% lower than 12 months earlier.

JET FUEL PRICE



IMPACT ON OUR INDUSTRY

- Many European airlines hedge their fuel costs, reducing their exposure to short-term volatility in the price of jet fuel.
- Aerospace companies are developing new technologies and fuels which could, in the future, help to decarbonise aviation. Currently the industry use of alternative fuels is minimal, however this is expected to increase in the years ahead.

HOW WE ARE RESPONDING

- easyJet has continued its fuel hedging programme throughout the year and is 80% hedged for H1 FY25.
- easyJet is involved in a number of initiatives to achieve our ambition to be a leader in decarbonising aviation. The main ones are hydrogen aircraft partnerships and the use of Sustainable Aviation Fuel (SAF). Full details can be found in the Sustainability section on pages 36 to 55.
- Further details on how we manage this risk can be found under the Macroeconomic conditions risk on page 71.

MARKET REVIEW (CONTINUED)

	ENVIRONMENTAL AND SOCIAL	ON-TIME PERFORMANCE, AIRSPACE MANAGEMENT AND SUPPLY CHAIN PRESSURES	FOREIGN EXCHANGE
KEY MARKET DRIVER	Sustainability, in particular the carbon emissions from flights and the contribution to climate change, is a significant issue for the aviation industry. In research conducted by OnePoll in August 2024 involving 2,000 British holidaymakers, 71% believed zero-carbon emission technologies such as hydrogen-powered aircraft will be the best option to decarbonise aviation. Highlighting just how important this issue is to the public, over half (53%) said they want the UK Government to prioritise the acceleration of zero-carbon emission flying and offer more support for industry to make the transition. Nearly two-thirds (64%) of respondents also said they are more likely to fly with an airline actively reducing its impact in the future.	European airspace remains a challenging and congested environment. While Eurocontrol continues to redesign the airspace infrastructure with the aim of creating a more efficient and sustainable network, nevertheless UK and EU airspace consists of a complex network of flight paths that have seen little development over the last 70 years. In 2024, congested airspace from the continued conflict in Ukraine, weather-related disruption and various ATC restrictions all drove operational challenges, particularly over the second half of the year, resulting in a higher than desired level of delays and cancellations.	easyJet is exposed to foreign exchange rate movements, mainly resulting from euro and Swiss franc revenues and US dollar and euro costs, translated into our functional currency of sterling. Sterling strengthened during the year against the euro, Swiss franc and US dollar, with a notable acceleration of the strengthening in our fourth quarter. When sterling strengthens this has a favourable impact on US dollar and euro denominated costs (mainly fuel, leases, maintenance and hotel costs) and an adverse impact on foreign currency revenues when translated into sterling.
IMPACT ON OUR INDUSTRY	> Individual airlines, airports and industry groups have set net zero targets for 2050. > Aerospace companies are developing new technologies and fuels which could in the future help to decarbonise aviation. > Governments across Europe are considering the policy measures that will be needed to meet their own net zero targets.	> Air traffic control delays cause a number of issues, from additional flying time and airport congestion to inefficient flight planning. > Antiquated flight paths cause additional fuel burn, as mentioned earlier.	> Many European airlines hedge their foreign currency requirements, particularly for the US dollar, which reduces their exposure to short-term currency fluctuations.
HOW WE ARE RESPONDING	> For 2024 we are ahead of our SBTi-aligned net zero roadmap targets (see page 40). > We recently announced a new partnership with JetZero, a manufacturer based in the US that is building a blended-wing body aircraft capable of delivering a 50% reduction in fuel burn thanks to its aerodynamic design. In the future this could also provide a suitable platform for hydrogen-powered engine technology. > Our Flight Efficiencies team has used AI to create an algorithm which pinpoints where the greatest inefficiencies are across our network and their causes, showing that we could make at least a 10.62% reduction in CO_2 emissions just by modernising our airspace. > Our full Sustainability Strategy with further detail can be found in the Sustainability section on pages 36 to 55.	> We continue to encourage Gatwick to build more resilience into its operations, particularly staffing levels in the control tower. > We are advocating for change and modernisation of airspace, alongside other airlines, by lobbying national decision makers and maintaining a collaborative relationship with Eurocontrol (see page 43 for further details). > Our strategic focus 'Delivering ease and reliability' addresses these market dynamics, including how we manage the associated risks (read more on pages 18 and 19).	> easyJet has continued its US dollar hedging programme throughout the year and is already 75% hedged on US dollars for H1 FY25. > Our strategic focus 'Driving our low-cost model' addresses this market dynamic (read more on pages 20 and 21). > Further details on how we manage this risk can be found under the Macroeconomic conditions risk on page 71.

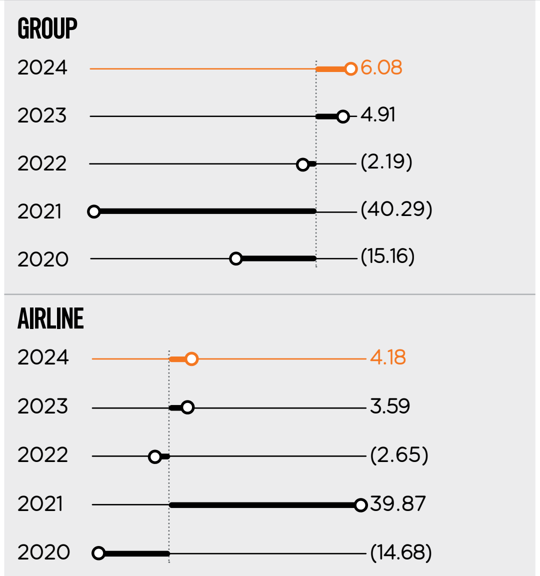
KEY PERFORMANCE INDICATORS

easyJet has seven key performance indicators which we use to measure our overall progress.

HEADLINE PROFIT/(LOSS) BEFORE TAX PER SEAT (£)

GROUP
£6.08

AIRLINE
£4.18



WHY IT IS IMPORTANT

Incremental improvements in profitability ensure that we have a platform for long-term growth while generating value for all stakeholders.

WHAT WE MEASURE

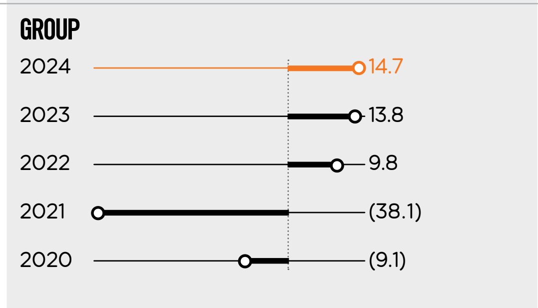
Headline profit/(loss) before tax divided by the number of seats flown. Prior to this year, our per seat metrics were calculated for the airline only. However, given the growth of easyJet holidays we will now focus on headline profit/(loss) before tax per seat for the Group as a whole, as that metric will correctly reflect the performance of the airline and the holidays business combined. We will therefore use the Group metric as our KPI going forward, particularly as it is one of our new medium-term targets (see page 13 for details).

HOW WE PERFORMED

Headline profit before tax per seat for the Group improved by £1.17 (24%) and now stands at £6.08 (2023: £4.91). The airline's headline profit before tax per seat improved 16% to £4.18 (2023: £3.59), with the improvement in revenue per seat (RPS) in the year of 1.9%, being greater than the headline cost per seat (CPS) increases. Fuel CPS was only a 1% increase on the previous year and CPS excluding fuel also saw only a 1% increase. Strong cost management and increased flying delivered economies of scale, offsetting the continued inflationary costs in the sector. Holidays contributed £1.90 (2023: £1.32) to the Group's headline profit before tax per seat, an increase of 44%, reflecting increased passenger numbers.

HEADLINE EBITDA MARGIN (%)

14.7%



WHY IT IS IMPORTANT

EBITDA is a good proxy for cash generation. EBITDA margin is a metric the business uses to make its operating decisions and is one measure of the underlying performance of the business.

WHAT WE MEASURE

Headline EBITDA divided by total revenue.

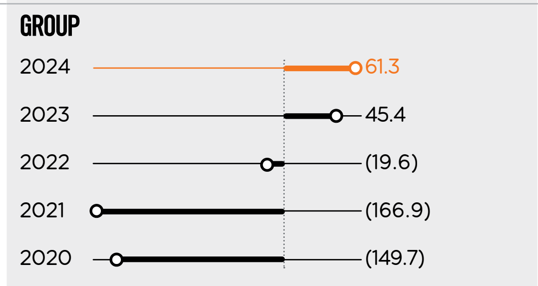
Note that previously we used to report on EBITDAR margin, however in 2024 and 2023, aircraft rentals (R) has been zero and is forecast to remain so. We have therefore restated 2020–2022.

HOW WE PERFORMED

Headline EBITDA margin % increased from 13.8% last year to 14.7% this year. This was a reflection of the improved performance of the Group as volumes and prices increased, combined with strong cost management and the continued growth of easyJet holidays.

HEADLINE EARNINGS/(LOSS) PER SHARE (P)

61.3p



WHY IT IS IMPORTANT

Delivering sustainable shareholder value is a fundamental part of our mindset as we manage our business.

WHAT WE MEASURE

Headline profit/(loss) after tax divided by the weighted average number of shares in issue during the year (adjusted for shares held in employee benefit trusts).

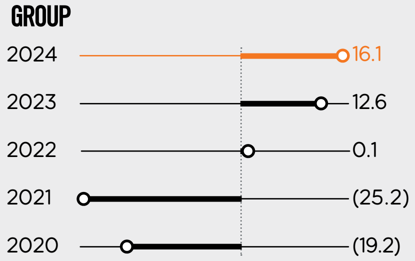
HOW WE PERFORMED

Headline earnings per share was 61.3 pence (2023: 45.4 pence) as a result of the improved performance of the Group this year. Total earnings per share was 60.4 pence (2023: 43.1 pence).

KEY PERFORMANCE INDICATORS (CONTINUED)

HEADLINE RETURN/(LOSS) ON CAPITAL EMPLOYED (%)

16.1%



WHY IT IS IMPORTANT

As a low-cost business, we focus on efficiency to provide outstanding customer service at the best value, while also driving operational efficiencies which will maximise our return on investment.

WHAT WE MEASURE

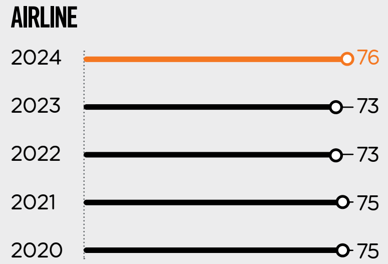
Headline profit/(loss) before interest, foreign exchange gain/(loss) and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by the average capital employed. Capital employed we define as shareholders' equity, excluding the hedging and cost of hedging reserves, plus net debt.

HOW WE PERFORMED

Headline ROCE improved to 16.1% (2023: 12.6%) driven by the 25% higher headline profit before interest, foreign exchange gain/(loss) and tax of £597 million this year (2023: £476 million). Total ROCE for the year was 15.9% (2023: 12.0%). The total ROCE was adverse to the headline ROCE due to non-headline items generating an £8 million charge before tax in the income statement.

CUSTOMER SATISFACTION (%)

76%



WHY IT IS IMPORTANT

Customers have increasing choice and their expectations are rising. Ensuring we meet their evolving needs will position us as the brand of choice when flying within Europe.

WHAT WE MEASURE

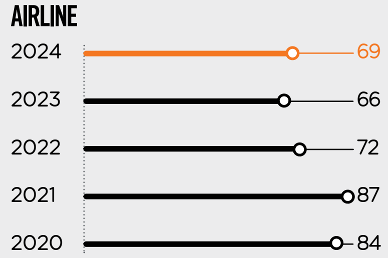
Our customer satisfaction index is based on the results of a customer satisfaction survey for the airline, measuring how satisfied the customer was with their most recent flight.

HOW WE PERFORMED

Overall customer satisfaction with the airline improved by 3 percentage points to 76%. Customer satisfaction is closely related to the level of disruption experienced, notably on-the-day cancellations and delays. We reduced the level of cancelled flights across the year (our completion rate improved from 98% to 99%) and saw our on-time performance improve as noted below.

ON-TIME PERFORMANCE (%)

69%



WHY IT IS IMPORTANT

Reliable operational performance is a key factor in our customers' perceptions of their experience with us. Managing on-time performance (OTP) and minimising disruption will positively impact on the likelihood of our customers choosing to fly with us on a repeat basis.

WHAT WE MEASURE

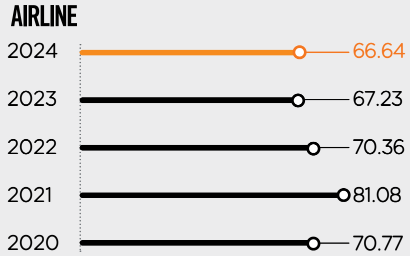
Percentage of flights which arrive within 15 minutes of the scheduled arrival time.

HOW WE PERFORMED

Our OTP improved in the year to 69% (2023: 66%) despite the challenging external environment, most notably congested European airspace leading to frequent air traffic control (ATC) restrictions. We have made, and will continue to make, investment in targeted resilience measures to reduce the impact of disruption on our customers, and it is of note that our 'controllable' disruption events have reduced by c.40% compared to last year.

CO_2 EMISSIONS PER PASSENGER KILOMETRE (G)

66.6g



WHY IT IS IMPORTANT

An important part of our strategy is to make a meaningful difference and help to tackle climate change. In the short term our focus is on being as efficient as we can and driving carbon efficiencies.

WHAT WE MEASURE

How much carbon dioxide is produced for each passenger, for each kilometre they fly with us.

HOW WE PERFORMED

In 2024, our carbon emissions per passenger kilometre reduced further to a new record low of 66.64g CO_2/RPK (2023: 67.23g). This reflects our ongoing investment in more fuel-efficient NEO aircraft, combined with a relentless focus on improving operational fuel efficiency through measures such as introducing Descent Profile Optimisation software.

Additional metrics of interest, both operational and financial, can be found on page 35.

FINANCIAL REVIEW

OUR FINANCIAL RESULTS

Kenton Jarvis Chief Financial Officer

"A strong performance for the year characterised by capacity growth, cost discipline and the continued success of easyJet holidays, delivering reduced winter losses and culminating in another record summer profit.

Total headline profit before tax of £610 million for the year ended 30 September 2024 was an improvement of £155 million (34%) on the year ended 30 September 2023 equivalent profit of £455 million. Total revenue of £9,309 million was £1,138 million (14%) ahead of the prior year and Holidays' profit before tax contribution of £190 million was £68 million ahead. The year was characterised by increased capacity and passenger numbers with cost discipline and operational efficiencies offsetting industry-wide inflationary pressures. easyJet holidays played a key role in the profit growth with a 36% year-on-year increase in customer numbers and continued strong margins.

An expansion in fleet size saw the introduction of new routes and base openings in the year which, together with ongoing strategic network optimisation, enabled easyJet to offer capacity of 100.4 million seats (2023: 92.6 million), an increase of 8% over the prior year. With a load factor of 89% (2023: 89%) this translated into 89.7 million passengers carried (2023: 82.8 million). Improved airline revenue per seat (RPS) performance of £81.35 (2023: £79.84) was 1.9% higher than the prior year in a competitive market, and included contribution from the ongoing success of our airline ancillary options and in-flight retail offer. easyJet holidays had 2.6 million customers in the year (including agent commission customers, 2023: 1.9 million), and surpassed £1 billion incremental revenue contribution, delivering £1,137 million revenue (2023: £776 million) and £190 million headline profit before tax (2023: £122 million).

The prior year's cost challenges for the airline continued with industry-wide inflationary pressures again a feature. Whilst we continued to implement resilience measures to minimise the risk and impact of delays and cancellations, disruption and the associated costs continued to run at too high a level, with the main causes being air traffic control (ATC) restrictions, external industrial action and weather events. Nevertheless, with management's focus on cost and fleet efficiency, easyJet's airline headline cost per seat (CPS) excluding fuel of £55.03 was only 1.3% higher than the prior year (2023: £54.30).

The first half of the financial year demonstrated a successful first step on our journey to structurally reducing winter losses, with headline loss before tax of £350 million for the six months ended 31 March 2024 being a reduction of £61 million on the loss of £411 million for the comparative period ended 31 March 2023. This reflected network growth in response to customer demand, fleet utilisation benefits and the continued expansion of easyJet holidays, in addition to some trading benefit due to part of the Easter holidays falling in the first half of the financial year. This was alongside the impact of the outbreak of conflict in the Middle East which resulted in the cancellation of a number of flying routes and the associated costs incurred and revenue forgone. Passenger growth of 11% to 36.7 million passengers (H1 2023: 33.1 million) and RPS growth of 5% led to first-half revenue of £3,268 million (H1 2023: £2,689 million), an increase of 22%. Fuel prices remained volatile throughout H1 with the outbreak of the conflict in the Middle East and, although partially mitigated through easyJet's hedging policy, fuel costs on a CPS basis increased by 6% to £21.60 (H1 2023: £20.43). However, the focus on cost management and efficiency delivered by increased asset utilisation and productivity resulted in easyJet's H1 2024 airline headline CPS excluding fuel of £57.28 being flat to the comparative period (H1 2023: £57.15).

FINANCIAL REVIEW (CONTINUED)

The second half of the financial year delivered a record profit before tax of £960 million (H2 2023: £866 million). Second half trading saw continued capacity growth, a year-on-year 0.7% RPS improvement in a competitive pricing market, and Holidays' increased revenue contribution. This, combined with falling fuel prices, efficiencies from scale and our management cost focus, helped easyJet deliver a record summer result. The delivery was against a backdrop of continued high levels of disruption, with ongoing external industrial action and persistent ATC challenges across congested European airspace in addition to the impact of weather events. Targeted resilience measures and learnings from previous periods of disruption, such as providing for breaks in scheduling at airports subject to frequent ATC disruption and crew timing on first wave flights, improved on-time performance and our response to these challenges. Our 'controllable' disruption events have reduced by c.40% compared to FY23, reflecting the resilience actions undertaken, including an investment in spare parts and standby aircraft, an increased rigour in the timing of aircraft maintenance scheduling, and a focus on ground staff and crew availability. Looking ahead, easyJet will continue to invest in resilience measures to fulfil our purpose of making low-cost travel easy in a challenging external environment.

The airline industry as a whole continued to face significant inflationary cost pressures in the year, although easyJet largely mitigated the impact through a focus on cost management alongside increased capacity and aircraft utilisation contributing to improved productivity. The delivery of 16 new NEO aircraft continued our upgauging journey, and data insight and AI deployment, as well as key procurement initiatives and the benefit of our net cash balance, contributed to our overall management of costs. As a result, airline headline CPS excluding fuel for the year of £55.03 was an increase of only 1.3% on the prior year (2023: £54.30).

Taken together, the strong revenues and cost focus delivered a headline EBITDA achievement for the year of £1,367 million, a 21% improvement on the prior year (2023: £1,130 million), and a statutory profit before tax of £602 million, a prior year improvement of £170 million (2023: £432 million).

During the year, with a robust balance sheet and positive cash position, easyJet repaid a €500 million Eurobond which matured in October 2023, and in March 2024 raised a new €850 million Eurobond with a coupon of 3.75% maturing in 2031. At 30 September 2024, easyJet had a net cash position of £181 million (2023: £41 million). As a result of our strong balance sheet position and EBIT performance the year-end headline ROCE of 16.1% (2023: 12.6%) is a positive step towards our target of delivering sustainable high teen returns on capital employed.

Where amounts are presented at constant currency these values are an alternative performance measure (APM) and are not determined in accordance with International Financial Reporting Standards (IFRS), but provide relevant and comparative reporting for readers of these financial statements. Definitions of APMs and reconciliations to IFRS measures are set out in the glossary on pages 205 and 206.

PERFORMANCE SUMMARY

£ million (reported)	2024	2023
Total revenue	**9,309**	8,171
Headline costs excluding fuel, balance sheet FX and ownership costs[1]	**(5,719)**	(5,008)
Fuel	**(2,223)**	(2,033)
Headline EBITDA	**1,367**	1,130
Depreciation and amortisation	**(770)**	(654)
Headline EBIT	**597**	476
Net finance income/(charges)	**9**	(48)
Foreign exchange gain	**4**	27
Total headline profit before tax	**610**	455
Being:		
Airline headline profit before tax	***420***	*333*
Holidays headline profit before tax	***190***	*122*
Total headline profit before tax per seat	**£6.08**	£4.91

£ per seat – Airline only[2]	2024	2023
Airline revenue	**81.35**	79.84
Headline costs excluding fuel, balance sheet FX and ownership costs[1]	**(47.32)**	(46.93)
Fuel	**(22.14)**	(21.95)
Headline EBITDA	**11.89**	10.96
Depreciation and amortisation	**(7.58)**	(7.02)
Headline EBIT	**4.31**	3.94
Net finance charges	**(0.15)**	(0.63)
Foreign exchange gain	**0.02**	0.28
Airline headline profit before tax	**4.18**	3.59

1) Ownership costs are defined as depreciation and amortisation plus net finance income/(charges).
2) These per seat metrics are for the airline business only, and correlate to the airline revenue and costs, and the seats flown by the airline. Both airline and easyJet holidays profit is included in the total headline PBT per seat metric, and easyJet holidays' key metrics are included in the key statistics section.

FINANCIAL REVIEW (CONTINUED)

The total number of passengers carried in the financial year increased by 8% to 89.7 million (2023: 82.8 million), supported by an 8% increase in seats flown to 100.4 million seats (2023: 92.6 million seats) with a load factor of 89.3% comparable to the previous year (2023: 89.3%). This reflects the increased capacity from an expanded network offer and a focus on winter flying, and includes the success of new bases opened in the year. As in the prior year, capacity was impacted by disruption events although resilience measures and learnings from previous disruption mitigated some of the impact from external factors with pro-active investment in parts, maintenance scheduling, standby aircraft and staffing reducing the occurrence of controllable disruption events. A number of cancellations were made in response to the conflict in the Middle East, and lines of flying removed. Capacity was redeployed and although the removal of key routes in this region continued into the second half of the year, this did not detract from overall capacity growth.

Total revenue increased by 14% to £9,309 million (2023: £8,171 million) and airline RPS increased by 1.9% to £81.35 (2023: £79.84), 2.1% at constant currency. As noted above, the airline performance was complemented by strong easyJet holidays performance with net revenue (i.e. excluding flight revenue which is reported under airline revenue) of £1,137 million (2023: £776 million).

Total headline costs excluding fuel increased by 14% to £6,476 million (2023: £5,683 million), driven by the volume of flying, the growth of holidays and general industry cost pressures. Costs were also impacted by the disruption seen throughout the year with £187 million of EU261 compensation and welfare costs incurred for airline passengers, although this was lower than the previous year (2023: £211 million). On a CPS basis total airline headline costs excluding fuel increased by only 1% to £55.03 (2023: £54.30), with CPS benefiting from fixed operating costs being spread across greater flying capacity. In addition, management continued to focus on operational cost reduction with a number of projects delivered in the year including the purchase of an established heavy base maintenance facility in Malta to secure future capacity and provide price control. This was alongside further data and AI deployment supporting back office cost projects and increased automation of customer support queries, procurement initiatives across key suppliers, and network planning bringing efficiency and productivity gains.

Total fuel costs increased by 9% to £2,223 million for the year (2023: £2,033 million), which on an airline CPS basis represented just a 1% increase to £22.14 (2023: £21.95), 1% at constant currency. The high price of jet fuel from the previous year continued into H1 2024 with the outbreak of the conflict in the Middle East, but steadied as the year progressed, with price reductions experienced in the second half of the financial year.

Exchange rate movements stabilised in the year, with the impact of the translation of foreign currency denominated revenue and costs on the consolidated income statement notably reduced. Currency movements in the year resulted in a net credit impact of £18 million (2023: £115 million debit) across costs and revenue, with an income statement credit of £4 million (2023: £27 million) from the translation of foreign currency denominated monetary assets and liabilities on the statement of financial position. On a constant currency basis, the increase in headline profit before tax compared to the prior year was £160 million, compared to the £155 million increase per the reported figures.

easyJet's cash position benefited from continued high interest rates in the year and the reprofiling of debt, resulting in a net £9 million finance credit (2023: £48 million net charge).

easyJet holidays contributed £190 million of headline profit before tax (2023: £122 million), an increase of 56%, reflecting the 36% increase in total holiday customers and the strength of the low fixed-cost business model.

Total headline profit before tax per seat was £6.08 (2023: £4.91). The airline's headline profit before tax per seat improved 16% to £4.18 (2023: £3.59), with the improvement in RPS in the year being greater than the headline CPS increases. Fuel CPS was only a 1% increase on the previous year and CPS excluding fuel also saw only a 1% increase, with strong cost management and increased flying and the benefits of upgauging delivering economies of scale to mitigate continued inflationary cost increases in the sector. easyJet holidays contributed £1.90 (2023: £1.32) to the total headline profit before tax per seat, reflecting increased customer numbers.

A non-headline charge of £8 million (2023: £23 million) was recognised in the year, largely as a result of network restructuring activity in France and Italy offset by a release of costs previously provided for severance cases in Germany which were settled in the year. Additionally, there was £1 million profit (£nil million loss) from the sale and leaseback of eleven aircraft (2023: eight aircraft).

Corporate tax has been recognised at an effective rate of 24.9% (2023: 25.1%), resulting in an overall tax charge of £150 million (2023: £108 million). This is a tax charge of £151 million on headline items offset by a £1 million tax credit on the non-headline losses.

PROFIT PER SHARE

	2024 Pence per share	2023 Pence per share	Change in pence per share
Basic headline profit per share	**61.3**	45.4	15.9
Basic total profit per share	**60.3**	43.1	17.2

Basic headline profit per share increased by 15.9 pence and basic total profit per share increased by 17.2 pence over the prior financial year as a consequence of the greater profit generated in the current financial year.

RETURN ON CAPITAL EMPLOYED (ROCE)

Reported £ million	**2024**	2023
Headline profit before interest, foreign exchange gain and tax	**597**	476
UK corporation tax rate	**25%**	25%
Normalised headline operating profit after tax (NOPAT)	**448**	357
Average shareholders' equity (excluding the hedging and cost of hedging reserves)	**2,897**	2,517
Average net (cash)/debt	**(111)**	315
Average capital employed	**2,786**	2,832
Headline return on capital employed	**16.1%**	12.6%
Total return on capital employed	**15.9%**	12.0%

ROCE is calculated by taking headline profit before interest, foreign exchange gain and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by average capital employed. Capital employed is defined as shareholders' equity excluding hedging and cost of hedging reserves less net (cash)/debt.

Headline ROCE for the year of 16.1% is an improvement on the prior year (2023: 12.6%). This reflects the higher headline profit for the year combined with the increase in the net cash position. Total ROCE of 15.9% (2023: 12.0%) is reduced by the non-headline charge in the year, and is greater than the prior year which had a higher non-headline charge.

FINANCIAL REVIEW (CONTINUED)

SUMMARY NET CASH RECONCILIATION

The below table presents cash flows on a net cash basis. This presentation is different to the presentation of the statement of cash flows in the consolidated financial statements as it includes non-cash movements on debt facilities.

	2024 £ million	2023 £ million	Change £ million
Operating profit	**589**	453	136
Net tax paid	**(8)**	(12)	4
Net working capital movement excluding unearned revenue	**(174)**	(19)	(155)
Unearned revenue movement	**240**	458	(218)
Depreciation and amortisation	**770**	673	97
Net capital expenditure	**(929)**	(754)	(175)
Acquisition of subsidiary, net of cash acquired	**(22)**	–	(22)
Net proceeds from sale and leaseback of aircraft	**114**	76	38
Increase in lease liability	**(497)**	(208)	(289)
Purchase of own shares for employee share schemes	**(18)**	(15)	(3)
Ordinary dividends paid	**(34)**	–	(34)
Other (including the effect of exchange rate movements)	**109**	59	50
Net increase in net cash	**140**	711	(571)
Net cash/(debt) at the beginning of the year	**41**	(670)	711
Net cash at the end of the year	**181**	41	140

Net cash as at 30 September 2024 was £181 million (30 September 2023: £41 million) and comprised cash, cash equivalents and other investments of £3,461 million (30 September 2023: £2,925 million), borrowings of £2,106 million (30 September 2023: £1,895 million) and lease liabilities of £1,174 million (30 September 2023: £989 million).

Net working capital outflow, excluding unearned revenue, of £174 million in the year (2023: £19 million) predominantly reflects a decrease in trade payables with more efficient year-end processing, in addition to an increase in trade and other receivables. There was a higher value of receivables due over the year end period including miscellaneous sales ledger items, interest receivable, airport incentive income and supplier credit notes.

The unearned revenue movement of £240 million (2023: £458 million) reflects capacity on sale at the year end, including package holidays which traditionally have a longer booking period. The comparative year saw a greater movement as customer booking behaviour normalised and easyJet delivered a significant increase in capacity and improved yields post-pandemic.

The increase in depreciation and amortisation to £770 million (2023: £673 million) includes additional depreciation from the growth of the fleet and the increase in leased aircraft maintenance costs, recognised through depreciation, with the rise in flying volumes and changes in the profile of leased aircraft assets through the year. Intangible asset amortisation has also increased with additional investment in technology assets.

Net capital expenditure in the year of £929 million (2023: £754 million) reflects the continued investment in fleet renewal and growth in the overall size of the fleet, alongside pre-delivery payments against our future order book. The expenditure is across sixteen new aircraft (2023: ten), maintenance additions, pre-delivery payments and capital expenditure on long life parts, engines and aircraft spares. Additionally, spend on easyJet's digital infrastructure and customer facing platforms continues with significant intangible asset investment.

In the year easyJet plc acquired SR Technics Malta Limited, with a net cash outflow of £22 million.

The sale and leaseback of eleven (2023: eight) aircraft in the year resulted in a net cash inflow of £114 million (2023: £76 million). Lease additions, including the sale and leaseback aircraft and a number of additional property leases for head office and maintenance facilities, as well as significant lease extension undertakings, are the key drivers for the increase in the lease liability of £497 million (which excludes exchange rate impact and lease rental payments).

The net £109 million movement (2023: £59 million) in 'Other' includes movement in net interest, as interest received in this financial year offsets interest paid due to beneficial interest rates on cash, foreign exchange impacts and the increase of costs for share-based employee benefit schemes.

EXCHANGE RATES

The proportion of revenue and headline costs denominated in currencies other than sterling is outlined below alongside the exchange rates in the year:

	Revenue		Headline costs	
	2024	2023	**2024**	2023
Sterling	**55%**	55%	**34%**	32%
Euro	**35%**	35%	**36%**	35%
US dollar	**1%**[1]	1%	**25%**	27%
Other (principally Swiss franc)	**9%**	9%	**5%**	6%

Average headline exchange rates[2]	**2024**	2023
Euro – revenue	**€1.16**	€1.15
Euro – costs	**€1.17**	€1.15
US dollar	**$1.24**	$1.24
Swiss franc	**CHF 1.10**	CHF 1.14

Closing exchange rates	**2024**	2023
Euro	**€1.20**	€1.15
US dollar	**$1.34**	$1.22
Swiss franc	**CHF 1.13**	CHF 1.12

1) Our customers have the option of paying for flights in US dollars.
2) Exchange rates quoted are post-hedging applied to revenue and headline costs.

FINANCIAL REVIEW (CONTINUED)

HEADLINE EXCHANGE RATE IMPACT

Favourable/(adverse)	Euro £ million	Swiss franc £ million	US dollar £ million	Other £ million	Total £ million
Total revenue	(29)	13	(1)	(2)	(19)
Fuel	1	–	–	–	1
Headline costs excluding fuel	41	(1)	(1)	(3)	36
Headline total before tax[1]	**13**	**12**	**(2)**	**(5)**	**18**

1) Excludes the impact of balance sheet translation.

easyJet's Foreign Currency Risk Management policy aims to reduce the impact of fluctuations in exchange rates on future cash flows. Refer to note 26 in the financial statements for more details.

As a European carrier, easyJet recognises a significant element of revenue, 35%, across its network in euros. Therefore the strengthening of sterling against the euro on average over the year, when compared to the prior year, has reduced the value of the revenue translated into sterling. The opposite effect was true of Swiss franc-denominated revenue where, on average across the year, sterling weakened against the Swiss franc which benefited revenue. The euro exchange rate impact in revenue has been offset by the converse impact on costs, with the stronger average sterling rate to euro compared to the prior year reducing costs translated from euros. With exchange rates being relatively stable in the year, on a net position the movement in average exchange rates between the current and prior years has resulted in a favourable foreign currency impact of £18 million across the consolidated income statement.

For the statement of financial position, in-year movements in closing exchange rates and a focus on natural hedging through foreign currency cash balances, resulted in a net exchange rate impact of only a £4 million gain in the year (2023: £27 million).

FINANCIAL PERFORMANCE

REVENUE

£ million	2024	2023
Passenger revenue	**5,715**	5,221
Ancillary revenue	**2,457**	2,174
Holidays incremental revenue[1]	**1,137**	776
Total revenue	**9,309**	8,171

1) easyJet holidays numbers are after the elimination of intercompany airline transactions.

Total revenue increased by 14% to £9,309 million (2023: £8,171 million).

Revenue performance in the year was a combined result of increased customer volumes, a focus on optimising winter yields and summer pricing in a competitive market alongside a continued growth in the ancillary choices we offer customers. Total airline RPS of £81.35 was 1.9% ahead of prior year (2023: £79.84), 2.1% at constant currency, with passenger RPS 0.9% ahead and ancillary RPS 4.2% favourable, 1.0% and 4.7% respectively at constant currency. The total number of passengers carried increased by 8% to 89.7 million (2023: 82.8 million), supported by additional capacity with an 8% increase in seats flown to 100.4 million seats (2023: 92.6 million seats). 158 new routes and growth in key leisure markets in the year.

Airline ancillary revenue of £2,457 million was 13% ahead of the previous financial year (2023: £2,174 million) as a result of both higher passenger numbers and improved yields. Cabin bags and leisure bundles, amongst other ancillary products, continued to deliver incremental revenue through the year, benefiting from positive yields achieved by price optimisation. Our inflight retail offer continues to grow in popularity as menu choices and product selections evolve, resulting in an improved profit per seat of 13% to £0.68 (2023: £0.60), delivering additional revenue of £12 million.

Before adjusting for flight revenue, easyJet holidays customers generated revenue of £1,521 million, a 45% growth on 2023 pre-adjusted revenue of £1,047 million. Net of flight revenue, Holidays' incremental revenue of £1,137 million was an increase of £361 million, (2023: £776 million) reflecting the growth in customer volumes and the success in expanding our share of the UK package holiday market.

Similar to the prior year, within revenue there was a £47 million credit (2023: £47 million) arising from the release of aged contract liabilities within other payables, with £31 million recognised in passenger revenue and £16 million in ancillary revenue.

HEADLINE COSTS EXCLUDING FUEL

	2024		2023	
	Total £ million	Airline £ per seat	Total £ million	Airline £ per seat
Operating costs and income				
Airports and ground handling	**1,989**	**19.80**	1,800	19.44
Crew	**1,074**	**10.69**	941	10.16
Navigation	**463**	**4.61**	422	4.56
Maintenance	**390**	**3.88**	341	3.69
Holidays direct operating costs	**840**	**n/a**	582	n/a
Selling and marketing	**257**	**1.94**	232	2.04
Other costs	**758**	**6.92**	695	7.09
Other income	**(52)**	**(0.52)**	(5)	(0.05)
	5,719	**47.32**	5,008	46.93
Ownership costs				
Depreciation	**727**	**7.23**	625	6.75
Amortisation	**43**	**0.35**	29	0.27
Net interest and other financing income and charges	**(9)**	**0.15**	48	0.63
	761	**7.73**	702	7.65
Foreign exchange gain	**(4)**	**(0.02)**	(27)	(0.28)
	757	**7.71**	675	7.37
Headline costs excluding fuel	**6,476**	**55.03**	5,683	54.30

Headline CPS excluding fuel for the airline increased by 1% to £55.03 (2023: £54.30), and by 1% at constant currency.

FINANCIAL REVIEW (CONTINUED)

Included within the total headline costs excluding fuel of £6,476 million is £947 million (2023: £654 million) related to the holidays business, the cost increase being primarily due to the growth of the business.

Headline operating costs and income

Airports and ground handling operating costs increased by 11% to £1,989 million (2023: £1,800 million), an increase of 2% to £19.80 (2023: £19.44) on an airline CPS basis, 3% at constant currency. With a network of largely slot-constrained and regulated primary airports easyJet is subject to regulatory price increases with labour costs in the general market also contributing to CPS increases.

Crew costs increased by 14% to £1,074 million (2023: £941 million), an increase of 5% to £10.69 (2023: £10.16) on an airline CPS basis, 6% at constant currency, largely representing an industry-wide pressure on above inflation pay deals. This has been offset in part by productivity gains in the year and the benefit of allocating the fixed element of crew costs over greater capacity.

Navigation costs increased by 10% to £463 million (2023: £422 million) as a result of both Eurocontrol rate increases and a change in route mix with new routes introduced in the year. This was a rise of 1% to £4.61 (2023: £4.56) on an airline CPS basis, 3% at constant currency.

Maintenance costs increased by 14% to £390 million (2023: £341 million), an airline CPS increase of 5% to £3.88 (2023: £3.69), 5% at constant currency. This CPS increase reflects general cost pressure in this area including the costs of external maintenance and support functions, component costs and internal labour costs.

Selling and marketing costs increased by 11% to £257 million (2023: £232 million). Whilst marketing costs saw an increase to support the growth of the holidays segment, airline marketing costs were comparable to the prior year and, combined with a benefit from commission arrangements, resulted in a lower airline CPS of £1.94 (2023: £2.04), a 5% reduction on the previous year, 4% at constant currency.

Total other costs increased by 9% to £758 million (2023: £695 million), which for the airline was a reduction of 2% to £6.92 (2023: £7.09) on a CPS basis, and 2% reduction at constant currency. Other costs include the impact of the disruption experienced in the year, with net £187 million disruption compensation and welfare costs incurred (2023: £211 million). Whilst disruption continued to be a theme in the year, the number of events were reduced over the previous year. In part this was offset by higher welfare costs, where easyJet has an obligation to support customers impacted by disruption, including those events outside of the airline's control such as ATC performance, external strike action and weather events. The other cost line also includes employee costs and benefits with central headcount costs increasing and wider employee share scheme offerings and other benefits also contributing. Increases in easyJet holidays' fixed costs reflects growth in the segment. Additionally, IT costs increased year on year with easyJet's continued investment in technology including infrastructure, data management and customer-facing system enhancements.

Other income of £52 million was an increase of £47 million from the prior year (2023: £5 million). Other income includes a variety of non-revenue receipts including supplier and airport compensation and sale of surplus aircraft components.

Headline ownership costs

Depreciation costs increased by 16% to £727 million (2023: £625 million), a 7% increase to £7.23 (2023: £6.75) on a CPS basis, and 7% at constant currency. There has been significant fleet activity in the year with 16 new aircraft delivered alongside a change in the profile of leased aircraft. In addition, the maintenance provision for leased aircraft has significantly increased reflecting higher flying volumes, the increased cost of maintenance events and extended obligations for a number of leased aircraft in order to manage the impact of new aircraft delivery delays.

The increase in amortisation costs of 48% to £43 million (2023: £29 million) reflects easyJet's investment in technology with continued enhancement to customer facing platforms in addition to commercial infrastructure and the evolution of data insight and digital security technology. On an airline CPS basis, the £0.35 measure is a 30% increase on the prior year (2023: £0.27), 30% at constant currency.

Net interest and other financing income and charges were a net £9 million credit (2023: £48 million net charge) reflecting the benefit from high interest rates on cash deposits in the year, and the interest payments forgone following the repayment of the UKEF drawn facility in the previous year.

Foreign exchange gains of £4 million in the year (2023: £27 million) were marginal, being the benefit of the retranslation of foreign currency denominated monetary assets and liabilities arising from currency movements in the year, notably tempered by an increased focus on hedging the statement of financial position.

FUEL

	2024		2023	
	Total £ million	**Airline £ per seat**	Total £ million	Airline £ per seat
Fuel	**2,223**	**22.14**	2,033	21.95

Fuel costs for the year increased by 9% to £2,223 million (2023: £2,033 million), a 1% increase on a CPS basis to £22.14 (2023: £21.95), 1% at constant currency. Fuel prices at the start of the financial year were high reflecting the outbreak of the conflict in the Middle East in October 2023, but settled through the second half as markets acclimatised to the geopolitical events. Whilst overall jet fuel prices reduced in the year, the absolute cost reflects the increased flying volume. On a per seat basis, alongside the reduced fuel prices, the prior year comparatives were supported by a full year benefit of the Descent Profile Optimisation software retrofitted on our aircraft in FY23, the introduction of further fuel-saving Idle Factor Optimisation software, and the increase of the more fuel-efficient NEO aircraft in the fleet. These benefits were partially offset by a reduction in the allocation of no-cost Emissions Trading Scheme (ETS) allowances as jurisdictions wind down the 'free' aspects of the scheme with easyJet therefore increasing the proportion of purchased allowances utilised in the year.

easyJet uses jet fuel derivatives to hedge against increases in jet fuel prices in order to mitigate cash and income statement volatility. To manage the risk exposure, jet fuel derivative contracts are used in line with the Board-approved policy to hedge up to 18 months of forecast exposures. During the financial year, the average market price payable for jet fuel reduced by 4% to $864 per tonne from $897 per tonne in FY23. The overall post-hedge fuel price in the year was $842 per tonne (2023: $867), the 3% reduction compared to FY23 being due to the fuel cost at the time the hedges were entered into. Approximately 81% of jet fuel was hedged in FY24.

FINANCIAL REVIEW (CONTINUED)

PROFIT AFTER TAX

£ million (reported)	2024	2023
Headline profit before tax	**610**	455
Headline tax charge	**(151)**	(114)
Headline profit after tax	**459**	341
Non-headline items before tax	**(8)**	(23)
Non-headline tax credit	**1**	6
Total profit after tax	**452**	324

NON-HEADLINE ITEMS

A non-headline charge of £8 million (2023: £23 million) was recognised in the year. This consists of a net £9 million restructuring charge and a £1 million profit on the sale and leaseback of eleven aircraft in the year (2023: £nil million loss on eight aircraft). The restructuring charge consists of a £12 million cost, being an estimate of the potential costs of network restructuring exercises in Italy and France, offset by a £3 million release from the provision for the previously announced Germany restructuring programmes following a number of settlements finalised in the year.

CORPORATE TAX

Corporate tax has been recognised at an effective rate of 24.9% (2023: 25.1%), resulting in an overall tax charge of £150 million (2023: £108 million). This splits into a tax charge of £151 million on the headline profit and a tax credit of £1 million on the non-headline items.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2024 £ million	2023 £ million	Change £ million
Goodwill and other non-current intangible assets	**793**	641	152
Property, plant and equipment (excluding right of use assets)	**4,285**	3,936	349
Right of use assets	**1,190**	928	262
Derivative financial instruments	**(290)**	153	(443)
Equity investment	**51**	31	20
Other assets (excluding cash and other investments)	**1,224**	1,159	65
Unearned revenue	**(1,741)**	(1,501)	(240)
Trade and other payables	**(1,656)**	(1,764)	108
Other liabilities (excluding debt)	**(1,064)**	(837)	(227)
Capital employed	**2,792**	2,746	46
Cash, cash equivalents and other investments[1, 2]	**3,461**	2,925	536
Debt (excluding lease liabilities)	**(2,106)**	(1,895)	(211)
Lease liabilities	**(1,174)**	(989)	(185)
Net cash	**181**	41	140
Net assets	**2,973**	2,787	186

1) Excludes restricted cash.
2) Other investments include term deposits, tri-party repos and managed investments.

FINANCIAL REVIEW (CONTINUED)

Since 30 September 2023 net assets have increased by £186 million.

The net book value of goodwill and other non-current intangible assets of £793 million (2023: £641 million) has increased in the year by £152 million. This includes an increase in goodwill of £22 million with the purchase of SR Technics Malta Limited; continued investment in software development and applications in the year of net £60 million, focusing on digital safety and security, optimising commercial platforms and customer applications; and non-current ETS assets of £70 million. The ETS assets are advance purchases of allowances to meet future liabilities thereby providing a level of certainty on the cost of future flying obligations.

Property, plant and equipment (excluding right of use assets) net book value has increased by £349 million to £4,285 million (2023: £3,936 million). The impact of the sale and leaseback of eleven aircraft and the depreciation charge for the year has been offset by the sixteen new owned aircraft brought into the fleet in the year, advanced payments on the order book and increased capitalised parts and maintenance.

At 30 September 2024, right of use assets amounted to £1,190 million (2023: £928 million) with lease liabilities of £1,174 million (2023: £989 million). This reflects the aircraft sale and leaseback transactions in the year as well as a number of new leases and lease extensions and the increase in the leased aircraft maintenance provision.

There has been a £443 million decrease in the net asset value of derivative financial instruments, moving to a net liability position in the year of £290 million (2023: £153 million net asset). The movement is due to a decrease in currency assets, including cross-currency swaps, as a result of the stronger pound against the US dollar and euro in comparison to the rates at 30 September 2023, and a decrease in the price of jet fuel leading to jet fuel hedges being in a liability position compared to 30 September 2023.

Other assets (excluding cash and other investments) of £1,224 million are £65 million higher than the prior year (2023: £1,159 million). The receivables asset as at 30 September 2024 has increased with trading growth and other non-current assets increased following additional mid-life leased aircraft entering the fleet. These increases were partially offset by a reduction in the ETS current asset as prior year assets were surrendered in the year as part of the annual scheme settlement process and replaced by current year assets purchased at a lower cost.

Unearned revenue increased by £240 million to £1,741 million (2023: £1,501 million), reflecting increased capacity on sale and the growth of easyJet holidays.

Trade and other payables reduced to £1,656 million (2023: £1,764 million) reflecting year-end payments and a reduction in aged customer contract liabilities whilst other liabilities of £1,165 million have increased by £328 million (2023: £837 million) with a significant increase in the provision for the maintenance obligation on leased aircraft with the increase in flying over the year, the changing profile of leased aircraft, and increased cost of maintenance activities.

Debt has increased by a net £211 million to £2,106 million (2023: £1,895 million) with the issue of the new €850 million Eurobond offsetting the repayment of a €500 million Eurobond. Nevertheless, easyJet has improved its net cash position over the year, with net cash increasing from £41 million at the start of the year to £181 million at 30 September 2024. The main drivers are outlined in the earlier section on page 30.

FINANCIAL REVIEW (CONTINUED)

KEY STATISTICS

OPERATING MEASURES

	2024	2023	Increase/ (decrease)
Seats flown (millions)	**100.4**	92.6	8%
Passengers (millions)	**89.7**	82.8	8%
Load factor	**89.3%**	89.3%	–
Available seat kilometres (ASK) (millions)	**122,885**	113,334	8%
Revenue passenger kilometres (RPK) (millions)	**111,615**	102,984	8%
Average sector length (kilometres)	**1,223**	1,224	0%
Sectors (thousands)	**559**	519	8%
Block hours (thousands)	**1,182**	1,094	8%
easyJet holidays customers (thousands)[1]	**2,575**	1,893	36%
Number of aircraft owned/leased at end of year	**347**	336	3%
Average number of aircraft owned/leased during year	**342**	328	4%
Average number of aircraft operated per day during year	**291**	276	5%
Number of routes operated over the year	**1,099**	1,018	8%
Number of airports served at end of year	**160**	155	3%

1) easyJet holidays' customer numbers excluding agency commission customers are 2.3 million (2023: 1.6 million).

FINANCIAL MEASURES

	2024	2023	Favourable/ (adverse)
Return on capital employed	**15.9%**	12.0%	3.9ppts
Headline return on capital employed	**16.1%**	12.6%	3.5ppts
Profit before tax per seat (£)	**6.00**	4.67	28%
Headline profit before tax per seat (£)	**6.08**	4.91	24%
Airline profit before tax per seat (£)	**4.10**	3.35	22%
Airline headline profit before tax per seat (£)	**4.18**	3.59	16%
Airline headline profit before tax per ASK (pence)	**0.34**	0.29	17%
easyJet holidays profit before tax (£ millions)	**190**	122	56%
Revenue			
Airline revenue per seat (£)	**81.35**	79.84	1.9%
Airline revenue per seat at constant currency (£)	**81.53**	79.84	2.1%
Airline revenue per ASK (pence)	**6.65**	6.52	2.0%
Airline revenue per ASK at constant currency (pence)	**6.66**	6.52	2.1%
Airline revenue per passenger (£)	**91.11**	89.36	2.0%
Airline revenue per passenger at constant currency (£)	**91.32**	89.36	2.2%
Costs			
Per seat measures			
Airline headline cost per seat (£)	**77.17**	76.25	(1.2)%
Airline headline cost per seat excluding fuel (£)	**55.03**	54.30	(1.3)%
Airline headline cost per seat exc fuel at constant currency (£)	**55.36**	54.58	(1.4)%
Per ASK measures			
Airline headline cost per ASK (pence)	**6.31**	6.23	(1.3)%
Airline headline cost per ASK excluding fuel (pence)	**4.50**	4.44	(1.4)%
Airline headline cost per ASK exc fuel at constant currency (pence)	**4.52**	4.46	(1.3)%

Refer to the Glossary on pages 205 to 207 for further detail.

SUSTAINABILITY

OUR APPROACH TO SUSTAINABILITY

"

We will need multiple solutions to decarbonise aviation.

Johan Lundgren Chief Executive Officer

As I enter my last few weeks in the business, I am delighted to be able to report that easyJet's commitment to sustainability is stronger than ever.

A quarter of our fleet is now comprised of modern NEO aircraft, which are between 13% and 20% more efficient than the aircraft they replace.

But it is not just the planes we are flying. One crucial way for us to reduce emissions is how we fly them and this year we became the first airline partner of Viasat's IRIS programme, a revolutionary satellite-based air traffic management system that is helping optimise our flying. This technology will help deliver critical improvements to the way we manage airspace and is expected to eliminate 6.5 million tonnes of CO_2 from European skies by 2040.

AIRSPACE MODERNISATION

This evolution can only happen in tandem with airspace modernisation. This is a crucial industry-wide step in decarbonising the sector which could lead to a 10% reduction in easyJet's total annual emissions and 18 million tonnes CO_2 reduction across European aviation. This is why in September, to accelerate its delivery, we released new analysis to show where the greatest airspace inefficiencies are across our network. The aim is to take this data to policymakers, regulators and air traffic controllers across Europe so that together we can deliver improvements that will help reduce European aviation's fuel consumption and therefore CO_2 emissions, while also reducing flight times for our customers.

SUSTAINABLE AVIATION FUEL

Sustainable Aviation Fuel (SAF) is another vital component of our roadmap, with eSAF a particularly promising option given its potential to deliver an up to 99% carbon life-cycle reduction versus conventional jet fuel. This year we have joined Project SkyPower – a CEO-led initiative aiming to make eSAF a commercial reality by 2030.

NEW AIRCRAFT TECHNOLOGY

It's clear we will need multiple solutions to decarbonise aviation and, like SAF, hydrogen is another exciting alternative fuel to help us on this mission. We have continued work to accelerate this transition through important industry bodies such as Hydrogen in Aviation (HIA) and the Alliance for Zero Emission Aviation (AZEA). The latter, backed by around 170 organisations across the aviation sector, has provided industry-wide collaboration and progress. We have also explored possible new airframe technology, signing a partnership with JetZero, a company pioneering a blended-wing body aircraft design which has the potential to reduce fuel burn and CO_2 emissions by 50% using current generation fuels. It also creates a suitable platform for hydrogen-powered engine technology and for hydrogen-powered flight.

EXTERNAL RECOGNITION

ESG ratings

Our Sustainalytics score places us at the top of European airlines, and the fourth worldwide.

21.4
score

SUSTAINALYTICS

Sustainalytics uses a 100-0 scoring scale – the lower the score the better

October 2024

AA
score

MSCI

MSCI uses a CCC-AAA scoring scale

August 2024

A-
score

CDP
DRIVING SUSTAINABLE ECONOMIES

CDP uses an F-A scoring scale

February 2024

Included in

FTSE4Good

2024 awards

Sep 2024

- **UK & Ireland Travel Company of the Year 2024**
  TTG, in The Travel Industry Awards 2024
  Our ESG strategy helped us secure the UK & Ireland Travel Company award.
  THE TRAVEL INDUSTRY AWARDS 2024 by ttg
- **Aviation Company of the Year**
  Aviation Industry Awards
  Awarded for industry contributions, notably in sustainability, last year.
- **Aviation Innovation Award**
  Aviation Industry Awards
  Awarded for pioneering hydrogen refuelling trial, developing UK industry standards.
  AVIATION INDUSTRY AWARDS UK 2024
  Recognising excellence in the UK and International Aviation Industry

Jun 2024

- **Best for Service Equipment: Crew**
  Onboard Hospitality Awards
  Awarded for championing sustainability, significantly cutting waste with reusable items.
  Onboard WINNER

SUSTAINABILITY (CONTINUED)

A-

CDP score

21.4

Sustainalytics score

GROUNDBREAKING PARTNERSHIPS

We have taken a number of important practical steps too. In July, our partnership with Rolls-Royce broke ground on a new test facility at NASA's Stennis Space Centre in Mississippi, with testing on a next-generation hydrogen-powered engine due to start in 2025. We have also joined forces with London Gatwick, our largest base, and Air Products to add Gatwick to the Airbus Global Hydrogen Hub network and start laying the groundwork to create the necessary infrastructure for a hydrogen transition. Complementing this, we ran the first hydrogen refuelling trial at a major UK airport, Bristol – an essential next step to creating the first regulation for hydrogen's use in an airside environment.

Johan speaking at the two-year anniversary of our net zero pathway

WIDE-RANGING ACTIVITY

As well as supporting the development of current and future technologies, we are also making improvements in other areas. This year we contributed to collaborative work with the Department for the Environment, Farming and Rural Affairs, the Animal and Plant Health Agency and the Department for Transport, to develop new industry guidelines to improve how we dispose of aircraft cabin waste. Our pilots and cabin crew are doing their bit, switching to reusable cutlery and cups for all in-flight meals, helping prevent 10 million single-use items from being wasted each year.

We have also renewed and relaunched our partnership with UNICEF, through which our customers and crew have generated over £17 million since its inception.

I'm immensely proud that easyJet received an A- score from the Climate Disclosure Project (CDP) in the last year, one of the few airlines to achieve this. There is of course more to do, but this shows we are on the right path and we will continue to lead by example in this vital area. We are also delighted with our Sustainalytics score which, at 21.4 in October 2024, makes easyJet the leading airline for sustainability in Europe, and the fourth-placed airline worldwide.

SUSTAINABILITY STRATEGY

Pioneering positive change for our planet, communities and people
Getting one step closer to net zero every day

Reducing our impact today

We work tirelessly to minimise environmental impact across our operations.

- Focused on reducing the carbon intensity of our flying.
- Tackling waste and plastic reduction within easyJet and our supply chain.
- Continuously addressing our noise impact.
- Enhancing our environmental performance through our ISO 14001-aligned environmental management system.

Find out how we are reducing our impact today on pages 41 to 47.

Pioneering future travel

Supporting the development of zero carbon emission technology to shape the future of flying.

- Committed to net zero carbon emissions by 2050.
- Driving change to deliver our net zero transition roadmap.
- Collaboration and partnerships to achieve zero carbon emission flying.
- Advocating for effective carbon regulation and support for new technology.

Find out how we are pioneering future travel on pages 48 to 50.

Driving positive change

Positively impacting our people, customers and communities to maximise the social and economic benefits of travel and tourism.

- Creating Europe's most loved place to work.
- Driving more sustainable tourism through easyJet holidays.
- Supporting charitable causes that are important to our customers and employees.

Find out how we are driving positive change in society on pages 51 to 55, and how we are creating Europe's most loved place to work on pages 56 to 60.

Underpinned by strong governance and monitoring at Board level to drive delivery of this strategy

United Nations Sustainable Development Goals relevant to each part of our strategy

7 13 15 | 9 13 17 | 10 12 17

SUSTAINABILITY (CONTINUED)

SUSTAINABILITY AND ESG GOVERNANCE

Strong governance and monitoring at Board level drive delivery of our Sustainability Strategy

PLC BOARD

Approves Sustainability Strategy and reviews implementation, guided by its committees below:

Nominations Committee
Diversity organisational targets, employee engagement and culture, workforce engagement, sustainability and ESG expertise of the Board

Audit Committee
Accuracy and reliability of non-financial reporting, ethics and compliance-related impact, climate risk, supply chain integrity and sustainable procurement

Safety & Operational Readiness Committee
Review and monitoring of the implementation of easyJet's Safety Plan

Remuneration Committee
ESG-linked remuneration and gender pay gap

Finance Committee
Emissions Trading Schemes

AIRLINE MANAGEMENT BOARD

Regular updates and approval
There are AMB sponsors for (key) material ESG topics

ESG STEERING COMMITTEE

Steers direction of Sustainability Strategy, including net zero roadmap and ESG disclosure

Environment Working Group | **Social Working Group** | **Governance Working Group**

SUSTAINABILITY TEAM

Supported by specialist sustainability and ESG working groups

SUSTAINABILITY AND ESG GOVERNANCE

Under our ESG Governance framework, the Board sets the ESG strategy and has ultimate oversight, with regular reporting on sustainability directly from the Director of Sustainability. The ESG Steering Committee tracks implementation of this strategy by each of the relevant business functions.

At management level, the ESG Steering Committee comprises the CFO, Group Markets Director and Group General Counsel, supported by the Director of Sustainability, Director of Group Reporting & Financial Control and Deputy General Counsel. They are responsible for tracking the implementation of the strategy regarding ESG performance, monitoring the delivery of the net zero pathway and ESG strategy, and ensuring readiness for CSRD (and other reporting obligations). The ESG Steering Committee receives regular direct reports on these areas from the Environmental, Social and Governance Working Groups. Each Working Group coordinates the relevant initiatives in their area and is chaired and sponsored by a member of the AMB.

At an operational level, the Sustainability team plays a role in embedding ESG/Sustainability into the business, with critical support from key business functions including procurement, finance, legal and the people team. Additionally, easyJet has assigned risk owners to each of the material risks identified, including ESG. Risk owners are responsible for ensuring there are adequate controls around that risk.

MATERIALITY

In 2023 we carried out our double materiality assessment. This provided a deeper understanding of the sustainability and business issues that matter most to both internal and external stakeholders. Based on those insights and the analysis of upcoming reporting requirements (such as CSRD and ISSB), we have reviewed how we oversee environmental, social and governance matters to ensure robust and focused compliance with our Sustainability Strategy and regulatory requirements.

PREPARING FOR FUTURE REPORTING REQUIREMENTS

We are familiarising ourselves with International Sustainability Standards Board (ISSB) reporting standards for when the UK adopts them, and with the CSRD (EU Corporate Sustainability Reporting Directive) in preparation for easyJet's reporting under this legislation in future years.

SUSTAINABILITY (CONTINUED)

HIGHLIGHTS OF THE YEAR

During FY24, we have continued with our collaborative efforts, bringing together a wide range of partners across the aviation ecosystem to address our environmental impact in the short term, while setting the foundation for long-term technology-led climate action.

HIA/AZEA

Our ultimate goal remains to fly zero-carbon emission aircraft technology. Our continued work to accelerate this transition through important industry bodies such as Hydrogen in Aviation (HIA) and the Alliance for Zero Emission Aviation (AZEA) has driven industry-wide collaboration and progress.

Read more on page 55

Fleet renewal

16 NEO aircraft joined the fleet, with a further 299 on order.

Read more on page 41

Switching to reusable cutlery for crew members

Our entire crew community switched from disposable cups and cutlery to fully reusable alternatives in an industry first.

Read more on page 46

IRIS programme – satellite-based air traffic optimisation

The first airline evaluation partner on the Viasat-led programme in collaboration with Airbus and the European Space Agency to trial next generation systems.

Read more on page 43

Rolls-Royce partnership

Key milestones being met on pioneering hydrogen engine ground demonstrator programme, including breaking ground for the engine test facility at NASA in the US.

Read more on page 48

Airspace map

In an industry first, we modelled the carbon impact of airspace inefficiencies on the easyJet operation using AI and advanced analytical techniques to identify specific pain points and demonstrate the critical need for airspace reform.

Read more on page 43

Increase in GSTC-recognised certification for easyJet holidays hotels

easyJet holidays expanded its Certified Sustainable range, increasing the number of hotels certified to GSTC-recognised standards by over 20% year on year, and introduced online training to support sustainability certification for hotel partners.

Read more on page 51

Project Acorn – award-winning hydrogen ground trial

easyJet led the first airside hydrogen refuelling trial at a major UK airport, paving the way for regulatory guidance around the use of hydrogen in aviation.

Read more on page 49

Project SkyPower – joined CEO-led initiative aiming to accelerate eSAF production

Collaboratively working to pave the way for the first European power-to-liquid SAF plants to reach final investment decision in 2025.

Read more on page 48

Hydrogen hubs

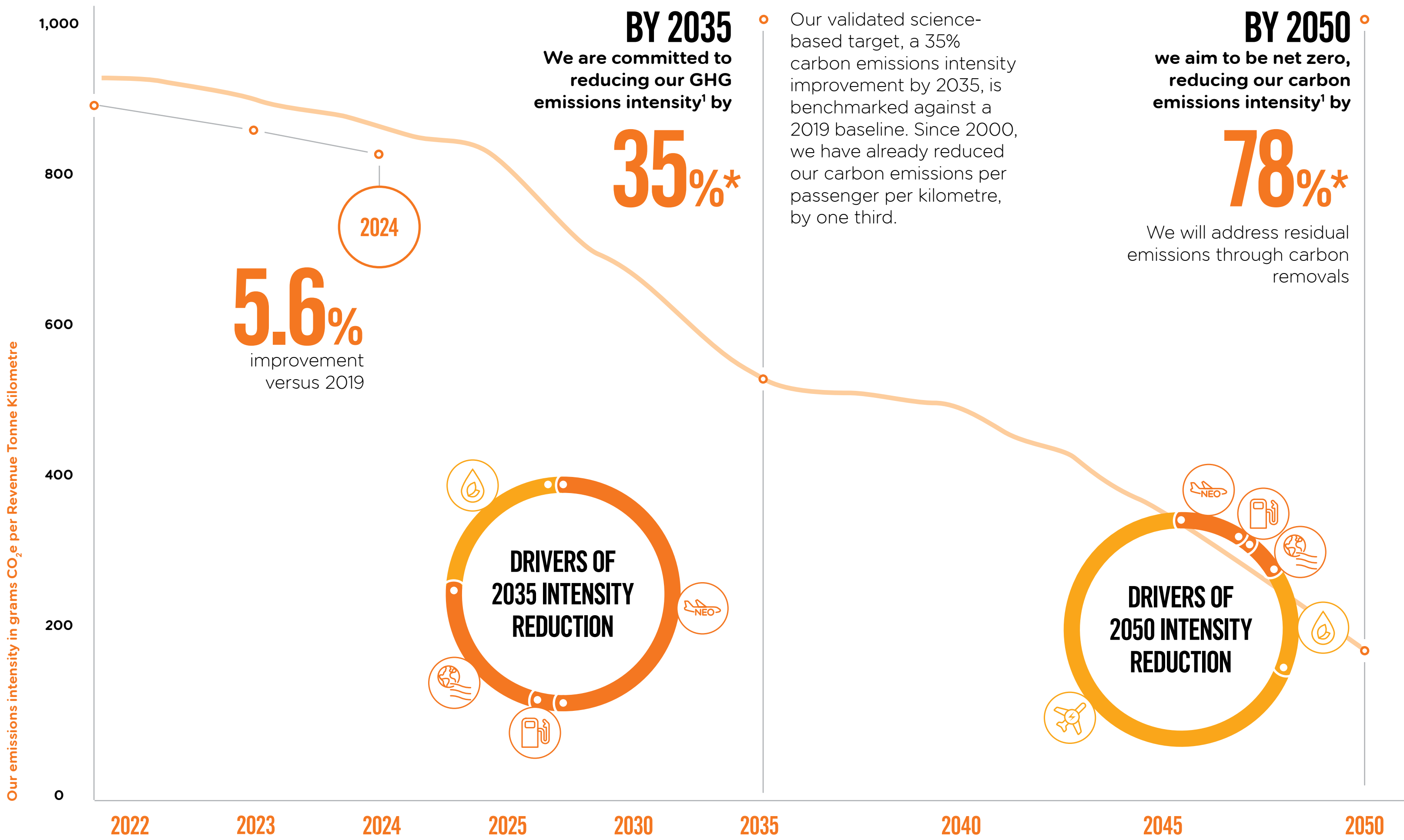
Making progress on hydrogen hub activities with SEA Milan Airports and London Gatwick.

Read more on page 48

SUSTAINABILITY (CONTINUED)

OUR ROADMAP TO NET ZERO

We have a goal to achieve net zero by reducing carbon intensity by 78% by 2050. This roadmap outlines the trajectory of easyJet's well-to-wake GHG emissions intensity to 2050 and our interim 2035 target.



BY 2035

We are committed to reducing our GHG emissions intensity[1] by

35%*

Our validated science-based target, a 35% carbon emissions intensity improvement by 2035, is benchmarked against a 2019 baseline. Since 2000, we have already reduced our carbon emissions per passenger per kilometre, by one third.

BY 2050

we aim to be net zero, reducing our carbon emissions intensity[1] by

78%*

We will address residual emissions through carbon removals

How we plan to achieve net zero by 2050

REDUCE
OUR ENERGY USE

Fleet renewal with NEO
Minimise fuel burn and emissions through current technology

Operational efficiencies
Fuel saving through initiatives including single engine taxi and engine washing

Airspace modernisation
Aiming for 10% emission reduction by 2035 through Single European Sky and modernisation of UK airspace

REPLACE
FOSSIL FUELS WITH LOW-CARBON AND ZERO CARBON EMISSIONS SOURCES

Sustainable Aviation Fuel
Use at scale in line with EU and UK mandates

Zero carbon emission aircraft
Committed to being an early adopter in transitioning the fleet

REMOVE
RESIDUAL EMISSIONS TO REACH NET ZERO

Carbon removal
Residual emissions will be removed to reach net zero by 2050

* versus 2019.

1) easyJet plc commits to reduce well-to-wake GHG emissions related to jet fuel from owned and leased operations by 35% per Revenue Tonne Kilometre (RTK) by FY35 from a FY19 base year. The target boundary includes biogenic emissions and removals from bioenergy feedstocks. Based on SBTi Aviation Sectoral Decarbonization Approach for a well below 2°C scenario.

REDUCING OUR IMPACT TODAY

7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION
15 LIFE ON LAND

We are dedicated to minimising the environmental impact of our operations. Our main priority is to lower the carbon intensity of our flights, and we are also working on reducing noise pollution, managing waste, decreasing the use of plastic and improving overall environmental performance.

We publish a range of ESG fact sheets on our website to be read alongside the 2024 Annual Report and Accounts. The fact sheets provide further data and information on: human capital; safety, quality and governance; digital safety; and environmental management. Go to: **corporate.easyJet.com/sustainability**

REDUCING OUR IMPACT IN THE AIR

WHAT WE ARE DOING TO REDUCE ENERGY USE

We will optimise our energy use by renewing our fleet with the most efficient aircraft available, saving fuel through operational efficiencies and through the modernisation of UK and European airspace when achieved.

OVERVIEW

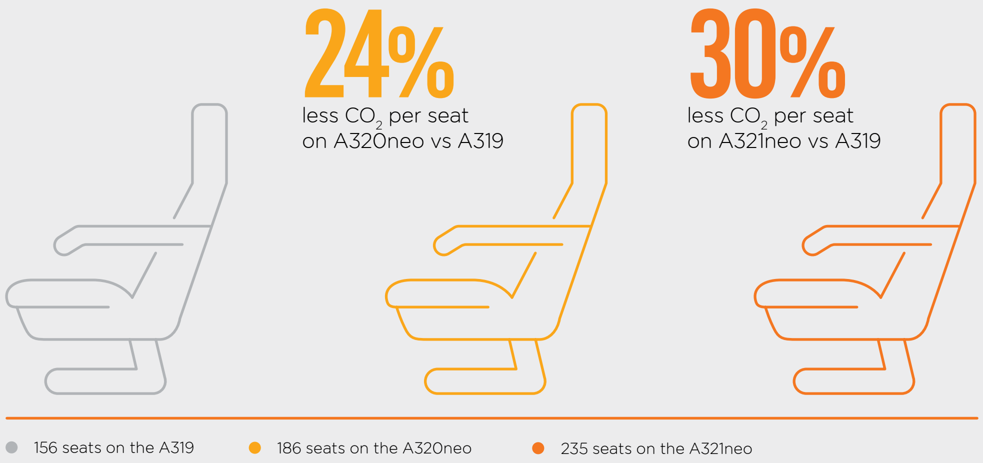
easyJet already boasts a significantly strong emissions intensity performance compared to the global narrowbody average. This achievement is the result of a relentless pursuit of efficiency throughout the airline's history.

In FY24, we recorded our lowest ever intensity of 66.64g CO_2/RPK (Scope 1 aviation emissions). We have continued to make significant progress towards our greenhouse gas (GHG) emissions intensity target, achieving a 0.9% improvement compared to FY23.

This represents a 5.6% improvement versus FY19, as we continue to make progress towards our interim target of a 35% reduction by FY35. It was driven primarily by fleet renewal, with 16 more efficient NEO aircraft joining the fleet, and strong emphasis on operational efficiencies including Descent Profile Optimisation and painting our aircraft with lightweight paint.

In 2022, we set an ambitious target to reduce GHG emissions intensity by 35% by 2035 (against an FY19 baseline) as a key step towards our goal of net zero by 2050. This target, validated by the Science Based Targets initiative (SBTi), is a pioneering effort among low-cost carriers worldwide.

IMPROVING EFFICIENCY WITH THE NEW NEO FLEET



Based on FY24 actual fuel burn per seat per block hour by aircraft type.

EFFICIENT FLEET

Our main tool for reducing energy consumption is to operate the most efficient fleet possible, using the most fuel-efficient aircraft available.

We already possess one of Europe's largest fleets of A320neo family aircraft and have an additional 299 on order scheduled for delivery between now and FY34, with a total list price of $36 billion.

The NEOs offer at least a 13% improvement in fuel efficiency and a 50% reduction in noise footprint.

Moving from the smaller A319 to the larger A320neo and A321neo aircraft allows us to increase seat capacity, significantly reducing the emissions impact per passenger. This fleet expansion will enable easyJet to grow capacity in a fuel- and emissions-efficient way.

In addition to new fleet acquisitions, we have also enhanced the efficiency of our existing fleet. Since 2013, our A320ceo aircraft have been equipped with 'Sharklet' wingtips, which reduce drag and fuel burn by up to 3% per hour flown. Further efficiency gains have been achieved through the Spaceflex configuration on 93% of our A320 fleet, which frees up space for six additional seats per plane. The seats themselves have been converted to a slimline, lightweight Recaro design, standard on all NEO deliveries, further reducing the weight and fuel burn of the aircraft. For a full fleet profile, see page 2.

OPERATIONAL IMPROVEMENTS AND EFFICIENCIES

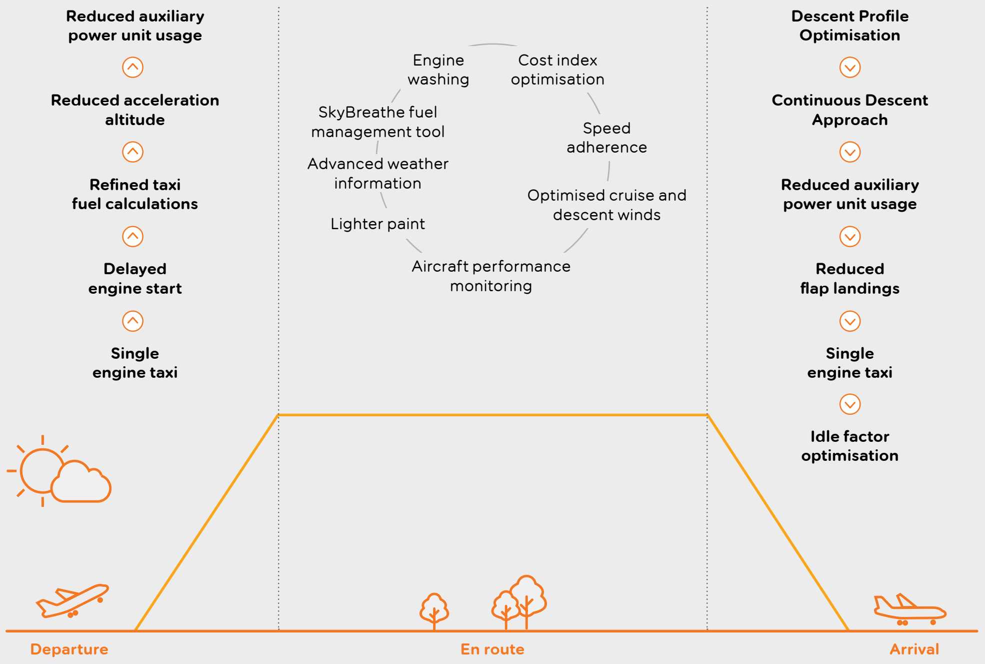
We continue to operate our aircraft as efficiently as possible and are always looking for further efficiency improvements to reduce fuel burn and therefore carbon emissions. While we continue to be progressive and invest in new technologies to improve efficiencies, safety continues to be our priority. All new measures are therefore closely scrutinised and taken only when safe and practical to do so, and within the parameters of the operational environment.

The operational and airspace modernisation initiatives mentioned below also aim to reduce NOx and other non-CO_2 emissions.

Our initiatives include:

> The use of lighter paint – now being used on all aircraft going through our paint shop, lighter paint has saved 57 tonnes of fuel, equivalent to 178 tonnes of carbon dioxide during FY24. 32 aircraft have already been painted.
> Idle Factor Optimisation trial – a large-scale trial is taking place on 89% of our fleet to make sure that idle thrust settings (the lowest power setting on the engine) are continuously optimised and tailored to each individual aircraft throughout that aircraft's life. In combination with Descent Profile Optimisation (DPO) and Continuous Descent Approach (CDA) software, this helps to further reduce carbon emissions and fuel costs.
> Participation in the EU CICONIA and HERON projects to reduce emissions in the air and on the ground – read more in the case studies on page 43.
> Taxibot trials – when aircraft taxi at airports, they use a considerable amount of fuel, emit CO_2 and generate noise. Taxibot is a semi-autonomous system controlled by the pilot, that enables airplane taxiing without engines running. Trials have shown a possible 85% reduction in the jet fuel used during taxiing, the same in CO_2 and noxious gases, and a 60% reduction in noise, using this technology.

OUR CARBON REDUCTION INITIATIVES



NOISE

We continue to work to reduce the noise impact of our aircraft and flights, helped by the acquisition of newer, quieter Airbus A320neo and A321neo aircraft, powered by CFM LEAP-1A engines. These aircraft comply with ICAO Chapter 14 regulations, the latest and most stringent noise standards. Currently, 48% of our fleet meets Chapter 14 certification, while the remaining 52% are certified under Chapter 4 standards.

We investigate any track and curfew violations so that we can improve procedure design and flight planning to reduce the impact of noise. The improvements we have made to aircraft software, such as Descent Profile Optimisation and Continuous Descent Approach, minimise noise pollution and reduce the impact on communities living close to the airports we serve.

Our participation in the HERON project, which aims to reduce CO_2 emissions from air transport and introduce more efficient aircraft operations in the air and on the ground, has the additional benefit of reducing noise.

At London Gatwick, we have been actively supporting the Noise Management Board (NMB) Delivery Group, particularly with its Reduced Night Noise trial. This complex and innovative trial is a first in the UK. We contributed to the design of the trial and in the development of its procedures. As the trial went live, we provided simulator validations for Civil Aviation Authority approval, supported specific profiles to enable data validation and provided flight data to help identify outliers. We continue to work on this complex trial and are keen to see it evolve through 2025 and ultimately deploy successfully to reduce the impact of night noise on the local community.

SUSTAINABILITY (CONTINUED)

AIRSPACE MODERNISATION

Airspace modernisation has the potential for significant carbon reductions in the short and medium term and will be critical to addressing non-CO_2 global warming effects. It must be addressed at a national and pan-European level and is crucial for a more environmentally optimised and efficient air traffic management system.

We are preparing for optimised European airspace by becoming the first airline evaluation partner for IRIS, an innovative air traffic management programme. This project is led by Viasat, a global leader in satellite communications, along with the European Space Agency and Airbus. IRIS enables new air traffic management features, such as trajectory-based operations, allowing controllers to manage a flight as a single, continuous path rather than a series of separate segments. This system helps aircraft avoid holding patterns, find the shortest available routes, and determine optimal altitudes.

The programme also benefits from the additional communications capacity provided by SwiftBroadband-Safety (SB-S), a satellite-communications system which supports a range of advanced onboard digital applications, including AI-powered flight profile optimisers and real-time weather applications. easyJet has received 11 Airbus NEO aircraft equipped with IRIS, as of FY24. IRIS will also enable a trial of 'electronic flight bags' (pilot iPads) connected to the internet which will give pilots quicker access to data and communications to drive in-flight optimisation.

We are engaging with UK and EU national governments to push for airspace reform, using new airspace inefficiencies data based on easyJet's operations. This data has given us a more granular picture of where inefficiencies arise in our network, enabling a strategy of targeted advocacy at specific airports that generate inefficiency rather than relying on top-down reform at EU level which has so far proven hard to achieve.

NON-CO_2 WARMING

We are investigating the non-CO_2 effects of our flights which also contribute to global warming, mainly through contrail cirrus clouds. There is uncertainty about the exact impact and the effect of individual flights – we need more data to create a clearer picture, reduce uncertainties and improve the accuracy of predictive models.

Theoretically, contrail (condensation trails) cirrus could be reduced in the short term by rerouting aircraft around high-risk regions. However, the predictive models are still very inaccurate and rerouting measures would require significant coordination between airlines, air traffic control and weather forecasters to work effectively. In addition, it is critical that actions to address contrails do not materially increase GHG emissions.

We are taking steps to address the contrail warming issue. This includes participating in operational trials with Eurocontrol, EASA, Airbus, and Breakthrough Energy through the CICONIA project. In this project, we are simulating the incorporation of contrail avoidance in our flight planning. Air traffic control engagement and airspace modernisation will be crucial to making this possible.

Many of the actions we are taking to reduce GHG emissions will also reduce the impact of other non-CO_2 effects, such as NOx, as they will reduce engine emissions and energy use.

All our work with technology partners addresses CO_2 and non-CO_2 warming effects from the design stage. This includes efforts to measure and reduce NOx in the Rolls-Royce engine demonstrator. Our partner Airbus is also running the Blue Condor project to measure contrail formation from hydrogen combustion versus SAF.

CASE STUDY
CICONIA PROJECT

We are taking part in the CICONIA project, one of the EU's Single European Sky ATM Research (SESAR 3) Joint Undertaking initiatives, which focuses on finding ways to reduce aviation's climate impact. CICONIA brings together stakeholders to develop measures that are environmentally effective, economically balanced and operationally safe, specifically targeting aviation's non-CO_2 impacts. This work is part of our efforts to reduce uncertainties and find methods to lessen the warming effects of contrails (condensation trails).

Through CICONIA, we are testing operational methods to mitigate the impact of contrails in a simulated environment. This helps us understand how much an operator can do to reduce contrails, and the trade-offs between environmental benefits, costs and the operational effects that come with these efforts. The insights gained from CICONIA will enhance our knowledge of contrail mitigation.

Additionally, we are focusing on non-CO_2 research and mitigation trials, targeting contrails. We are defining the operational concepts and are scheduled to conduct live flight trials with Google, utilising technology from Breakthrough Energy.

CASE STUDY
HERON PROJECT

The EU's HERON project is a three-year research programme led by Airbus to reduce emissions in the air and on the ground through modernised airspace and operational efficiencies that enable flights to be highly optimised for fuel and emissions.

easyJet is trialling the use of advanced technologies on aircraft and on the ground to build towards the end goal of Trajectory Based Operations (TBO) – where each flight is managed as a single optimised trajectory, as opposed to a series of discrete sections as it passes through different airspace blocks. We will also be testing the Taxibot, a semi-autonomous aircraft tow tractor that enables aircraft to taxi without the engine, at Amsterdam Schiphol Airport.

OUR CARBON PERFORMANCE IN 2024

TOTAL AND INTENSITY

Our total GHG emissions from the fuel used in our flights were 8,111,566 metric tonnes CO_2e in FY24 compared to 7,516,806 metric tonnes CO_2e in FY23. The FY24 figure is 8% higher than FY23 reflecting the growth in flying. Total GHG emissions from flying in FY24 were lower than in FY19 while Available Seat Kilometres (ASKs) have now exceeded pre-pandemic levels.

In FY24 we recorded our lowest ever carbon intensity of 66.64g CO_2/RPK as 16 more Airbus NEO aircraft joined our fleet, taking our fleet composition to 24% NEO, and made significant progress in implementing operational efficiency initiatives.

We have also reduced our well-to-wake GHG emissions per Revenue Tonne Kilometre by 5.6% versus FY19, and we are on track to achieve our SBTi-validated interim target of 35% reduction in emissions intensity by 2035.

THIRD-PARTY VERIFICATION

Our total emissions and intensity metrics have been verified by Normec Verifavia, a UKAS and COFRAC accredited verification provider for the aviation sector. Scope 1, Scope 2 and Scope 3 Category 3 calculations have been carried out in-house by easyJet and have been independently verified. Scope 1 and Scope 3 category 3 have been verified with reasonable assurance and Scope 2 has been verified with limited assurance.

All other Scope 3 calculations have been carried out by EcoAct, a global climate change and sustainability consultancy.

For more details on easyJet's emissions, including the breakdown of Scope 3 by categories, NOx and nvPM emissions during landing and take-off (LTO), read our ESG environment fact sheet. For Normec Verifavia's detailed assurance statement, visit **corporate.easyJet.com/sustainability**.

EMISSIONS AND ENERGY PERFORMANCE

GREENHOUSE GAS AND ENERGY PERFORMANCE

	FY24			FY23		
	Global emissions	**UK-only emissions**[1]	**Global emissions (excluding UK)**	Global emissions[1]	UK-only emissions[1]	Global emissions (excluding UK)[1]
Scope 1 – tonnes of CO_2e	**8,114,121**	**4,359,896**	**3,754,225**	7,517,983	4,091,428	3,426,555
Scope 2 – tonnes of CO_2e	**284**	**22**	**262**	300	5	295
Total Scope 1 and 2 – tonnes of CO_2e	**8,114,405**	**4,359,918**	**3,754,487**	7,518,283	4,091,433	3,426,850
Scope 3 – tonnes of CO_2e[2]	**2,564,787**			2,303,152		
Total carbon footprint – Scope 1, 2 and 3 tonnes of CO_2e	**10,679,192**			9,821,435		
Scope 1 energy use (kWh)	**31,129,602,567**	**16,731,487,813**	**14,398,114,754**	28,860,298,273	15,709,765,366	13,150,532,907
Scope 2 energy use (kWh)	**3,864,672**	**2,674,802**	**1,189,870**	6,084,730	4,065,111	2,019,619
Total energy use (kWh) Scope 1 and 2	**31,133,467,239**	**16,734,162,615**	**14,399,304,624**	28,866,383,003	15,713,830,477	13,152,552,526
Voluntary Emission Reductions (VERs) retired, tonnes of CO_2e	**167,827**			2,808,879		

1) Scope 1 emissions and energy have been revised following a review of the underlying data related to non-aviation scope 1 emissions and the UK/Global split. UK-only emissions cover emissions from flights operating under our UK Air Operating Certificate.
2) Scope 3 figures exclude the following GHG protocol categories as they are not applicable to easyJet: (9) Downstream transportation and distribution (13) Downstream leased assets (14) Franchises. Categories (10) Processing of sold products and (11) Use of sold products are not deemed to be material for easyJet and are also excluded.
3) The UK/Global emissions data split for FY23 has been revised following a review of the underlying data.
4) Our Maltese subsidiary, acquired in FY24, is not represented in the GHG emissions data above. These emissions will be incorporated into our accounting from FY25 onwards.

SCOPE 1 GHG EMISSIONS/REVENUE PASSENGER KILOMETRE DUE TO AVIATION FUEL

	FY24		FY23	
	easyJet plc gCO_2/RPK	**easyJet plc gCO_2e/RPK**	easyJet plc gCO_2/RPK	easyJet plc gCO_2e/RPK
Carbon emissions/revenue passenger kilometre	**66.64**	**67.25**	67.23	67.84

Scope 1 CO_2/RPK due to aviation fuel
CO_2 emissions due to combustion of aviation turbine fuel per revenue passenger per kilometre travelled on revenue flights.

Scope 1 CO_2e/RPK due to aviation fuel
GHG emissions CO_2, N_2O and CH_4 due to combustion of aviation turbine fuel per revenue passenger per kilometre travelled on revenue flights.

WELL-TO-WAKE GHG EMISSIONS/REVENUE TONNE KILOMETRE DUE TO AVIATION FUEL (ALIGNED WITH THE SBTI TARGET)

	FY24 easyJet plc gCO_2e/RTK	FY23 easyJet plc gCO_2e/RTK
Well-to-wake GHG emissions/Revenue Tonne Kilometre (aligned with the SBTi target)	**880**	887

Well-to-wake CO_2e/RTK
GHG emissions including CO_2, N_2O and CH_4 due to Scope 1 (combustion) and Scope 3 Category 3 (extraction, processing and distribution) of aviation turbine fuel per tonne of revenue payload per kilometre travelled on revenue flights – as required by the SBTi.

FY23 figure has been revised following a review of the underlying data.

SUSTAINABILITY (CONTINUED)

CARBON EMISSIONS METHODOLOGY

The measurement and reporting of our GHG emissions are aligned to the EU, UK and Swiss Emissions Trading Schemes (ETS), the GHG Protocol, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), (pages 62 to 66). Our GHG emissions metrics also meet the UK Government's Streamlined Energy and Carbon Reporting requirements, 2019. easyJet measures and reports GHG emissions footprint in tonnes CO_2 and CO_2e (carbon dioxide equivalent, i.e. CO_2, N_2O and CH_4).

easyJet uses the operational control approach, in which we include emissions from activities where we control the operation.

Scope 1, Scope 2 and Scope 3 Category 3 (extraction, processing and distribution of aviation turbine fuel) emissions are calculated in-house by easyJet's Sustainability, Finance and Flight Operations teams. They are third-party verified, and equate to 92% of our total GHG emissions footprint.

This year we have worked with EcoAct, a global climate change and sustainability consultancy, on our carbon mapping work. EcoAct has carried out GHG mapping on all applicable Scope 3 emissions, excluding Category 3 (equating to 7% of our total GHG emissions footprint).

Our carbon intensity calculation method aligns to industry norms, i.e. ETS requirements. We adopt Great Circle Distance (GCD) with a fixed correction factor for each sector to account for indirect flight paths, as endorsed by ETS and ICAO. This approach enhances the accuracy of distances flown. Each flight records completed data, fuel, passengers and GCD, with regular internal checks for data quality. UK Government GHG Conversion Factors from July 2024 were applied for reporting. 79% of our flying emissions were under the ETS in FY24.

For further details on our carbon emissions methodology, see the ESG environment fact sheet at **corporate.easyJet.com/sustainability**

INTERNAL CARBON PRICING

We have established an internal carbon price, based on ETS costs, to monitor and evaluate our compliance obligations. By using this internal carbon price, we can track obligation costs both now and in the future.

This internal carbon price is integrated into easyJet's master financial models, which drive our five-year financial plan, 10-year funding model and budget. These models forecast the financial performance of the business and the decisions that drive it, thereby influencing both near- and long-term commercial decisions, such as the routes easyJet operates and the frequency of services.

Additionally, the internal carbon price significantly impacts our fleet plan, determining the number and type of aircraft in the easyJet fleet, and influences fleet-related capital expenditures.

66.6

gCO_2/RPK (Scope 1 aviation fuel)

880

gCO_2e/RTK well-to-wake (Scope 1 and Scope 3 aviation fuel)

5.6%

reduction in well-to-wake GHG emissions intensity (gCO_2e/RTK) vs FY19

REDUCING OUR IMPACT ON THE GROUND

OVERVIEW

In addition to minimising our environmental impact in the air, we are also reducing our impact on the ground, through switching to electric vehicles, cutting waste, reducing single-use plastics and increasing recycling. These activities are managed through our IATA-certified Environmental Management System (EMS), which systematically prioritises and addresses environmental impacts across all aspects of our operations.

ENVIRONMENTAL MANAGEMENT SYSTEM

Our EMS continues to provide assurance for managing environmental risks. It ensures we are compliant with environmental legislation and helps us identify opportunities for improving environmental performance across the business.

This year our EMS has been audited and successfully recertified to the IATA IEnvA management system standard until August 2026. The scope of the IEnvA certificate includes flight operations, corporate buildings and maintenance repair and overhaul, although we apply the same high standards to all activities undertaken by ourselves and we ask the same of our suppliers.

We are integrating environmental management into core business processes. Our objective is to implement a truly effective integrated management system with environment and sustainability embedded in everything that we do.

WASTE MANAGEMENT

We comply with waste regulations in all countries where we operate. We consider the waste hierarchy in all of our operations and are always looking for opportunities to minimise our environmental impacts from waste that we generate.

Our Environment Policy can be found at **corporate.easyJet.com/sustainability**

Waste type	Metric tonnes FY24	Metric tonnes FY23
Total waste generated	**436.47**	354.01
Total general waste	**316.67**	245.73
Total hazardous waste	**119.80**	108.28
Total reused, recycled, and recovered	**433.30**	288.34

The total amount of waste produced reflects the increase in our operations. For example, we have insourced some line maintenance and engineering activities which produce a significant amount of waste not previously accounted for. We have worked with our waste contractors to divert as much waste as possible from landfill. In the UK we are achieving 100% waste diverted from landfill, and 99.27% across the network.

HAZARDOUS WASTE

We classify our waste in accordance with the European Waste Catalogue to comply with the Waste Framework Directive, to ensure it is handled appropriately. This year we have insourced line maintenance and engineering activities at our Birmingham, Manchester and Belfast bases. This has meant that the quantity of waste, particularly hazardous waste, that we directly produced has increased, but it has given us much better control of the activities, environmental impacts and oversight of the waste management process previously being undertaken by our supply chain.

We are committed to implementing the waste hierarchy, even more so when it applies to hazardous wastes. A good example of how we have avoided producing hazardous waste is by shifting from single-use disposable rags to reusable washable cloths. We have implemented a trial at our Luton engineering base where 5,500 reusable cloths have been used which has prevented an estimated 440kg of soiled cloths becoming hazardous waste. We intend to roll out the initiative to all of our bases in FY25.

SUSTAINABILITY (CONTINUED)

ONBOARD WASTE

Airlines and passengers are eager to reuse and recycle. This year we won the Onboard Services award in the Service, Equipment, Crew category, for our innovative introduction of reusable coffee cups and cutlery for our crew – read more in the case study on this page.

Typically, our ground-handling and cleaning contractors process onboard waste. Waste is taken to disposal facilities at airports, where materials are stored for collection by waste contractors.

Under the International Catering Waste (ICW) legislation, UK-EU waste interpretation labels all onboard food waste as ICW, leading to unnecessary incineration or landfill. In 2024, we continued supporting trade associations' (Airlines UK and IATA) campaigns for smarter regulation of ICW in international travel and signed IATA's Cat 1 joint statement.

We have worked with UK airports, airlines, UK Government and the Animal and Plant Health Agency to develop guidance outlining acceptable practices for segregating onboard recyclables from ICW. Publication of the guidance, scheduled for late 2024, will result in less waste being labelled as ICW and more recovery of material.

We regularly talk with our cabin crew about the importance of sorting waste and the consequences of waste cross-contamination. We included a module on waste segregation and recycling in our cabin crew new entrants training. We introduced new Cabin Standards Assurance checks, which are undertaken by Base Managers and Crew Performance Managers, to make sure recycling is implemented properly and meets legal requirements.

We continue to discuss issues of waste with our partners at the airports where we operate to improve waste sorting and increase recycling rates. In FY24, we increased the number of our airport bases where we can recycle, from 48% to 65% and we will work to further improve this in 2025.

We monitor the packaging materials we use for items sold onboard and the use of consumables like napkins, sauce packets, stirrers and plastic cups. We are working with our suppliers to use less packaging and cut down on perishable waste.

Metric	FY24	FY23
Waste per passenger (kg/pax)[1]	0.08	0.09
Total onboard waste (thousand tonnes)[2]	7.04	7.27

1) Average waste generated per passenger was calculated based on the total cabin waste generated from aircraft operations at Luton Airport and the number of arriving passengers.
2) Total onboard cabin waste generated was calculated using average waste per passenger and the total number of easyJet passengers carried.

WASTE PREVENTION

We are trialling reusable sealable bags for loading extra dry stores with clear plastic tops and bottoms which allow for security searches and added protection for the contents. This switch will reduce waste from single-use plastics and ensure better care for items like cups, leading to fewer being discarded due to mishandling.

We are replacing the heavy paper technical and cabin logs previously used by cabin crew, engineers, ground crew and flight crew with a new e-techlog system. This system will be rolled out across our fleet during 2025. Digitising the technical and cabin logbooks will save over 300,000 sheets of paper records from being printed and stored each year. The e-techlog will be installed on aircraft and cabin manager iPads, allowing crew and engineers to report and share maintenance issues in real time. This will give engineers more lead time to order new parts, reducing ground delays and operational downtime.

SUSTAINABLE PREMISES

In FY24 easyJet had direct operational control over 10 sites – eight in the UK and one each in Germany and France.

CASE STUDY

REUSABLE CUPS AND CUTLERY

In an industry first, easyJet's entire in-flight team switched from using disposable cups and cutlery to fully reusable alternatives for all their in-flight drinks and meals.

This move will prevent 10 million single-use items from being wasted every year and save the Company about half a million pounds annually.

The 10 million single-use items removed each year equates to 4.3 million pieces of wooden cutlery and 5.7 million plastic cups and lids. This amounts to 71 tonnes of waste, enough to fill about six double-decker buses.

This pioneering effort is expected to inspire similar actions across the sector and has been recognised at the Onboard Hospitality Awards 2024, where we won in the Service, Equipment, Crew category.

Our crew save plastic with every cup of tea

SUSTAINABILITY (CONTINUED)

Over the year we have switched parts of head office from LPG to electric heating, completed installation of LED lighting airside, throughout the stores, office and stairwells and installed new fans to reduce heating demand by an average of 35%.

The majority of our UK sites operate on 100% renewable energy and do not drive any carbon emissions under the market-based approach.

At our Luton office, we replaced staff shuttle buses with Enviro200's lightweight, highly fuel-efficient and cost-effective buses fitted with start-stop technology and accredited as low emission transport. New buses are run on hydrotreated vegetable oil (HVO), a second-generation synthetic, renewable, diesel alternative that eliminates up to 90% of net CO_2 and is one of the cleanest fuels on the market. It significantly reduces nitrogen oxide (NOx) particulate matter and carbon monoxide emissions. The carbon footprint of HVO is only 35g CO_2e per kWh compared to 250g CO_2e per kWh for standard diesel and 207g CO_2e per kWh for electric.

We installed 23 electric vehicle (EV) charging points across our Luton campus to support employees who took advantage of the Green Car scheme implemented last year. We also installed charging points airside at four further airports to support the rollout of the EV fleet in engineering (five in Luton, 10 in Berlin, two in Liverpool, five in Bristol).

AIRPORTS

We are continuing our airports environmental programme at a number of European airports, to see how airlines and airport operators can work in a more carbon-efficient and sustainable way. The collaborations explore the use of Sustainable Aviation Fuels, improvements to recycling and waste management, more sustainable ground service equipment, flight operations improvements, employee carbon-saving initiatives, including travel to work, and research partnerships on the infrastructure associated with the transition to hydrogen.

Since the introduction of a dedicated container for recycling at EuroAirport Basel Mulhouse Freiburg, for instance, we have diverted 12 tonnes of material that would otherwise have been incinerated.

Swapping to electric maintenance vehicles will save up to 54 tonnes of CO_2 per year

We took part in London Luton Airport's study to measure the socioeconomic value the airport and its stakeholders create for Luton and the surrounding region. We are also working with SEA Milan Airports on the SAVES project (Sustainable Aviation Vectors for Energy tranSition) to prepare Milan Malpensa Airport for the supply of sustainable aviation fuel and hydrogen. Sponsored by the Italian aviation authority ENAC and the Italian agency ENEA, the project will develop the policies, guidelines and regulations to support aviation's transition to net zero emissions using new energy sources.

ELECTRIC VEHICLES

Our fleet renewal programme for engineering and maintenance vehicles at some of our bases in the UK and Europe is set to save up to 54 tonnes of CO_2e a year. After a successful trial last year, using EVs at Berlin and Bristol Airports, we have now rolled out the zero emission fleet of vehicles (35 in total) to Luton and Liverpool. We are planning to continue this rollout across our other engineering bases in FY25, and at year end we anticipate 80% of our bases will be using fully electric maintenance vans.

We are also looking to electrify ancillary supporting equipment such as forklifts, cranes and tugs. In FY24, our Gatwick hangar received a new electric forklift to replace the older diesel unit and a new electric crane which will enable us to be self-sufficient when it comes to lifting operations, so we will no longer be reliant on the diesel vehicles of third parties.

CASE STUDY

MENZIES – TURNING TO AN ELECTRIC FUTURE

Menzies Aviation and easyJet are working together to reduce emissions at Nice Airport, the second largest airport in France.

Traditionally, groundhandling operations rely on diesel-powered equipment. By the end of 2024 all the ground-support equipment (GSE) Menzies uses to handle easyJet's operations at Nice Airport will be electric, including baggage tugs, passenger steps, belt loaders, pushbacks and ground power units. It is estimated that this will reduce the emissions associated with each aircraft turnaround by 80%. With more than 50 electric turnarounds performed each day for easyJet at Nice Airport, the use of electric equipment also contributes to a quieter and cleaner working environment, enhancing the overall airport experience for staff and passengers alike.

Menzies' operations at Nice Airport demonstrate the viability of an electric-first approach with infrastructure support from the airport and aligns with their commitment to ensure 25% of its global GSE fleet is electric by 2025.

Reducing emissions at Nice Airport with Menzies

SUSTAINABILITY (CONTINUED)

PIONEERING FUTURE TRAVEL

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

We aim to lead the way in decarbonising aviation in Europe, with the goal of achieving zero carbon emission flying by replacing fossil fuels with alternative energy sources. We continue to be committed to our ambition to reach net zero, supporting the development of new technologies to achieve this goal, and strongly advocating for effective carbon regulation.

We publish a range of ESG fact sheets on our website to be read alongside the 2024 Annual Report and Accounts. The fact sheets provide further data and information on: human capital; safety, quality and governance; digital safety, and environmental management. Go to: **corporate.easyJet.com/sustainability**

WHAT WE ARE DOING TO REPLACE FOSSIL FUELS

We will replace fossil fuels with non-fossil alternatives such as Sustainable Aviation Fuels and aim to be early adopters of zero carbon emission aircraft.

OVERVIEW

Working with partners is key to our goal of leading the way in decarbonising aviation. Over the past year, we have made significant strides in technology through our partnerships, from successful hydrogen engine tests with Rolls-Royce to working with Airbus to explore the operational requirements for hydrogen aircraft and infrastructure. Through collaborations like Hydrogen in Aviation (HIA), the Alliance for Zero Emission Aviation (AZEA) and Hydrogen South West (HSW), we are working to create frameworks for hydrogen policy, regulation, safety, and the infrastructure needed to expand hydrogen use in aviation.

Equally, we are investing in Sustainable Aviation Fuel (SAF) and carbon removal technology to tackle the emissions we can't reduce directly. We are gearing up to meet the EU and UK SAF mandates and are exploring a product to encourage our corporate customers to contribute to voluntary SAF uplift and make material progress on their own net zero targets. We are one of three airlines on the CEO steering committee for Project SkyPower, which aims to accelerate Power to Liquid (PtL) production in Europe.

HYDROGEN PROGRESS

As a zero carbon emissions energy source, we believe hydrogen could be one suitable alternative for the future of short-haul air travel. Hydrogen not only has no operational carbon emissions, it also has the potential to reduce non-CO_2 effects.

However, hydrogen technology for aviation needs to be developed and scaled up if we are to meet our net zero targets. That is why we are working with the UK's leading aviation companies to develop the technology necessary to meet the growing demand for more sustainable travel. In these partnerships we play an advisory role, providing the commercial and operational perspectives to drive the technology forward.

Our partnerships with Rolls-Royce, Airbus, GKN and Cranfield Aerospace Solutions continue to demonstrate great progress in the development of both the aircraft and the propulsion systems.

We are working with Rolls-Royce to pioneer the development of hydrogen combustion engine technology, upgrading existing engine designs and integrating new technologies needed to run them on 100% hydrogen.

A purpose-built ground test facility is under construction at NASA's site in Stennis, Mississippi, US to conduct the next phase of testing on a purpose-built hydrogen engine in 2025.

We are also collaborating with Rolls-Royce on two major research programmes. The first, HEAVEN, funded by EU Clean Aviation, is evolving our understanding of hydrogen gas turbine engine design. The second, LH2GT, involves collaboration with Rolls-Royce, University College London UCL, and Heathrow Airport on an economic analysis of hydrogen narrowbody aircraft in the European airline industry.

We have been working closely with Airbus since 2019 on the ZEROe programme which aims to deliver a hydrogen-powered commercial airliner for entry into service in 2035. This comprehensive partnership spans the development of the design and operational requirements of the aircraft and the wider aviation hydrogen ecosystem.

This year we have also become the first European airline to partner with US-based start-up JetZero to develop an ultra-efficient blended-wing body aircraft. The aircraft is expected to provide up to 50% lower fuel burn and GHG emissions versus traditional tube-and-wing designs and has the potential to be powered by SAF and hydrogen.

DEVELOPING THE INFRASTRUCTURE

Progress is also being made on hydrogen ground infrastructure. We have taken a pioneering step towards the establishment of a regulatory framework for the use of hydrogen in airports by leading Project Acorn – the UK's first airside hydrogen refuelling trial (see case study page 49).

Alongside Gatwick Airport Limited and Air Products, we have joined Airbus's global hydrogen hub network, to explore how a hydrogen supply at key UK airports could also power other forms of transport, such as ground support equipment (GSE), buses and other heavy vehicles.

This effort complements the hydrogen hub study that easyJet and Airbus have already conducted at Bristol Airport and is part of Airbus's global network of hydrogen hub studies.

For information on our collaboration with SEA Milan Airports to build hydrogen and SAF infrastructure, see page 47.

We are also on the board of Hydrogen South West, a consortium accelerating the establishment of a cross-industry hydrogen ecosystem in the South West of England.

Potential design for hydrogen-powered aircraft

SUSTAINABILITY (CONTINUED)

CASE STUDY
PROJECT ACORN

easyJet led Project Acorn, the UK's first airside hydrogen refuelling and operational trial, which successfully demonstrated that hydrogen can be safely used for refuelling ground support equipment in a live airport environment. Experts from across the aviation industry, including the UK Civil Aviation Authority (CAA), collaborated on this project to establish the necessary safety protocols and operational procedures for storing and refuelling hydrogen airside. The project culminated in a live airside trial of a hydrogen-powered baggage tractor airside at Bristol Airport in March 2024. A report of our findings has been published to provide support and guidance towards future hydrogen developments at airports.

This trial has been crucial for understanding safety cases and risk mitigations, which will help underpin future safety regulations.

Find out more about how we are leading the first hydrogen refuelling trial at a major UK airport

Hydrogen-powered baggage tractor

SUSTAINABLE AVIATION FUEL

Sustainable Aviation Fuel (SAF) will play a critical role in decarbonising easyJet's fleet. SAF significantly reduces emissions across the life cycle of the fuel compared to fossil kerosene.

If narrowbody operators like easyJet move towards hydrogen, this will free up SAF for parts of the sector that cannot use hydrogen, such as long-haul flights. This way, the whole industry can work together to decarbonise. Fuel suppliers with whom we have contracted to supply fuel to easyJet in 2025 are expected to fully meet their EU and UK SAF mandate obligations. We are also actively negotiating agreements with SAF suppliers to manage security of supply over the short term.

A significant proportion of easyJet and the industry's SAF needs will have to be met by Power-to-Liquid (PtL), which uses renewable electricity as the key energy source to produce synthetic liquid fuel. This type of SAF needs to be scaled up from zero, and, in addition to our new memorandum of agreement in this area with World Fuel Services, we have joined Project SkyPower to accelerate the scaling up of PtL supply in Europe. The objective of this EU programme of work is to bring key stakeholders in the value chain together to take 25 large-scale PtL projects in the EU to final investment decision by the end of 2025. easyJet's incoming CEO is one of three airline CEOs on the steering committee, all members of which are CEOs from companies across the PtL value chain.

WHAT WE ARE DOING TO REMOVE CARBON

We aim to remove residual emissions using carbon dioxide removals such as emerging Direct Air Carbon Capture and Storage technology (DACCS).

CARBON REMOVALS – DIRECT AIR CARBON CAPTURE AND STORAGE

Direct Air Carbon Capture and Storage is an essential element of our net zero roadmap, necessary for addressing the residual carbon our aircraft will emit through to 2050 and beyond. It is a high-potential technology which has been identified by the Intergovernmental Panel on Climate Change (IPCC) as essential to a net zero world. This involves capturing carbon directly from the atmosphere and storing it securely and durably in underground geological formations.

Carbon capture will be critical for production of PtL SAF. Last year, we signed an agreement with Airbus to supply us with carbon removal credits from the 1PointFive DACCS plant in Texas from FY26 to FY29. The DACCS facility will be the largest carbon removal plant in the world with the capacity to remove up to 500,000 metric tonnes of CO_2 every year when fully operational. Over the past year, significant progress has been made on building the facility.


Credit: Image courtesy of DACCS

Progress is being made on building the DACCS facility

CASE STUDY
PROJECT LIGHTHOUSE

SAF is important for our business customers to meet their own net zero commitments. This is why we are exploring a mechanism that will enable them to easily purchase SAF through easyJet, which in turn will help them meet their own net zero science-based targets related to business travel.

To prove the concept, we have set up the SAF Lighthouse Project with one of our major corporate customers and sustainability partner, Airbus. During the project, a quantity of SAF, equivalent to operating the easyJet Toulouse-Bristol route on a 30% SAF blend for three months, will be delivered to Toulouse Airport.

This voluntary uplift, which is surplus to mandates, will be used to generate SAF certificates with which Airbus will reduce its corporate travel emissions footprint.

By demonstrating how collaborative efforts can drive down the cost of SAF and stimulate its use, easyJet and Airbus hope to pave the way for a broader adoption of this initiative across the aviation industry in order to address the carbon footprint from corporate air travel, while driving down the 'green premium' of SAF.

SUSTAINABILITY (CONTINUED)

NET ZERO PARTNERSHIPS

Delivering net zero requires a collaborative effort across the aviation industry and beyond. Our net zero roadmap is supported by a comprehensive range of partnerships spanning the aviation and energy value chains. Through these we are engaging in tangible actions to reduce our energy use and emissions today, and pioneering future travel with new technologies and fuels, as we guide easyJet towards net zero carbon emissions by 2050.

REDUCE
- Fleet renewal with NEO
- Operational efficiencies
- Airspace modernisation

REPLACE
- Sustainable Aviation Fuel
- Zero carbon emission aircraft

REMOVE
- Carbon removal

SUSTAINABILITY (CONTINUED)

DRIVING POSITIVE CHANGE IN SOCIETY

10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
17 PARTNERSHIPS FOR THE GOALS

We aim to have a positive impact on our people, customers and communities, maximising the social and economic benefits of travel and tourism. We focus on making sustainable tourism more accessible, support charitable causes important to our customers and employees and creating Europe's most loved place to work

We publish a range of ESG fact sheets on our website to be read alongside the 2024 Annual Report and Accounts. The fact sheets provide further data and information on: human capital; safety, quality and governance; digital safety, and environmental management. Go to: **corporate.easyJet.com/sustainability**

OVERVIEW

This year the number of easyJet holidays' Certified Sustainable hotels achieving a Global Sustainable Tourism Council (GSTC) recognised certification, rose by more than 20%. We also became a founding partner of the International Centre for Responsible Tourism Global, a new education organisation, in our efforts to improve the social, environmental and economic impacts of tourism.

Across the Group, we deepened our engagement with our customers, our people and our stakeholders – especially policymakers – to drive sustainable change.

SUSTAINABLE TOURISM

Tourism is an important and growing driver of social and economic benefit and a key income source for the destinations in which we operate. At easyJet, we have a responsibility to enhance the positive impacts of tourism, while working to reduce its negative impacts, such as the emissions associated with air travel. easyJet holidays seeks to actively integrate sustainable tourism into its core strategy, with a focus on three pillars:

> Creating better holiday choices – making more sustainable travel affordable and accessible to everyone.
> Keeping holidays special – maximising the benefits and minimising the negative impacts of sustainable tourism.
> Transforming travel for everyone – embedding sustainability into business decisions and behaviours and driving meaningful change in the industry.

CERTIFIED SUSTAINABLE HOTELS

Throughout FY24, we have focused on building our easyJet holidays Certified Sustainable range, hotels that hold a certification recognised by the GSTC. The GSTC standard focuses on all aspects of sustainability, giving easyJet holidays customers' the peace of mind that by choosing a hotel from this range, they have selected a hotel that has met this holistic global standard.

This year, the number of certified hotels easyJet holidays offers has increased by over 20%. We have placed particular emphasis on certifying our biggest-selling properties. 40% of our top 100 hotels now hold a GSTC-recognised certification and this meant that in FY24, almost a third of our customers stayed in a certified property. In FY24 we introduced an easyJet holidays Board-level KPI to track the total number of certifications in our portfolio.

Our long term ambition is for all hotels offered by easyJet holidays to hold a GSTC-recognised certification, and we're rolling out online training to all hotel partners. We have designed and produced this with the GSTC and this will be free of charge to all hotel partners.

This year, we began working with BeCause, a sustainability data management specialist that is helping data sharing across the industry.

c.40%

of our top 100 hotels are certified to GSTC-recognised standards

SUSTAINABILITY (CONTINUED)

At easyJet, we have a responsibility to enhance the positive impacts of tourism, while working to reduce its negative impacts, such as the emissions associated with air travel.

INTERNATIONAL CENTRE FOR RESPONSIBLE TOURISM – GLOBAL (ICRT GLOBAL)

easyJet holidays is a founding partner of the International Centre for Responsible Tourism Global (ICRT Global), a new not-for-profit organisation which launched in October 2024. The Centre's aim is to provide effective education in responsible tourism, and make it available to all.

ICRT Global is on a mission to amplify the 2002 Cape Town Declaration on Responsible Tourism and the 2022 Responsible Tourism Charter by providing online training courses, bespoke training for organisations, and manuals and guidance to help universities to create Responsible Tourism courses. It will run events and lead the Global Responsible Tourism Awards with real-world experience from winners which it will then feed back into its training programmes.

ICRT Global will act as a hub for independent regional centres around the world and as an open source of knowledge for anyone looking for ways to make tourism better.

TTG FAIRER TRAVEL FESTIVAL

As part of our mission to 'Create Better Holiday Choices' easyJet holidays were the headline partner of the inaugural TTG Fairer Travel Festival. This week-long event brings together hotels and tour operators to help travel agents inform their customers about the challenges and opportunities of holidaying in a more sustainable way. Through training sessions, Q&A sessions and panel discussions, attendees received detailed information on the most progressive work in the industry, and guidance on how they can best communicate better holiday choices to their customers.

UN TOURISM PARTNERSHIP

We are continuing our partnership with UN Tourism to develop, test and bring into operation the first tourism-specific ESG framework. Many in the tourism industry are making significant progress, but it is difficult to compare progress due to the lack of a unified reporting methodology. In its first year this project developed a core framework and completed testing with easyJet holidays hotel partners across our most popular destinations. Phase two has seen the framework refined based on initial feedback, and testing will now extend to other areas of tourism including easyJet holidays' central operations and our partners in resort, such as destination management companies.

ANIMAL WELFARE POLICY

In March 2024, easyJet holidays introduced an industry-leading animal welfare policy, committing not to promote or offer any attractions that may harm animals within our tours and activities programme, including avoiding captivity attractions such as zoos and marine parks, animal performances, animal rides and sporting events involving animals. The policy builds upon ABTA's animal welfare guidelines and was created in consultation with animal rights organisations and experts, including World Animal Protection.

ARTIFICIAL INTELLIGENCE FOOD WASTE TRIAL

easyJet holidays has trialled Winnow's AI food waste technology for 12 months in the Bahia Principe Sunlight Costa Adeje resort. This AI technology learns to 'see' the leftover food being wasted, using a connected terminal with a motion camera and storing data in the cloud. Teams then receive reports that pinpoint waste, allowing them to make operational improvements.

Results from the 12-month trial showed savings of over €100,000 of food, with buffet waste reduced by 68% per cover. Across the 12-month window, food wastage was reduced by 32 tonnes, with associated savings of 139 tonnes of carbon emissions.

Following this, easyJet holidays has committed to sharing these results with hotel partners. This year, we plan to release a recorded interview featuring the results, to encourage uptake across our network and support rapid implementation of this innovative technology. As well as relocation of the equipment to spread the benefits across our network, we will also begin consultation with our largest hotel partners to maximise the influence of this project.

SUSTAINABILITY (CONTINUED)

ENGAGING OUR STAKEHOLDERS IN SUSTAINABILITY

Building close relationships with our people, customers, suppliers and industry peers on sustainability issues is crucial for creating a more sustainable future.

ENGAGING WITH OUR PEOPLE

Our people (easyJet colleagues) care about sustainability, and play an important role in shaping our strategy, raising awareness of key issues and driving behaviour change across our business. Activities include:

> The Take-off Talks, launched this year, gave colleagues information on sustainability and our net zero and hydrogen activities.
> We developed net zero training modules to engage pilots, engineers, cabin crew and head office colleagues on the operational efficiencies in their areas which lead to improvements in our overall emissions reduction.
> We also have an active sustainability workplace forum on our intranet with over 700 members, where colleagues share ideas and exchange views on sustainable aviation issues and easyJet's strategy.
> We have produced pollution prevention training with engineering teams which will be rolled out later this year. Using our environment management system, we have identified opportunities to strengthen our preparedness for environmental emergencies and reduce the risk of pollution. Colleagues from Business Resilience, Engineering & Maintenance and Properties are developing effective controls to minimise our impacts on the environment. A desk-based scenario exercise will be undertaken to test our preparedness and capabilities to deal with an environmental emergency.

10%

The amount we can reduce carbon emissions by airspace modernisation alone.

CASE STUDY

NET ZERO JOURNEY: TWO YEARS ON

We held a special event at Cranfield University to mark the second anniversary of our Net Zero Roadmap and showcase the progress we are making in key areas including fleet renewal, operational efficiencies, airspace modernisation, SAF, zero carbon emission technology and carbon removal. We also showed the important work taking place in relation to hydrogen-powered aircraft technology and airspace reform. This included unveiling new data showing easyJet could cut its operational CO_2 emissions by 10% through airspace modernisation alone.

It was also an opportunity for our partners to physically demonstrate the ground-breaking research and development work they are doing on airspace management and zero carbon emission technology and to emphasise the importance of cross-industry collaboration.

Watch our net zero event here

ENGAGING WITH OUR CUSTOMERS

We update our airline and holiday customers frequently on sustainability and have a dedicated section on our website for our sustainability activities: **easyJet.com/sustainability**.

We were pleased to be one of just three airlines that are members of Google's Travel Impact Model (TIM) Advisory Committee, facilitated by the International Council on Clean Transportation (ICCT). TIM is a public and freely accessible tool that conveys per passenger CO_2 emissions for upcoming flights, on Google and other metasearch platforms. It provides customers with transparent and credible carbon information.

ENGAGING WITH THE GENERATIONS

Our early careers initiatives, and our new Returnships campaign, are real examples of our commitment to making a positive difference and making easyJet a warm and welcoming place to start a career.

PROJECT RUNWAY

The Project Runway graduate programme recruits candidates across the three key areas of engineering, finance and management.

The engineering and management Runway programmes last two years and the finance Runway will be for three years.

BIG BANG STEM

We got involved in this year's Big Bang Fair, which took place in Birmingham and offered thousands of young people the chance to discover exciting hands-on STEM activities, careers panels and workshops.

NEW ENGINEERING APPRENTICESHIPS

To coincide with National Apprenticeship Week, we launched our call-out campaign for engineering apprentices to train at easyJet to become CAT A licensed aircraft engineers. The campaign capitalised on nurturing young talent for the future, particularly important with many of our current engineers nearing retirement age.

RETURNSHIPS CAMPAIGN

We targeted over-45s in a new cabin crew recruitment campaign, as research showed 78% of British parents aged 45 and over want to take on a new challenge once their children leave home.

Since 2018, the airline has seen a 27% increase in cabin crew members over the age of 45.

The recruitment campaign aimed to show that a career as cabin crew is open to anyone with the right skills, regardless of age.

SUSTAINABILITY (CONTINUED)

CASE STUDY
MAKE-A-WISH INTERNATIONAL

We further support our communities by partnering with Make-A-Wish International, the world's leading wish-granting organisation, providing them with flights to fulfil the wishes of children who are suffering with critical illness across Europe.

Every 25 seconds, a family hears the devastating news that their child is diagnosed with a critical condition, turning their lives upside down. Make-A-Wish aims to revive childhoods stolen by illness and bring hope to children and their loved ones. Over the next year, our new partnership will turn dreams into unforgettable experiences by bringing the joy of travel to children and their families, providing them with flights for their adventure to create cherished memories and leave a lasting impact on their lives.

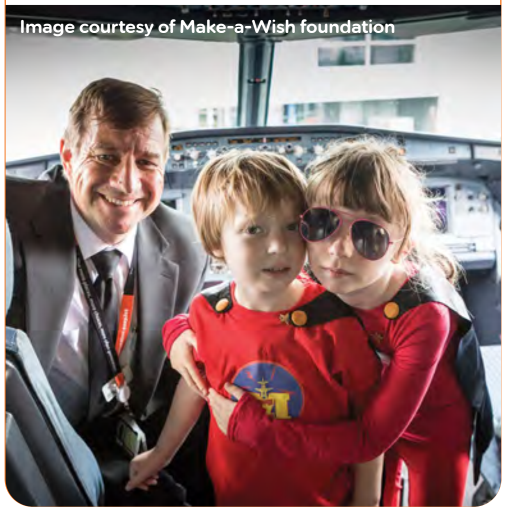


Image courtesy of Make-a-Wish foundation

KIDS CODE CAMP
We partnered with Code Camp to run two trial, subsidised, coding camps for 7 to 12 year olds at our Luton campus during the school holidays. Young people were given the opportunity to either design and code their own game or build a rollercoaster by learning and applying coding, basic engineering concepts and command-based programming. Thirty children took part.

CONTRIBUTING TO SWITZERLAND'S BILDUNGSWOCHE
As part of an initiative to promote vocational training across Switzerland and help children learn more about the professions and training courses available, we invited children aged 12 to 13 to our Basel base to give them a look into the career opportunities on offer.

ENGAGING WITH INDUSTRY PEERS
We work with industry peers across the UK and Europe to tackle carbon emissions and drive the technological innovation needed for zero carbon aviation. During FY24 our CEO Johan Lundgren was a member of the Jet Zero Council and also Chair of the Hydrogen in Aviation Alliance, and we support similar groups across Europe. Our Sustainability, Policy and Operations colleagues participate in various industry groups and forums to shape public policy on sustainability. These include the Aerospace Technology Institute, Airspace Change Organisation Group, Airlines for Europe, Airlines UK, the Alliance for Zero Emission Aviation (AZEA), the Aviation Council, Destination 2050, EU-funded aviation projects CICONIA, HEAVEN, HERON and LH2GT, the European Commission Expert Group on Climate Change Policy (CCEG), Global Sustainable Tourism Council (GSTC), the Hydrogen in Aviation alliance (HIA) and Sustainable Aviation.

ENGAGING WITH SUPPLIERS
We rely on around 3,000 suppliers to deliver products and services, from customer-facing activities such as bookings to back-office support.

In February 2023, we formed an internal working group on third-party risk management and supply chain integrity, and engaged Deloitte to identify any possible improvements in our existing controls for identified ESG risks related to third parties.

Additionally, the results of our double materiality assessment informed our supply chain due diligence.

Based on those insights, we have partnered with EcoVadis, a market-leading provider of ESG ratings. EcoVadis assesses suppliers using a comprehensive methodology covering environmental impact, labour and human rights, ethics, and sustainable procurement.

Its work gives us and our suppliers a baseline for improvements and helps us identify and mitigate sustainability risks in our supply chain.

COMBATING MODERN SLAVERY
We are committed to combating modern slavery through our policies, due diligence process, risk assessments, key performance indicators and training.

As highlighted in our FY23 Modern Slavery Statement, we reviewed our Modern Slavery and Human Rights Policy; reviewed the Supplier Code of Conduct; updated easyJet holidays' Hotel Manual to include access to our whistleblowing hotline; designed new modern slavery training for office staff; conducted audits in our contact centres in India, Morocco and South Africa; and trained our staff and crew to identify the signs of modern slavery. In FY23, our crew identified 16 potential human trafficking incidents. In each case, they collected evidence and informed the relevant authorities in order for the enforcement authorities to take the required actions. The activities were led by a well-established cross-functional Modern Slavery Working Group, which prevents and identifies modern slavery risks.

Our Modern Slavery Statement is available at **corporate.easyJet.com/sustainability**

ENGAGING WITH POLICYMAKERS
Our public policy positions promote effective climate regulation and decarbonisation technologies for aviation. We work with policymakers across the UK and Europe on climate action, advocating for policies that are effective, efficient and fair to help the sector decarbonise and scale up alternative technologies.

CASE STUDY
UNICEF PARTNERSHIP

This year we relaunched our partnership with UNICEF, creating our Every Child Can Fly campaign to support every child's right to education. Our partnership, first launched in 2012, has now raised more than £17 million for UNICEF and its life-saving programmes.

Under the relaunched partnership the focus is supporting UNICEF's education programmes, with all the funds raised going to UNICEF to support its work in this area. UNICEF's target is to provide access to learning opportunities for 114 million children and digital education for 148.6 million children around the world by the end of 2025.

To mark 12 years supporting UNICEF and the beginning of our new partnership, we hosted several roadshows for our crew across the easyJet network.

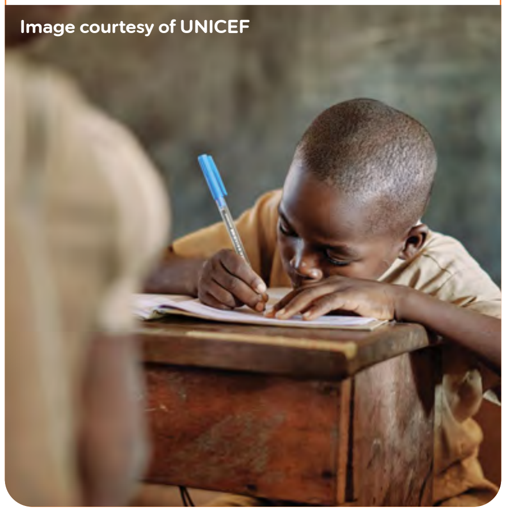


Image courtesy of UNICEF

SUSTAINABILITY (CONTINUED)

As part of our public policy work, we engage with stakeholders in key cities across the network. In 2024, we ran net zero masterclasses across Europe to communicate our net zero roadmap and milestones, as well as our progress since its launch. Guests included stakeholders and political decision makers, with events held in Italy, Spain and Germany.

CLIMATE ADVOCACY

We engage with policymakers on climate action. We have taken a leading role in designing aspects of European and UK climate policy on aviation. Our engagements help to protect easyJet from market distortions and avert overly burdensome restrictions by focusing on and promoting the science-based actions that are necessary for decarbonisation.

We believe in the importance of including all of aviation in climate action non-discriminately. In previous years we have twice been ranked as the best airline in Europe for our role in climate advocacy in aviation by the advocacy-focused NGO Influence Map. This year, easyJet was ranked as a B- for climate advocacy, the highest rating for any airline in the world. We were also named in InfluenceMap's 2024 Corporate Climate Policy Engagement Leaders report as meeting the criteria to be a global leader in climate policy engagement. InfluenceMap provides independent data-driven assessments of how the world's largest companies are influencing climate regulations.

Over the last year, we have increased our focus on hydrogen without omitting wider aspects of climate policy in aviation.

HYDROGEN ADVOCACY

In September 2023, we founded Hydrogen in Aviation (HIA) in the UK, an alliance with Rolls-Royce, Airbus, Ørsted, GKN, Bristol Airport and ZeroAvia, aiming to decarbonise short-haul aviation with hydrogen-powered aircraft. In March, we released our first report, 'Launching Hydrogen-Powered Aviation', developed with input from the Department for Energy Security and Net Zero (DESNZ), the Department for Business and Trade (DBT) and the Department for Transport (DfT), as well as many industry groups and trade bodies, which outlines steps for technological development, regulation, infrastructure and hydrogen supply. We believe these are the necessary steps for government and industry to advance hydrogen-powered aviation. HIA continues to work closely with the government, industry and the regulator to implement the key recommendations from the report.

We are founders of the Hydrogen in Aviation alliance

In the EU, we co-chair the Alliance for Zero Emission Aviation (AZEA) with Airbus. Launched by the European Commission, AZEA supports the introduction of commercial hydrogen and electric aircraft and includes around 170 members. In June 2024, AZEA released its vision paper 'Flying on electricity and hydrogen in Europe', proposing 36% to 68% of intra-EU flights be powered by hydrogen and electricity by 2050. The report details joint industry and policymaker actions needed for this transition, and easyJet is committed to supporting these efforts.

SUSTAINABLE AVIATION FUEL MANDATES

We welcomed the UK's announcement of a SAF mandate, applying equally to short and long-haul flights departing from UK airports, as we've consistently advocated in all regions. We have also pushed for deferring the cap on hydroprocessed esters and fatty acids, as the original cap didn't align with the ambitious SAF targets for 2030. We believe the UK Government should offer similar support for SAF pricing to the EU's ETS SAF allowances. In the past three years, we've successfully ensured that mandates in our key regions (the UK and EU) are comprehensive and non-discriminatory. This was accomplished by rallying a coalition of low-cost airlines, NGOs and other stakeholders to advocate for a fair policy design. The EU's upcoming mandate, starting in 2025, marks the first European environmental legislation to cover long-haul flights. These mandates have greatly enhanced climate action, doubling the amount of aviation fuel covered and ensuring a fair playing field for easyJet.

We are working with the EU on its proposals for a Book and Claim system for SAF. Our goal is to ensure that this system doesn't cause unintended market distortions or negatively affect short-haul airlines. It's crucial that this system does not unintentionally change the scope of the SAF mandate or its legal foundation. Additionally, we continue to advocate for increased support to accelerate Power-to-Liquid (PtL) SAF, which will be critical to meet our long-term decarbonisation goals, and for the inclusion of carbon dioxide removals in the UK and EU ETS, to support the development of this market.

NON-CO_2 POLICY

In the EU, we have pushed back against attempts to exclude extra-EEA routes from the non-CO_2 Monitoring, Reporting and Verification (MRV) system. We believe a full-scope MRV is important for effective and fair climate policy and to accurately depict the contributions of short-haul networks to non-CO_2 effects. Similarly, in the UK, we participate in the Jet Zero Council's non-CO_2 working group, advocating for a comparable full-scope MRV system.

REPORTING OF CARBON EMISSIONS

We opposed restricting the EU's CountEmissionsEU proposal to intra-EEA flights, as it would create inconsistent emissions reporting across different flight routes. We also pushed for including a cargo apportionment measure of at least 50kg in CountEmissionsEU. This ensures fair passenger carbon footprint representation, accounting for emissions from significant belly cargo, which otherwise could make passenger emissions appear up to 35% lower. This measure ensures a level playing field between cargo and non-cargo flights.

TAXES

In the Netherlands, we have successfully lobbied for a differentiated flight tax based on emissions and distance, set to begin in 2027. This fairer tax system aligns with our advocacy efforts. We will continue to push for the inclusion of transfer passengers and for better modulation of tax bands to accurately reflect per-passenger emissions.

PEOPLE

CREATING EUROPE'S MOST LOVED PLACE TO WORK

We are focused on what matters most to our people and what they need to deliver exceptional service to our customers, day in and day out.

We want our people to feel proud to work at easyJet. To feel valued and connected to our purpose, so our Orange Spirit can thrive.

Our ambition is to be the destination for the best talent in the market, where diversity can thrive, and we encourage a culture of learning where our people can grow and flourish. We provide leaders with the training, tools and support to bring out the best in their teams. And we share in our success by offering performance shares to everyone.

Making it easy for our people continues to be a key area of focus. We are committed to building a simple, reliable and digital employee experience – empowering our people to manage their lives at easyJet, wherever and whenever they need to.

Together with building an inclusive culture and living our promise behaviours, we continue to work hard at creating an environment where people can be themselves and love where they work.

"You can really feel the Orange Spirit – easyJet is a great place to work and I am proud to be part of it.

OUR PROMISE BEHAVIOURS

Having launched our promise behaviours last year, we are now embedding them into our day-to-day working and recruitment practices, bringing them to life in our annual Spirit Awards and making them the foundation of our recognition programme.

Be safe

> We work together to keep everyone safe
> We speak up, learn from our mistakes and act when needed
> We respect and care for each other and our own wellbeing

Be challenging

> We proactively look for ways to be more efficient
> We think about the impact of our cost-based decisions on others
> We seek opportunities to drive growth

Be bold

> We're ambitious, forward-looking and make decisions with confidence
> We're curious and challenge the way we do things to improve and innovate
> We take accountability and have a can-do attitude

Be welcoming

> We are passionate about our customers and help each other to deliver for them every day
> We're fair, open and approachable
> We go above and beyond to make things easy

Be Orange

> We love to win and celebrate success
> We listen, learn and break down barriers
> We're brave, determined and restless to try new things

CASE STUDY

CELEBRATING OUR ORANGE SPIRIT

This year we relaunched our Spirit recognition programme across the whole business for the first time since 2020.

The programme recognises and celebrates our people who are leading the way in strengthening our culture, bringing our promise behaviours to life and accelerating our journey to reach our destination of becoming Europe's most loved airline.

In January, we held our first Spirit Awards event since the pandemic. This brought together over 500 of our people who have really gone the extra mile, for an evening of awards, entertainment, dancing and, most importantly, lots of fun.

And that's not all. This year, we also launched our new Spirit recognition portal to enable new ways for our people to recognise, thank and celebrate each other. Over 10,000 of our people have registered in the platform and 6,000 people have already received recognition, putting them in the race for a spot at next year's Spirit Awards!

"It's an inclusive, welcoming, a great place to learn from each other and still have fun at work.

PEOPLE (CONTINUED)

CREATE A WINNING CULTURE

We are committed to creating an inclusive and welcoming workplace, where colleagues feel a strong sense of belonging, care and support. To do this, we continuously listen to our people and act on their feedback.

LISTENING TO OUR PEOPLE

Having engaged and connected colleagues is critical to our success. To understand their wants and needs, we have multiple internal channels to capture feedback.

Over the last 12 months, 59% of our people have responded to one of our engagement surveys with 37,925 comments in our latest round. Our average engagement score has risen to 7.3, with most of our colleague groups happy to share feedback through our survey.

Each head office function also has a People Action Group that works with leaders to identify what matters most to the team and to deliver initiatives, like social events or development opportunities, to engage and connect colleagues. In addition, our AMB enjoy spending time connecting and listening to our employee groups first hand.

Across our network, our crew ambassadors are champions of our brand, our customers and our culture. They play a huge role in engaging our frontline colleagues, capturing and sharing their feedback and developing relationships across the network.

We are passionate about taking action on the feedback we hear. Our 'We heard you, we're on it' internal campaign was introduced to highlight how we are putting colleague feedback into action by making changes and improvements across the airline. As an example, we have introduced supplementary health benefits for all our UK colleagues as a direct response to feedback received.

CASE STUDY
'WE HEARD YOU, WE'RE ON IT'

We heard from our crew that getting timely support and communications during periods of disruption is key to providing great customer service. Having the right management support and connection to the business is crucial for the way they work.

In response to this, we made several positive changes to our Integrated Control Centre (ICC) including increasing our crewing officer headcount, implementing a new phone system and rolling out a Network Control Charter. All to help improve our crew's experience on the day.

WELLBEING

WE AIM TO BE RENOWNED FOR OUR CULTURE OF CARE AND SUPPORT

Our flagship programme, Energy to Win, is designed to equip individuals and teams with a shared language and safe space to bring health and wellbeing into the everyday conversation.

As part of this, following a thorough review by an independent panel of specialists, easyJet has become the first UK airline to be accredited as a Menopause Friendly Employer. The panel praised us for having a 'clear commitment to becoming menopause friendly' and said they'd be 'using our approach as a benchmark for other airlines'. We're excited about the future and continuing to build on this foundation.

Our peer support programme aims to support pilots' wellbeing by offering a confidential alternative for pilots to support each other, enabling healthy coping strategies, signposting to assistance and providing reassurance. After a successful trial in Berlin, we now plan to roll this out across the network.

DIVERSITY, EQUITY AND INCLUSION

Our ambition is to create a diverse, equitable and inclusive workplace where everyone feels they belong and have the freedom to be themselves.

DEVELOPING A GENUINELY INCLUSIVE CULTURE

To build a safe and trusted environment, we have concentrated on training our leaders, setting up colleague networks and delivering internal campaigns and events.

Our six new colleague networks enable our diverse communities to be celebrated and represented across easyJet:

> Cultural connections
> Disability empowerment
> Family and carers
> Fly with pride
> Gender equality
> Generations.

We also put on a series of events to spotlight topics such as pride, black history and disability awareness, to upskill, connect and inspire our people. Around 4,000 people attended across 20 different events.

PEOPLE (CONTINUED)

CREATING A FAIR AND EQUITABLE ENVIRONMENT

We want to ensure that every touchpoint at easyJet feels fair and impartial, backed by equitable policies, development opportunities and ways of working.

To ensure that our frameworks and policies support our ambition, we continue to review our policies, including family friendly and hiring principles. We also have two specific development programmes dedicated to aspiring women, aiming to remove 'boundaries' and support women to achieve their aspirations.

BUILDING A TRULY DIVERSE TEAM

We need to experience the world as our customers do. This means having a truly representative team that reflects the customers we serve and the communities we operate in. To understand who works for us and how their experiences might differ, we have launched a 'Care to share' campaign, encouraging our people to share more information about themselves. We will use this insight to continue driving our ambition to be the most diverse and inclusive workplace.

We are committed to achieving the target of at least 40% women on our Airline Management Board and its direct reports. We have made positive improvements by increasing this ratio to 36%. We will continue to drive further improvements as a key priority.

This year we also pledged to have 10% ethnic minority representation on the Airline Management Board and among its direct reports by 2027, in line with the Parker Review. We currently have 4% representation and over the next three years we will take action to increase this.

ACCELERATE PROGRAMMES

To support our ambition of bringing greater gender balance across our leadership team, we have two development programmes dedicated to high-performing women. Our AccelerateHER development opportunity is designed to encourage, support and promote personal and professional growth of our high potential women.

GENDER PAY GAP 2023

MEDIAN GENDER PAY GAP

47.1%

MEAN GENDER PAY GAP

51.6%

"The biggest single factor influencing our gender pay gap is the gender representation within our pilot community.

The imbalance in our pilot community is a well-known industry-wide challenge that we continue to tackle, working with our partners to inspire more young people to consider a career in aviation, including encouraging more women to become pilots. Our gender pay gap submission for 2023 and those for previous years are available at **corporate.easyJet.com/sustainability/gender-pay-reports**

FEMALE/MALE REPRESENTATION[1]

plc Board

4 (40%) 6 (60%)

Airline Management Board[2]

2 (20%) 8 (80%)

Airline Management Board direct reports[3]

20 (36%) 36 (64%)

Senior managers[4]

16 (24%) 51 (76%)

All employees

8,115 (46%) 9,682 (54%)

Female Male

1) Figures per Human Capital Management system at 30 September 2024.
2) The Airline Management Board is our 'Executive Committee' for the purposes of the FTSE Women Leaders Review.
3) Airline Management Board direct reports that are reported as part of the FTSE Women Leaders Review.
4) Defined in accordance with the Companies Act 2006, and includes those with responsibility for planning, directing or controlling the activities of the Company as well as Directors of our subsidiary undertakings.

CASE STUDY

EMBEDDING INCLUSION BY LEADING FROM THE TOP

As well as being Chief Commercial Officer, I am also our Diversity and Inclusion Executive Sponsor, alongside Garry Wilson. Building an inclusive culture is something we are personally very passionate about. Through working with our colleagues on the Airline Management Board, we are committed to creating a place where our people can feel valued and empowered to perform at their best and to show up as their authentic selves.

This role has allowed me to meet people from different communities and backgrounds, listening to their stories and experiences. Alongside exploring personal perspectives of our diverse communities within easyJet, one of my many highlights was hosting a talk as part of Disability Empowerment Month, focusing on customers who require assistance. It helped us to build awareness of invisible disabilities and what we are doing as an airline to deliver the best possible experience for all our customers.

Over the next year, I am excited to see how our new colleague networks bring more people together and build our inclusive culture where everyone feels heard, understood and confident to actively contribute.

Sophie Dekkers
Chief Commercial Officer

"We are committed to creating a place where our people can feel valued and empowered to perform at their best and to show up as their authentic selves.

PEOPLE (CONTINUED)

BUILDING OUR CAPABILITY TO WIN

We want to be the destination for the best talent in the market, where diversity can thrive. We instil a culture of learning and continue to invest in attracting and building capability across our business.

ATTRACTING TOP TALENT

We want to make finding the best people easy. In a competitive labour market, we remain focused on winning and continue to find new and proactive ways to attract the best people.

PEOPLE RECRUITMENT 2024

CABIN CREW

1,337

PILOTS

520

MANAGEMENT AND ADMINISTRATION (INCLUDING ENGINEERING)

774

FINDING THE BEST PEOPLE

We are committed to attracting the broadest range of candidates from a diverse mix of backgrounds.

We hope to reach new audiences through our partnership with 'My Duvet Flip', a podcast that showcases different career paths and targets those under 35. The first episode featured Kate West, one of our training managers in Gatwick, who dispelled myths around the experience and qualifications for pilots and encouraged females to consider this career path. Kate's interview hit 130,000 views in its first week and resulted in 1,800 click-throughs to our careers website.

EXTERNAL RECOGNITION

In 2024, we were named in Glassdoor's 'Best Places to Work' in the UK. We were also a winner in Campaign's best places to work 2024, demonstrating our focus on creating the best workplace for our people.

easyJet holidays has received a number of accolades over recent years. It was named in The Sunday Times best places to work in 2023 and 2024 and took the awards for the Best Place to Work in Travel, Best Tour Operator, and UK & Ireland Travel Company of the Year at the Travel Industry Awards in 2024.

On 30 September 2024, easyJet's Glassdoor score was 4.2.

BUILDING OUR CAPABILITY

CREW AND PILOTS

We train our frontline people to competently and confidently manage the most complex situations, while ensuring a relentless focus on customer service.

The Board visits the training centre in Milan

Our state-of-the-art training facilities in Milan and London have cutting-edge flight simulators, devices and equipment – the most modern in the world. In these facilities, we have delivered 82,938 hours of flight simulator training and over 430,000 hours of cabin crew recurrent training. Our pilots and crew tell us that the training is now exceptional, with an NPS of 66 for pilot training and 62 for cabin crew training. We have also delivered over 27,000 hours of instructor training, to ensure instructor competencies are continually developed to maximise training effectiveness.

As well as focusing on safety, we also want to develop home-grown talent and provide opportunities for our people to progress within easyJet. In 2024, we promoted 520 cabin managers and supported 354 crew to transfer between our different operating subsidiaries.

ENGINEERING AND PRODUCTION

We pride ourselves on providing the highest level of engineering technical training across the entire network to meet the continuously changing requirements of the operation and sector. We work closely with our contracted maintenance providers to ensure an end-to-end approach to driving these standards across our production. In addition to building capability in our current engineers, we have also recruited more than 200 Engineering apprentices across the UK and Germany.

HEAD OFFICE

Following feedback from our engagement survey, we have focused on career development and progression for our head office colleagues. Our partnership with Squiggly Careers has helped people consider different opportunities and development paths. In response to this, 87% of our head office people now feel satisfied with the level of development support provided.

Over the last year, we have promoted 100 people from within our head office functions. We know that embracing internal talent positions us well to respond in times of disruption, sharing the breadth of knowledge and experience across our business.

BUILDING OUR FUTURE

As a business, we know investing in our early talent pipeline will be critical to fulfilling our skill requirements. As part of this, 17 colleagues have recently completed our Runway Graduate Schemes in Engineering, Finance and Management. We continue to develop our apprenticeship programmes and launched our new MOC (Maintenance Operations Control) Apprenticeship this year.

We also recognise when skills are in demand. In May, we finalised the acquisition of the SR Technics Malta maintenance facility and welcomed 400 highly skilled and valued new colleagues. Having worked closely with them for over 14 years, this acquisition brings our skills under one company and allows us to continue to uphold the high standards we operate in.

CASE STUDY

PILOT FIRE TRAINING

The aviation industry has long used gas powered fire rigs to train pilots to extinguish fire. These devices are unrealistic for pilots, as they are designed to replicate cabin interiors.

Listening to feedback from our pilots, we challenged ourselves to do better and invented a new training device. The device allows us to simulate fires – including realistic sound and light – and trains our pilots to be confident to manage the situation of flying the plane and managing the emergency situation simultaneously.

The enhanced method of training has been recognised by our regulators in the UK, CAA, and Austro Control. We have also openly shared the method with other airlines around the world to share best practice and improve flight safety globally.

PEOPLE (CONTINUED)

MAKING IT EASY FOR OUR PEOPLE

BUILDING RELIABILITY AND TRUST

We are ambitious about what we can achieve together and want to make it easy for our colleagues to be successful and to focus on customers. To do this, we are investing in our people systems and modernising our colleague experience.

Over the next 12 months, we are embarking on a programme that will redesign, deliver and embed simpler people processes. Our colleagues tell us that we need to get the basics right and, just like our customers, they expect to complete key tasks on the go, on a simple and easy platform:

"I'm always busy serving our customers and making sure they have a great experience – that's what drives me. I'm a problem solver."

"I'm empowered to solve things and make decisions quickly. I'm so busy helping people I don't have much time to understand People processes or systems. I need something quick and simple that's accessible 24/7 from my phone, with help on demand."

We want to provide a seamless experience that builds trust with our people.

We are working closer than ever with our unions and building industrial relations multiyear agreements to provide greater stability for crew to better plan the moments that matter most.

CASE STUDY

CABIN CREW TRAINING

Following feedback from our cabin crew, we have remodelled their recurrent training model to deliver it locally in bases throughout Europe instead of bringing them to a central location.

We have created dedicated training facilities in each base so cabin crew are trained by people they know and can learn together as equals. As a result, the NPS has shot up and the safety management system demonstrates training effectiveness has improved.

This process also created job and career development opportunities for our flight attendants and cabin managers to become crew training instructors. This year the number of crew training instructors grew from 44 to 265.

ELEVATING OUR CREW'S EXPERIENCE

Our crew are brand advocates who can show our customers why they should continue to fly with us. We are committed to making sure they feel connected with our purpose, set up for success and empowered to make a difference every day.

This year, our crew engagement programme set out to ensure our crew have the best experience on and off board. We continue to have an open dialogue with our unions to ensure that the changes we are making are having a positive impact on our crew.

FIT FOR THE FUTURE

Today, more than ever, our business needs to be set up in a way that allows us to react quickly and successfully to a continually changing market. This will enable the delivery of our strategy and allow us to be become Europe's most loved airline. We have two growing businesses in easyJet airline and easyJet holidays. Alongside delivering an ambitious strategy, we are focused on taking advantage of advancements in technology and delivering growth within a low-cost model.

We are clear on the critical skills and capabilities that we will need in the future, and where we have potential shortfalls, with active plans in place to mitigate these gaps and offset any potential risks.

We also specifically ensure that our people remain skilled and vigilant about digital security through providing dedicated education, awareness and training. This is key to our business as the external threat evolves.

As a vice-chair organisation on the Aviation Skills Board, we aim to inspire and build sustainable skills that are accessible for all.

We opened our Luton head office in 2007 but have now outgrown our original space. This year, we created a new headquarters for our easyJet holidays team. This move into a purpose-built space has allowed for even more collaboration and the team see it as a place to thrive and do their best work, together. It feels inspirational while remaining practical and functional for their diverse team.

After the success of this move, we are now investing in improvements in the rest of our head office, where 2,000 of our people are based. This helps us get ready for the future and ensures we are giving people the best physical environment to do their best work – encouraging collaboration and shared accountability.

CASE STUDY

MAKING IT EASIER FOR OUR CREW TO BE BRILLIANT

We love hearing from our customers about how they experience our Orange Spirit, whether it is crew going above and beyond to help our customers or keeping a reassuring smile during times of disruption – hear what some of them have to say:

"

My husband became unwell just before take-off and the crew were so kind and helpful – just brilliant.

"

Airport crowded but check-in speedy, though we boarded a little late. Captain and crew couldn't have been nicer – pointing out storm clouds to the children.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Our disclosures are consistent with the recommendations and recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD), taking into consideration the TCFD all-sector guidance and the supplemental guidance for non-financial groups for the transportation group.

GOVERNANCE

(A) THE BOARD'S OVERSIGHT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

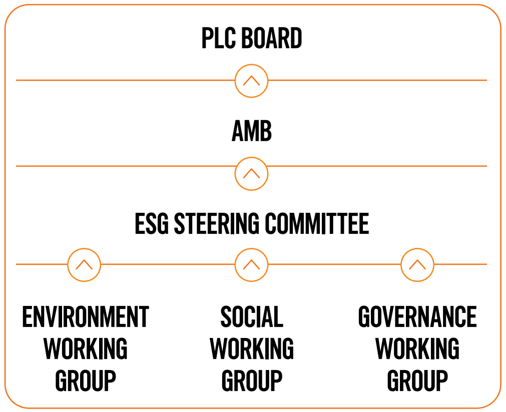
Climate-related issues were discussed by the plc Board through regular sustainability updates as well as specific Board discussions to approve key climate-related decisions including the Sustainable Aviation Fuel (SAF) strategy and fleet plan; for relevant Board expertise, see page 92; for the frequency of sustainability updates to the Board, which include monitoring of progress against target, see pages 88 to 90. The Audit Committee has reviewed the climate transition risks during the year as part of its review of principal risks, as set out in its report on page 107.

(B) MANAGEMENT'S ROLE IN ASSESSING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

easyJet has a dedicated Sustainability team, which is responsible for developing and owning the environmental strategy and embedding it within the organisation. Climate-related issues are managed by the Environment Working Group. This is one of three working groups – Environment, Social and Governance – that oversee ESG activity at easyJet. These working groups are chaired by AMB sponsors. The Group Markets Director chairs the Environment Working Group, the Group People Director chairs the Social Working Group and the CFO and General Counsel co-chair the Governance Working Group. These Working Groups report into the ESG Steering Committee, which comprises the Working Group chairs supported by the Director of Sustainability, Director of Reporting & Financial Control and Deputy General Counsel. The role of the ESG Steering Committee is to set the strategy regarding ESG performance, monitor delivery of the net zero pathway and ESG strategy, and ensure readiness for CSRD reporting.

The recommendations of the ESG Steering Committee are reviewed by the Airline Management Board (AMB), the Executive Committee of the functional leaders across the Group. The AMB's members (which includes the CFO, who is also on the plc Board) are collectively responsible for assessing and managing climate-related risks and opportunities, and use regular updates on performance versus targets to drive the performance of the Group against strategic KPIs. These updates are conveyed to the Board through regular sustainability updates as outlined on page 88. The remuneration of the CEO, the CFO and several AMB members was aligned with sustainability targets for FY24. This included embedding the net zero ambition and best practice environmental management across the business, delivering against the CO_2/RPK targets and driving improved ESG scores. This is set out in the Directors' Remuneration Report on page 120.

Since FY23, management accountabilities related to the delivery of the net zero roadmap have been agreed and formalised in a RACI matrix, which is regularly updated to account for organisational changes.



STRATEGY

(A) THE CLIMATE-RELATED RISKS AND OPPORTUNITIES WE HAVE IDENTIFIED OVER THE SHORT, MEDIUM AND LONG TERM

Risks and opportunities are dynamically reviewed and developed as part of the corporate risk management framework, which ensures a unified and collaborative risk management approach and best practice across the Group. We define the time horizons for climate risk as follows:

Short
0–1 year – aligned with budget

Medium
2–5 years – aligned with corporate strategy and financial plan

Long
6–26 years – aligned with our target to reach net zero by 2050

The key risks identified by the business using the risk framework, and subsequently reviewed by the Board, fall into seven broad themes – one of which is the climate change transition risk, as outlined in the risk section on page 74.

Since FY20, easyJet has engaged with Risilience (formerly known as Cambridge Centre for Risk Studies), an enterprise risk management specialist, to assess our exposure to climate-related risks and opportunities under four global average-temperature-increase scenarios. Risilience created a digital twin of the Group's current portfolio and business activities, assuming no climate actions are undertaken.

TCFD categorisation was then used to define transition and physical risk definitions and scope, and each risk was modelled independently. The analysis covered physical and transition risks that we could be exposed to in the short, medium and long term. The focus of the analysis was on the five-year horizon to identify which risks we could be exposed to in the short and medium term, aligned with easyJet's budget and corporate strategy timeframes. These risks were extrapolated and assessed qualitatively to determine their long-term impact.

The assessment was made using workshops and interviews with key internal stakeholders regarding the potential financial risks to our business operations associated with physical and transition risks. Risilience then undertook scenario modelling of each climate risk against easyJet's current commercial and physical footprint. This included the potential financial impacts of transition risks such as changing climate and carbon-related taxes, regulatory changes on a country level and physical risks.

We have assessed the financial impact of climate change transition risks and physical risks based on the five year earnings value at risk (5yrEV@Risk). Risks that have a value greater than 1% of total assets, which equates to a threshold of £111 million in FY24, have been deemed to have had a substantive financial or strategic impact.

This assessment has been reviewed and updated in FY24 to reflect the evolving landscape.

TRANSITION RISKS

We have identified six transition risk areas which apply to easyJet and to the airline sector as a whole:

> **Compliance costs:** Financial impact of coordinated regulatory action to increase the costs of emitting GHGs.
> **Legal:** Legislation and litigation to ensure that companies take sufficient action on GHG reduction.
> **Technology:** Transition to low-carbon emissions technology and products drives increased total operating costs, impairment of existing assets and delivery risk.
> **Consumer sentiment:** Consumer preferences shift at scale to lower emissions alternatives resulting in demand suppression.
> **Investor/market sentiment:** Investors retreat from carbon-intensive industries, resulting in increasing challenges to attract/retain investment and/or financing opportunities.
> **Reputation:** Impact of greenwashing claims and climate activism towards organisations and industries that are seen as being slow to transition towards a low-carbon economy adversely impacting reputation, brand and ultimately demand.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (CONTINUED)

We have identified specific risks within these transition risk areas. These include:

COMPLIANCE COSTS: CARBON PRICING (SHORT TO MEDIUM TERM)

Future policy measures and regulation, to tackle the impact of aviation on climate change such as escalating costs of carbon emissions, introduction of non-CO_2 emissions taxes and the phasing out of Emissions Trading Scheme (ETS) free allowances for the aviation sector, will add significant costs for European airlines. We are exposed to three ETS schemes – UK, EU and Switzerland – which included 79% of our flying carbon emissions in FY24. We incorporate an internal carbon price into financial frameworks including the budget, five-year financial plan and fleet evaluations. In FY24 this carbon price was driven by UK and ETS costs, which were an average of £37 and €68 per metric tonne respectively at the end of FY24. While the impact of existing carbon pricing mechanisms are modelled in our financial plans, the cost is subject to market volatility. Policy change could result in a risk in the case of escalating costs, or conversely an opportunity where the actual costs are lower than expected.

TECHNOLOGY: SUSTAINABLE AVIATION FUEL MANDATES (MEDIUM TO LONG TERM)

SAF mandates in the UK and EU will require fuel suppliers to provide kerosene with a specified blend of SAF at airports in that country or region. Airlines lifting fuel in these countries will therefore be subject to higher total fuel cost. In FY22, we signed a SAF supply agreement with Q8, one of our key fuel suppliers, creating a contractual obligation on Q8 to supply volumes of SAF that at least meet minimum mandate requirements until FY27 in order to secure certainty of supply.

We also have flexibility in our SAF agreement to procure up to 10% more than mandated volumes in order to manage the risk that other levers contributing to our carbon intensity reduction targets fall short.

As with carbon pricing mechanisms, the risk and opportunity lies in SAF volatility.

TECHNOLOGY: NEW TECHNOLOGY TRANSITION (LONG TERM)

Capex and operational costs associated with the introduction of new technology such as next-generation aircraft, alternative fuels and carbon removals, and potential depreciation impacts on older assets.

PHYSICAL RISKS

The Risilience analysis highlighted the acute and chronic physical risks that could impact our business. These relate to extreme weather events as well as long-term environmental changes. The physical risks were assessed according to the forecast changes in environmental conditions in the different geographies in which we operate and include the following:

> **Operational disruption:** Due to extreme weather events in the short, medium and long term.
> **Market disruption:** Changing demand patterns due to climate change in the long term.

Due to the nature of our business, we could be exposed to both on-the-ground impacts (such as heavy rainfall and flooding affecting airport infrastructure) and aerial impacts (such as more severe storms, extreme wind or hailstorms). The geographic spread of physical risk types varies depending on the specific location – for instance, coastal flooding was modelled as being more pronounced in low-lying areas of North Western Europe such as the Netherlands, whereas heatwave risk was higher in inland regions of Spain, Portugal and France. As an airline operator we have some flexibility to adapt network and operations to respond to changing geographic risk.

RISKS SUMMARY

Risilience quantified our climate change risks using a five-year Enterprise Value at Risk (5yrEV@Risk) metric for the period FY25–29, which shows how the risks would impact discounted cash flows over five years according to different scenarios, aligned with the timeframe for our budget, corporate strategy and financial planning process. The long-term risk levels have been determined based on the quantified short to medium-term risks and the long-term impact and likelihood, as outlined in easyJet's Corporate Risk Register.

The following table indicates the risk relative to the present day, based on the Paris Agreement scenario without easyJet taking any action to manage our climate change transition. This scenario was selected as the baseline as it is consistent with the SBTi aviation sectoral decarbonisation pathway, launched in August 2021, which is aligned to a well-below 2°C temperature scenario.

Risk	Short term (0–1 year)	Medium term (2–5 years)	Long term (6–26 years)
Compliance costs	● Low	● Medium	● Medium
Legal	● Low	● Low	● Low
Technology	● Low	● High	● High
Consumer sentiment	● Low	● High	● High
Investor/market sentiment	● Low	● Low	● Low
Reputation	● Low	● Low	● Low
Physical	● Low	● Low	● Low

● Low: <£111 million ● Medium: £111–£222 million ● High: >£222 million

Medium and long-term risks have been assessed on 5yrEV@Risk and categorised as low: <£111 million, medium £111–£222 million, high >£222 million, due to £111 million being defined as 1% of Group assets. Short-term risks are categorised as low as they are accounted for in our financial plan. FY24 modelling indicated that there is no change to the relative risks versus what was reported in the FY23 Annual Report and Accounts. This is to be expected as the climate change transition risks are long-term structural risks and therefore are only likely to change in a material way in response to significant changes in the internal or external environment. Note, these valuations are calculated by Risilience and are influenced by general trends such as overall customer preferences for products and services that are considered more sustainable. In respect of Risilience's assessment of consumer sentiment 5yrEV@Risk valuation, it should be noted that customer booking confidence post-pandemic continues to rise.

OPPORTUNITIES SUMMARY

The key opportunities we have identified are outlined below.

Opportunity	Short term (0–1 year)	Medium term (2–5 years)	Long term (6–26 years)
Fleet renewal: the use of more efficient Airbus NEO aircraft, which reduce our fuel burn, carbon emissions and related costs. We currently have a firm order for 299 NEO aircraft valued at $36 billion at list price, and a further 100 options, for delivery up to FY34	● Low	● Medium	● High
Optimising flight operations: initiatives to minimise fuel burn, carbon emissions and related costs	● Low	● Low	● Low
Supporting development of zero carbon emission flight: collaborations with industry partners, including Rolls-Royce, Airbus, GKN and Cranfield Aerospace Solutions, will be a key long-term driver of industry decarbonisation	–	–	● High
Shifting consumer preferences: opportunity for us to build brand preference and loyalty as consumer preferences shift towards organisations that are committed to tackling climate change	● Low	● Low	● Low

● Low: <£111 million ● Medium: £111–£222 million ● High: >£222 million

These are the indicative upside opportunities beyond risk mitigation and are based on high level assumptions

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (CONTINUED)

(B) THE IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON OUR BUSINESSES, STRATEGY AND FINANCIAL PLANNING

Climate-related risks and opportunities are incorporated into our corporate risk register and are integrated into our strategic and financial plans. These have a material influence on major business decisions including our fleet strategy, centred on fleet portfolio decisions, and the purchase of next-generation aircraft, an increased focus on fuel-saving initiatives to refine our operation, entering into partnerships with entities at the vanguard of decarbonisation technologies and investigations into transitioning from fossil fuels to electric power and hydrogen for airport ground operations. Costs associated with carbon, i.e. costs related to SAF and to ETS, are incorporated into our five-year financial plan and inform key longer-term decisions such as fleet planning. Please see page 74 for the climate-related risks as defined in the corporate risk register. These risks are monitored through annual updates of the Risilience modelling to reflect changes in the macroeconomic and physical environment, as well as changes to easyJet's outlook.

TRANSITION PLAN – NET ZERO ROADMAP

In November 2021 we signed up to the Race to Zero and committed to achieving net zero carbon emissions by 2050, in line with the UK commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019.

In FY22 we developed our net zero roadmap, which provides the strategic framework with which we plan to achieve net zero GHG emissions by 2050, which materially affects business decisions over the short, medium and long term. Using our roadmap we set an interim science-based target of 35% reduction in GHG emissions intensity by FY35 versus FY19 – we were the first low-cost carrier in Europe to have our target validated by the Science Based Targets initiative (SBTi).

Reduce our energy use by renewing our fleet with the most efficient aircraft available, which is currently the Airbus A320neo series; saving fuel through operational efficiencies and through the modernisation of UK and European airspace. (See page 41 for more details)

Replace fossil fuels with non-fossil alternatives such as Sustainable Aviation Fuels and aim to be early adopters of zero carbon emission aircraft. (see page 48 for more details)

Remove residual emissions with carbon removal solutions. (See page 49 for more details)

The roadmap is based on well-to-wake GHG emissions intensity measured in gCO_2e per Revenue Tonne Kilometre as required by the SBTi aviation sectoral decarbonisation pathway. This is the Scope 1 and Scope 3 emissions due to aviation fuel, which accounts for 92% of our total footprint in FY24, per tonne of revenue payload per kilometre travelled. Revenue tonnes are calculated by assuming 100kg per passenger in line with the SBTi. Progress against our net zero roadmap, as measured by our gCO_2e/RTK targets is the key marker of mitigating climate-related risks. In addition to the intensity KPI, we assess the performance of the net zero roadmap levers, e.g. NEO deliveries.

Since launching the net zero roadmap, we have won several awards, including the Best Net Zero Strategy of the Year at the UK Green Business Awards 2023 and the Aviation Company of the Year at the Aviation Industry Awards 2024, where sustainability activity was a factor.

The net zero roadmap is aligned to the SBTi aviation sectoral decarbonisation pathway, which is aligned to the Paris Agreement scenario (well below 2°C). We intend to re-evaluate the net zero roadmap versus the SBTi 1.5°C aviation pathway once it has gone through consultation and has been formalised.

In the short to medium term, our focus will be on maximising efficiency and using SAF in line with mandated requirements. These initiatives will continue into the long term. This will involve the following:

> Fleet renewal with Airbus NEO aircraft, which are at least 13% more efficient than the aircraft they replace. We currently have a firm order for 299 NEO aircraft and a further 100 options to be delivered by FY34.
> Airspace modernisation, which will lead to more direct flight routings. We are actively contributing to these efforts via the IRIS programme with Viasat, Airbus and the European Space Agency which is now underway and expected to continue until the end of 2025. In addition, we are a contributor to Project HERON as part of the Single European Sky programme.
> A suite of operational efficiency initiatives that minimise fuel burn, including Descent Profile Optimisation and Continuous Descent Approach (DPO/CDA), which was installed across our fleet in FY23 and continues to deliver benefits. This has been further strengthened in FY24 by the addition of Idle Factor Optimisation which helps further reduce fuel burn and emissions on descent.
> Contractually committed SAF volumes with our fuel supply partners to ensure security of supply of the SAF in the short to medium term.

In the long term, zero carbon emission aircraft are the cornerstone of our pathway. Based on today's science, our focus is on hydrogen-powered aircraft as we believe it shows the most potential for a short-haul airline like easyJet. Hydrogen has no carbon emissions, provided it is green hydrogen produced with renewable electricity, and has the potential to reduce non-CO_2 emissions from flying, although more research is needed to understand these effects. Please refer to page 40 for more detail on the net zero roadmap.

We are driving the development of hydrogen aircraft through numerous investments and partnerships:

> The easyJet-Rolls-Royce hydrogen engine demonstrator continues to make progress with successful component development and testing including breaking ground at the NASA test facility in the US which will be the site for the ultimate engine tests.
> Project Acorn – we led the first airside hydrogen refuelling ever to take place at a UK airport, providing data and insight to create the first ever safety guidance and inform the regulatory network around hydrogen use at airports. In September 2024, Project Acorn won the Aviation Innovation Award for large companies at the 2024 UK Aviation Industry Awards.
> Hydrogen in Aviation alliance (HIA) – published the 'Launching hydrogen-powered aviation' report.

Carbon removal technology will also play a critical role in our roadmap, both in supporting feedstock as a component of Power-to-Liquid SAF and as a mechanism to address residual emissions. In October 2023, easyJet was the first airline in the world to sign a contract for Direct Air Carbon Capture and Storage (DACCS), via the Airbus Carbon Capture Offer. Construction of the facility by 1PointFive is continuing in line with schedule, which aims to deliver permanent removals to easyJet from 2026.

The net zero roadmap provides the framework with which to mitigate against five of the six key transition risks – compliance, legal, consumer sentiment, investor/markets sentiment and reputation. The key remaining risk is technology – delivery of the roadmap is dependent on the scaling-up of SAF production and the development of nascent technologies such as zero carbon emission aircraft, and there is a risk of a potential increase in costs associated with transition to these technologies and/or with potential adjustment to net zero roadmap delivery levers necessary.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (CONTINUED)

Beyond carbon dioxide, non-CO_2 effects, predominantly due to contrail cirrus, contribute to aviation's impact on global warming. easyJet has joined the CICONIA project, part of the EU Single European Sky programme, to explore operational methods to minimise the formation of warming contrails and contribute to the development of mitigation strategies. In addition, we believe increased funding, data gathering, and research are necessary to build increased understanding of non-CO_2 effects and how to best mitigate any negative impact they might have. We support the EU's proposed monitoring reporting and verification (MRV) for non-CO_2 emissions and call for full scope coverage for long-haul and short-haul flights.

(C) THE RESILIENCE OF OUR STRATEGY, TAKING INTO CONSIDERATION DIFFERENT CLIMATE-RELATED SCENARIOS, INCLUDING A 2°C OR LOWER SCENARIO

Our net zero pathway is aligned to the SBTi aviation sectoral decarbonisation pathway, which is aligned to the Paris Agreement scenario (well below 2°C). The sensitivity of the pathway and the ability to meet our targets in the absence of different levers has been assessed to ensure there is no over-dependence on any single lever.

There is currently no formal aviation sectoral SBTi pathway aligned to the Paris Ambition (1.5°C), although SBTi has released an interim pathway that is yet to go through consultation. easyJet aims to reach net zero by 2050 by reducing emissions intensity by 78% and addressing residual emissions via carbon dioxide removals. This is a significantly better reduction than the 57% threshold defined for easyJet by the well below 2°C SBTi pathway. This gives easyJet headroom and therefore resilience in respect of our climate change risk and net zero strategy.

OVERVIEW OF SCENARIO ANALYSIS[1]

Scenario	Current policy	Stated policy	Paris Agreement[2]	Paris Ambition
Temperature alignment	3°C	2.5°C	Well below 2°C	1.5°C
Target global emissions reduction	-50% by 2100	-75% by 2100	Net zero by 2050	Net zero by 2050
Representative concentration pathway	RCP 7.0	RCP 4.5	RCP 2.6	RCP 2.6

1) We work in partnership with Risilience to evaluate a range of climate change-related risks across a range of scenarios, outlined further on page 61.
2) The Paris Agreement of well below 2°C was selected as the baseline scenario as it is aligned with the SBTi aviation sectoral decarbonisation pathway, launched in August 2021. The analysis varied input assumptions across the transition risks in line with these scenarios. As an example, the Paris Agreement scenario assumes a 56% increase in consumers adopting sustainable alternative products by 2030, compared to 58% under the Paris Ambition and 42% under 'stated policy'. 5yrEV@Risk was assessed under these scenarios as described in the Risks summary on page 62. These scenarios incorporate socioeconomic projections from the Shared Socioeconomic Pathways (SSPs); Transition risks decrease as temperature scenarios increase, while physical risks worsen.

RISK MANAGEMENT

OUR PROCESSES FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS AND OPPORTUNITIES

We work in partnership with Risilience to evaluate a range of climate change-related risks across a range of scenarios as described on page 61. The quantified risks are then assessed against the business threshold for what constitutes a risk of 'major concern', e.g. substantive financial. This metric is defined as 1% of total assets, which equates to a threshold of £111 million at the end of FY24.

In parallel, we leverage our internal and external network to understand and critically evaluate transition risks and opportunities related to compliance, consumer sentiment, market sentiment, technology, legal and reputation that are relevant to the Group. Group Finance, Legal, Investor Relations and Marketing teams support the identification and qualitative and quantitative assessment of specific risks and opportunities, feeding into Risilience's analysis, and into strategy and financial planning for the Group.

Risilience conducted workshops in FY22 focused on climate-related risks identified to have a potentially substantial financial impact. The workshops involved colleagues from across the business and identified the key functional level risks within each corporate level risk category. For full details of the specific risks identified, see Strategy section (a) on page 61.

The impact and likelihood inputs were then calibrated in order to reach an aligned and consistent view of each risk. These risks are reviewed annually and updated if required.

OUR PROCESSES FOR MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

Following the outputs of internal stakeholders, the Risilience study and external networks, risk workshops were conducted to determine the appropriate ownership and management of these risks. In FY23, easyJet carried out a double materiality assessment, which confirmed climate change as a principal risk, see page 74 of our Risk section for further detail. Mitigations and controls for these risks were developed by the named risk owners including those outlined on page 74 and are documented in the Climate Change Transition Risk Register, overall ownership of which sits with the CFO. Governance for these risks and mitigations are regularly reviewed through easyJet's ESG Steering Committee.

Ownership of risks are outlined below.

Risk	Risk owner
Compliance costs	CFO
Legal	Group General Counsel
Technology	CFO
Consumer sentiment	Chief Customer & Marketing Officer
Investor/market sentiment	CFO
Reputation	Group Markets Director

HOW OUR PROCESSES FOR IDENTIFYING, ASSESSING AND MANAGING CLIMATE-RELATED RISKS ARE INCORPORATED INTO THE ORGANISATION'S OVERALL RISK MANAGEMENT

As described in the risk management section above, climate change transition risks are incorporated into the corporate risk framework and register. For more detail on the overall risk management of the business, see the Risk section, pages 67 to 74.

Mitigation options that are identified during the above process have been incorporated into our net zero pathway, which is reviewed on an annual basis and feeds into the corporate strategy and financial planning process and principal risks and uncertainties, see pages 70 to 74.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (CONTINUED)

METRICS AND TARGETS

THE METRICS WE USE TO ASSESS THE CLIMATE-RELATED RISKS AND OPPORTUNITIES IN LINE WITH OUR STRATEGY AND RISK MANAGEMENT PROCESS

Since FY22 we have assessed financial impact in the form of 5yrEV@Risk. These figures are then assessed against a threshold of 1% of total assets, i.e. a threshold of £111 million in FY24. Risks and mitigation options identified through these metrics have been incorporated into our climate change transition plan and continue to inform our financial and strategic planning. Furthermore, we use an internal carbon price that is driven by the costs of UK and EU ETS allowances in our financial and strategic planning. 79% of easyJet's emissions in FY24 were covered by ETS schemes. At 30 September 2024 UK and EU ETS credits cost £37 and €68 per metric tonne CO_2 respectively.

OUR DISCLOSURE OF SCOPE 1, SCOPE 2 AND SCOPE 3 GHG AND THE RELATED RISKS

We have disclosed our full value chain emissions in this Annual Report. Our climate impact is primarily due to the use of fossil aviation fuel, which accounts for 92% of our overall GHG emissions footprint. Our emissions footprint has been independently verified with reasonable assurance by Normec Verifavia, a UKAS and COFRAC accredited global leader in environmental validation, verification, and auditing within the transport sector. Scope 1, 2 and Scope 3 Category 3 have been verified with Reasonable Assurance.

See our comprehensive GHG and energy performance table, including Scope 1, 2 and 3 emissions on page 44, where you can find the breakdown by geography and the methodology used. See page 44 for a link to the detailed independent assurance statement and ESG fact sheets.

THE TARGETS WE USE TO MANAGE CLIMATE-RELATED RISKS AND OPPORTUNITIES AND PERFORMANCE AGAINST TARGETS

As our interim target, we have committed to reducing well-to-wake GHG emissions intensity related to jet fuel by 35% per Revenue Tonne Kilometre (RTK) by FY35 from a FY19 base year[1, 2], which has been approved by the SBTi. This interim target is on the path to net zero by 2050, by which point we are aiming for a 78% reduction in GHG emissions intensity, with the residual emissions addressed through a portfolio of carbon removal solutions.

In FY24, we have reported 880 gCO_2e/RTK well-to-wake emissions intensity, a 5.6% reduction versus the FY19 baseline. This has been driven mainly by fleet renewal with a further 16 NEO aircraft joining the fleet, and by continued delivery of operational efficiency initiatives.

Our net zero roadmap, outlined on page 40, provides the framework with which we intend to meet our targets in 2035 and beyond on our journey to net zero in 2050.

As a component of the net zero roadmap, we have targets in place for SAF uplift in line with EU and UK proposed mandates, starting in FY25.

	2025	2030
EU	**2%**	6%
UK	**2%**	10%

For details of the CEO and CFO sustainability-related targets, see the Directors' Remuneration Report on page 120.

1) The target boundary includes biogenic emissions and removals from bioenergy feedstocks.
2) Non-CO_2 effects which may also contribute to aviation induced warming are not included in this target. easyJet commits to report publicly on its collaboration with stakeholders to improve understanding of opportunities to mitigate the non-CO_2 impacts of aviation annually over its target timeframe.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

SASB Standards identify the subset of ESG issues most relevant to financial performance and enterprise value for 77 industries. Below we report on the metrics for the Airlines standard.

TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS AND ACCOUNTING METRICS

Topic	Accounting metric	Category	Unit of measure	Code	Disclosure
Greenhouse gas emissions	Gross global Scope 1 emissions	Quantitative	Metric tonnes (t) CO_2e	TR-AL-110a.1	Disclosed on page 44 of the Annual Report
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets		n/a	TR-AL-110a.3	Covered in the Annual Report, (primarily pages 36 to 55)
	(1) Total fuel consumed	Quantitative	Gigajoules (GJ)	TR-AL-110a.3	112,050,781
	(2) Percentage alternative		Percentage (%)		0.033%
	(3) Percentage sustainable				0.033%
Labour practices	Percentage of active workforce covered under collective bargaining agreements	Quantitative	Percentage (%)	TR-AL-310a.1	Disclosed in Human Capital ESG fact sheet
	(1) Number of work stoppages and	Quantitative	Number, days	TR-AL-310a.2	Not disclosed
	(2) Total days idle[1]				
Competitive behaviour	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations[2]	Discussion and analysis	n/a	TR-AL-540a.1	The Company has not incurred any monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations
Accident and safety management	Description of implementation and outcomes of a safety management system	Discussion and analysis	n/a	TR-AL-540a.1	Disclosed in Safety, Quality & Governance ESG fact sheet. Also discussed in Annual Report risk section pages 67 to 74
	Number of aviation accidents	Quantitative	Number	TR-AL-540a.2	Zero
	Number of governmental enforcement actions of aviation safety regulations	Quantitative	Number	TR-AL-540a.3	Zero

TABLE 2. ACTIVITY METRICS

Activity metric	Category	Unit of measure	Code	Disclosure
Available Seat Kilometres (ASK)[3]	Quantitative	ASK	TR-AL-000.A	Disclosed on page 35 of Annual Report
Passenger load factor[4]	Quantitative	Rate	TR-AL-000.B	Disclosed on page 35 of Annual Report
Revenue Passenger Kilometres (RPK)[5]	Quantitative	RPK	TR-AL-000.C	Disclosed on page 35 of Annual Report
Revenue Tonne Kilometres (RTK)[6]	Quantitative	RTK	TR-AL-000.D	Disclosed on page 44 of Annual Report
Number of departures	Quantitative	Number	TR-AL-000.E	Disclosed on page 35 of Annual Report
Average age of fleet	Quantitative	Years	TR-AL-000.F	10.2 years

1) Note to TR-AL-310a.2 – Disclosure shall include a description of the reason for each work stoppage, impact on operations and any corrective actions taken.
2) Note to TR-AL-520a.1 – The entity shall briefly describe the nature, context and any corrective actions taken as a result of the monetary losses.
3) Note to TR-AL-000.A – Available Seat Kilometres (ASK) is defined as the maximum potential cumulative kilometres travelled by passengers (i.e. kilometres travelled by occupied and unoccupied seats).
4) Note to TR-AL-000.B – Load factor is a measure of capacity utilisation and is calculated as passenger kilometres travelled, divided by ASK.
5) Note to TR-AL-000.C – Revenue Passenger Kilometres (RPK) is defined as the cumulative total kilometres travelled by revenue passengers. A revenue passenger is a passenger for whose transportation an air carrier receives commercial remuneration.
6) Note to TR-AL-000.D – Revenue Tonne Kilometres (RTK) is defined as one metric tonne of revenue traffic transported one kilometre. RTK is computed by multiplying the aircraft kilometres flown on each flight stage by the number of metric tonnes of revenue traffic carried on that flight stage (e.g. passengers, baggage, freight and mail).

RISK MANAGEMENT

EFFECTIVE RISK MANAGEMENT

OUR CORPORATE RISK FRAMEWORK

The Board approves the strategy for easyJet, including strategic initiatives and objectives, and ensures suitable oversight and governance through several management methods. This includes monitoring and reporting, strategic reviews, oversight committees and deep dives into specific risk areas. The Board is ultimately responsible for determining the nature and extent of the principal risks it is willing to take to achieve its strategic objectives, setting its risk appetite, and maintaining the Group's systems of internal control and risk management. The Audit Committee and the Board are accountable for reviewing and assessing the risk management processes. The Risk & Assurance team, which reports jointly to the Chair of the Audit Committee and the Chief Financial Officer (CFO), ensures that comprehensive processes are in place for identifying and assessing the Group's principal and emerging risks. The Board, with the assistance of the Audit Committee, has carried out a robust assessment of the principal and emerging risks facing the Group and how those risks affect the prospects of the Group. The Risk & Assurance team is responsible for creating, implementing and delivering the corporate risk framework and reporting the principal and emerging risks to the Board. Each function across easyJet is responsible for understanding and managing its own risks and considering the impact on all stakeholders. To ensure that risks are managed within the framework, the Risk & Assurance team maintains a programme of risk monitoring with each function and promotes cross-functional management of risks. The Risk & Assurance team works with all functions to ensure that risk information remains relevant, control deficiencies or gaps are identified and improvement actions are implemented.

During FY24, the Corporate Risk team has further developed the corporate risk framework and supporting documentation. Our central risk platform was rolled out across the business in February 2024 as a central repository for the principal and functional risks. Our internal intranet now contains a risk site, where all employees can access information on the risk framework. The corporate assurance map identifies key controls against each principal risk, and the assurance over these controls. Over the course of the year, this stated assurance has been independently validated by the Internal Audit team.

Emerging risks are captured from a variety of sources. They are identified, assessed, managed and articulated on our central risk radar, which is shared at each Airline Management Board and Audit Committee meeting attended.

All principal risks have been reviewed and discussed with the risk owners. Some risks have been amended slightly to reflect the changing risk landscape.

These include:

> Changing legal and regulatory landscape: This risk description has been

RISK THEMES

Nine corporate risks fall into seven risk themes, which have been updated to ensure alignment to the Group's strategy as follows:

SAFETY, SECURITY AND OPERATIONS	easyJet's number one priority is the safety and security of its customers, colleagues and contractors, demonstrated by our value of 'always with safety at our heart'. The delivery of a safe and secure operation also supports easyJet's strategy to 'deliver ease and reliability' to meet the needs and expectations of our customers. This is critical to 'building Europe's best network'.
OUR PEOPLE	Having the right people is a key part of our value to be 'always warm and welcoming' and 'living the Orange Spirit'. We aim to create an inclusive, diverse and energised environment that attracts the right people and inspires everyone to learn and grow.
MACROECONOMIC AND GEOPOLITICAL	Our values include to 'always challenge costs'. The airline industry can be sensitive to macroeconomic and geopolitical conditions which could affect our financial performance. Risks include supply/demand imbalance, general economic trends, as well as the impact of changes in fuel cost, foreign exchange rates and counterparty performance.
TECHNOLOGY	easyJet's strategy to 'deliver ease and reliability' includes developing new technologies to enhance experiences and operational performance. The ever-increasing sophistication of serious organised crime groups, terrorists, nation states and even lone parties means that, despite all the mitigation detailed, easyJet will inevitably retain an element of vulnerability regarding the availability, confidentiality and integrity of its data and information. Digital safety is treated as seriously as physical safety under our value 'always with safety at our heart'.
LEGISLATIVE/REGULATORY LANDSCAPE	Our value of 'making a positive difference' in a heavily regulated industry includes keeping well informed and adapting (as required) to any legislative or regulatory changes across the jurisdictions in which we operate.
ENVIRONMENTAL SUSTAINABILITY	Climate change transition can impact our business and operations, regulation, taxation, and changing expectations for consumers, colleagues and shareholders. easyJet's environmental sustainability commitment is to both reduce our impact today, and to pioneer a sustainable future for travel.
ASSET PERFORMANCE	Supporting easyJet's strategic priorities of 'transforming our revenue capability' and 'delivering ease and reliability' we make the best use of our fleet capabilities and our capacity/slots in the right airports at the right prices. We work with our supply chain to enhance value and deliver our priority of 'driving our low-cost model'.

RISK MANAGEMENT (CONTINUED)

amended to better encompass monitoring the legal and regulatory landscapes as well as responding to legislation and regulation.

> Talent and critical skills acquisition: The risk description has been amended to additionally reflect the requirement for critical skills in certain key roles.

All functional and principal risks have been scored on a consistent basis using the same taxonomy. The annual review and update of the risk appetite has been completed by the AMB and Board.

CASE STUDY

SAFE TRAVELS

At easyJet, safety is at the heart of everything we do. No matter which part of the business we work in, safety is everyone's responsibility.

For us, safety is the things we do to protect our people, our customers and our shareholders including their health and safety, wellbeing, the environment, and our easyJet brand.

With our ambitious growth plans as an airline, it remains crucial that we maintain focus on safety. We must understand our systemic, operational and emerging risks, ultimately managing our principal risk of a significant safety or security event to as low as reasonably practicable.

In order to maintain safety and manage risk effectively, our safety risk framework provides a foundation for eliminating, mitigating or controlling hazards that are not limited to aviation operational areas but encompass diverse aspects of our organisation including IT, cybersecurity, sustainability and facilities. This helps to ensure that we continue to understand and manage risks that could result in unsafe aircraft operation, undesired human performance, organisational failure, malicious harm, personal injury, inadequate oversight and assurance, and failure of critical technology or misinformation.

Our commitment extends beyond managing risk to continuously improving safety within our system. This is facilitated by our ISO 9001 certified Integrated Management System (IMS) which is crucial in supporting our destination to be Europe's most loved airline – winning for our customers, shareholders and people. The IMS makes sure that we keep our safety promise and provide the means for us to:

> work together to keep everyone safe
> speak up, learn from our mistakes and act when needed
> respect and care for each other and our own wellbeing.

Via our five-year safety plan, which is aligned to our framework, we have set out our strategic initiatives across all areas of the organisation that will help us continue to achieve our safety objectives. With a strong safety culture at our core, we have a great foundation for maintaining our high levels of safety and operational excellence, ensuring the safety of our customers, our shareholders and our people.

RISK MANAGEMENT (CONTINUED)

OUR PRINCIPAL RISKS AT A GLANCE

Principal risk	Safety, security and operations	Asset performance	Legislative/regulatory landscape	Our people	Environmental sustainability	Technology	Macroeconomic and geopolitical	Risk change	Risk owner	Building Europe's best network	Transforming our revenue capability	Delivering ease and reliability	Driving our low-cost model
1 Changing legal and regulatory landscape			●					↓	Group General Counsel	●			
2 Significant safety or security event	●							–	Chief Operating Officer	●		●	
3 Significant digital security event						●		–	Group General Counsel	●		●	
4 Macroeconomic conditions							●	–	Chief Financial Officer		●		
5 Network and primary airport risks		●						–	Chief Commercial Officer	●			
6 Non-delivery of strategic initiatives						●		↓	Chief Data & Information Officer	●	●	●	●
7 Significant operational disruption	●							↓	Chief Operating Officer	●		●	
8 Talent and critical skills acquisition				●				–	Group People Director	●			
9 Climate change transition risks					●			–	Chief Financial Officer	●			

Read more on pages 70 to 74

RISK THEMES

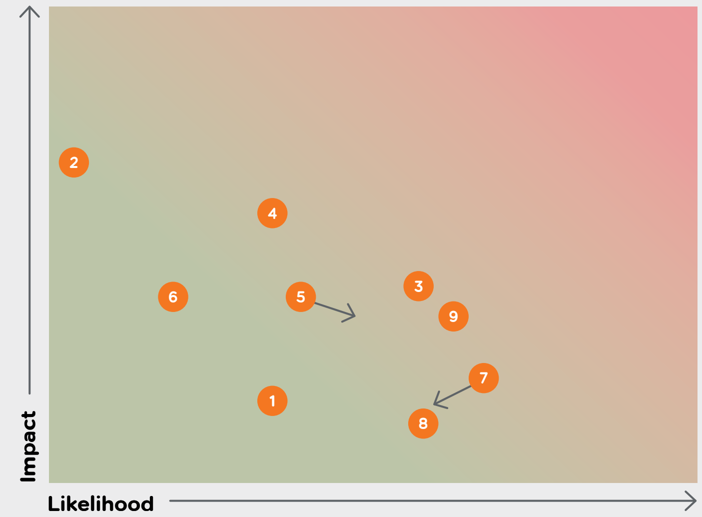
- Safety, security and operations
- Asset performance
- Legislative/regulatory landscape
- Our people
- Environmental sustainability
- Technology
- Macroeconomic and geopolitical

OUR STRATEGIC PRIORITIES

- Building Europe's best network
- Transforming our revenue capability
- Delivering ease and reliability
- Driving our low-cost model

RISK HEAT MAP

This heat map shows the relative position of our principal risks at a residual risk level. We continue to monitor risks and develop action plans where necessary to keep risks in line with our risk appetite.



→ Risk appetite predicts that the risk score will move in the direction shown.

RISK MANAGEMENT (CONTINUED)

1 Changing legal and regulatory landscape[1]

DRIVERS

Increasing requirement for disclosure

Cross-jurisdictional legislation

Corporate Social Responsibility Directive

RISK OWNER

Group General Counsel

CHANGE IN RISK

Risk perceived to have declined due to the investment in internal resources we have made in this area.

PRIMARY LINK TO STRATEGY

Legislative/regulatory landscape

POTENTIAL IMPACTS

> Fines/regulatory sanctions
> Reduction in future revenue
> Operational disruption
> Loss of operating licence
> Significant increase in costs
> Share price movement
> Loss of colleague/customer trust
> Sustained adverse media coverage

MITIGATIONS

> Policies, procedures and mandatory training programmes:
  – In-house and external legal advisers and regulatory experts to identify and advise on changes in legislation and the impact on both easyJet and its supply chain
  – Influencing relevant future and existing policy, including by working with relevant industry bodies
  – Adapting existing processes for new legislation/regulation.
> Technical accounting team assesses any impact on easyJet's Group accounts from changes in IFRS requirements.
> easyJet holidays' recruitment policy to include hire of lawyer/paralegal with expertise in each new jurisdiction:
  – Existing in-house legal and regulatory teams receive regular updates on cross-jurisdictional legislation
  – Most expansion destinations are within the EU, and subject to similar legislation
  – Panel law firms have multi-jurisdictional expertise and horizon scanning.
> Dedicated in-house lawyer with expertise in ESG, greenwashing and CSR matters, with external professional advisers in support.
> Supply chain working group established with Procurement and Risk & Assurance in attendance.

1) Changing legal and regulatory landscape was renamed from 'Legislative/regulatory landscape' to better encompass monitoring the legal and regulatory landscapes as well as responding to legislation and regulation.

2 Significant safety or security event

DRIVERS

Safety of aircraft operation

Human performance

Organisation and governance

Malicious harm and security

Personal injury

Oversight and assurance

Failure of critical technology/misinformation

RISK OWNER

Chief Operating Officer

CHANGE IN RISK

PRIMARY LINK TO STRATEGY

Safety, security and operations

POTENTIAL IMPACTS

> Injury/loss of life
> Sustained adverse media coverage
> Reduction in future revenue
> Fines/regulatory sanctions
> Operational disruption
> Significant increase in costs
> Share price movement

MITIGATIONS

> We operate an ISO 9001 Quality Management Standard Certified Integrated Management System (IMS), approved by our three national aviation authorities, which enables us to effectively manage the inter-related components of the organisation by combining all aspects of our processes and standards into one system.
> We use leading software systems to: report incidents and identify events; identify hazards and threats and take appropriate risk mitigating actions; collect and analyse safety data; enable learning from easyJet and industry events/incidents to be captured and embedded into future risk mitigations.
> We have regular safety meetings and boards across our operating companies, including the plc Safety & Operational Readiness Committee, easyJet Safety Board, AOC Safety Review Boards and functional Safety Action Groups to ensure we can monitor safety performance, review and take actions and monitor effectiveness of safety management processes.
> We regularly update an internal Safety Plan which includes safety, security and compliance objectives and the strategies to meet those objectives.
> We promote key safety messages through regular communication, leadership briefings and competency and training management.
> Our crisis and emergency processes are managed, documented and regularly tested and reported on.
> Hull (all risks) and liabilities insurance (including spares) is held.
> Security-cleared specialists continually review geopolitical developments across the easyJet network and report to the Board on any areas of concern.

RISK MANAGEMENT (CONTINUED)

3 Significant digital security event

DRIVERS

Data loss or compromise

RISK OWNER

Group General Counsel

CHANGE IN RISK

PRIMARY LINK TO STRATEGY

Safety, security and operations

POTENTIAL IMPACTS

> Sustained adverse media coverage
> Reduction in future revenue
> Fines/regulatory sanctions
> Operational disruption
> Significant increase in costs
> Share price movement

MITIGATIONS

> A data and cyber risk governance structure exists to regularly review the data and cyber risk landscape and determine required action to take place to manage risk effectively.
- Dedicated Digital Safety team provides a level of assurance over third parties, proactively monitors threats and responds to incidents
- Employee education and awareness programme including a network of champions, online training and awareness campaigns
- External threat intelligence monitoring
- Security Operations Centre
- Vulnerability scanning and penetration testing
- Assurance over our supply chain. Risk management embedded into business change life cycle
- Credit card data is protected through PCI DSS compliance as a Level 1 Merchant
- Digital safety is discussed quarterly at our AMB and biannually at our plc Board Additionally, as part of our governance processes, the Digital Safety Board meets regularly to discuss matters related to our cybersecurity
- Assurance programme to ensure compliance, data controls and protection. Regular control reviews and audits performed of key areas and technology.

4 Macroeconomic conditions

DRIVERS

Volatility in financial markets

RISK OWNER

Chief Financial Officer

CHANGE IN RISK

PRIMARY LINK TO STRATEGY

Macroeconomic and geopolitical

POTENTIAL IMPACTS

> Insufficient cash to meet financial obligations as they fall due and/or the inability to fund the business when needed, leading to insolvency
> Significant increase in costs
> Share price movement
> Adverse impact to credit rating

MITIGATIONS

> Finance Committee (a committee of the plc Board) oversees the Treasury Policy and funding activities.
> The Treasury Policy contains strategies for managing market price risk, counterparty credit risk and liquidity risk management. The plc Board approves the Treasury Policy. Compliance with the Treasury Policy is reported on a monthly basis.
> easyJet manages a liquidity buffer to protect against unforeseen circumstances and this liquidity buffer is supported by cash and undrawn facilities.

5 Network and primary airport risks

DRIVERS

Loss of valuable slots for future seasons and future years

Failure to protect core markets

New market entrants

RISK OWNER

Chief Commercial Officer

CHANGE IN RISK

PRIMARY LINK TO STRATEGY

Asset performance

POTENTIAL IMPACTS

> Inefficient use of resources
> Reduction in future revenue
> Negative impact on brand
> Weakened customer proposition
> Loss of market share

MITIGATIONS

> Where easyJet is affected by industrial action or other service interruption by a key supplier, resources are deployed to manage this as effectively as possible.
> Projecting cancellations for the rest of the season, so we can analyse risk and take informed decisions when required.
> Mitigating actions available, e.g. removal of seats, wet lease and how pipeline for crew is increased.
> Continuous contact with operations department to proactively cancel, trying to minimise the number of slots but also the impact to future seasons, with minimum number possible at highly constrained airports.
> Slot-tracker dashboard created to give teams managing the portfolio better visibility of complex requirements. Work is continuing on several future phases to enhance the tool and ultimately to allow us to share timely updates with other departments, so they can be aware of risks due to planned or actual changes due to cancellations.
> easyJet reviews its capacity allocation across all key markets through the Network Development Forum (NDF) process and quarterly AMB network and airports updates. Focus is on any potential slot regulation changes and is linked into both EU and UK processes.
> easyJet has a clear strategy of differentiation through network design. Mitigating competitor impact is a key focus of this year's NDF process.

RISK APPETITE

> Risk appetite increasing where it is rational to do so. For example, we would consider giving up slots for strategic purposes or if the cost of maintaining those slots becomes prohibitive.

6 Non-delivery of strategic initiatives

DRIVERS

Organisational priorities change

Scope changes

Inefficient resource allocation

Inappropriate delivery methodology

Supplier capacity and capability

Financial constraints

Organisational readiness

RISK OWNER

Chief Data & Information Officer

CHANGE IN RISK

Risk perceived to have declined due to the investment in internal resources we have made in this area and additional controls which have been put in place

PRIMARY LINK TO STRATEGY

Asset performance
Technology
Macroeconomic and geopolitical

POTENTIAL IMPACTS

> Business benefits not realised
> Financial underperformance
> Inefficient use of resources

MITIGATIONS

> Complex, large-scale programmes have been initiated and prioritised through the Enterprise Project Management Office.
> The Enterprise Project Management Office is in place to oversee delivery of projects and programmes, ensuring dependencies are managed across the portfolio.
> A project management framework, which sets out approval processes, governance requirements and key ongoing processes and controls, is followed by all projects and programmes, and reviews are undertaken to ensure continuous improvement in this approach.
> Each strategic initiative has an executive sponsor, a Leadership 50 owner and its own steering group. These provide oversight and challenge to the project, monitor progress against programme objectives (including budget, benefit realisation and appropriate resource) and ensure that decisions are made at the appropriate level.
> Key strategic initiatives are managed by dedicated programme management resource with the right skills and behaviours, complemented by subject matter specialist resource where appropriate.
> The executive sponsor provides routine updates to the AMB and can use this as an escalation channel for any issue resolution.
> The Board also receives updates on key strategic initiatives including any risks or issues to achieving the key milestones that enable the achievement of the five-year plan.
> Onboarding of a Systems Integrator to help orchestrate the largest and most complex programmes.
> Fortnightly updates on projects to the AMB with ownership residing with the Chief Customer & Marketing Officer, with a more agile approach to delivering faster.

RISK MANAGEMENT (CONTINUED)

7 Significant operational disruption

DRIVERS

Disruption due to insufficient crew

Disruption due to insufficient aircraft

Disruption due to station specific performance issues

Disruption due to geopolitical issues restricting airspace

Disruption due to environmental factors and climate change

Disruption due to planning, governance and back-office processes

RISK OWNER

Chief Operating Officer

CHANGE IN RISK

Risk perceived to have declined due to the investment in operational resilience measures.

PRIMARY LINK TO STRATEGY

Safety, security and operations

POTENTIAL IMPACTS

> Customer dissatisfaction
> EU261 compensation and welfare payable to customers
> Inefficient use of resources
> Negative impact on brand
> Share price movement
> Adverse media coverage
> Reduction in future revenue
> Operational disruption

MITIGATIONS

> Business interruption insurance provides cover for significant shock events such as extreme weather, air traffic management issues and loss of access to key airports and liquidity buffer to better manage the impact of downturns in business or temporary curtailment of activities.
> Use of data analytics and technology across the operation to predict and manage disruptive events and aid decision making.
> Full visibility of Airbus delivery schedule for new aircraft and continuous monitoring of a consolidated and up-to-date fleet availability forecast.
> Up-to-date seasonal crew establishment target based on peak flying volumes.
> Phased onboarding and training plan aligned to schedule.
> Airline Design team, co-chaired by the Chief Operations Officer and the Chief Commercial Officer, in place to provide cross-functional governance for readiness and resilience.
> The Safety & Operational Readiness Committee meets quarterly and is provided with updates on operational readiness, challenges around disruption and initiatives undertaken to minimise disruption. The Board also receives regular timely updates from the Chief Operations Officer.
> Disruption management self-service tool in place to make it easier for customers to make changes when disruption does occur.
> Air traffic control system engagement and close working relationship with key stakeholders including but not limited to airport authorities and slot coordinators.
> Rigorous established aircraft maintenance programme approved by relevant regulatory bodies.
> Union engagement with regular meetings to engage discussions before any formal escalations. This is supported by our Industrial Relations plan and governance in place to oversee negotiations.
> We have well-managed, planned and regularly tested processes for dealing with incidents and crises that could cause significant operational disruption including, but not limited to, aircraft damage, IT and cyber events and environmental factors.
> Regular tracking and reporting for network-wide station performance including, but not limited to, ground-handling resource, airport resource and de-icing resource.

RISK APPETITE

> Risk appetite decreasing in the short term with our significant ongoing investment in resilience measures such as crew availability, investment in spares and spare aircraft. These measures are all designed to reduce the impact of disruption on our customers. In the medium term we are lobbying the relevant authorities to modernise airspace and improve resilience in air traffic control across Europe, which we would expect to lead to a further reduction in this risk once those measures are in place.

RISK MANAGEMENT (CONTINUED)

8 Talent and critical skills acquisition[1]

DRIVERS

Failure to understand and meet future skills gaps for key roles

RISK OWNER

Group People Director

CHANGE IN RISK

⊖

PRIMARY LINK TO STRATEGY

Our people

POTENTIAL IMPACTS

> Sustained inability to deliver key strategic initiatives
> Loss of corporate knowledge
> Potential operational disruption and associated costs

MITIGATIONS

> Biannual talent reviews and validation of successors with HR business partners and AMB.
> Annual plc Board and Nominations Committee updates on the overall health of our talent and succession plans.
> Monthly reporting on attrition to highlight any areas of concern to address in a timely way.
> Review the Target Operating Model and assess what impact this will have on skills and capability requirements in the future.
> Review the Organisation Design framework and structure for easyJet to ensure that this remains on track and in line with the strategic goals.
> Identify interventions to meet these gaps either to train or acquire where there may be skill shortages:
  – Strategies to recruit future pilots through provision of own training facility
  – Programme to recruit more engineering apprentices and widen the recruitment net.

1) Talent and critical skills acquisition was renamed from 'Talent acquisition and retention risks' to additionally reflect the requirement for critical skills in certain key roles.

9 Climate change transition risks

DRIVERS

Civil society

Cost of emissions

Emissions reductions

Financial markets sentiment

RISK OWNER

Chief Financial Officer

CHANGE IN RISK

⊖

PRIMARY LINK TO STRATEGY

Environmental sustainability

POTENTIAL IMPACTS

> Increased operational costs driven by regulation relating to the use of Sustainable Aviation Fuel (SAF), withdrawal of free allowances under the ETS, fuel taxes, taxation of non-carbon GHG emissions and other air travel related charges
> Suppression of demand driven by changes in consumer preferences
> Increased compliance and reporting requirements
> Shareholder activism
> Adverse publicity and impact on our reputation
> Climate change-related regulatory and legal challenge

MITIGATIONS

> Developed and published a net zero roadmap with an interim SBTi-validated target which provides the framework to manage easyJet's climate change transition risks, and a key stakeholder communication tool.
> Robust governance structure comprising the ESG Steering Committee, AMB and plc Board, as well as specific forums such as the Environmental Policy Forum, Fuel Conservation Working Group, Airspace Strategy Working Group and Integrated Communications Forum.
> Inclusion of climate regulation related operational costs in financial modelling.
> Sustainable aviation fuel strategy focused on supply security and competitive pricing, and optimising fuel usage through operational and technological initiatives to reduce emissions.
> Proactive advocacy with UK and EU authorities to ensure that industry decarbonisation policies do not disproportionately disadvantage short-haul and/or low-cost carriers.
> Securing next generation Airbus A320neo and A321neo aircraft which are between 15% and 25% more fuel efficient than the previous generation CEO aircraft.
> Collaborating with airlines and trade bodies to develop a lobbying strategy for the modernisation of airspace across the easyJet network.
> Partnering with appropriate stakeholders, to maximise the likelihood of all decarbonisation levers being available at scale, for example investing in Direct Air Carbon Capture and Storage (DACCS) to support development and formal recognition of carbon removal through a partnership with Airbus.
> Supporting future technologies including hydrogen aircraft development with our partners such as Rolls-Royce and Airbus, investing in DACCS and securing SAF supply through long-term contractual commitments.

GOING CONCERN AND VIABILITY STATEMENT

ASSESSMENT OF PROSPECTS

The Strategic Report on pages 2 to 78 sets out easyJet's activities and the factors likely to impact its future development, performance and position. The Financial Review on pages 27 to 35 sets out its financial position for the year ending 30 September 2024, cash flows, liquidity position and borrowing activity. The notes to the Financial Statements include the objectives, policies and procedures for managing capital, financial risk management objectives, details of financial instruments and hedging activities and exposure to credit risk and liquidity risk.

In accordance with the requirements of the 2018 UK Corporate Governance Code, the Directors have assessed easyJet's long-term prospects, taking into account its current position, the medium-term targets set out in the strategic plan (see page 13) and a range of internal and external factors, including the principal risks. The Directors have determined that a three-year period is an appropriate timeframe for this viability assessment. In concluding on a three-year period, the Directors considered the reliability of forecast information, the current macroeconomic and market conditions and longer-term management incentives. However, it is noted that the high-level fleet plan used by easyJet is necessarily over a longer time period to enable the future planning of aircraft deliveries which underpin our plans for fleet modernisation, future growth, cost efficiencies and sustainability improvements. This longer-term planning is evidenced this year by the aircraft purchase transaction which has secured aircraft deliveries for the period FY29–34.

The assessment of the prospects of the Group includes the following factors:

> The strategic plan – which takes into consideration growth expected by way of creating value through the business model, market conditions, future commitments, cash flow, expected impact of key risks, funding requirements and the maturity of existing financing facilities (see table, above right).

As at September 2024	Maturity date	Available funds (drawn and undrawn)
Eurobonds	June 2025	€500m
	March 2028	€1,200m
	March 2031	€850m
Revolving credit facility	September 2025[1]	$400m
Undrawn UKEF backed facility	June 2028	$1,750m

1) Option to extend to September 2026 at lender's consent.

> The fleet plan – the plan retains some flexibility to adjust the size of the fleet in response to opportunities or risks.
> Strength of the balance sheet and unencumbered assets – this sustainable strength gives us access to capital markets.
> Risk assessment – see detailed risk assessment on pages 70 to 74.

STRESS TESTING

The corporate risk management framework facilitates the identification, analysis and response to plausible risks, including emerging risks, as our business evolves in an ever-changing environment. Through our corporate risk management process, a robust assessment of the principal risks facing the organisation has been performed (see pages 70 to 74) and the controls and mitigations identified.

Both individually and combined these potential risks are unlikely to require significant additional management actions to support the business to remain viable; however, there could be actions that management would deem necessary to reduce the impact of the risks. The stress testing scenarios identified in the table on the next page and applied separately, show that there remains sufficient liquidity under all scenarios. In the first four scenarios one of the assumptions is that new Eurobonds are issued, whereas in the last scenario no issuance of new Eurobonds is assumed.

GOING CONCERN STATEMENT

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Directors have considered easyJet's business activities, together with factors likely to affect its future development and performance, as well as easyJet's principal risks and uncertainties through to June 2026.

As at 30 September 2024, easyJet had a net cash position of £181 million including cash and cash equivalents of £1.3 billion, with access to £5.1 billion of liquidity, and has retained ownership of 54% of the total fleet, all of which are unencumbered.

The Directors have reviewed the financial forecasts and funding requirements with consideration given to the potential impact of severe but plausible risks. easyJet has modelled a base case representing management's best estimation of how the business plans to perform over the period. The future impact of climate change on the business has been incorporated into strategic plans, including the estimated financial impact within the base case cash flow projections of the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of Sustainable Aviation Fuel (SAF) and the cost of carbon removal credits and other sustainability initiatives.

The business is exposed to fluctuations in fuel prices and foreign exchange rates. easyJet is currently c.80% hedged for fuel in H1 of FY25 at c.$808 per metric tonne, c.59% hedged for H2 FY25 at c.$771 and c.24% hedged for H1 FY26 at c.$761.

In modelling the impact of severe but plausible downside risks, the Directors have considered demand suppression leading to a reduction in ticket yield of 5% and a reduction in easyJet holidays' contribution of 5%. The model also includes the reoccurrence of additional disruption costs (at FY22 levels), an additional $50 per metric tonne on the fuel price, 1.5% additional operating cost inflation and an adverse movement on the US dollar rate. These impacts have been modelled across the whole going concern period. In addition, this downside model also includes a grounding of 25% of the fleet for the duration of the peak trading month of August, to cover the range of severe but plausible risks that could result in significant operational disruption. This downside scenario resulted in a significant reduction in liquidity but still maintained sufficient headroom on liquidity requirements.

After reviewing the current liquidity position, committed funding facilities, the base case and the severe but plausible downside financial forecasts incorporating the uncertainties described above, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis of accounting in preparing the Group's financial statements.

GOING CONCERN AND VIABILITY STATEMENT (CONTINUED)

VIABILITY STATEMENT

Based on the assessment performed, the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet all liabilities as they fall due up to September 2027. In making this statement, the Directors have made the following key assumptions:

1. easyJet has access to a variety of funding options including capital markets, aircraft financing and bank or government debt. The stress testing demonstrates that the current funding with both the repayment and new issue of Eurobonds would be sufficient to retain liquidity in both the base and downside scenarios (noting that the new issue of Eurobonds is excluded from the specific lack of funding scenario).
2. In assessing viability, it is assumed that the detailed risk management process as outlined on pages 67 to 74 captures all plausible risks, and that in the event that multiple risks occur, all available actions to mitigate the impact to the Group would be taken on a timely basis and have the intended impact.
3. There is no prolonged grounding of a substantial portion of the fleet greater than that included in the downside and alternative downside scenarios. These include a grounding of 25% of the fleet for the duration of the peak trading month of August, to cover the range of severe but plausible risks that could result in significant operational disruption.

The key risks that are most likely to have a significant impact on easyJet's viability have been considered in the stress testing across multiple scenarios and are shown on the right. These scenarios are applied separately and there remains sufficient liquidity in all cases. The assumptions applied are based on the plausible but severe impacts of the risks, as assessed by our review of the current macroeconomic position. The principal risks have continued to be assessed for any changes in the risk environment. The actions in place to mitigate against these risks are included in the Risk section on pages 70 to 74.

Scenario modelled	Description	Assumptions applied	Corporate risk covered
Demand suppression and operational disruption	Downside scenario covering multiple risks that may lead to a reduction in demand, resulting in a prolonged yield reduction over the period. In addition, this scenario combines risks that also would lead to operational disruption and/or short-term grounding of the fleet.	Across the whole period: > reduction in ticket yield of 5% > reduction in Holidays' contribution of 5% > additional disruption costs (based on FY22 levels). One-off: > a grounding of 25% of the fleet for the duration of the peak trading month of August.	Changing legal and regulatory landscape Significant safety or security event Significant digital security event Network and primary airport risks Significant operational disruption
Increase in costs and operational disruption	Scenario covers multiple risks that would result in an increase in costs across the period or a significant spike in costs. In addition, this scenario combines risks that also would lead to operational disruption and/or short-term grounding of the fleet.	Across the whole period: > additional $100 per metric tonne on the fuel price > increased costs (additional inflation assumed on all costs) > additional disruption costs (based on FY22 levels) > an adverse movement on the US dollar rate. One-off: > a grounding of 25% of the fleet for the duration of the peak trading month of August.	Changing legal and regulatory landscape Significant safety or security event Significant operational disruption Significant digital security event Network and primary airport risks Macroeconomic conditions
Climate change	Scenario covers climate-based risks that would result in both a reduction in demand and increased costs. This includes SAF and ETS costs, capex and maintenance costs due to technology changes and additional costs for regulatory and legal challenge.	Across the whole period: > reduction in demand – reduced yields or capacity > increased fuel costs (SAF and ETS) > increased maintenance costs > new taxes.	Climate change transition risks
Failure to deliver on plans	Scenario covers the risks that would result in easyJet being unable to deliver on its plans for the period.	Across the whole period: > reduced initiatives income > increased costs > reduction in ticket yield of 5% > reduction in Holidays' contribution of 5%.	Non-delivery of strategic initiatives Talent and critical skills acquisition
Lack of funding	Scenario covers the risk that would result in no further funding being available to easyJet during the period.	Across the whole period: > uncommitted funding excluded.	Macroeconomic conditions

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

The table below and the information incorporated by reference comprises our Non-Financial and Sustainability Information Statement required by s414CA and 414CB of the Companies Act 2006.

Read more on our business model on page 22 and our non-financial KPIs on page 26.

Many of the policies listed below can be found on our corporate website at **corporate.easyJet.com**

SECTION 172 STATEMENT

Our stakeholders are a fundamental part of our operations. We have set out on pages 100 to 103 details of who our key stakeholders are, how we have engaged with them and the associated outcomes. Further details are contained in the summary of the Board's activities in the year on page 82. Details of how the Board has had regard to the matters set out in section 172(1)(a) to (f) can be found throughout the Strategic and Governance reports.

1 ENVIRONMENTAL MATTERS

Our approach	Our policies	Due diligence, outcome and key performance indicators	Related principal risks
We are passionate about making a meaningful difference for our planet, communities and people. Sustainability is important to us and we work tirelessly to minimise our environmental impact across our operations and are taking action to pioneer a sustainable future for travel. Read more in the Sustainability section on pages 36 to 55.	> **Environment Policy** – our policy focuses on minimising the environmental impact across the organisation. > **Net zero roadmap** – our roadmap to net zero carbon emissions by 2050 focuses on zero carbon emission technology. > **Sustainability Strategy** – easyJet's Sustainability Strategy has evolved to reflect our ambition to pioneer positive change for our planet, communities and people. > **Environment Management System (EMS)** – allows us to manage and continually improve our environmental performance in a structured and systematic way. > **Supplier Code of Conduct** – we require our suppliers to comply with environmental standards.	> The ESG Steering Committee is responsible for monitoring the outcome of our Sustainability Strategy, driving key sustainability related decisions, delivering against strategic KPIs and the consideration and disclosure of climate-related risks and opportunities. > Further details on sustainability and our roadmap to net zero can be found on pages 36 to 55. > Streamlined Energy and Carbon Reporting can be found on page 44. > Climate-related financial disclosures can be found on pages 61 to 65. > easyJet has received IATA IEnvA Stage 2 certification, making us the first low-cost carrier worldwide with a fully IATA IEnvA certified EMS. More information can be found on page 45.	> The impacts of climate change on our business and operations, regulation/taxation, and changing consumer and colleague expectations are recognised as one of our principal risks. More information can be found on page 74. > Our strategy and risk management on climate-related risks and opportunities can be found in the Task Force on Climate-related Financial Disclosures section on pages 61 to 65.

2 PEOPLE

Our approach	Our policies	Due diligence, outcome and key performance indicators	Related principal risks
Our people are our greatest asset and we want to continue to attract, retain and develop top talent by focusing on creating an inclusive and energising environment that inspires everyone to learn and grow, enabling the Orange Spirit to thrive. Read more in the People section on pages 56 to 60.	> **Equal opportunity and inclusion** – encourages our employees to make the best use of their skills and experience, and ensure we treat staff, potential staff and the public fairly. > **Inclusion and Diversity Framework** – keeps us focused on what is important for creating an inclusive and diverse culture and an authentic workforce. > **Wellbeing Strategy** – drives impact and cultural change through a programme of activities. > **Code of Business Ethics** – promotes a culture that encourages open lines of communication and free access to information. > **'Speak Up, Speak Out' whistleblowing process** – enables easyJet employees and suppliers to be able to raise concerns about any safety, ethical or legal issues.	> Engagement with colleagues across the Company to ensure everyone understands the part they play in creating an inclusive culture. > Continued to promote behavioural framework across the business. More information on page 56. > We continue to measure how our employees feel about the inclusive environment that we are striving to create, through our regular employee listening activities. More information on page 57. > Ethical and compliance policies are monitored by the Business Integrity Committee and People team. The Audit Committee reviews the Business Integrity Committee's activities quarterly. > Stakeholder engagement (employees) on page 101. > Whistleblowing on pages 86, 109 and 113 .	> Talent and critical skills acquisition is recognised as a principal risk and we seek to control and mitigate that risk in order to reduce its impact. Further information is set out on page 74.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (CONTINUED)

3 SOCIAL MATTERS

Our approach	Our policies	Due diligence, outcome and key performance indicators	Related principal risks
easyJet is committed to doing the right thing for our customers, our people, our partners, the communities in which we operate and the environment.	> We have entered into a new partnership with **Make-A-Wish International** to help them grant the travel wishes of children suffering with critical illness across Europe. > easyJet has renewed its '**Every Child Can Fly**' partnership with UNICEF to support its education programmes and help every child access their right to a quality education.	> easyJet provide families with flights for their adventures. Further information on this new partnership can be found on page 54. > Our cabin crew make onboard appeals for customers to make donations in support of UNICEF's work. More information can be found on page 54. > Created a development programme for women, with the wider goal of increasing the number of women in leadership roles. More information can be found on page 58.	> Social impact matters are not considered to be principal risks. However, these matters are considered by the plc Board as part of its stakeholder engagement programme; further information is set out on pages 100 to 103.

4 HUMAN RIGHTS

Our approach	Our policies	Due diligence, outcome and key performance indicators	Related principal risks
We are committed to human rights, both in our business and our supply chain. This includes observance of the principles set out by the International Labour Organization Declaration on Fundamental Principles and Rights at Work.	> **Human Rights and Modern Slavery Policy** – supports recognised human rights principles. > **Supplier Code of Conduct** – easyJet's suppliers have an important role in delivering our ambition, and we strive to ensure that our suppliers have aligned views on corporate responsibility and compliance.	> Both induction training and annual refresher training at Group level ensures the workforce is continually mindful of human rights and modern slavery. > easyJet seeks to identify and prevent adverse human rights impacts directly linked to its business relationships, through obtaining appropriate contractual commitments and undertaking appropriate due diligence on suppliers (including enhanced due diligence on high risk suppliers). > Cross-functional modern slavery working group updates the Modern Slavery Risk Register, ensures legal compliance, complies and maintains up-to-date policies and procedures, identifies and mitigates modern slavery breaches. More information can be found on page 54.	> We continue to use the Global Slavery Index to support our analysis of geographic risks and assess whether the country/ area has a high prevalence of modern slavery or other labour rights violations.

5 ANTI-CORRUPTION AND ANTI-BRIBERY

Our approach	Our policies	Due diligence, outcome and key performance indicators	Related principal risks
At easyJet we conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever easyJet operates. We encourage our employees and suppliers to raise concerns on ethical issues via the 'Speak Up, Speak Out' whistleblowing process.	> **Anti-Bribery and Anti-Corruption Policy** – sets out the responsibilities of easyJet, and of those working for and on behalf of easyJet, to observe and uphold easyJet's prohibition on bribery and corruption. > **Gifts and Hospitality Policy** – sets out the rules on receiving and giving gifts and hospitality. > **Code of Ethics** – ethical and compliance policies, covering topics that include bribery and corruption, gift-giving and fraud.	> All existing and new employees receive mandatory ethics training annually and upon joining the business. > Risks associated with bribery and corruption are regularly reviewed by the Audit Committee. > Ethical and compliance policies are monitored by the Business Integrity Committee and People team. The Business Integrity Committee's activities are reviewed by the Audit Committee on a quarterly basis.	> The changing legal and regulatory landscape is recognised as a principal risk. More details can be found on page 70.

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CHAIR'S STATEMENT

ENSURING EFFECTIVE GOVERNANCE

Sir Stephen Hester Chair

I am pleased to present our Corporate Governance Report, setting out the Board's activities during the year, along with details of our governance framework.

At easyJet, we understand that robust governance practices are essential in supporting our business objectives. The Board has continued to ensure progress is being made against our strategic priorities and towards our medium-term targets, whilst maintaining an appropriate engagement in near-term operational and commercial matters. We have also spent time engaging with the business, and taken steps to ensure the Board itself continues to be appropriately effective, including undertaking an external board performance review which is set out later in this report.

We have continued our dialogue with our stakeholder groups throughout the year and thank them for their partnership. As I mention in the introduction to this Annual Report, our customers and shareholders remain front of mind. We are focused on improving the customer experience and it is pleasing to see the increase in customer satisfaction to above historical levels.

The work of the Board is supported by the hard work of our Committees, who have assisted with important governance matters during the year. For example:

> The Audit Committee has led a thorough and transparent audit tender process, resulting in the selection of Deloitte to succeed PwC as our external auditors from 2026. Further details are set out on page 115.
> The Nominations Committee has supported the Board with the CEO succession plan that was announced in May, set out on page 105, and we look forward to achieving a seamless transition from Johan to Kenton in the new year.
> The Remuneration Committee has reviewed our Remuneration Policy to ensure it remains appropriate prior to its renewal at the forthcoming AGM, and details of the Committee's work is set out on pages 120 to 142.

We set out some of the key highlights on the next page and I hope that the remainder of the report, which provides more detail on the Board and Committee activities during the year, gives an insight into the breadth of our work and our efforts to ensure easyJet serves customers well, whilst delivering attractive shareholder value.

Sir Stephen Hester
Chair

HIGHLIGHTS

GOVERNANCE HIGHLIGHTS

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

easyJet adheres to the principles of the 2018 UK Corporate Governance Code (the 'Code'), available in full at **frc.org.uk**. The Board confirms full compliance with the Code's principles and provisions throughout the year, detailed in this section with references to further information in the relevant sections of this report together with the Directors' Remuneration Report on pages 120 to 142 and Other Disclosures' section on pages 143 to 146.

The Board considers the Annual Report as fair, balanced, and understandable, and provides the necessary information for shareholders to assess the Company's position, performance, business model, and strategy. More details are available in the Audit Committee Report on page 112.

The Board is reviewing the updated Corporate Governance Code which will apply from 2025 and intends to comply with its provisions.

UNDERSTANDING THE BUSINESS AND CULTURE

- The Board visited the Berlin base and met with the local management team and airport stakeholders to understand the opportunities to improve the customer experience. They also visited easyJet's new four-bay maintenance hangar and held a deep-dive strategy session into the German market.
- A set of Board and Committee meetings were held at easyJet holidays' new offices in Luton, which also house the new AI-equipped Integrated Control Centre (ICC) that manages the daily flight programme of around 2,000 flights.
- The Board agenda has included deep dives on culture and people strategy. The Board also undertook an in-depth look at the challenges and opportunities amongst the crew community, including receiving an update on the crew uniform redesign.
- As part of International Women's Day, employees had the opportunity to hear from Moni Mannings and Sophie Dekkers during a fireside chat about their experiences as women in senior leadership roles.
- The Employee Representative Directors held a number of employee listening sessions throughout the year.

Read more on pages 86 to 87

OVERSEEING STRATEGY AND PERFORMANCE

- The Board reviewed the Company's trading, operational and financial performance at each Board meeting and received updates where relevant outside of meetings.
- The Board held three in-depth sessions looking at various strategic matters, including productivity, ease and reliability, network and costs.
- The Board has reviewed Customer Satisfaction Score (CSAT) performance, the customer strategy and initiatives planned to improve ease and reliability and the customer experience.
- The Board reviewed the principal risks and the risk appetite several times throughout the year.
- Renewal of the Euro Medium Term Note Programme (EMTN Programme) was approved including the issuance of a €850 million bond under the programme.
- The Board received updates on operational readiness throughout the year, with specific focus on the summer and responding to the ATC challenges experienced by the industry.
- The general meeting seeking shareholder approval for the purchase of 157 Airbus aircraft was held in December 2023.

Read more on page 88

ENSURING EFFECTIVE GOVERNANCE

- Having last had an external review in 2021, an external Board Performance Review took place in the year. The Board spent time together at various dinners and base visits, acting on the internal review recommendations from the prior year.
- The Audit Committee undertook a competitive audit tender, with PricewaterhouseCoopers LLP (PwC) unable to continue beyond 2025 for reasons of tenure. The Board selected Deloitte LLP to succeed PwC as the Group's external auditors.
- The Board continued to focus on succession planning and executed an orderly succession plan for Johan Lundgren, CEO, during the year. They also worked with Kenton Jarvis on the start of the recruitment process for a new CFO.
- The Board continued to keep Directors' external appointments and time commitments under review, and approved significant additional external appointments throughout the year.

Read more on pages 88 to 99

ENGAGING WITH STAKEHOLDERS

- As well as the Employee Representative Director meetings, the Board continued to host breakfasts with senior leaders in the business to get to know the management layer below the Airline Management Board (AMB). The Board has also had other opportunities to engage with employees including the crew deep dive and other base visits.
- Airbus was invited to present to the Board on its business performance, sustainability strategy and development of net zero technology, building on the Rolls-Royce presentation in the prior year.
- In addition to engagement ahead of and at the GM and AGM, the Chair, CEO and CFO have regularly updated the Board on the opinions of investors. These are also communicated to the Board via presentations from the Director of Investor Relations, and through engagement with the brokers and other advisers.
- The Board's visit to Berlin also allowed the opportunity for the Board members to meet with the local tourist board and airport management stakeholders.

Read more on pages 100 to 103

HIGHLIGHTS (CONTINUED)

BOARD ACTIVITIES IN THE YEAR

The Board meets regularly and held eight scheduled meetings during the year.

Each Board meeting follows a carefully tailored agenda agreed in advance by the Chair, Chief Executive Officer and Company Secretary. The Company Secretary provides support to the Chair in planning the Board's forward agenda to ensure appropriate matters are brought to the Board's attention throughout the year. The agenda items correspond to the strategic priorities and take into consideration the impact of stakeholders.

The Board has a formal schedule of matters reserved for its decision and is assisted in its work by its Committees. Each Committee Chair reports to the Board on matters discussed at Committee meetings and highlights any significant issue that requires Board attention.

The matters reserved for the Board and the terms of reference of the Board Committees are available on our corporate website at **corporate.easyJet.com**.

The Board is collectively responsible for promoting the long-term sustainable success of the Group, generating value for shareholders as a whole and contributing to wider society by fulfilling its purpose. In exercising this responsibility, the Board considers all relevant stakeholders including customers, employees, suppliers, shareholders, the communities we operate in, regulators and governments, and the effect of the activities of the Group on the environment.

Further information on how we have engaged with our stakeholders and the outcomes of that engagement, can be found on pages 100 to 103.

The following pages set out some, but not all, of the main activities of the Board during the year, to provide insight into the items that have been discussed and approved, along with the related stakeholder considerations.

OCT 2023

Announcements
- Full-year trading update including launch of new medium-term targets, proposed fleet order and update on capital allocation

Stakeholders
- Investor engagement around full-year trading update

Q1

NOV 2023

Announcements
- Full-year results
- Notice of General Meeting (GM) for aircraft purchase

Board meetings

Business updates
- CEO, CFO, trading and operations
- Investor relations
- Safety

Strategy
- Budget
- People and Your Voice Matters
- Technology and change
- Fleet

Governance
- Reviewing principal risks
- Year-end approvals, including dividend and Annual Report
- Annual General Meeting (AGM) matters
- Reviewing Board forward agenda
- Approving purchase of SR Technics Malta in principle
- Employee Representative Director (ERD) update
- Committee updates

Stakeholders
- Investor engagement around full-year results, Annual Report and aircraft purchase
- Leadership breakfast
- Consideration of shareholders when reintroducing dividends

HIGHLIGHTS (CONTINUED)

DEC 2023

Announcements
- Result of GM for aircraft purchase

Stakeholders
- Investor engagement around GM
- Assessment of resolutions to be put to the AGM in the interests of the Company and investors

Outcomes
- Approval of the purchase of 157 new A320neo aircraft and the purchase rights for a further 100

JAN 2024

Announcements
- Notice of AGM
- Q1 results announcement

Board meetings

Business updates
- CEO, CFO, trading and operations
- Investor relations

Stakeholders
- Investor engagement around first quarter trading update and AGM

Q2

FEB 2024

Announcements
- Result of AGM
- Publication of Euro Medium Term Note (EMTN) prospectus

Board meetings

Business updates
- CEO, CFO, trading and operations
- Investor relations
- Safety

Strategy
- Five-year plan – European market context
- Culture deep dive

Governance
- AGM update
- ERD update – easyJet holidays and Safety team

Stakeholders
- Investor engagement around AGM
- Consideration of stakeholders and long-term strategic priorities in Europe
- Engagement by ERDs with employee groups

Outcomes
- Approval of all resolutions put to the AGM with support from investors

MAR 2024

Announcements
- €850 million bond issuance under EMTN

Board meetings

Business updates
- CEO, CFO, trading and operations
- Safety

Strategy
- Crew deep dive
- Five-year plan – network strategy and growth plan
- Sustainability

Governance
- Modern Slavery Statement approval

Stakeholders
- Consideration of cabin crew, with particular focus on demographics, training, reward and engagement
- Consideration of stakeholders in the supply chain in relation to preventing modern slavery

Outcomes
- Issuance of an €850 million Eurobond

HIGHLIGHTS (CONTINUED)

APR 2024

Q3

Announcements
> Half-year pre-close announcement

Stakeholders
> Investor engagement around trading update and post-AGM matters

MAY 2024

Announcements
> Half-year results

Board meetings

Business updates
> CEO, CFO, trading and operations
> Investor relations

Strategy
> Five-year plan – productivity, ease and reliability, financials
> Sustainability update with presentation from Airbus on net zero technology plans

Governance
> Legal update
> Reviewing principal risks
> Approval of tax strategy

Stakeholders
> Investor engagement around half-year results
> Consideration of long-term strategy when reviewing the five-year plan
> Consideration of stakeholders in relation to sustainability and relationship with Airbus
> Consideration of multiple stakeholders in reviewing tax strategy

BASE VISIT

BERLIN, GERMANY

In June 2024, the Board spent two days at our base in Berlin Brandenburg to understand the easyJet operation and review our city strategy in Germany and the challenges to the aviation industry in the wider German market. The itinerary was designed to allow the Board to see as much of the operation as possible and gain a deeper understanding of the airport, engineering operations and relationships with key local stakeholders. The visit included:

> Meeting the management of Berlin Brandenburg Airport, who took the Board round the airport, shared their approach to using data to improve the customer experience, drive efficiencies by bringing security control in-house and set out the opportunities and challenges for the airport.
> A visit to easyJet's crew and management office, and the new four-bay maintenance hangar, meeting the engineering and local country team and seeing the state-of-the-art technology up close.
> Dinner with the local management team and key stakeholders from the airport and tourism boards, reinforcing the strong presence easyJet has in the market and the importance of constructive local relationships.

The visit enabled the Board to engage with local stakeholders and our employees directly, seeing the easyJet culture in action, and allowed Directors to spend more time together as a group. The discussions covered the following issues:

> The impact of taxes, fees and charges on the viability of routes and how those influence the lagging recovery rate of the German aviation market and city inbound tourism to the German capital region.
> Operational measures, ground handling performance and customer satisfaction plans.
> The commercial turnaround of the base, including ongoing cost challenges, as well as local and national growth opportunities.

JUN 2024

Board meetings

Business updates
> CEO, CFO, trading and operations

Governance
> ERD update
> External appointment approval

Stakeholders
> Discussions with the management of Berlin Brandenburg Airport, the Berlin Management team, and key stakeholders from the airport and tourism boards
> Consideration of stakeholders and long-term strategic priorities in Germany
> Engagement by ERDs with employee groups

HIGHLIGHTS (CONTINUED)

Q4

JUL 2024

Announcements
- Q3 results announcement

Board meetings

Business updates
- CEO, CFO, trading and operations
- Investor relations
- Safety
- Digital Safety (cyber)

Strategy
- easyJet holidays
- Technology and change

Governance
- Audit tender approval

Stakeholders
- Investor engagement around trading update
- Consideration of long-term strategy for easyJet holidays

Outcomes
- Approval of Deloitte as the Group's external Auditor from 2026

SEP 2024

Board meetings

Business updates
- CEO, CFO, trading and operations
- Investor relations
- Electronic travel regulations

Strategy
- Revenue management
- Brand and marketing
- FY25 budget

Governance
- Risk appetite review
- ERD update – easyJet holidays

Stakeholders
- Leadership breakfast
- Board dinner with AMB
- Engagement by ERDs with easyJet holiday employees

BASE VISIT

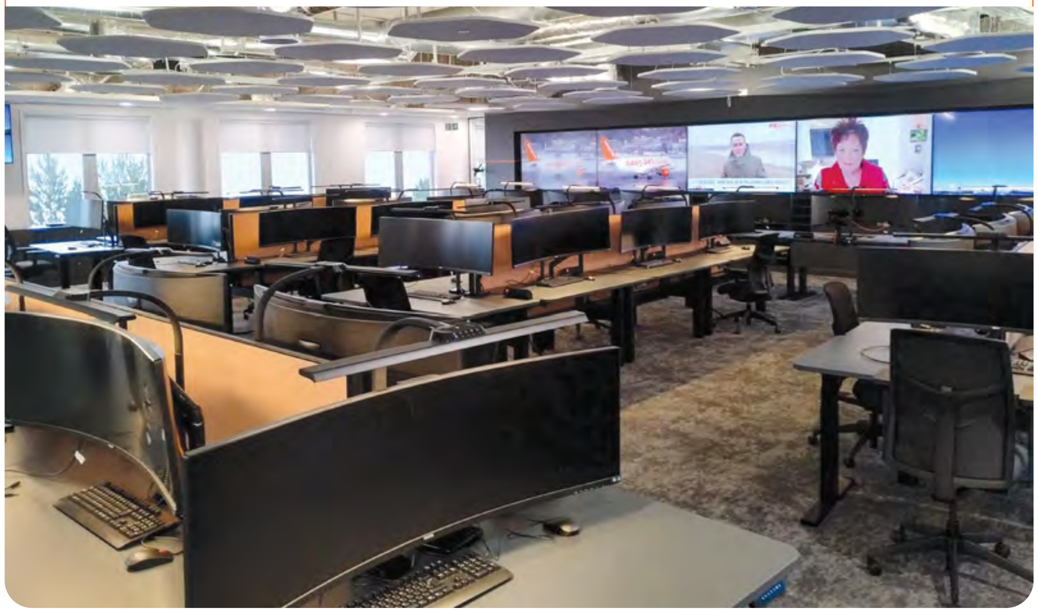
INTEGRATED CONTROL CENTRE (ICC), LUTON

The September Board and Committee meetings were held at the new home of the ICC and easyJet holidays in Luton.

The Board had a tour of the new facilities, led by the Director of Network Control, and met with members of the ICC and engineering teams, including two engineering apprentices.

They saw first-hand the new world-leading ICC, which has been designed to ensure the team have a calm environment where noise is limited and there is plenty of natural daylight with individual desk lighting so that those working on shift have the best working environment. They were also able to hear about how a new generative AI tool, Jetstream, is being used to help solve operational issues for pilots and crew on the ground more quickly.

The visit allowed them to understand the complexity of the day-to-day operational decisions the ICC are required to make.



UNDERSTANDING THE BUSINESS AND CULTURE

OUR BUSINESS AND CULTURE

OUR BUSINESS AND CULTURE

An in-depth understanding of, and engagement with, easyJet's business and culture is essential for our Non-Executive Directors. This enables them to fully contribute to Board discussions and oversee performance. Achieving an understanding of the business is done in a number of ways that are evident throughout this report, including:

> holding meetings around the easyJet network
> undertaking base visits to key sites
> using the easyJet product when travelling
> meeting with a wide variety of employees and employee representative groups
> receiving updates on market context and deep dives on relevant topics.

We have a unique culture, which is open, positive and collaborative, and is embodied as the Orange Spirit. Our culture is underpinned by the values and behaviours we call 'Our Promise Behaviour Framework', which can be found on page 56.

The Board places great importance on ensuring that these behaviours are established throughout the Company, and that they are integrated into its decision making. The Board ensures that the correct policies and procedures are put in place to maintain the culture, and where policies, practices or behaviour are not aligned with the Company's purpose, values or strategy, the Board and management seek to ensure that appropriate action is taken.

HOW THE BOARD MONITORED CULTURE DURING THE YEAR

As well as aiming to lead by example and embody the culture through their actions and decision making, the Board uses a number of methods to understand, monitor and assess the Company's culture. The table on the right and case studies overleaf provide further detail on this.

Assessment mechanism	Insight gained	Outcomes/actions
REVIEWING THE RESULTS OF THE YOUR VOICE MATTERS SURVEY	Understanding how employees see the Company and their experience helps the Board make an assessment of the Company's culture.	The Board reviewed engagement scores as part of the culture deep dive and how progress would be measured going forward.
EMPLOYEE REPRESENTATIVE DIRECTOR (ERD) MEETINGS WITH EMPLOYEE GROUPS	Understanding of the different concerns, priorities and experiences of the different employee populations through direct one-on-one meetings.	The ERDs provide an update to the Board following each engagement on the key themes raised, which allows the Board to discuss any developing trends – see the following page for further detail.
SENIOR MANAGEMENT BREAKFASTS	Opportunity to engage directly with senior management below the AMB and build an understanding of their roles and experiences.	The Directors gain a greater understanding of the roles and functions within easyJet, and of those who may feature in future succession planning.
POLICIES AND PROCEDURES	With the assistance of the Committees, the Board oversees the effectiveness of a number of Company policies in relation to Modern Slavery, Digital Safety (including cyber security), Inclusion and Diversity, and more.	This enables the Board to understand the practice and behaviours across the Group and how these align with our purpose and promises, and actions taken in these areas to make easyJet a better place to work.
INDUCTION MEETINGS WITH SENIOR MANAGEMENT	Opportunity to ask questions about the culture in one-on-one sessions.	Having an opportunity to ask questions in private sessions allows the Board to build an understanding of the culture in practice and has led to direct follow ups with senior management.
VISITS TO OPERATIONS IN BERLIN AND LUTON	Opportunity to see easyJet's culture in action and tour the new facilities at Berlin's maintenance hangar, and the ICC and easyJet holidays office at Capability Green.	The Board has an understanding of the complexity of the daily operations and how easyJet is upgrading its facilities to provide market-leading work environments.
SPEAK UP, SPEAK OUT (SUSO) WHISTLEBLOWING ARRANGEMENTS AND REGULAR REPORTS TO AUDIT COMMITTEE	Understanding of the issues and incidents being flagged through SUSO, and the mitigations and actions put in place to deal with them.	The Audit Committee requested a deep dive where it saw increased SUSO reports to determine whether more targeted interventions were necessary or if this was the benefit of increased visibility and use of the SUSO mechanism. The latter was deemed to be the case.
HEALTH AND SAFETY	easyJet has a Safety Policy that promotes a 'just culture', to ensure that any incidents are openly reported without negative repercussions. The Safety & Operational Readiness Committee regularly reviews safety strategy and performance to ensure appropriate mitigations are in place and any trends identified, which are then reported to the Board.	The Safety & Operational Readiness Committee requested a number of safety focused deep dives, including mental health, Hangar 89 resilience, digital safety risks. More detail on these deep dives can be found in the Safety & Operational Readiness Committee Report on page 119.

UNDERSTANDING THE BUSINESS AND CULTURE (CONTINUED)

CASE STUDY

BOARD DISCUSSIONS ON CULTURE

- Our Employee Representative Directors, Catherine Bradley, Ryanne van der Eijk and Moni Mannings, engage with a variety of employees throughout the year, adopting the most appropriate methods to ensure inclusivity and foster an open dialogue. They regularly report back to the Board and are encouraged to integrate employee perspectives into boardroom discussions. During the year, Ryanne van der Eijk had meetings with easyJet pilots and separately with staff at the ICC. Moni Mannings met with the Safety, Security & Compliance management team, and also with members of the easyJet holidays team. Catherine Bradley met with the ICC, easyJet holidays team and the Management & Administration Consultative Group (MACG). The insights from this engagement were relayed and discussed at the Board, covering topics from enhancing employee involvement in strategic development, to celebrating and reinforcing the success of easyJet holidays and their culture of clear accountability, data-driven decision making, and customer-centric strategies.
- The Board held a focused session on culture in February, where discussions centred on enhancing the Company's culture. This included the implementation of initiatives such as defining clear behavioural expectations, monitoring adherence to these behaviours, and supporting leaders in reinforcing these behaviours. The Board also discussed the effectiveness of the culture in supporting strategic objectives, considered variations across different employee groups, and discussed potential modifications to processes and systems to reinforce cultural alignment and measure progress.
- The Board dedicated an extended session in its March meeting to a comprehensive crew deep dive with the Director of Cabin Services and his team. This session included demonstrations of new uniform prototypes by the crew, who also discussed the collaborative design process. The presentation addressed various aspects of crew experience, including recruitment, retention, diversity in gender and age, and feedback from the Your Voice Matters survey which gave a sense of the culture amongst the crew. The Board found this interaction and discussion extremely valuable and has decided to make it a recurring agenda item.
- The Board's own culture is discussed as part of the Board Performance Review, as set out on page 99.

CASE STUDY

INSPIRING INCLUSION

As part of International Women's Day Sophie Dekkers, Chief Commercial Officer and an Diversity, Equity & Inclusion AMB sponsor, hosted a fireside chat with Moni Mannings, Non-Executive Director, where they discussed their experiences as women in senior leadership positions, the challenges they faced and how they overcame them.

The event was livestreamed and recorded to ensure accessibility for all employees. It offered an opportunity for staff to engage by asking questions about Moni and Sophie's experiences and to discuss how easyJet can support similar journeys for others.

Garry Wilson, CEO of easyJet holidays, is also an AMB sponsor for Diversity, Equity & Inclusion, and chaired a panel discussion with graduates from easyJet's Accelerate Women's Development Programme. The panel explored the significance of initiatives like Accelerate as vital tools for creating opportunities, and discussed strategies to promote gender equality and inclusion within the organisation.

UNDERSTANDING THE BUSINESS AND CULTURE (CONTINUED)

OUR PERFORMANCE

OUR PERFORMANCE

easyJet's strategy is set out on page 10, and part of the Board's role is overseeing management's execution of the strategy. The Board's forward agenda is designed to ensure that the Board considers a balance of business updates, and strategic and governance matters, while maintaining an appropriate focus on monitoring management's delivery of the strategy and progress against longer-term objectives, which can be seen in the summary of activities in the year on pages 82 to 85. The performance of the business has been strong, as set out on pages 27 to 35.

HOW THE BOARD MONITORED PERFORMANCE DURING THE YEAR

The Board received updates on trading, operational and financial performance at each Board meeting and challenged management on trends, actions and progress against the strategic initiatives.

TRADING

> The Board reviewed trading performance at each meeting via an update from the Chief Commercial Officer, reviewing demand trends, pricing, load factors, the impact of marketing campaigns and other commercial initiatives.

OPERATIONS

> The Board received updates on operations and operational readiness from the Chief Operating Officer at each meeting, with a specific focus on summer readiness.

FINANCE

> The Chief Financial Officer updated the Board at each meeting on the financial performance of the Company. This included reviewing costs, revenue, net debt and cash balances. The Board approved the renewal of the Company's Euro Medium Term Note Programme (EMTN) and the issuance of a €850 million bond under the programme.

BUDGET

> The Board reviewed the previous year's performance versus budget and competitor performance; monitored FY24 financial performance against budget throughout the year; and reviewed the draft budget for FY25.

STRATEGY

> The Board regularly reviewed operational and financial performance against the Company's strategy and KPIs; reviewed country and business area deep dives; and received regular strategic updates in a number of key areas.

CUSTOMER

> The Board received presentations from the Chief Customer & Marketing Director on the customer strategy and initiatives planned to improve ease and reliability and the customer experience, as well as key brand and marketing activity.

TECHNOLOGY

> The Chief Data & Information Officer updated the Board on the Technology, Data and Change Programme and status of the various workstreams, and the Board continued to challenge the team to accelerate progress wherever possible.

SUSTAINABILITY

> There were several updates during the year on progress towards easyJet's net zero roadmap and delivery of the Sustainability Strategy. The Board also received a presentation from Airbus on net zero technology plans and its business performance.

PEOPLE

> The CEO updates the Board on people matters regularly, including updates on the outcome of the Your Voice Matters survey.

HOW THE COMMITTEES MONITORED PERFORMANCE DURING THE YEAR

> The Nominations Committee monitored the Company's progress against diversity targets and succession plans, and reviewed the Board's performance through the Board Performance Review.

> The Audit Committee monitored progress on the continual programme of improvement to easyJet's financial control framework and the corporate risk plan through regular updates at meetings and feedback from the external auditors.

> The Finance Committee monitored the performance of easyJet's fuel and capex hedging policies, liquidity management and balance sheet policies.

> The Remuneration Committee reviewed progress on the gender pay gap, how effective the Remuneration Policy was in incentivising management to deliver the Company's strategic objectives, and how performance and outcomes benchmarked against others.

> The Safety & Operational Readiness Committee monitored safety and operational performance metrics through incident and risk trackers, deep-dive sessions on key risks and operational areas, and regular reports from the Director of Safety, Security & Compliance and the Chief Operating Officer.

> More information on Committee activities are set out on pages 104 to 142.

ENSURING EFFECTIVE GOVERNANCE

OUR GOVERNANCE FRAMEWORK

To ensure effective governance, the Board has established a clear and robust governance framework, which we set out on page 90

The composition of the Board is a critical part of the effective operation of this framework, and we set out details of the different responsibilities of the Board roles on page 91, and the attributes, skills, attendance and biographies on pages 92 to 95. During the year, there were no changes to the composition of the Board given the recent refresh of membership, so we have not set out in detail how the Board approaches appointments and inductions other than a summary in the Nominations Committee report on pages 104 to 106.

A comprehensive induction and support programme will be put in place for Jan De Raeymaeker when he joins as Chief Financial Officer in January 2025, and to support Kenton Jarvis's transition from Chief Financial Officer to Chief Executive, details of which will be set out in next year's report.

The Board also regularly reviews how it is performing through an annual performance review, which was supported by an external evaluator during the year and is detailed on page 99.

Our governance framework:

Read more on page 90

Board at a glance:

Read more on page 92

Board biographies:

Read more on pages 93 to 95

Board performance review:

Read more on page 99

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

GOVERNANCE FRAMEWORK

SHAREHOLDERS

CHAIR

The Chair leads the Board and is responsible for ensuring it operates effectively through productive debate and challenge.

THE BOARD

The Board is responsible for providing leadership to the Group. It does this by setting strategic priorities and overseeing their delivery in a way that is aligned with easyJet's culture. It enables sustainable long-term growth while maintaining a balanced approach to risk within a framework of effective controls and taking into account the interests of a diverse range of stakeholders. The Board is also responsible for our Sustainability Strategy and environmental (climate change), social and governance matters, as well as cyber security (digital safety).

A full schedule of matters reserved for its decision can be found on our website at: **corporate.easyJet.com**.

Biographies
Read more on pages 93 to 95

Strategic priorities
Read more on pages 14 to 21

Board activities in the year
Read more on pages 82 to 85

Stakeholder engagement
Read more on pages 100 to 103

BOARD COMMITTEES

The terms of reference of each Committee are documented and agreed by the Board. The Committees' terms of reference are available on our website at: **corporate.easyJet.com**. The key responsibilities of each Committee are set out below.

Nominations Committee

To evaluate the balance of skills, knowledge, experience and diversity on the Board, and keep the composition, structure and size of the Board and its Committees under regular review.

To provide succession planning for senior executives and the Board, leading the process for all Board appointments.

To oversee the Board elements of the Inclusion and Diversity Policy and monitor Group-wide initiatives.

Read more on pages 104 to 106

Audit Committee

To monitor the integrity of the Group's financial and narrative reporting, and the adequacy and effectiveness of the systems for risk management and internal control.

To monitor the effectiveness and independence of the internal and external auditors.

Read more on pages 107 to 115

Finance Committee

To review and monitor the Group's treasury policies, treasury operations and funding activities, along with the associated risks and provide approvals in relation to fuel, currency and interest rate hedging, letters of credit and guarantees.

Read more on pages 116 to 117

Safety & Operational Readiness Committee

To oversee easyJet's safety strategy to address existing and emerging safety risks, identify and monitor any new, emerging or changing safety risks, ensure an appropriate governance framework is in place and receive reports on operational performance indicators.

Read more on pages 118 to 119

Remuneration Committee

To set remuneration for all Executive Directors, the Chair and the Airline Management Board (AMB), including pension rights and any compensation payments.

To oversee remuneration and workforce policies and practices and take these into account when setting the policy for Directors' remuneration.

Read more on pages 120 to 142

CHIEF EXECUTIVE

Responsible for the day-to-day running of the Group's business and performance, and the development and implementation of strategy.

AIRLINE MANAGEMENT BOARD

Led by the Chief Executive, the AMB members are collectively responsible for driving the performance of the Group against strategic KPIs and managing the allocation of central funds and capital.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

THE BOARD

EXECUTIVE DIRECTORS

Chief Executive

- Responsible for recommending the Group's strategy to the Board and for delivering the strategy once approved.
- Together with the Chief Financial Officer, monitors the Group's operating and financial results and directs the day-to-day business of the Group.
- Responsible for recruitment, leadership and development of the Group's executive management team below Board level.
- Keeps the Chair and the Board appraised of important and strategic issues facing the Group.

Chief Financial Officer

- Supports the Chief Executive in developing and implementing strategy.
- Provides financial leadership to the Group and alignment between the Group's business and financial strategy, including developing the Group's annual budget prior to the formal agreement of the Board.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chair

- Responsible for leadership of the Board and ensuring effectiveness in all aspects of its role.
- Responsible for setting the Board's agenda and ensuring adequate time is available for discussion of all agenda items, including strategic issues.
- Responsible for encouraging and facilitating active engagement by and between all Directors, ensuring a culture of openness is maintained and drawing on each of their extensive skills, knowledge and experience.
- Ensures effective engagement between the Board, its shareholders and key stakeholders.

Senior Independent Director

- Acts as a sounding board for the Chair and as an intermediary for the other Directors when necessary.
- Responsible for addressing shareholders' concerns that have not been resolved through the normal channels of communication with the Chair, Chief Executive or Chief Financial Officer.
- Responsible for evaluating the performance of the Chair in consultation with the other Non-Executive Directors.

Non-Executive Directors

- Provide an external perspective, sound judgement and objectivity to the Board's deliberations and decision making.
- Use their diverse range of skills and expertise to support and constructively challenge the Executive Directors and monitor and scrutinise the Group's performance against agreed goals and objectives.
- Responsible for determining appropriate levels of executive remuneration, appointing and removing Executive Directors, and succession planning through their membership of the Remuneration and Nominations Committees.
- Review the integrity of financial reporting and that financial controls and systems of risk management are robust.

Employee Representative Directors

- Provide the mechanism for the Board to engage with the workforce in line with the Corporate Governance Code.
- Responsible for meeting the Company's European Works Council (EWC) and Management & Administration Consultative Group (MACG) at least once a year, and other works councils on a periodic basis, along with other informal engagement.
- Provide regular updates to the Board to ensure employee voice is clearly reflected in the boardroom.

COMPANY SECRETARY

- Acts as Secretary of the Board and its Committees and attends all meetings.
- Supports and works closely with the Chair, the Chief Executive and the Chairs of the Board Committees in setting agendas for meetings of the Board and its Committees.
- Supports the provision of accurate, timely and clear information flows to and from the Board and the Board Committees, and between Directors and senior management in order to ensure that the Board has the information and resources it needs in order to function effectively.
- Supports the Chair in designing and delivering Directors' induction programmes and the Board and Committee performance evaluations.
- Provides advice and support to the Board and individual Directors on corporate governance matters and Board procedures.
- Responsible for administering the Share Dealing Code and the Annual General Meeting.

INFORMATION FLOWS, TRAINING AND DEVELOPMENT

All Board members are provided with clear and accurate information in a timely manner for Board or Committee meetings via an electronic Board portal at least one week prior to meetings. The Company Secretary has individual meetings with Non-Executive Directors to address any additional support needs. Directors may also seek independent legal advice concerning their duties at the Group's expense.

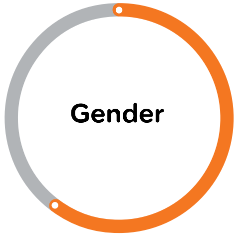
Upon appointment, Directors partake in a tailored and thorough induction programme, developed in consultation with the Chair and Company Secretary, detailed further in the 2023 Annual Report as there have been no new Board members in FY24. They are urged to identify areas for skill enhancement during their annual performance reviews, with training supported by internal and external sessions, workshops and presentations.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

BOARD AT A GLANCE

The Board continues to meet best practice guidelines for independence and ethnic diversity and keeps the balance of skills, knowledge and experience on the Board under regular review. Biographies are set out on pages 93 to 95.

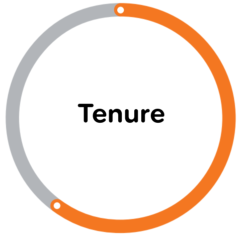
BOARD COMPOSITION AS AT 30 SEPTEMBER 2024



Male	6
Female	4

White	9
Asian	1

Dutch	1
German	2
Swedish	1
UK/French	1
UK	5



3–7 years	6
0–3 years	4

Chair	1
Executive Directors	2
Non-Executive Directors	7

MEETING ATTENDANCE

	Board	Audit	Finance	Nominations	Remuneration	Safety & Operational Readiness
Sir Stephen Hester	8/8	–	–	4/4	–	–
Johan Lundgren	8/8	–	–	–	–	–
Kenton Jarvis	8/8	–	–	–	–	–
Sue Clark[1]	8/8	6/6	–	4/4	–	3/4
Catherine Bradley CBE	8/8	6/6	3/3	4/4	–	–
Ryanne van der Eijk	8/8	–	–	–	–	4/4
Harald Eisenächer	8/8	–	3/3	–	5/5	–
Moni Mannings OBE	8/8	–	–	4/4	5/5	–
David Robbie	8/8	6/6	3/3	4/4	5/5	–
Dr Detlef Trefzger	8/8	6/6	–	4/4	–	4/4

SKILLS AND EXPERIENCE

Airline/travel	8
Finance	7
Strategy	9
Safety/sustainability	7
Commercial/consumer	9
Digital/marketing	5
Ex CEO/CFO	3
Operations	4

1) Absences were due to unavoidable prior commitments. Directors who are unable to attend meetings continue to receive the papers in advance of the meeting and have the opportunity to discuss with the relevant Chair or the Company Secretary. Feedback is provided on the decisions taken at the meeting.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' BIOGRAPHIES

SIR STEPHEN HESTER N

Chair

NATIONALITY: British

APPOINTED: September 2021 (Chair from December 2021)

CONTRIBUTION TO THE BOARD

> Stephen is a strategic and successful leader with more than 35 years of wide-ranging business experience, including significant experience leading major international businesses in regulated industries.
> He brings a strong track record of value creation and listed company experience to the Board.
> As well as ensuring the Board operates effectively, chairing Board meetings and meetings of the Nominations Committee, he regularly engages with management, employees and investors to ensure their views are represented in the Board's deliberations.

CAREER AND EXPERIENCE

Stephen served as a Chief Executive of RSA Insurance Group plc from February 2014 to May 2021, and prior to this as Chief Executive of Royal Bank of Scotland Group, Chief Executive of British Land plc and Chief Operating Officer of Abbey National plc, as well as holding a number of senior executive roles at Credit Suisse First Boston in London and New York. He has also held senior non-executive positions as Deputy Chairman of Northern Rock and Senior Independent Director of Centrica plc. Stephen was honoured with a knighthood in the 2024 New Year's Honours list for services to business and the economy.

CURRENT EXTERNAL APPOINTMENTS

Lead Independent Director, Kyndryl Holdings, Inc. and Chair, Nordea Bank Abp.

JOHAN LUNDGREN

Chief Executive

NATIONALITY: Swedish

APPOINTED: December 2017

CONTRIBUTION TO THE BOARD

> Experienced leader who is strategic yet operationally focused, having designed and implemented a number of easyJet's key strategic initiatives since his appointment, including the transformation of revenue capabilities and the set up of easyJet holidays. Johan has also spearheaded the Sustainability Strategy and our pathway to net zero emissions, which has widely been referred to across the aviation industry.
> Proven experience with a successful track record in European travel and more than 30 years' experience in the industry.

CAREER AND EXPERIENCE

Prior to joining easyJet, Johan was the Group Deputy Chief Executive Officer and Chief Executive Officer of Mainstream Tourism at TUI AG. He was the Managing Director for the Northern Region at TUI Travel plc from 2007 until 2011. From 2003 until 2007, he was the Managing Director and Chief Executive Officer of TUI Nordic. Johan led MyTravel's businesses out of Canada and Sweden between 1999 and 2003, prior to which he was Managing Director of Always Tour Operations from 1996.

CURRENT EXTERNAL APPOINTMENTS

Senior Adviser, Blackstone (private equity group).

KENTON JARVIS

Chief Financial Officer and CEO designate

NATIONALITY: British

APPOINTED: February 2021

CONTRIBUTION TO THE BOARD

> Kenton brings over 25 years' experience of the travel and aviation sector to the Board, having held senior group and divisional finance roles at TUI and Airtours Holidays.
> His significant contribution and leadership skills have been recognised with his appointment as CEO from January 2025.

CAREER AND EXPERIENCE

Kenton was previously CEO of Aviation and Business Improvement Director – Markets, at TUI Group, having held a number of senior group and divisional finance roles at TUI since 2003. Before joining TUI, Kenton was the Finance Director of Airtours Holidays and held a number of commercial finance roles at Adidas, prior to which he qualified as a chartered accountant with PwC.

CURRENT EXTERNAL APPOINTMENTS

None

Board Committees key

- Committee Chair
- A Audit Committee
- F Finance Committee
- N Nominations Committee
- R Remuneration Committee
- S Safety & Operational Readiness Committee

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' BIOGRAPHIES (CONTINUED)

SUE CLARK
A N S

Senior Independent Director

NATIONALITY: British

APPOINTED: March 2023

CONTRIBUTION TO THE BOARD

> Strong international, strategic and commercial experience from Executive and Non-Executive roles in consumer facing, transport and utility businesses. Her wide-ranging board, regulatory and stakeholder experience is valuable in driving long-term shareholder value.
> Sue's corporate governance insight creates a strong fit to her role as Senior Independent Director.

CAREER AND EXPERIENCE

Sue served as a member of the Executive Management team at SABMiller plc from 2003, initially as Director of Corporate Affairs until 2012 and then Managing Director, Europe, until the business was acquired in 2016. Prior to SABMiller, she served as Director of Corporate Affairs for Railtrack plc and Scottish Power plc. Sue also served as Non-Executive Director and Chair of the Remuneration Committee at Britvic plc from 2016 to 2024, Non-Executive Director of Bakkavor Group plc from 2017 to 2020, and member of the Supervisory Board of AkzoNobel NV from 2017 to 2021.

CURRENT EXTERNAL APPOINTMENTS

Senior Independent Director and Chair of Remuneration Committee, Imperial Brands PLC and Mondi plc.

CATHERINE BRADLEY CBE
F A N

Non-Executive Director

NATIONALITY: French and British

APPOINTED: January 2020

CONTRIBUTION TO THE BOARD

> Extensive financial expertise gained across senior finance roles in investment banking and M&A over 33 years, along with an in-depth understanding of corporate governance and regulatory matters.
> Her experience in financial and capital markets makes her ideally suited as Finance Committee Chair.
> Experienced in stakeholder engagement as evidenced in her role as an Employee Representative Director.

CAREER AND EXPERIENCE

Catherine began her career with Merrill Lynch in the US and finished the executive phase of her career as Head of Advisory Global Markets with Societe Generale in Asia. Catherine then served as a Non-Executive Director of the UK Financial Conduct Authority and Chair of its Audit Committee from 2014 to July 2020, and of WS Atkins plc from 2015 until its delisting in 2017. Catherine was also a member of the Supervisory Board and Chair of the Finance and Audit Committee of Peugeot S.A. from 2016 to 2021, and Non-Executive Director and Chair of the Audit Committee of abrdn plc from 2022 to 2024.

CURRENT EXTERNAL APPOINTMENTS

Chair of Nominations and Governance Committee, Johnson Electric Holdings Limited; Senior Independent Director, Kingfisher plc; Chair, Interactive Investor Limited a wholly-owned subsidiary of abrdn plc.

RYANNE VAN DER EIJK
S

Non-Executive Director

NATIONALITY: Dutch

APPOINTED: September 2022

CONTRIBUTION TO THE BOARD

> In-depth airline and customer services experience, along with a valuable European perspective to Board deliberations.
> Experienced in stakeholder engagement as evidenced in her role as an Employee Representative Director.

CAREER AND EXPERIENCE

Ryanne has extensive airline operations and customer service experience, having more than 20 years' experience with KLM, her last role being the Chief Experience Officer. Her previous senior executive appointments also include Chief Operating Officer for Dubai Airports and Chief Experience Officer for Ras Al Khaimah Economic Zone in the UAE. Ryanne has recently served as an interim executive at various boards, such as COO at Mental Beter and Director of Maintenance & Asset Management at GVB. She was previously the chair of the advisory board of CPRC, a child protection research centre.

CURRENT EXTERNAL APPOINTMENTS

Member of the Supervisory Board, Krasnapolsky Hotel and Restaurants N.V.

HARALD EISENÄCHER
F R

Non-Executive Director

NATIONALITY: German

APPOINTED: September 2022

CONTRIBUTION TO THE BOARD

> Brings extensive travel and aviation sector commercial experience as well as a deep knowledge of digital and data driven businesses, combined with a European outlook.

CAREER AND EXPERIENCE

Harald brings significant experience of the travel and aviation industry, having held senior executive positions with Lufthansa and Sabre Travel Network. He most recently served as Chief Commercial Officer for Infare A/S, the leading provider of competitor air travel data based in Denmark, and later served as a member of the Supervisory Board (2021 to 2023). He has previously held senior positions with Deutsche Telekom, eBay Inc. and Hoechst AG, and served as a Non-Executive Director of Groz-Beckert SE (2007 to 2021) and Ifolor AG (2013 to 2019). Additionally he was a member of the Advisory Board of Solytic GmbH (2021 to 2024).

CURRENT EXTERNAL APPOINTMENTS

Member of the Advisory Board, Omnevo GmbH and Chair of the Advisory Board, Mimi Hearing Technologies GmbH.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)
BOARD OF DIRECTORS' BIOGRAPHIES (CONTINUED)

MONI MANNINGS OBE
R N
Non-Executive Director

NATIONALITY: British

APPOINTED: August 2020

CONTRIBUTION TO THE BOARD
> Brings extensive legal and corporate finance experience to the Board.
> Deep knowledge of executive remuneration as an experienced Remuneration Committee Chair means she is well placed as Chair of the Remuneration Committee.
> Experienced in stakeholder engagement as evidenced in her role as an Employee Representative Director.

CAREER AND EXPERIENCE
Moni was a Partner and Head of the International Banking and Finance Division of Olswang LLP (2000 to 2016), before which she held senior positions with Dewey & LeBoeuf LLP, Simmons & Simmons and Clifford Chance LLP. Moni was Chief Operating Officer of Aistemos Limited (2016 to 2017) and has also held a number of non-executive positions, including a Board member of the Solicitors Regulation Authority and Cranfield University. Moni has also served as a Non-Executive Director of Polypipe Group plc (2014 to 2019), Dairy Crest Group plc (2017 to 2019), Breedon Group plc (2019 to 2021), Investec Bank plc (2016 to 2023), and Cazoo Group Ltd (2021 to 2023), and Hargreaves Lansdown plc (2020 to 2024) and Deputy Chair of Barnardo's (2017 to 2022).

CURRENT EXTERNAL APPOINTMENTS
Senior Independent Director, Land Securities Group plc and Co-operative Group Limited, and Member of the Takeover Panel.

DAVID ROBBIE
A F N R
Non-Executive Director

NATIONALITY: British

APPOINTED: November 2020

CONTRIBUTION TO THE BOARD
> Brings strong financial, risk management and corporate finance experience to the Board and Audit Committee as Chair.
> His international and strategic outlook, combined with over 20 years serving as a Director on FTSE Boards, provides a valuable perspective in Board and Committee discussions.

CAREER AND EXPERIENCE
David was Finance Director of Rexam plc from 2005 until 2016. Prior to his role at Rexam, David served in senior finance roles at Invensys plc before becoming Group Finance Director at CMG plc in 2000 and then Chief Financial Officer at Royal P&O Nedlloyd N.V. in 2004. He served as interim Chairman, Senior Independent Director and Chair of the Audit Committee of FirstGroup plc from 2018 to 2021, and Non-Executive Director and Chair of the Audit Committee for the BBC between 2006 and 2010. David qualified as a chartered accountant at KPMG.

CURRENT EXTERNAL APPOINTMENTS
Senior Independent Director and Chair of Audit Committee, DS Smith plc.

DR DETLEF TREFZGER
S A N
Non-Executive Director

NATIONALITY: German

APPOINTED: September 2022

CONTRIBUTION TO THE BOARD
> Brings recent and in-depth experience of global logistics and commercial strategy, along with a European outlook.
> Broad experience of technology enabled and data supported business transformation.

CAREER AND EXPERIENCE
Detlef brings more than 30 years' experience leading global transport and logistics companies. Detlef served as Chief Executive of Kuehne + Nagel International AG, from 2013 to 2022. During his tenure, he led the company through an important period of growth, transformation and consolidation, doubling revenue and quadrupling profit to become the largest third-party transport and logistics provider in the world. Prior to Kuehne + Nagel, he spent 15 years with DB Schenker in various senior executive positions, including EVP of Global Contract Logistics & Supply Chain Management, having started his career at Siemens AG and Roland Berger. Detlef also served as a member of the Singapore Economic Development Board from 2015 to 2018 and as Non-Executive Director of SATS Ltd from 2023 to 2024.

CURRENT EXTERNAL APPOINTMENTS
Non-Executive Director, Accelleron Industries AG, PSA International, Swiss Prime Site AG, Swissport International AG; and Adviser, Clayton, Dubilier & Rice.

BEN MATTHEWS
Group Company Secretary

CAREER AND EXPERIENCE
Ben joined easyJet in July 2019 as Deputy Company Secretary and became Group Company Secretary on 1 January 2023. He is a Fellow of the Chartered Governance Institute and has over 20 years' experience working for leading UK listed brands including ITV, Burberry and Sky.

CHANGES TO THE BOARD DURING THE YEAR AND UP TO 27 NOVEMBER 2024
> The appointment of Jan De Raeymaeker as CFO was announced on 14 October 2024. Jan will join the Board and AMB with effect from 20 January 2025.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

AIRLINE MANAGEMENT BOARD BIOGRAPHIES

JOHAN LUNDGREN
Chief Executive

See Board of Directors profile.

Read more on page 93

KENTON JARVIS
Chief Financial Officer and CEO designate

See Board of Directors profile.

Read more on page 93

ROBERT BIRGE
Chief Customer & Marketing Officer

NATIONALITY: American

AREAS OF EXPERTISE: Marketing, ecommerce and customer

CAREER AND EXPERIENCE

Robert joined the AMB in August 2022. Robert is a highly experienced consumer marketing and general management leader with a track record of driving growth, building brands and leading winning teams across ecommerce, travel, online apparel, wireless and consumer goods for both large companies and start-ups. Before joining easyJet, Robert was Chief Growth Officer at ASOS in a role that encompassed marketing, end-to-end customer experience, data insight and media publishing, increasing revenue growth from 13% in 2019 to 21% in 2021. Previously Robert spent six years as CMO at KAYAK, establishing it as a leader in the travel industry, leading to public listing. He was also part of the original start-up team that created US online travel agency Orbitz.

STUART BIRRELL
Chief Data & Information Officer

NATIONALITY: British

AREAS OF EXPERTISE: Data and information technology

CAREER AND EXPERIENCE

Stuart joined the AMB in November 2020. Before joining easyJet, Stuart spent five years as Director and Chief Information Officer at Heathrow Airport Limited. He previously held the role of CIO at Formula 1's McLaren Technology Group where he worked in the high-performance environment, building a team of in-house experts and specialist suppliers. Prior to that, he spent three years at Gatwick Airport where he successfully separated the airport systems from BAA and brought improvements to complex IT foundations and transformation processes. Stuart brings with him significant experience and expertise in IT security, cloud-based solutions, big data sets and technology to support business expansion.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)
AIRLINE MANAGEMENT BOARD BIOGRAPHIES (CONTINUED)

SOPHIE DEKKERS
Chief Commercial Officer

NATIONALITY: British

AREAS OF EXPERTISE: Aviation and strategy

CAREER AND EXPERIENCE
Sophie joined the AMB in December 2020. Having started at easyJet in 2007, she was previously Customer Director. Prior to this, she was Director of Scheduling for the airline, implementing systems and process improvements. She has also led easyJet in the UK as Country Director for five years, responsible for driving the airline's commercial success and strategic direction in the UK as well as representing aviation at both House of Lords and House of Commons Select Committees. Previous roles in the airline include Head of Change Management and Customer Insight, and she has a background in customer insight, working with a range of brands from Jaguar Land Rover to Mars, Unilever and Vodafone. Sophie was also Non-Executive Director for Airport Coordination Limited from 2017 to 2021 and sat on their Remuneration and Nomination Committees. Sophie is easyJet's AMB lead on diversity, equity and inclusion, a qualified MindGym coach, business mentor, and was a founding member of easyJet's Women's Network.

THOMAS HAAGENSEN
Group Markets Director

NATIONALITY: Danish

AREAS OF EXPERTISE: Commercial and operations management

CAREER AND EXPERIENCE
Thomas joined the AMB in May 2018. Thomas has over 20 years' experience in operations management built in a variety of roles across Europe. Thomas began his career with Tetra Pak, working his way up to Regional Manager of the East Med where he developed and succeeded in implementing ambitious growth and profitability improvement plans. Since joining easyJet in 2008 Thomas has significantly grown the Swiss market, developed easyJet's market entry strategy for Germany and developed the business traveller segment in Northern Europe. Most recently he was appointed Managing Director of easyJet Europe, establishing the Company's Austrian AOC, a key part of its Brexit migration plan, and managed the transition of 100 aircraft to easyJet Europe.

REBECCA MILLS
Group General Counsel

NATIONALITY: British

AREAS OF EXPERTISE: Legal and digital safety

CAREER AND EXPERIENCE
Rebecca joined the AMB in January 2023 on her appointment as Group General Counsel. Rebecca has over 20 years' experience as a lawyer, having started her career at Herbert Smith Freehills, where she specialised in IP, technology and media law, and disputes. She joined easyJet in 2010 as a senior commercial lawyer and has progressed her career through a variety of roles, before taking on responsibility for the management of the legal and claims teams in 2018. From 2019 to 2023, she led these teams in the role of Deputy General Counsel and was at the heart of easyJet's response to, and emergence from, the pandemic. Rebecca has also been the Legal Director of easyJet holidays since it was established in 2019. Rebecca's sharp commercial skills, combined with her deep understanding of the airline and holidays businesses, give her a unique and powerful perspective.

DAVID MORGAN
Chief Operating Officer

NATIONALITY: British

AREAS OF EXPERTISE: Flight operations

CAREER AND EXPERIENCE
David joined the AMB in July 2022, having joined easyJet in September 2016 as the airline's Chief Pilot, and in December 2017 took up the position of Director of Flight Operations, taking responsibility for the safe and efficient operation of the airline's flights across Europe. David previously served as interim COO in 2019, when he oversaw operations across the airline and delivered significant improvements in operational performance. David and his operations team focus on safe, efficient and sustainable operations in an increasingly complex and challenging environment. Prior to joining the airline, David was Chief Flight Operations Officer at Wizz Air. His long career in aviation has taken him around the world including Australia and the Middle East.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)
AIRLINE MANAGEMENT BOARD BIOGRAPHIES (CONTINUED)

RICHARD SCOTT
Interim Group People Director

NATIONALITY: British

AREAS OF EXPERTISE: People strategy, industrial relations and organisation design

CAREER AND EXPERIENCE
Richard joined the AMB as Interim Group People Director in July 2024. He joined easyJet in 2016 as Director of Business Transformation before progressing to HR & IR Director for Operations, where he oversaw the people strategy for crew, engineering and operational head-office staff, the airline's approach to Brexit and our People programme in response to the pandemic. Prior to easyJet, Richard spent over 15 years working as a Management Consultant, supporting the delivery of people focused transformation programmes for global brands including Mars Inc, Nestle, SR Technics, TUI Travel, InterContinental Hotels Group, Liverpool Victoria (LV) Insurance and TalkTalk. He has a passionate focus on organisation design, driving a high-performance culture and leadership development.

GARRY WILSON
CEO, easyJet holidays

NATIONALITY: British

AREAS OF EXPERTISE: Travel, business transformation and global markets

CAREER AND EXPERIENCE
Garry joined the AMB in 2018 and has over 25 years' experience in the travel sector. He has successfully developed significant business growth strategies across several international markets and has built and led large global teams throughout his career. Garry works extensively with overseas governments and emerging economies to create sustainable tourism policies, whilst promoting major economic growth and positive social change. He is an AMB sponsor for diversity, equity and inclusion, and health and wellbeing. He has held Board positions in the Travel Foundation and Travelife and was appointed to the board of ABTA in 2021.

CHANGES TO THE AMB DURING THE YEAR AND UP TO 27 NOVEMBER 2024
> Richard Scott was appointed interim Group People Director on 4 July 2024, replacing Jane Storm.
> The appointment of Jan De Raeymaeker as CFO was announced on 14 October 2024. Jan will join the Board and AMB with effect from 20 January 2025.

ENSURING EFFECTIVE GOVERNANCE (CONTINUED)

BOARD PERFORMANCE REVIEW

An annual review of the performance of the Board, its Committees, the Chair and individual Directors is undertaken. The review aims to identify the Board's strengths and any opportunities for improvement, as well as highlighting any training and development needs.

The Board follows a formal three-year cycle for an externally facilitated annual review. The 2021 Board evaluation was externally facilitated by Manchester Square Partners, and therefore the 2022 and 2023 performance reviews were facilitated internally by the Nominations Committee. Further information on these reviews can be found in previous Annual Reports.

In keeping with the three-year cycle, the 2024 Board performance review was facilitated by a third party, Alison Gill of Bvalco, who has no connection with the Group or individual Directors. Bvalco follow the Code of Practice from the Board Effectiveness Guild. A summary of the process followed and the findings is set out on this page.

SELECTION OF THIRD-PARTY FACILITATOR

1. Longlist
The Company Secretary reviewed the board performance market and sought the views of the Chair, Senior Independent Director (SID) and Directors with experience of the UK listed market to compile a longlist for consideration.

A Request For Proposal (RFP) was prepared and sent to seven potential facilitators in March 2024.

2. Shortlist and evaluation
The responses to the RFP were reviewed by the Chair, SID and Company Secretary, who undertook an evaluation in terms of approach, experience, people and value for money.

3. Selection
A shortlist of two was considered by the Chair and SID before Bvalco were selected as the preferred provider and a letter of engagement signed in May.

PERFORMANCE REVIEW PROCESS

1. Scoping
The scope of the review was to assess the effectiveness of the Board and Committees, to understand their strengths and weaknesses, to develop a set of future priorities to continue to improve the effectiveness of the Board in the context of easyJet's purpose and strategy, and to support the SID with the annual review of the Chair.

2. Document review
Bvalco conducted a desktop review of key Board materials such as the Board and Committee papers from the prior year and the forward agenda, as well as details of easyJet's purpose and strategy.

3. Interviews
Fifteen in-depth interviews were held with the individual Board members, the Company Secretary, and some members of senior management, including the Chief Commercial Officer, Chief Operations Officer and CEO of easyJet holidays. The topics for consideration were shared prior to the individual interviews and the discussions remained confidential at all times.

4. Board and Committee observations
Bvalco attended the September Board and Committee meetings to enable them to form an independent view of the meeting dynamics, before providing an interim report on their findings.

5. Report and recommendations
An initial draft report was discussed with the Chair, SID, Committee Chairs and Company Secretary, before a final written report was presented to the Board in November and Bvalco invited discussion on the report's findings and recommendations. No views were attributed to any individual in the final report.

2024 FINDINGS AND ACTIONS

The review found that the Board had a number of strengths – it was engaged and ambitious for easyJet, with substantive evidence that it was delivering significant and positive outcomes for the business. The culture was found to be open and positive, with a good collective understanding of the issues, risks and strategic opportunities facing easyJet and appropriate challenge of management by Board members. The opportunities identified in the review included:

- The Board considering its own objectives for FY25 and how it will support a successful CEO and CFO transition
- Reviewing the strategic priorities for the coming year and how management best leverage the Board's expertise in these areas
- Increasing the regularity and depth of people and culture coverage on the board agenda
- Revising the structure and location of meetings to allow for greater reflective time and an opportunity to deepen relationships

The Committee review found that they function well, with effective Chairs who worked with management and advisers in a positive, supportive and – where necessary – challenging way to ensure that the Committees deliver impact.

The review of the Chairman was also positive and confirmed that Sir Stephen Hester continued to lead the Board successfully, had a thorough understanding of – and was valued by – the business and had helped embed a mindset of continuous improvement.

STAKEHOLDERS

ENGAGING WITH STAKEHOLDERS

As set out in the Corporate Governance Code, the Board recognises the importance of identifying its key stakeholders and understanding their perspectives. They are a fundamental part of our operations and are referenced throughout this report. We have set out on the following pages details of who our key stakeholders are, how we have engaged with them and the associated outcomes, and included some examples of stakeholders being considered in strategic decisions. Further details are contained in the summary of the Board's activities in the year on pages 82 to 85.

As set out on pages 51 to 55, there was extensive engagement around our sustainability activities in the year with our people, customers, policymakers, suppliers and industry peers. We have not repeated these below but incorporate by reference.

OUR CUSTOMERS

A key part of our strategy is a focus on the customer, both to win our customers' loyalty and to achieve our purpose of making low-cost travel easy.

Customers have increased choice, and their expectations are rising. Ensuring we meet their evolving needs will position us as the brand of choice when flying within Europe.

Our understanding of who our current and potential customers are, how they perceive easyJet and what products they need, enables us to prioritise our efforts towards delivering a positive customer experience and loyalty.

Read more on page 11

KEY FOCUS

- Safety
- Product choice
- Ease of making and managing bookings
- Ease of travelling and minimising disruption
- Sustainability

KEY ISSUES DURING THE YEAR

- Disruption due to air traffic control shortcomings

HOW WE ENGAGE DIRECTLY

- Customer communications, including emails, our app, call centres, our self-service disruption management tool, our corporate website, our dedicated sustainability website and on social media.
- easyJet Customer Community, who share experiences and help test messaging, policies, products and propositions via polls, discussions, forums, video diaries and surveys.
- Regular customer surveys to find out about customers' travel experiences.

HOW WE ENGAGED INDIRECTLY

- Crew feedback sessions via management and online forums.
- Customer sentiment and satisfaction is regularly discussed by the AMB and the Board.
- We measure our performance through our customer satisfaction KPI (see page 19) which is reported to the Board monthly.
- The AMB reviewed and provided feedback on the new five-year customer strategy during the year.

CONSIDERATIONS AND OUTCOMES

- The Board reviewed easyJet's customer strategy and priority to deliver ease and reliability during the year.
- The Board visit to the ICC helped members to understand on-the-day factors and how this impacts the customer experience, including identifying opportunities to deploy AI and other technologies to improve operational efficiencies.
- The Board received operational updates from the COO at each Board meeting on operational readiness, challenges around air traffic control disruption and initiatives undertaken to minimise disruption. In addition, they also received regular weekly updates on trends and metrics on operational performance. This allowed the Board to have an oversight of easyJet's operational performance.
- The CSAT score improved by 76%, a 3ppts improvement on the prior year, compared to the previous year, and the Board continued to regularly discuss and monitor customer satisfaction.

STAKEHOLDERS (CONTINUED)

OUR PEOPLE

Our people are a critical part of our business and we want to create an inclusive culture where people can be their best, feel that they truly belong and live the Orange Spirit. Engaging effectively with them is key to doing this successfully. More information about our people and our approach to Inclusion and Diversity can be found on pages 57 to 58.

Read more on page 12

KEY FOCUS

- Health, safety and working conditions
- Wellbeing and mental health
- Training and career development
- Inclusion and diversity
- Reward and benefits

KEY ISSUES DURING THE YEAR

- Crew food and uniform
- Improved healthcare benefits
- Menopause friendly accreditation
- Employee recognition
- Over-45s 'returnships'

HOW WE ENGAGE DIRECTLY

- Employee Representative Directors' meetings.
- Base visits and informal interaction with crew.
- Hosting events such as breakfasts with senior leaders in order to get to know the management layer below the AMB.
- Engagement with employee representative groups, pilot and cabin crew unions.
- Regular internal communications.
- Participation in the Group's performance through employee share schemes.
- The Board received a presentation on crew food and progress on the new crew uniform designs, due for launch next year. This gave the Board the opportunity to engage directly with the crew and teams involved in the process.

HOW WE ENGAGED INDIRECTLY

- Updates from the CEO and Group People Director on people strategy and other matters.
- Your Voice Matters employee surveys are discussed by the AMB and Board.
- Monitoring of themes and trends arising from the 'Speak Up, Speak Out' (SUSO) whistleblowing mechanism.

CONSIDERATIONS AND OUTCOMES

- The Board received regular updates from our Employee Representative Directors to ensure our employee voice was reflected when taking strategic decisions, including during the fleet discussions during the year. This included feedback from meetings with the ICC, Holidays, Safety Security & Compliance, Cabin Services teams and pilots.
- The Board and its Committees have considered this feedback during its deliberations in the year, including when reviewing SUSO whistleblowing cases, culture and matters such as the gender pay gap during the year.
- The Your Voice Matters survey, which is detailed more on pages 57 and 86 was discussed by the Board to understand employee behaviours and its role in measuring culture.

OUR SUPPLIERS

easyJet's suppliers have an important role in delivering our ambition, and we strive to ensure that they have aligned views on corporate responsibility and compliance.

We partner with key suppliers to deliver many of our operational and commercial activities. Our partners are carefully selected, and significant emphasis is placed on managing these relationships, with the aim of encouraging incremental innovation and performance.

KEY FOCUS

- Compliance with regulations
- Health and safety
- Treatment of suppliers
- Sustainability
- Payment practices

KEY ISSUES DURING THE YEAR

- Focused on understanding risks in our supply chain with help from an independent third party.

HOW WE ENGAGE DIRECTLY

- Meetings between AMB members and senior executives of major suppliers on a regular basis to understand the strategy and health of their businesses.
- The Board looks to engage with key suppliers whenever appropriate, including tourism bodies at key bases on base visits.
- Supplier forums, providing oversight from AMB level across many areas in the organisation on how they manage their suppliers and drive outcomes.
- Regular review meetings between AMB members and senior executives at London Gatwick Airport and other key bases.

HOW WE ENGAGED INDIRECTLY

- Discussion at Audit Committee and Board with central procurement function on supplier management.
- Quarterly Airport Strategy Forums to discuss operational issues across key airports and agree on the right strategy.

CONSIDERATIONS AND OUTCOMES

- We have a number of key suppliers, including aircraft and engine suppliers, ground handling and logistics, critical technology suppliers, fuel providers, engineering and maintenance providers, aircraft lessors, and hoteliers, destination management companies and trade distribution partners for easyJet holidays.
- The Board has engaged with the organisations operating key airports during the year, such as in Berlin (see page 84).
- Following the conclusion of the order for purchase of new aircraft, Airbus presented to the Board on their business performance and sustainability progress.
- The AMB visited the Microsoft offices in Munich and engaged with them on key strategic priorities across two days.

STAKEHOLDERS (CONTINUED)

OUR SHAREHOLDERS AND INVESTORS

Shareholders and investors are the main providers of capital to invest and grow the Group's business, and therefore understanding the views of our shareholders remains a key priority.

Taking account of their views on the Company's operational and financial performance and its strategic direction is also an important part of ensuring we deliver strong shareholder value.

KEY FOCUS

- Operational and financial performance
- Creation of long-term sustainable shareholder value
- Share price and capital returns
- Environmental, social and governance matters

KEY ISSUES DURING THE YEAR

- Progress towards medium-term targets
- Capital allocation framework
- Management change
- Macroeconomic environment

HOW WE ENGAGE DIRECTLY

- The Board actively seeks engagement with investors, major institutional shareholders and shareholder representative bodies.
- The Chair, SID, CEO and CFO, together with members of the AMB, engage with shareholders regularly.
- The Company Secretary engages with shareholders as required to understand their views and policies on corporate governance matters.
- The Chair and Committee Chairs make themselves available for engagement with major shareholders.
- The Investor Relations team engage with investors, analysts and governance teams throughout the year.
- The Remuneration Committee Chair engages with shareholders on remuneration matters and upon request.

HOW WE ENGAGED INDIRECTLY

- The Board are regularly updated with the views of shareholders.
- We publish all financial result announcements and presentations on our website.
- We record and publish summary videos of seminars and business updates on our website.
- There is also engagement with the brokers and other advisers.

CONSIDERATIONS AND OUTCOMES

- Engagement took place in advance of the GM relating to the aircraft purchase, and on the resolutions being proposed at the AGM.
- Engagement also took place following the AGM, to understand where investor policies differed from the Company's approach and where any steps could be taken to address these gaps, for example around share capital authorities. These views will be considered when finalising the business for the next AGM.

ENGAGEMENT DURING THE YEAR

The Investor Relations (IR) team and Company Secretary proactively engage with investors throughout the year through an annual programme of activity, alongside communication with market analysts and the Company's brokers, and attending regular investor conferences with the CEO, CFO and management team.

Q1

- Trading update for the year ended 30 September 2023
  - Setting out new medium-term targets
  - Set out proposed aircraft purchase and purchase rights and related general meeting
  - Re-instatement of dividends post-pandemic
- Full-year results
- Road shows and conferences with UK, European and US investors with management

Q2

- First quarter trading update and discussion with investors and advisory bodies ahead of AGM
- AGM
- easyJet holidays seminar
- European conference with CFO
- UK conference with management

Q3

- Trading update for six months ended 31 March 2024
- Half-year results
- Road shows with UK, European and US investors with management
- Capital structure seminar
- European conference with CEO and CFO

Q4

- Third quarter trading update
- IR road shows in Europe and UK
- London conference with IR

Annual General Meeting

Shareholders are encouraged to participate in the AGM either in person or remotely and communicate directly with the Board. Shareholders are given the opportunity to raise issues formally at the AGM or informally with Directors after the meeting. All Directors attend the AGM where possible and the Chairs of the Committees are available to answer questions.

The Company's 2024 AGM was held on 8 February 2024, and shareholders had the opportunity to ask questions in advance of the meeting or during the meeting, in person and electronically. Notice of the Company's next AGM, comprising a letter from the Chair, Notice of Meeting and explanatory notes on the resolutions proposed, will be issued separately at the appropriate time and will also be published on easyJet's corporate website at **corporate.easyJet.com**.

STAKEHOLDERS (CONTINUED)

OUR COMMUNITIES

We want to make a positive impact and we value our relationships with the communities where our employees and customers live and operations are based, as they are important to the effective operation of our business.

More information on our engagement with our communities in relation to sustainability can be found on pages 51 to 55.

KEY FOCUS

> Local employment and social mobility
> Sustainability, including carbon and other aircraft emissions; aircraft noise; energy usage; recycling and waste
> Charitable activity

KEY ISSUES DURING THE YEAR

> Net zero roadmap
> EU Emissions Trading Scheme (ETS)

HOW WE ENGAGE DIRECTLY

> Country managers lead the community engagement in their markets, and base managers also engage directly with their local airport communities.
> Partnerships with individual airports and air traffic control teams to implement reduction in cabin waste and noise mitigation activities that seek to minimise the impact on local communities.
> Employee volunteering with local charities and organisations.

HOW WE ENGAGED INDIRECTLY

> We provide updates on our progress against our sustainability targets directly to customers and via our corporate website.

CONSIDERATIONS AND OUTCOMES

> We offer support for employees to volunteer in their local communities, such as flexible working and time off.
> This year we renewed our partnership with UNICEF for another three years, launching our Every Child Can Fly campaign. We also announced that we will be supporting Make-A-Wish International to grant the travel wishes for children suffering with serious illness across Europe. More information on these partnerships can be found on page 54.
> easyJet was once again the official airline sponsor of the Eurovision Song Contest in Malmo, and allowed employees the chance to take part in the celebrations.

REGULATORS AND GOVERNMENTS

Regulators and governments take decisions which directly impact our operations and business environment. easyJet engages with them to understand their strategic drivers and the impact of any regulatory changes on the Company and customers, and to ensure that policymakers understand our business and the social and economic benefits it delivers.

KEY FOCUS

> Advocate for policy changes that helps deliver carbon efficiency and operational resilience
> Compliance with regulations
> Health and safety
> Sustainability

KEY ISSUES DURING THE YEAR

> Engaged with the UK Government on a number of issues such as the unbundled pricing model that airlines offer, the UK slot regulation, the UK SAF mandate and the inclusion of GGRs in the UK ETS.
> Engaged with the European Commission on a number of issues, including reform of the European passenger rights framework, development of climate policy in aviation, EU ETS carbon pricing, SAF allowances and EU slot allocation regulations.

HOW WE ENGAGE DIRECTLY

> AMB members and senior management engage with members of government and regulatory bodies at a national and regional level.
> Discussions with operations and safety regulators.
> The policy team engages with officials in the European Commission, the UK Government, other national governments, legislators, policymakers, industry stakeholders, non-profits, and academia, to understand and shape future policy,
> Discussions with air traffic control operators.

HOW WE ENGAGED INDIRECTLY

> Participation in trade associations such as Airlines 4 Europe and Airlines UK, and tourism bodies, such as ABTA and the GSTC.
> Participate in industry and other collaboration groups, such as the Aerospace Technology Institute, the Aviation Council, the EU's Climate Change Expert Group, Destination 2050, the Jet Zero Council (UK Government) and Sustainable Aviation (UK).

CONSIDERATIONS AND OUTCOMES

> Meetings with various governments resulted in confirmation of our commitment to various markets in our network and discussed some of the key challenges and opportunities.
> In 2023, easyJet founded Hydrogen in Aviation (HIA) – an alliance of leading organisations that see hydrogen-powered aircraft as a key way to decarbonise short-haul aviation, alongside a number of our peers. In March 2024, the HIA released its first report – Launching Hydrogen-Powered Aviation.
> easyJet co-chairs the Alliance for Zero Emission Aviation (AZEA) along with Airbus. AZEA is an alliance formed of 170 companies that operate with oversight from the European Commission. This year it launched its vision paper to reduce aviation's climate impact in Europe, which outlines goals for policymakers and commits its industry members to action.

COMMITTEE REPORTS

NOMINATIONS COMMITTEE REPORT

Members

- **Sir Stephen Hester (Chair)**
- **Catherine Bradley CBE**
- **Sue Clark**
- **Moni Mannings OBE**
- **David Robbie**
- **Dr Detlef Trefzger**

All members of the Committee are Independent Non-Executive Directors. Member biographies can be found on pages 93 to 95.

The Chair of the Board acts as Chair of the Committee with members of the executive management invited to attend meetings. The Company Secretary acts as Secretary to the Committee.

The Committee met four times in the year and meeting attendance can be found on page 92.

The Committee's terms of reference can be found on the Company's website at **corporate.easyJet.com**

I am pleased to present an overview of the Nominations Committee's activities during the year. The main purpose of the Committee is to ensure plans are in place for orderly succession of Board and senior management positions while maintaining an appropriate balance of skills, experience, independence and diversity. The Committee regularly reviews the structure, size and composition of the Board and makes recommendation to the Board with regard to any changes.

During the year, the Committee, along with the remaining Non-Executive Directors, led the succession planning process for Johan Lundgren resulting in the appointment of Kenton Jarvis as CEO designate. The Committee also supported the search to identify Kenton's successor as CFO, Jan De Raeymaeker, who will join the Board in January 2025. Further information on the recruitment processes for both roles can be found on page 105.

The Committee also continued to review the Company's wider talent and succession plans for the Board and senior management, along with our talent development and retention strategies. Diversity, equity and inclusion continue to be a key priority for the Board and the Committee was updated on the progress in this area, including updates to the Company's DEI framework and measurable goals on gender representation across the organisation.

Further details of the Committee's activities during the year are set out in this report.

Sir Stephen Hester
Chair of the Nominations Committee

ACTIVITIES IN THE YEAR

BOARD COMPOSITION AND APPOINTMENTS

The Committee is responsible for the orderly succession of both Board and senior management positions, and oversees the development of a diverse pipeline for that purpose. The Committee ensures that a formal, rigorous and transparent procedure is followed for Board appointments based on merit and objective criteria to ensure Non-Executive Directors can apply their wider business skills, knowledge and experience to the oversight of the Group, and provide input and challenge in the boardroom to assist in the development and execution of the Board's strategy. Similarly, Executive Director appointments are made to ensure the effective implementation of the Group's strategy. See overleaf for details on the Chief Executive and Chief Financial Officer succession processes.

The Committee reviews the composition of the Board at least annually, identifying any areas of skills, experience and knowledge that can be strengthened further, and identifies and nominates candidates for approval by the Board as required. The Committee also reviews the membership across the Committees to ensure they remain appropriate, and no changes were made in the year.

INDUCTION

All Directors receive a comprehensive and tailored induction programme on appointment, designed through discussion with the Chair and Company Secretary. Given Kenton Jarvis's existing experience as a member of the Board and AMB, a more targeted plan will support his transition from CFO to the CEO role.

A tailored induction plan will be developed for Jan De Raeymaeker on appointment as CFO, further details of which will be set out in next year's report.

COMMITTEE REPORTS (CONTINUED)
NOMINATIONS COMMITTEE REPORT (CONTINUED)

CHIEF EXECUTIVE SUCCESSION

The Committee led a thorough and inclusive process to identify Johan Lundgren's successor as CEO during the year. All the Non-Executive Directors were involved in the process which began by reviewing the skills and experience that would be required in any potential successor.

Egon Zehnder (EZ) were then engaged as search consultants to help support the process and identify suitable external candidates. EZ are signatories to the Enhanced Code of Conduct for Executive Search Firms and do not have any other connection with the Company nor individual Directors, except where they may have liaised with them as prospective candidates for other positions.

EZ compiled a longlist of candidates which was considered before being reduced to a proposed shortlist. To ensure fairness and consistency, EZ interviewed both the internal and external shortlisted candidates before they were interviewed by members of the Board in small groups. The Non-Executive Directors collaborated closely during the process, regularly regrouping to discuss progress and views on the candidates. The shortlist was very strong, and after a final round of in person interviews, the Committee recommended to the Board that Kenton succeed Johan as CEO. Kenton's appointment was subsequently approved by the Board and his biography can be found on page 93.

CHIEF FINANCIAL OFFICER SUCCESSION

Given their involvement in the CEO succession process and understanding of easyJet's business, culture and management, both Kenton and the Committee felt that EZ would be well placed to support on the CFO search.

After the role specification was finalised, EZ compiled a longlist of candidates which was then reviewed and reduced to a shortlist. Interviews were held between the current CFO, Chair, other Board members and Group People Director. The Board were kept regularly updated on progress and following completion of the final interviews, the Committee sought appropriate references and then recommended to the Board that Jan De Raeymaeker be appointed Chief Financial Officer.

TALENT AND SUCCESSION PLANNING

The Committee continued to review the plans for orderly succession so that the right balance of appropriate skills, diversity and experience is represented on the Board and AMB, building on the work previously undertaken. The Committee also recognises that building a broad and diverse talent pipeline for executive succession, the AMB and Executive Leadership Team (ELT) is a key priority to lead the growth of easyJet's business going forward.

In addition to executing the CEO succession plan and the appointment of an external CFO, the Committee reviewed the Group's senior management talent pipeline during the year, their development and own succession plans, as well as progress against the talent and development framework. The Committee has visibility of emergency successors and those identified as medium-term successors, and reviews the development programme for these individuals to understand their strengths and skill gaps.

Board members engaged with the AMB and a number of ELT members throughout the year during formal presentations at Board meetings, as well as at informal breakfasts and dinners. This provided the opportunity for them to get to know individuals identified in the succession plans.

BOARD PERFORMANCE

Details of the 2024 Board Performance Review are set out in full on page 99.

As part of the annual review process, and prior to the Committee's recommendation to the Board on reappointment, consideration is also given to the independence, attendance and time commitment of each of the Non-Executive Directors, with the approach to each as set out on this page.

Following the conclusion of this year's review, the Board are satisfied that each Director is able to allocate sufficient time to discharge his or her responsibilities effectively. As evidenced by the attendance table on page 92, the attendance remained high and demonstrates the Directors' ability to devote sufficient time.

INDEPENDENCE

The Board consists of 10 Directors, with over half of the Board (excluding the Chair) being independent Non-Executive Directors. Additionally, the Chair was considered independent on appointment. The composition of the Committees also complies with the Code.

Factors such as length of tenure and relationships or circumstances that are likely to affect, or appear to affect, the Directors' judgement, are considered in determining whether they remain independent. Non-Executive Directors do not participate in any of the Group's share option or bonus schemes.

The Board is satisfied that all of the Non-Executive Directors continue to remain independent in character and judgement, and are free from any business or other relationships that could materially affect the exercise of their judgement.

TIME COMMITMENT AND EXTERNAL APPOINTMENTS

The expected time commitment of the Chair and Non-Executive Directors is agreed and set out in writing in the letter of appointment, available on our corporate website at **corporate.easyJet.com**. For the Chair, this is a minimum of one day per week, and for Non-Executive Directors a minimum of three days per month. The Directors often spend time in excess of this minimum requirement, for example the Chair meets with the CEO and other members of the AMB regularly and undertakes regular base visits across Europe.

Details of the Directors' attendance at the Board and Committee meetings can be found on page 92. The core activities of the Board and its Committees are covered in scheduled meetings held during the year. Additional ad hoc meetings may be held to consider and decide matters when required. Non-Executive Directors are encouraged to communicate directly with each other and senior management between Board meetings.

Directors are invited to attend all Board and Committee meetings, but in certain circumstances meetings may be called at short notice and, due to prior business commitments and time differences, Directors may not always be able to attend. Even if a Director is unable to attend a meeting, they continue to receive the papers and have the opportunity to discuss with the relevant Chair or the Company Secretary any matters on the agenda which they wish to raise. Feedback is provided to the Directors not able to attend on the decisions taken at the meeting.

The Chair holds regular meetings with the Non-Executive Directors without the Executive Directors present. There is a standing agenda item at the end of each Board meeting for the Non-Executive Directors to meet without the Executive Directors present.

In addition to the regular Board meetings, and to provide opportunities for the Board to engage with senior management to discuss key elements of the business, a number of Board dinners and lunches were held, as well as a breakfast with management detailed further on pages 81 and 86.

Executive Directors and the AMB are permitted to take up non-executive positions on the board of one other listed company as long as this is not deemed to interfere with the business of the Group.

In line with the Code, Directors are required to seek Board approval prior to taking on any additional external appointments and by way of example the following were approved during the year in line with this requirement:

> Dr Detlef Trefzger's appointment as a Non-Executive Director of Swiss Prime Site AG and Swissport International AG.
> Catherine Bradley's (CBE) appointment as Chair of the Board of Interactive Investor Limited and future appointment as a Non-Executive Director of Worldpay Holdco, LLC.

COMMITTEE REPORTS (CONTINUED)

NOMINATIONS COMMITTEE REPORT (CONTINUED)

- Moni Mannings's (OBE) appointment as Senior Independent Director of the Co-operative Group Limited and Land Securities Group plc.
- Harald Eisenächer's appointment as Chair of the Advisory Board of Mimi Hearing Technologies GmbH and member of the Advisory Board of Omnevo GmbH.

Prior to these appointments, the Board considered the time required, including whether the role would impact the Director's ability to devote sufficient time to their current role, and concluded that the appointments would not interfere with their roles with the Company.

ELECTION AND RE-ELECTION

In line with the provisions of the Code and the Company's Articles of Association, each Director is required to seek election or re-election annually at the Company's AGM.

The Committee is mindful of differing policies and guidelines amongst shareholders and proxy advisers on the number of appointments the Directors should hold. However when reviewing the contribution of individual Directors, the Board reviews their attendance, their availability to attend ad hoc meetings and their contribution outside of meetings. Following this review, the Committee has satisfied itself as to the individual skills, relevant experience, contributions and time commitment of all the Non-Executive Directors, taking into account their other external appointments and interests held, remains appropriate.

The Board is therefore recommending the election or re-election of all continuing Directors at this year's AGM.

Details of the service agreements for the Executive Directors and letters of appointment for the Non-Executive Directors, and their availability for inspection, are set out in the Directors' Remuneration Report on page 139.

DIVERSITY, EQUITY AND INCLUSION

The Committee and the Board are committed to ensuring that together the Directors possess the requisite diversity of skills, experience, knowledge and perspectives to support the long-term success of the Company. The role of diversity in promoting balanced and considered decision making which aligns with the Group's purpose, values and strategy is fully recognised. All Board appointments are made on an objective and shared understanding of merit, in line with required competencies relevant to the Company as identified by the Committee, and consistent with the Inclusion and Diversity Policy.

During the year, the Committee reviewed the Company's wider strategic approach on inclusion and diversity as well as progress on gender representation across the Company.

The Nominations Committee also oversees the development of a diverse pipeline for future succession to Board and senior management appointments, including reviewing the gender balance of senior management and its direct reports. Where there is a known desire to improve diversity at a certain level or in a certain function in the organisation, the recruiting team will ask to see a higher proportion of candidates fitting the diversity criteria. However, the final selection will always be on merit.

DIVERSITY TARGETS

The Committee is pleased to confirm that as at 30 September 2024, the Board meets the following targets:

Target	Legislation/requirement
At least 40% of the Board being women	FTSE Women Leaders target FCA Diversity Targets as required by UK Listing Rule 6.6.6
At least one of the senior Board positions being held by a woman	FCA Diversity Targets
At least one member of the Board being from an ethnic minority background	FCA Diversity Targets

BOARD DIVERSITY POLICY

Our people are critical to our success, and as set out on pages 56 to 60 we want to create an inclusive culture where our people can feel they belong and be at their best. This extends to the Board and its Committees and is managed through the Board Diversity Policy.

Policy principles	Outcomes
Appropriately review all aspects of diversity in relation to Board and Committee composition.	The Board and Committee meet FCA diversity targets, with 40% female, one member from an ethnic minority, and the role of Senior Independent Director held by a woman.
Review diversity of the Board on an annual basis as part of the Board Performance Review.	This has been reviewed during the year, including as part of the CEO succession process and Board Performance Review.
New appointments to the Board will be made on merit, in the context of the requirements of the Board at that time.	All appointments to the Board are made on merit reviewing the balance of skills and experience needed on the Board. The Committee considered these aspects before recommending the appointment of Kenton Jarvis as CEO and Jan De Raeymaeker as CFO.
Identify suitable candidates based on merit against objective criteria and with due regard for the benefits of diversity on the Board including social and ethnic background, cognitive and personal strengths as well as diversity of gender.	The Committee emphasises identification of suitable candidates based on the role profile required on the Board following discussion with the Board members as well as considering diversity, social and ethnic background. These requirements are briefed to the external consultants for them to be able to develop a role profile that suits our purposes, including for the appointments undertaken in the year.

The Company is also targeting having 40% women on the AMB (Executive Committee) and their direct reports by 2025 (2024: 33%). The Company will be submitting a 10% target for ethnic minority in senior management (AMB and their direct reports) as required by the Parker Review in December 2024. Further Information is set out on page 58.

The data required by UK Listing Rule 6.6.6 for the Board of Directors and executive management as at 30 September 2024, is set out on page 144.

AUDIT COMMITTEE REPORT

Members

David Robbie (Chair)

Catherine Bradley CBE

Sue Clark

Dr Detlef Trefzger

The Committee consists of the Independent Non-Executive Directors listed below left. All members of the Committee are Independent Non-Executive Directors. Member biographies can be found on pages 93 to 95.

The Company Secretary acts as Secretary to the Committee and members of the executive management are invited to attend meetings. In addition, the Committee Chair holds regular private sessions with the Chief Financial Officer (CFO), senior members of the Finance team, the Director of Risk & Assurance, and the External Audit team, to ensure that open and informal lines of communication exist should they wish to raise any concerns outside formal meetings.

The Committee met six times in the year and meeting attendance can be found on page 92.

The Committee's terms of reference can be found on the Company's website at **corporate.easyJet.com**

I am pleased to present the Audit Committee Report for the year ended 30 September 2024. The report sets out details of the Committee's main activities and key areas of focus during the year, including:

FINANCIAL AND NARRATIVE REPORTING

The Committee continued to play a key role in assisting the Board in its oversight responsibility and monitoring the integrity of the financial information for the benefit of our shareholders. This has included challenging management on the significant accounting judgements made in our financial reporting, as well as reviewing the analysis behind our going concern and viability statements and considering the processes that underpin the production of the Annual Report and Accounts.

The Committee also focused on overseeing the ongoing implementation of a monitored financial control framework. This framework provides a strong blueprint in preparation for compliance with Provision 29 of the UK Corporate Governance Code which was published earlier this year but does not apply to the Group until its 2026-2027 financial year. We also reviewed the evolving corporate governance reporting requirements, particularly relating to non-financial reporting and the EU Corporate Sustainability Reporting Directive (CSRD).

RISK MANAGEMENT AND INTERNAL CONTROL

The Committee reviewed the effectiveness of the system of internal control and risk management and the process for identification and mitigation of principal and emerging risks during the year. The Committee is mindful of the changes introduced in the 2024 UK Corporate Governance Code on risk management and internal controls, including Provision 29 referenced above, and while these changes do not apply until later reporting periods, it is intending to comply fully with the requirements once they are in force.

INTERNAL AUDIT

The Committee is responsible for reviewing the robustness and effectiveness of the Group's Internal Audit function and reviewed the Internal Audit plan, reports on the work of the internal auditor across different areas of the business and the resourcing of the Internal Audit team.

EXTERNAL AUDIT

PwC has been easyJet's external auditor since 2006 and has therefore served a 19-year term. During the year, in accordance with applicable audit legislation the Committee conducted a competitive tender. The Committee was mindful of best practice and ensured that the tender was conducted in accordance with the FRC's External Audit Minimum Standard.

Following a comprehensive process, the Committee recommended to the Board the appointment of Deloitte LLP as the Group's external auditor subject to shareholder approval at the 2026 Annual General Meeting. For more information on the audit tender process see page 115.

To ensure the key issues get addressed at each meeting, I meet with the CFO, the Director of Reporting and Financial Control, the Director of Risk & Assurance, and the External Audit team before each meeting. After each Committee meeting, I provide an update to the Board on the key topics discussed during our meetings.

David Robbie
Chair of the Audit Committee

COMMITTEE REPORTS (CONTINUED)
AUDIT COMMITTEE REPORT (CONTINUED)

KEY ACTIVITIES DURING THE YEAR

FINANCIAL AND NARRATIVE REPORTING	Q1 NOVEMBER	Q2 FEBRUARY	Q3 MAY	Q4 SEPTEMBER
Reviewing the integrity of the 2023 full-year financial statements and formal announcements relating to the financial performance of the Group.	●			
Reviewing the information, underlying assumptions and stress-test analysis presented in support of the viability statement and going concern status for the full-year.	●			
Receiving an update on developing non-financial reporting and assurance requirements.	●			
Receiving an update on ESG assurance and CSRD requirements.		●		
Reviewing the integrity of the 2024 half-year financial statements and related disclosures.			●	
Reviewing the information, underlying assumptions and stress-test analysis presented in support of the going concern status at the half-year.			●	
Reviewing and challenging the material areas in which significant judgements were applied in the preparation for the 2024 full-year financial statements. Further information is set out on pages 110 to 111.				●
Reviewing proposed approach in relation to UK Corporate Governance Code requirements and CSRD requirements in narrative reporting.				●

RISK MANAGEMENT AND INTERNAL CONTROL	Q1 NOVEMBER	Q2 FEBRUARY	Q3 MAY	Q4 SEPTEMBER
Reviewing the risk disclosures in the 2023 full-year financial statements.	●			
Deep dives on corporate risks to understand the risks, controls, and assurances over those controls.	●	●	●	●
Confirming the adequacy and effectiveness of the Group's risk management systems and internal control processes, through evaluating risk and assurance plans risk assessments and control themes.	●	●	●	●
Overseeing the Group's risk framework and receiving an update on the results of the control self-assessment undertaken on the implementation of financial controls and understanding of the policies and processes underpinning them.	●	●	●	●
Considering the progress made on the financial control framework and system implementations to strengthen the control framework.		●		●
Reviewing existing and emerging digital safety risks and receiving an update on the Group's Digital Safety (cybersecurity).		●		●
Review and approval of the Group's delegated authority policy.			●	
Receiving an update on approach to third-party risk management.				●
Reviewing the Group's insurance programme including updates on aviation and non-aviation insurance renewals.				●

COMMITTEE REPORTS (CONTINUED)
AUDIT COMMITTEE REPORT (CONTINUED)

KEY ACTIVITIES DURING THE YEAR (CONTINUED)

	Q1 NOVEMBER	Q2 FEBRUARY	Q3 MAY	Q4 SEPTEMBER
COMPLIANCE, WHISTLEBLOWING AND FRAUD				
Reviewing the Business Integrity measures including the 'Speak Up, Speak Out' whistleblowing process and investigations.	✓	✓	✓	✓
Monitoring the process undertaken by the Business Integrity team around compliance activity undertaken within the business and creation of a policy framework to standardise policies across the business.	✓	✓	✓	✓
Receiving updates on fraud investigations and activity around fraud prevention (including review of the fraud risk register).				✓
INTERNAL AUDIT				
Reviewing internal audit reports including a review of activity, key recommendations arising from audits and themes across audits.	✓	✓	✓	✓
Status update on outstanding internal audit actions including updates from action owners, where appropriate.	✓	✓	✓	✓
Assessing the independence of the Internal Audit function. The Audit Committee Chair meets the internal auditor independently to address any issued or concerns.	✓	✓	✓	✓
Approval of the internal audit budget.		✓		
Receiving final report on the external quality assessment of the internal audit function.		✓		
Approving the FY25 Internal Audit Plan.			✓	
Receiving an update from the Chief Data & Information Officer on outstanding internal audit actions.			✓	

	Q1 NOVEMBER	Q2 FEBRUARY	Q3 MAY	Q4 SEPTEMBER
INTERNAL AUDIT (CONTINUED)				
Reviewing the progress against the FY24 Internal Audit Plan.				✓
Approving the FY24 Annual Report of Internal Audit and Business Integrity activities and themes to explore the common themes and trends in those areas.				✓
Approving the internal audit charter.				✓
EXTERNAL AUDIT				
Approving the audit fees including review of non-audit fees to ensure they remain in line with the Non-Audit Services Policy.	✓			✓
Reviewing the external audit approach taken by PwC, significant risks and challenges, areas of audit focus, scope, and materiality for the 2023 financial year.	✓			
Reviewing the effectiveness and quality of the external audit process, taking into consideration relevant UK professional and regulatory requirements.	✓			
Assessing the performance and continued objectivity and independence of the external auditors.	✓			
Agreeing the audit tender process including approval of the scope, approach, and timeline.		✓		
Approval of the non-audit services policy to ensure there is prior approval of non-audit services.		✓		
Progress update on the external audit tender process.			✓	
Reviewing the year end audit plan.				✓

FINANCIAL AND NARRATIVE REPORTING

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The Committee focuses on maintaining the integrity and quality of our financial reporting, considering the significant accounting judgements made by management and the findings of the external auditors. The Committee assesses whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements through reviewing and challenging accounting papers prepared by management. The Committee also reviewed the reports by the external auditors on the half-year and full-year results, which highlighted any issues arising from the work undertaken on the audit. The significant issues considered in relation to the financial statements are detailed across and on the following page.

AREA OF JUDGEMENT / ESTIMATE
GOING CONCERN

ACTION TAKEN BY THE COMMITTEE
The Committee reviewed and challenged management's assessment of base case and downside forecast cash flows, including sensitivity to macro-economic uncertainties such as a sustained downturn in demand and higher interest rates and fuel prices, combined with significant operational disruption.

OUTCOME
Having considered and challenged these downside scenarios and reviewed the associated going concern disclosures in the financial statements, the Committee was comfortable with recommending to the Board that it adopt the going-concern basis of preparation for these financial statements.

AREA OF JUDGEMENT / ESTIMATE
PURCHASE PRICE ALLOCATION

ACTION TAKEN BY THE COMMITTEE
On 31 May 2024 easyJet acquired 100% of the issued share capital of SR Technics Malta Ltd. Total consideration for the acquisition was £30 million and the Committee assessed management's estimates of the fair value of assets and liabilities acquired and therefore the quantum of goodwill recognised.

OUTCOME
Having assessed management's estimates of the fair value of assets and liabilities acquired, the Committee was in agreement with the quantum of goodwill recognised as a result of the acquisition.

AREA OF JUDGEMENT / ESTIMATE
DEFERRED TAX ASSET

ACTION TAKEN BY THE COMMITTEE
The Committee has considered the recoverability of the deferred tax asset based on the expected future taxable income of the Group.

OUTCOME
The Committee was comfortable with the quantum of these items and considered the associated disclosures to be appropriate.

AREA OF JUDGEMENT / ESTIMATE
RESTRUCTURING PROVISION AND NON-HEADLINE DISCLOSURE

ACTION TAKEN BY THE COMMITTEE
The Committee reviewed and challenged management's paper on the calculation of the restructuring provision arising as a consequence of the decision to close bases in France and Italy, and considered whether it was an appropriate judgement to disclose the cost as a non-headline item on the income statement.

OUTCOME
The Committee was in agreement with the calculation of the provision and its disclosure within non-headline items.

COMMITTEE REPORTS (CONTINUED)
AUDIT COMMITTEE REPORT (CONTINUED)

FINANCIAL AND NARRATIVE REPORTING (CONTINUED)

AREA OF JUDGEMENT / ESTIMATE
CARRYING VALUE OF ASSETS

ACTION TAKEN BY THE COMMITTEE

The Committee considered whether the carrying value of goodwill, landing rights, aircraft assets and investments in subsidiaries held by easyJet should be impaired or otherwise adjusted. The recoverable amount has been determined based on value in use calculations which relies on a number of key estimates, including the ability to meet easyJet's strategic plans, future fuel prices and exchange rates, long-term economic growth rates for the principal countries in which it operates, its pre-tax weighted average cost of capital and the potential impact of climate change on forecast cash flows. The Committee addressed these matters by challenging management on the stress testing performed on the calculation of the value in use and other relevant information used to support the carrying value of assets. The forecasted cash flows used in the calculation were presented to the Board. The Committee also reviewed the proposed disclosures, including those for the plc entity financial statements.

OUTCOME

Having assessed the forecast cash flows and challenged management on the downside scenarios used to stress test the value in use calculations, the Committee was comfortable with management's assertion that no impairment was required to the carrying value of goodwill, landing rights, aircraft assets and investments in subsidiaries. The Committee was also comfortable that the proposed disclosures were appropriate.

AREA OF JUDGEMENT / ESTIMATE
AIRCRAFT MAINTENANCE PROVISION

ACTION TAKEN BY THE COMMITTEE

The aircraft maintenance provision is the most material provision on the consolidated statement of financial position and the Committee therefore reviews the provision at both the half-year and the year-end. The estimates and assumptions used in the calculation of the provision are reviewed at least annually by management, and when information becomes available that is capable of causing a material change to an estimate, such as the renegotiation of end of lease return conditions, increased or decreased aircraft utilisation, or changes in the cost of heavy maintenance services and the expected uplift in future prices.

The utilisation of aircraft and the timing of maintenance checks also impacts the calculation of the provision. The Committee assessed these matters using reports received from management which detailed the basis of the estimates and assumptions used and challenged those assumptions to test their validity.

OUTCOME

After reviewing management's reports detailing the basis of the estimates and assumptions used, the Committee concluded that the year-end maintenance provision was appropriately valued and disclosed.

AREA OF JUDGEMENT / ESTIMATE
OTHER KEY JUDGEMENTAL ACCRUALS, PROVISIONS, AND CONTINGENT LIABILITIES

ACTION TAKEN BY THE COMMITTEE

The Committee reviewed and challenged the level and calculations of key accruals and provisions which use assumptions and estimates in their valuation and are judgemental in nature and considered the appropriate disclosures, including customer claims in respect of flight delays and cancellations and, legal liabilities and restructuring provisions. The Committee also considered the appropriateness of the recognition of contingent liabilities as at the year end.

OUTCOME

The Committee was comfortable with the quantum of these items and considered the associated disclosures to be appropriate.

COMMITTEE REPORTS (CONTINUED)
AUDIT COMMITTEE REPORT (CONTINUED)

REPORTING CONTROLS

Management is responsible for maintaining adequate internal control over the financial reporting of the Group. A summary of the Group's financial results and commentary on performance measures is provided to the Board each month. Controls are in place over the preparation of financial data including: balance sheet reconciliations, review meetings on key balances and commentary on variances to forecast and prior periods. On a monthly basis, senior management, including the Director of Reporting and Financial Control, and the CFO, review the management reporting packs.

The Annual Report and Accounts are produced by the Group Financial Control team based on submissions from individual teams across the business including Investor Relations, Finance, HR, Company Secretariat and Risk & Assurance. The report contributors are required to maintain supporting evidence for their submissions and ensure they are reviewed. The figures are then independently validated by the Group Financial Control team. Senior members of the Finance team including the CFO, the Director of Reporting and Financial Control, and the Group Chief Accountant meet with the Committee to present key events and discuss areas of judgement or in-depth presentations on significant areas.

The Finance team has regular proactive conversations with the external auditors on topics which are of audit relevance. The external auditors perform audit procedures and challenge of the Annual Report and Accounts and present their findings to the Committee. The Committee reviewed the Group's going concern and viability statements and considered the thorough assessment reports prepared by management in support of these statements. The Viability Statement section on pages 75 to 76 provides details of the base case and downside scenarios applied in assessing the appropriateness of this statement and the Committee provided robust challenge of the assumptions applied by management as part of this assessment.

The Committee continues to conclude that the time period of three years used to assess the Viability Statement remains appropriate. Based on these assessments, the Committee confirmed that the application of the going concern basis for the preparation of the financial statements continued to be appropriate and recommended the approval of the Viability Statement.

FAIR, BALANCED AND UNDERSTANDABLE

The Committee conducted an assessment and recommended to the Board that, taken as a whole, the 2024 Annual Report and Accounts (which the Board subsequently approved) is fair, balanced and understandable, and provides the necessary information for shareholders to assess the Group and Company's position and performance, business model and strategy. In reaching this conclusion, the Committee critically considered the overall review and confirmation process around the Annual Report and Accounts including:

> The input of subject matter experts, the AMB and other senior management and, where applicable, the Board and its Committees.
> The processes and controls which underpin the overall review and confirmation process, including the preparation, control process, verification of content and consistency of information being carried out by internal financial controls specialists.
> Ensuring key messages are clearly summarised and reflect the Group's performance as a whole, as well as provide stakeholders with clear, concise and transparent disclosures.
> Review of the Annual Report and Accounts held by senior management and other subject matter experts to focus solely on the reporting being fair, balanced and understandable.

The Committee was provided with the opportunity to review and comment on iterations of the draft copy of the Annual Report and Accounts. In carrying out the above assessment, key considerations included ensuring that there was consistency between the financial statements and the narrative provided in the front half of the Annual Report, and that there was an appropriate balance between the reporting of weaknesses, difficulties and challenges, as well as successes, in an open and balanced manner, including linkage between key messages throughout the document.

NON-FINANCIAL REPORTING

The ESG reporting landscape continued to be an area of significant regulatory development. The Group has begun to assess new disclosures with reference to the requirements including the EU Corporate Sustainability Reporting Directive (CSRD), including assessing 'readiness' to report against material topics, and the Committee has received updates as set out in the activity for the year. Our Task Force on Climate-related Financial Disclosures (TCFD) is set out on pages 61 to 65. The Non-Financial and Sustainability Information Statement on pages 77 and 78 and Streamlined Energy and Carbon Reporting (SECR) in alignment with the greenhouse gas protocol on page 44.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board as a whole, including the Committee members, considers the nature and extent of easyJet's risk appetite that is acceptable to achieve the Group's strategic objectives and for ensuring that an appropriate culture has been embedded throughout the organisation. The Committee has reviewed the work undertaken by management on the assessment of the Group's emerging and principal risks, including their impact on the prospects of the Group. Details about our corporate risk framework, principal and emerging risks can be found on pages 67 to 74.

During the year, the Committee continued to review the development of the corporate risk management framework and risk appetite, including the process for identifying, evaluating and managing the Company's principal risks. The programme, led by the Risk & Assurance function, focuses on understanding current and emerging risks and how these are managed in line with the risk appetite, developing a risk and assurance map, and implementing a consistent risk scoring mechanism and risk taxonomy to cover all risks. This activity included:

> Reviewing the Company's principal and emerging risks.
> Reviewing and adjusting the risk themes and categorisation of corporate risks to ensure alignment with strategic priorities.
> Understanding risk appetite, validating the perceived risk appetite of management and the Board.
> Undertaking deep dives into corporate risk areas focusing on critical risks.
> Reviewing the implementation of Riskonnect, a comprehensive risk management system, enhancing risk identification, assessment and mitigation efforts.

easyJet's system of internal controls, along with its design and operating effectiveness, which includes the Group's financial reporting process, is subject to review by the Committee, through reports received from management, along with those from both internal and external auditors. Any control deficiencies identified are followed up, with action plans tracked by the AMB and the Committee.

To ensure the robustness of our financial controls the Committee continued to monitor the progress of the financial control improvement programme and received updates during the year on management's implementation of control improvements. Management has also worked to implement a system which will facilitate the ongoing monitoring of the operation of key financial controls, through a combination of self-certification (or attestation) by control operators and independent testing of the operation of controls by appropriate compliance teams. The Committee undertook regular reviews of the effective operation of these key financial controls in the year and no significant control gaps had been identified and there were no significant financial control deficiencies identified by the Committee during the year.

As a result of this annual review of the effectiveness of the risk management and internal control systems, which the Committee undertakes on behalf of the Board, it is considered that the Board has fulfilled its obligations under the Code.

COMPLIANCE, WHISTLEBLOWING AND FRAUD

Building on the foundation laid in FY23, the Committee continued to receive regular updates on the Group-wide compliance and assurance framework throughout FY24. This framework, implemented in the previous year, includes a standardised approach to managing and assuring all policies across the organisation (Group-wide Policy Management Framework) and a process for identifying and managing supplier compliance with our policies (Supplier Relationship Management Framework). These elements ensure consistent application, clear ownership and efficient monitoring of policies, while mitigating potential risks associated with non-compliant suppliers.

Demonstrating its commitment to ethical conduct, the Group maintains a robust whistleblowing mechanism called 'Speak Up, Speak Out' (SUSO). This empowers employees to confidentially raise concerns, fostering a culture of openness and accountability in line with the Code requirements. The Board and Committee receives regular reports on SUSO's effectiveness. The Committee assists the Board in ensuring that adequate arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action, with trends being regularly reported to the Board.

Furthermore, the SUSO mechanism offered multilingual support and benefits from management oversight by the Business Integrity Committee, which guarantees fair outcomes, identifies root causes of concerns, and implements corrective actions. Any matters of significance are reported to the Committee and the Board, along with a comprehensive full-year report.

As a result, the increase in SUSO cases continued in FY24, with a total of 354 cases received, compared to 233 cases in FY23. All reports were followed up, triaged to relevant areas of the business, and investigated where appropriate. The Committee was pleased to see both the increased use of the whistleblowing channels and appropriate action taken for underlying themes.

To ensure mitigation against fraud risks, management has refreshed the Group's Anti-Bribery and Corruption risk assessment and will launch a wider fraud investigation framework across the Company in early FY25. In addition, new roles have been created in the Revenue Protection team to conduct cross-Group investigations. The Committee received updates on anti-fraud activities throughout FY24 as well as issues identified because of deep dives and any mitigating actions developed. In addition, the Committee has been kept up to date with changes to fraud legislation and how we will meet these requirements.

INTERNAL AUDIT

The Committee is responsible for overseeing the work of the Internal Audit function, which provides independent and objective assurance to management, the Committee, and the Board on the effectiveness of the Group's risk management and internal controls. The purpose, scope and authority of Internal Audit is defined within its charter which is approved annually by the Committee. To safeguard independence, the Director of Risk & Assurance has a dual reporting line into the Chair of the Audit Committee and CFO and can meet privately with the Committee without management. External providers can be engaged where specific skills are required.

The Committee reviews and approves the scope of the Internal Audit annual plan and resourcing levels. Increased focus on financial processes and controls was included in FY24 and future audit plans. The Committee also reviews continuous improvement in the audit methodology. Members have access to detailed Internal Audit reports and the Committee assesses the quality of Internal Audit reports and considers management's actions to address findings.

At each Committee meeting, an update is received on progress against the Internal Audit annual plan and the status of the closure of recommended actions. The Committee received detailed updates on audits with limited assurance including recommended action plans and management responses. The Committee also considers stakeholder feedback on the quality of Internal Audit work.

INTERNAL AUDIT EFFECTIVENESS

The Internal Audit function underwent an independent External Quality Assessment (EQA) by Forvis Mazars during the year. The objective of the EQA was to assess the conformance of the function with the standards issued by the Institute of Internal Auditors (IIA) and Code of Practice issued by the UK-based Chartered Institute of Internal Auditors (CIIA).

The EQA concluded that the Internal Audit function was well established, collaborated closely with senior management, holds frequent meetings to identify emerging risks and ensures that the annual audit plan effectively addresses easyJet's most significant threats.

While the Internal Audit function currently delivers valuable insights, the review identified an opportunity to further leverage their expertise through increased participation in strategic change initiatives, where their insights can promote efficiency, strong governance and robust risk management. These areas of improvements as recommended by Forvis Mazars have been incorporated into an action plan which was shared and agreed with the Committee. Forvis Mazars also provided an update to the Committee on the key highlights of the EQA.

Taking all these elements into account, the Committee concluded that the Internal Audit function was an effective provider of assurance over the Group's risks and controls, and appropriate resources were available as required.

EXTERNAL AUDIT

The Committee has a primary responsibility of overseeing the relationship with the external auditors, including assessing its performance, effectiveness, and independence annually and making a recommendation to the Board on their appointment, reappointment, and removal. PwC, as the external auditors, is engaged to conduct a statutory audit and express an opinion on the Group's financial statements. During the year, PwC presented the strategy and scope of the audit undertaken as well as the areas of focus providing an opportunity for the Committee to monitor progress and raise questions. PwC shared insights and feedback with management and refined the planned audit approach for the financial year ended 30 September 2024. The external audit plan and the fee proposal of £1.7 million for the financial year (2023: £1.5 million) was prepared by PwC and presented to the Committee for consideration and approval.

EXTERNAL AUDITOR EFFECTIVENESS

The Committee is focused on ensuring the external auditors deliver a high-quality audit and plays an essential role in overseeing the Group's relationship with the external auditors to ensure their independence, the quality of the external audit process and provide challenge where necessary. The Committee has regular engagement with the external auditors, including meetings without any member of management being present. It also assesses the effectiveness, independence, objectivity, and quality of the external auditors by reviewing, among other things:

> The audit approach and the planning process for the delivery of efficient and effective audit, areas of focus, scope and level of fees for the audit.
> Quality of the external auditors' plans and reports, in particular those summarising audit work performed to address significant risks and critical judgements identified, and detailed audit testing thereon.
> Key accounting and audit judgements and how the external auditors have challenged management in reaching a conclusion.
> Reviewing the findings from the audit (or management letter) and other communications with the Committee, to assess whether it is based on a good understanding of the Company's business.
> Reviewing and discussing FRC audit quality inspection reports.
> Quality, knowledge and expertise of the Audit Engagement team, the nature of their interaction with management and Audit Committee members, and the culture they display.
> Expertise of the audit team conducting the audit and the independence demonstrated by the external auditors.

The Committee was satisfied that the agreed audit plan had been met and that the external audit process had provided appropriate focus to those areas identified as the key risk areas to be considered by the Committee and that the auditors had challenged management as part of the process. It had also continued to address the areas of significant accounting estimates. On this basis, and considering the views of senior management, including the CFO and Director of Financial & Reporting Controls (including the quality of interaction between the audit partner and senior members of the audit team and the Company) the Committee concurred that the external audit had been effective and was of a high standard.

EXTERNAL AUDITOR INDEPENDENCE AND OBJECTIVITY

The Committee also assesses the independence and objectivity of the external auditor through the assurances provided by the external auditors on the independence, challenges to management on significant accounting judgements and professional scepticism. In addition, oversight of the Non-Audit Services Policy and level of fees paid, as well as employment of former PwC employees, are also considered in determining the independence of the external auditors.

PwC confirmed that they have complied with the UK regulatory and professional requirements, including the ethical standard issued by the FRC including assurance that all of PwC's partners and staff are independent of any links to the Group.

To preserve objectivity and independence, the external auditors do not provide consulting services unless this is in compliance with the Group's Non-Audit Services Policy which reflects the applicable audit regulations and the FRC's Revised Ethical Standard on permitted services. The policy also covers the approach around hiring former external audit employees to avoid any conflict of interest and to protect external auditor independence. This policy is available to view on the Company's website at **corporate.easyJet.com**.

The policy sets out the categories of non-audit services and related approvals required, and those non-audit services which the auditors are prohibited from undertaking. Certain audit-related non-audit services are deemed pre-approved by the Committee but only up to a value of £100,000, such as reporting on regulatory returns. Other non-audit services require Audit Committee approval as set out in the policy. An additional protection is provided by way of a non-audit services fee cap.

The Committee (or the Company) may not approve an engagement of the external auditors if annual non-audit services fees would exceed 70% of the average audit fees (not including fees for audit-related services or for services required by regulation) charged in the previous three financial years.

During the year, PwC undertook non-audit services for the Company with a total value of £0.6 million, as set out in note 3 to the financial statements. These fees were within the limit of the non-audit services fee cap mentioned above and included audit-related non-audit service fees of £0.2 million (principally for performing the half-year review) and other assurance related non-audit services fees of £0.4 million, primarily related to a working capital review to support the Airbus order transaction, ESG assurance and the Euro Medium Term Programme.

AUDIT COMMITTEES AND THE EXTERNAL AUDIT: MINIMUM STANDARD

This Audit Committee Report describes how the Audit Committee has complied with each of the provisions of the Minimum Standard during the year (the 'External Audit' section of this report). An explanation of Group's accounting policies is provided on pages 159 to 167.

There were no shareholder requests for certain matters to be covered in the audit during the year and there were no regulatory inspections of the quality of Company's audit.

CMA ORDER

The Company confirms that it has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 relating to tendering and non-audit services.

COMMITTEE REPORTS (CONTINUED)
AUDIT COMMITTEE REPORT (CONTINUED)

EXTERNAL AUDIT TENDER

PwC was first appointed to audit the Annual Report and Accounts for the year ended 30 September 2006 and has therefore served a 19-year term. Under applicable audit legislation, companies are required to have a mandatory rotation of auditors after 10 years, or 20 years if there is a competitive retender at 10 years. During the 2015 financial year, the Committee led a tender process for external audit services, following which the Committee agreed to recommend that the Board reappoint PwC as, on balance, it performed best against the Committee's pre-agreed selection and assessment criteria. PwC cannot therefore continue as Group auditors beyond the financial year ending 30 September 2025.

As indicated in the previous report the Committee undertook a competitive tender process during the current year to identify new external auditors that could be in place from 1 October 2025. This timing enables an appropriate 'cooling-off' period for existing services provided by the new auditors to be tendered to a new supplier in good time.

The tender process was led by the Chair of the Audit Committee, supported by a Selection Committee which comprised the Committee Chair, the CFO and the Director of Reporting & Financial Control. The full Committee was kept updated throughout and its primary objective was to ensure a fair and transparent tender process, and to appoint the audit firm that provided the highest quality in the most effective and efficient manner. The Committee considered the FRC guidance on audit tenders and the External Audit: Minimum Standard published by the FRC in May 2023.

AUDIT TENDER PROCESS AND TIMELINE

FEBRUARY

The Committee finalised the approach and timeline for the audit tender process.

A Request for Information (RFI) was issued to six audit firms, including three challenger firms, to gather information on their capabilities and experience.

MARCH

Responses to the RFI were received from all six firms.

APRIL

A Request for Proposal (RFP) was issued to five firms, including the Big Four and challenger audit firms. One challenger firm did not participate as they were unable to audit our finance subsidiary in the Netherlands.

Information was provided to participating firms to allow them to design an audit plan, including details of financial controls and policies; Group structure and organisation charts; and relevant IT system details. Each firm met with management in order to understand easyJet's 'Ways of Working'.

MAY

RFPs were submitted by participating firms setting out their capacity and expertise, proposed transition plan, audit approach and areas of focus and response to a technical scenario demonstrating their audit approach and understanding of our business.

The submission was assessed and independently scored by an Evaluation Panel comprised of CFO, Director of Reporting & Financial Control, Group Chief Accountant, Head of Financial Control for easyJet holidays, and Procurement Manager. Three firms were selected to present to the Selection Committee.

The Selection Committee received presentations from each firm which enabled them to probe on criteria including quality review ratings; technical expertise; understanding of the business and airline industry; planned audit approach; proposed team structure; and transition plans.

JUNE

A scorecard approach was used to objectively assess the audit quality of each firm and the Selection Committee shortlisted two firms for the Audit Committee's consideration.

Audit Committee members received a presentation from the shortlisted firms and probed the capability and approach of their respective teams in a Q&A session.

JULY

The Audit Committee recommended two firms to the Board with a preference for Deloitte LLP.

The Board approved the appointment of Deloitte LLP as the external auditors of the Company from 1 October 2025, subject to shareholder approval at the 2026 AGM.

EVALUATION CRITERIA

A panel including members of the Finance and Procurement teams along with subject matter experts reviewed and evaluated all the responses (including where appropriate subsequent meetings, visits and presentations). The top two scoring firms were then invited to present to the Committee. The non-discriminatory evaluation criteria against which the firms were assessed included the following:

- Quality of the audit team and personnel
- Appropriateness of the audit approach
- Audit service, including reporting and deliverables
- Audit quality
- Transition plans including the approach to and experience of transition
- Response to pre-set technical scenario to demonstrate approach to assessing a judgemental topic

RECOMMENDATION

Following the conclusion of the comprehensive process above, the Committee recommended the Board consider two firms as potential external auditors with a preference for Deloitte LLP. The Board subsequently approved the appointment of Deloitte LLP as the external auditors of the Company from 1 October 2025, subject to the approval of shareholders at the 2026 AGM, as on balance, Deloitte LLP performed best against the Committee's evaluation criteria including quality, technical competence and independence. PwC will remain as the Group's statutory auditors until 30 September 2025. A process will commence during 2025 where Deloitte will shadow PwC for the half-year review process and full-year audit process.

COMMITTEE REPORTS (CONTINUED)

FINANCE COMMITTEE REPORT

Members

Catherine Bradley CBE (Chair)

David Robbie

Harald Eisenächer

The Committee consists of the Independent Non-Executive Directors listed below left. All members of the Committee are Independent Non-Executive Directors. Member biographies can be found on pages 93 to 95.

The Company Secretary acts as Secretary to the Committee, and members of the executive management and other non-executive members of the Board are invited to attend meetings.

The Committee met three times in the year and in March 2024 considered, and approved, the Bond issuance in writing. Meeting attendance can be found on page 92.

The Committee's terms of reference can be found on the Company's website at **corporate.easyJet.com**

I am pleased to present the Finance Committee Report for the year ended 30 September 2024. This report provides an outline of the key activities of the Committee during the year in overseeing the Group's treasury operations and funding activities.

The Committee provides oversight by reviewing and monitoring the Group's liquidity and hedging approach, treasury activities and associated risks in this area. The Committee is also responsible for reviewing and recommending to the Board any financing arrangements that may be appropriate for the Company to enter into, including aircraft financing. In doing so, it assists the Board in the effective discharge of its duties in relation to balance sheet considerations, financing options and treasury arrangements.

During the year, the Committee continued to focus on ensuring the Company's approach to hedging and treasury strategies remained appropriate. This included a liquidity review including an assessment of the instruments easyJet uses for its investments.

The Committee also approved the refresh of the Company's Euro Medium Term Note (EMTN) Programme and the issuance of €850 million of bonds under it. Over 200 investors participated in the issue, and part of the proceeds will be used to repay existing debt as it matures.

After each Committee meeting, I presented an update to the Board on the key issues discussed during our meetings.

Catherine Bradley CBE
Chair of the Finance Committee

COMMITTEE ACTIVITIES DURING THE YEAR

FEBRUARY 2024

> EMTN Programme refresh and potential bond issuance
> Funding strategy and alternative funding options
> Foreign currency hedging

MARCH 2024

> Bond issuance

MAY 2024

> Liquidity review
> Treasury risk management strategy
> Aircraft lease extension and aircraft retirement plan

SEPTEMBER 2024

> Capex hedging strategy review
> Rating agency update
> Card acquiring review

COMMITTEE REPORTS (CONTINUED)
FINANCE COMMITTEE REPORT (CONTINUED)

COMMITTEE ROLE AND ACTIVITIES IN THE YEAR

LIQUIDITY

The Committee continued to monitor the Company's liquidity during the year, including where cash balances were held. easyJet has a clear policy of holding liquidity of at least Unearned Revenue plus £500 million that protects customers' money and creates a buffer for shock events. The Committee received regular updates to ensure that the Company was forecasting liquidity in excess of its policy after considering future debt maturities and capital expenditure.

HEDGING

easyJet minimises cash flow and income statement volatility by hedging its largest financial exposures. The Committee monitored the hedging activity on an ongoing basis through review of jet fuel, USD and Euro policies and ensured the hedging policies were benchmarked appropriately.

FUNDING

The Committee reviewed and recommended to the Board the refresh of the Company's EMTN Programme, which had originally been established in January 2016. The refresh of the EMTN Programme allows easyJet to access a diverse range of funding alternatives.

Following the renewal of the EMTN Programme, the Committee reviewed easyJet's capital structure and recommended to the Board the issuance of an €850 million Eurobond. This bond was executed in March and matures in 2031. The transaction itself was more than four times oversubscribed and easyJet managed to achieve a coupon of 3.75%. The proceeds of this issuance will be used for general corporate purposes as well as for the repayment of debt at maturity.

AIRCRAFT

During the year, the Committee also received an update on aircraft lease extensions which had been approved by the Board in February 2024. This provided the Committee with insight into the negotiations, market conditions and an update on progress against easyJet's fleet plan.

The Committee also considered wider fleet financing options available to easyJet. The Committee agreed with management that bond issuances remained easyJet's preferred source of liquidity but other options would be considered when making future financing decisions.

CUSTOMER PAYMENTS

The Committee reviewed the Group's position with credit card acquirers and the trends in the payment industry. easyJet's customer payment strategy aims to provide cost savings and enhanced customer satisfaction.

OTHER MATTERS

The Committee reviewed the counterparty credit limits assessing that they were suitable for easyJet's liquidity position and also reapproved the Treasury Policy capturing all approved changes.

The Group finishes the year in a strong financial position with a net cash position of £181 million and a strong liquidity position of £5.1 billion.

The Committee reviewed easyJet's credit rating position and noted the upgrade of rating from Moody's from Baa3 to Baa2 in February 2024.

SAFETY & OPERATIONAL READINESS COMMITTEE REPORT

Members

Dr Detlef Trefzger (Chair)

Sue Clark

Ryanne van der Eijk

The Committee consists of the Independent Non-Executive Directors listed below left. Member biographies can be found on pages 93 to 95.

The Company Secretary acts as Secretary to the Committee and attends all the meetings. As does the Chief Operating Officer and Director of Safety, Security & Compliance. Other members of the executive management team are invited to attend all or part of the meetings as appropriate or necessary, including the CEO, Head of Safety, Director of Flight Operations and Director of Engineering & Maintenance.

The Committee met four times in the year and meeting attendance can be found on page 92.

The Committee's terms of reference can be found on the Company's website at **corporate.easyJet.com**

I am pleased to present the Safety & Operational Readiness Committee Report for the year ended 30 September 2024.

Following last year's updates to the Committee's role and terms of reference, the Committee has continued to focus on safety issues through regular reviews of safety statistics and KPI dashboards, and reviews of existing and emerging risks to understand how the risk landscape was changing going forward.

The Committee also received updates on winter 2023 and summer 2024 operational readiness across all areas of operations (internal and external), general operational resilience, key issues and action plans.

After each meeting, the Board is updated on the key issues discussed during the Committee meetings.

Dr Detlef Trefzger
Chair of the Safety & Operational Readiness Committee

COMMITTEE ACTIVITIES DURING THE YEAR

NOVEMBER 2023

> Approach to mental health
> Hangar 89 management system
> Winter readiness

FEBRUARY 2024

> Risk categorisation
> Summer 2023 performance review

MAY 2024

> Review of low performing routes
> Sky simulator
> High risk event escalation
> Summer readiness

SEPTEMBER 2024

> Safety Plan FY25–FY30

COMMITTEE REPORTS (CONTINUED)
SAFETY & OPERATIONAL READINESS COMMITTEE REPORT (CONTINUED)

COMMITTEE ROLE AND ACTIVITIES IN THE YEAR

SS SAFETY STRATEGY

Our Safety, Security and Compliance Plan supports our promise of 'safety at our heart' for our people, our customers, our suppliers and those affected by our activities, in terms of operational safety, health and safety, occupational health, compliance and environmental protection. The Committee monitored the progress made against the FY22–FY27 Plan and reviewed the safety performance against the plan as well as keeping track of the longer-term deliverables. The Committee also reviewed the new FY25–FY30 Safety Plan, and will monitor progress against the new plan moving forward.

SP SAFETY PERFORMANCE

The Committee oversaw the safety issues and performance against the risk framework through safety dashboards and trends. This allows the Committee to understand easyJet's safety performance in each area of the business as well as highlight current and emerging threats and risks at easyJet and the aviation industry as a whole and actions taken to mitigate them.

SG SAFETY GOVERNANCE

To ensure that easyJet's Safety, Security and Compliance team was adequately resourced and had the appropriate information to perform its functions effectively and in accordance with the relevant professional standards, the Committee received regular reports from the Director of Safety, Security & Compliance. These reports provided assurance to the Committee on the Safety, Security and Compliance programme.

The Director of Safety, Security & Compliance reports regularly to the AMB, the Committee and the Board. He has the right of direct access to the Committee Chair and to the Chair of the Board, which reinforces the independence of safety oversight.

OR OPERATIONAL READINESS

Operational readiness is key to delivering a safe, efficient and reliable operation for easyJet's winter and summer schedule. The governance review of the Committee's role highlighted the importance of the Committee receiving updates on operational readiness on a regular basis to ensure resources, infrastructure and processes were in place to deliver an efficient operation.

As a result, the Committee received detailed reports from the Chief Operating Officer on seasonal planning, recruitment and training, fleet, ground handling, engineering and maintenance as well as specific base and air traffic control issues and mitigations.

DEEP DIVES DURING THE YEAR

Whilst monitoring the areas described to the left, a number of deep dives were undertaken across a wide range of topics and these included the following:

Summer 2023 performance

SP OR

The Committee received an update on operational and safety performance during summer 2023. The update covered the disruption experienced during the period, which was caused by a number of different factors including wildfires, NATS outage, storms and halting operations to Tel Aviv. It also covered the effect of this disruption on reporting rates, the safety outcomes and highlighted the key drivers for any increase in reporting.

Summer readiness

OR SS

The Committee received regular updates on the operational readiness for summer 2024 and any action plans to mitigate issues that had arisen in the previous summer.

Mental health

SS

The Committee received updates on employee mental health and what was being done in this area to address the risks associated with it and improve resources such as awareness training and peer support programmes.

Winter readiness

OR SS

The Committee reviewed the seasonal readiness for winter 2023 to ensure tasks across all departments were on schedule, and that cross-departmental communications were in place to deal with issues faced in the previous winter, for example ensuring there were adequate de-icing stock levels and that the relevant training had been completed.

Hangar 89 resilience

SG SP OR

The Committee was updated on business resilience in relation to Hangar 89, easyJet's Luton head office, following a flooding incident. The update included mitigations being put in place to protect the management systems run out of Hangar 89.

Low-performing routes

SP OR

The Committee received an update on the routes and flights which were the most under-performing operationally, and what the primary disruption drivers were. The Committee discussed the proposals on how to mitigate the operational issues and improve the overall situation on those routes.

Digital safety risks

SG SP SS

The Committee received an update on digital safety risks and the different action and project groups that had been established to monitor and mitigate digital safety risks both internally and with external suppliers.

DIRECTORS' REMUNERATION REPORT

REMUNERATION COMMITTEE REPORT

Members

Moni Mannings OBE (Chair)

David Robbie

Harald Eisenächer

The Committee consists of Independent Non-Executive Directors, listed below left. Member biographies can be found on pages 93 to 95.

The Company Secretary acts as Secretary of the Committee. Other key invitees include the Chief Executive, the Group People Director, the Reward Director, the Chief Financial Officer and external advisers as relevant.

The Committee met four times during the year. Meeting attendance can be found on page 92.

The Committee's terms of reference can be found on the Company's website at **corporate.easyJet.com**

ANNUAL STATEMENT BY THE CHAIR OF THE REMUNERATION COMMITTEE

THE 2024 FINANCIAL YEAR

It has been another successful year for easyJet, delivering continued progress towards our medium-term targets with performance surpassing most of our competitors. Revenue has been strong, increasing by 14% and we have seen continued delivery in the growth of easyJet holidays. This is despite a sometimes challenging operational environment and the ongoing conflicts in Ukraine and the Middle East. We have also opened two new bases in Birmingham and Alicante in 2024 with three aircraft at each base and agreed an order for 157 Airbus A320neo family aircraft.

Overall, easyJet achieved a strong performance in the 2024 financial year with a pre-tax headline profit of £610 million compared to £455 million for the 2023 financial year, an increase of 34%. We continued to grow capacity with an 8% increase to 100.4 million seats on sale with an overall load factor of 89.3% for the year. easyJet holidays made a significant contribution to overall Group outcomes with a PBT performance of £190 million, an increase of £68 million from 2023.

INCENTIVE OUTCOMES

ANNUAL BONUS

The FY24 annual bonus was based 30% on PBT performance, 50% on a balanced scorecard of key performance targets including ROCE, cost programme performance, on-time performance and customer satisfaction (CSAT), and 20% on individual performance including measures linked to sustainability, strategy, balance sheet resilience, inclusive culture and employee engagement.

These measures were selected to align with our key priorities for the year. As was the case last year, the Committee chose to use a balanced scorecard approach to assess performance for 50% of the bonus to ensure that the bonus provided a balanced incentive to drive performance across a range of key strategic and operational areas and to provide flexibility to determine that payouts were fair, taking into account the underlying performance and stakeholder experience.

Our financial performance during the year was strong with PBT performance between target and maximum. We also delivered excellent CSAT scores along with strong ROCE and on-time performance. The CEO and CFO's performance against their individual strategic objectives were considered to be excellent and a summary of key achievements are provided on pages 134 and 135.

Whilst as a business we have delivered an improved on-time performance overall, we did experience some external operational challenges due to the industry environment we are operating in and this led to some flight cancellations. The Committee was conscious of the knock-on impact that this has on our customers' experience. The Committee was careful to consider this when determining the annual bonus outcomes, noting that our overall customer experience scores were also above our stretch target for the year.

The Committee agreed that performance in the year resulted in an outcome of 64% out of a maximum score of 80% across the PBT and scorecard measures, whilst delivery in full of personal objectives resulted in an outcome of 20% out of a maximum score of 20% in the year. Overall this resulted in a total payout of 84% of maximum. The Committee considered that the overall bonus outcome is appropriate in the context of performance in the year and the experience of wider stakeholders so no discretion was applied.

Therefore, the final bonuses agreed were £1,362,329 for Johan Lundgren (84% of maximum), and £840,540 for Kenton Jarvis (84% of maximum), of which one-third will be deferred under our Deferred Share Bonus Plan (DSBP).

RESTRICTED SHARE PLAN

2022 RSP

Following the year end the Committee assessed the underpins attached to the Restricted Share Plan (RSP) award made in February 2022. These underpins were that easyJet does not fall below its minimum liquidity target through the three-

DIRECTORS' REMUNERATION REPORT (CONTINUED)

year performance period (1 October 2021 to 30 September 2024), and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company. The Committee operated a third underpin requiring that the Company's performance as a whole could not materially underperform what might reasonably be expected for the sector for reasons attributable to management action or inaction. The Committee assessed the overall performance achieved over the three-year period and determined that the underpins had been met, and that the 2022 RSP awards should vest in full.

BOARD CHANGES

In May 2024, we announced our Chief Executive Officer (CEO) succession plan, and that Johan Lundgren will step down as CEO and leave easyJet on 1 January 2025, having served seven years as CEO. At that time Kenton Jarvis will succeed Johan as CEO. Johan will then remain with the business until the conclusion of his notice period on 16 May 2025 during which period he will support the business as required.

In October 2024, we announced that Jan De Raeymaeker will be joining the Board as Chief Financial Officer with effect from 20 January 2025.

Remuneration arrangements for both Kenton and Jan in their new roles can be found on page 122 and 130. Johan Lundgren will be treated in accordance with easyJet's remuneration policy and his service contract for the remaining term of his employment. He will be treated as a good leaver for the purpose of incentives. Details of his remuneration terms on departure can be found on page 141.

POLICY RENEWAL AT THE 2025 AGM

In accordance with the mandatory three-year period, we will submit a Policy for shareholder approval at the 2025 Annual General Meeting (AGM). The Committee has therefore conducted a thorough review of our Policy, including the current model of an annual bonus and RSP.

We introduced the RSP during the last policy cycle in 2021, and believed it was the best approach to reward our senior management. The rationale for this approach included (i) the asset heavy nature of easyJet's business which requires long-term decision making to deliver sustainable value; (ii) the alignment of management with the experience of shareholders through the linking of reward outcomes with the share price; (iii) the impact of external factors outside of management's control on the performance of the business; and (iv) the alignment with the reward structure below Board-level where RSP awards are awarded.

Since 2021, easyJet has evolved as a business, and we have set clear medium-term targets focused on creating shareholder value which includes the ambition to deliver annual PBT of more than £1 billion. Our CEO succession plan is intended to maintain our positive momentum and to continue the strong progress we have made towards these medium-term targets.

Given this context, we carefully considered whether the RSP remained appropriate or whether to include a performance-based Long Term Incentive Plan alongside the RSP. The Committee concluded that the RSP continues to align management with shareholders and encourages our executives to focus on making the right decisions for the creation of long-term shareholder value. Therefore, considering the upcoming change of CEO, the Committee did not believe it was the right time to make any significant changes to the structure of executive remuneration.

As the business evolves, we will continue to review the incentive plan structure, aiming to incorporate an element linked to achieving our medium-term targets. We greatly value our shareholders' perspectives on our remuneration framework and will continue to consult with them before making any significant changes to ensure alignment and understanding with your views.

IMPLEMENTATION OF REMUNERATION FOR FY25

Looking ahead to FY25 the Committee has continued to consider the operation of our incentive plans, including the performance measures and targets used for the annual bonus, and the performance underpins for RSP awards.

After consideration, the Committee determined that although the approach used in FY24 remained broadly fit for purpose, to ensure continued alignment with KPIs and motivation in progress towards our ambitious medium-term goals, some amendments and rebalancing of performance conditions under the Annual Bonus are proposed:

- 30% PBT (same as FY24)
- 10% ROCE (moved from the balanced scorecard to a standalone metric)
- 10% Profit per seat (new measure for FY25)
- 30% Balanced scorecard (costs, customer satisfaction and on-time performance)
- 20% Individual (same as FY24)

The Committee feels this updated approach will ensure a continued focus on the delivery of financial results whilst retaining a strong focus on customer and operational targets.

The RSP will continue in the same form as last year.

As previously disclosed, Kenton Jarvis' salary as CEO has been set at £800,000, and Jan De Raeymaeker's salary as CFO has been set at £550,000. Both salaries are set at a lower level than those of their predecessors but are aligned with the experience and deep knowledge of the transport and airline sector that both individuals bring to their roles. Across easyJet in 2025, the weighted average salary increase for all employees is c.6%.

A review and benchmarking of Non-Executive Director (NED) fees was also conducted to ensure alignment with time commitment and contributions to the Board. As a result, the Chair's fee was set at £375,000, representing a c.9% increase.

Additionally, a 3.5% increase was approved for both base NED fees and Committee Chair fees whilst a new fee of £6,000 for Committee Membership will be introduced in FY25.

These increases are considered proportionate in the context of the growing time commitment, complexity, and experience required of our NEDs.

WORKFORCE PAY AND ENGAGEMENT

As in previous years, members of the Board in their roles as the Board's Employee Representative Directors, met with employees in a succession of meetings over the year. These meetings provide an opportunity for the Board to hear directly from our employees to understand the employee voice and bring that back to inform our Committee deliberations.

Whilst the Committee closely reviews the approach for executive reward, the Committee also considers the wider remuneration arrangements within easyJet to ensure that these are aligned with the approach for executive rewards and the broader reward philosophy. As we did last year, the Committee received a detailed update from management on the developments in reward strategy across all employee groups, including pilots, cabin crew, M&A and engineering. This continues to provide the Committee with a wider perspective on the Company's approach to reward to inform decisions around pay for Executive Directors and Airline Management Board (AMB) members when compared to our lower-paid colleagues. The Committee also takes a close interest in the position on gender pay at easyJet and how any issues are being addressed, through regular reporting as well as developments to support the future broader reporting of reward across other prescribed groups.

We continue to undertake regular dialogue with colleague consultative groups to gather their feedback on remuneration and benefits at easyJet, including the remuneration approaches for executives and other colleague groups. As in previous years, regular meetings are held with the Reward Director and the Group People Director to discuss developments in reward over the year, whilst structured meetings have also been held with members of the AMB.

On behalf of the Committee, I would like to thank shareholders for their continued support during 2024 and ahead of the next AGM.

Moni Mannings OBE
Chair of the Remuneration Committee

DIRECTORS' REMUNERATION REPORT (CONTINUED)
REMUNERATION AT A GLANCE

Reward principles	Application in remuneration framework
SIMPLE AND COST-EFFECTIVE	To establish a simple and cost-effective reward package in line with our low-cost and efficient business model.
ALIGNED WITH BUSINESS STRATEGY	To support the achievement of our business strategy of long-term sustainable growth and returns. The combination of our annual bonus plan based on a mix of financial, operational and strategic targets and our long-term Restricted Share Plan ensures that value is delivered to shareholders and that Executive Directors are rewarded for the successful and sustained delivery of the key strategic objectives of the Group.
SUSTAINABLE LONG-TERM SUCCESS	Total remuneration is weighted towards elements which align with sustainable long-term shareholder value creation. This ensures that there is a clear link between the value created for shareholders and the amount paid to our Executive Directors.
MINDFUL OF THE WIDER STAKEHOLDER EXPERIENCE	Notwithstanding the financial performance of the business, overall remuneration outcomes will be mindful of the wider stakeholder experience to ensure Executive Director remuneration remains fair, responsible and sustainable.

FIXED PAY

Salary
CEO £803K
CFO £567K

Benefits
> Life assurance
> Other insurances
> Travel expenses

Pension
Amount of salary
6.15%

Implementation for FY25: From 1 January 2025 Kenton Jarvis' salary as CEO will be £800,000, and from 20 January 2025 Jan De Raeymaeker's salary as CFO will be £550,000. The approach to Benefits and Pension will be aligned with the above.

ANNUAL BONUS

	Maximum opportunity	Paid in cash	Awarded as a share option that vests over three years
JOHAN LUNDGREN CEO	200%	2/3	1/3
KENTON JARVIS CFO	175%	2/3	1/3

FY24 outcomes — 84% of maximum

Measure	Threshold (10%)	Target (50%)	Max (100%)	Actual	% of max
PBT (30%)	£400 million	£535 million	£670 million	£586 million	68.9%
Balanced scorecard (50%)					
Cost programme	£135 million	£145 million	£155 million	£177 million	Balanced scorecard outcome: 86.6%
ROCE	12%	15%	18%	15.7%	
Customer satisfaction	73.1%	74.6%	76.1%	76.2%	
On-time performance	-1	Industry avg.	1	0.5%	
Individual performance (20%)	n/a	On target	Max fully achieved	100%	100%

Implementation for FY25: No change to opportunity levels. Performance measures will be 30% PBT (same as FY24), 10% ROCE (moved from the balanced scorecard to a standalone metric), 10% Profit per seat (new measure for FY25), 30% Balanced scorecard (costs, customer satisfaction and on-time performance), 20% Individual (same as FY24)

LONG-TERM INCENTIVES

February 2022 RSP award

CEO: 125% of salary

CFO: 100% of salary

Three-year performance period to September 2024

Two-year holding period to December 2026

Underpins

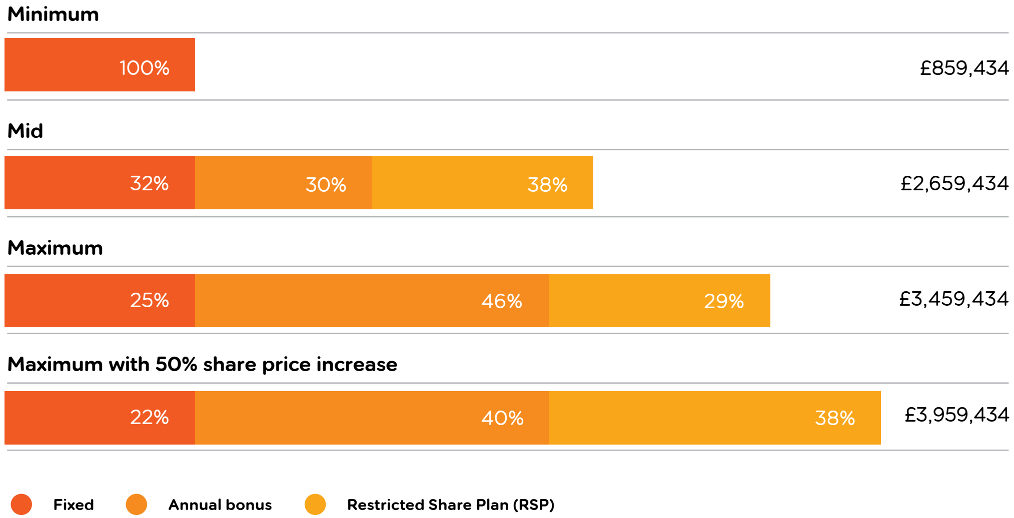
> That easyJet does not fall below its minimum liquidity target (such that a credit risk is triggered) through the vesting period.
> That there is satisfactory governance performance, including no ESG issues that result in material reputational damage to the Company (as determined by the Board).
> That the Company's performance taken as a whole does not materially underperform what might reasonably have been expected for the sector for reasons attributable to management action or inaction.
> It is the view of the Committee that there is no reason to consider that the underpins have not been met for these awards, and these will vest at 100% in December 2024, subject to the two-year holding period that will run to December 2026.

Implementation for FY25: No changes to the operation of the RSP.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
REMUNERATION AT A GLANCE (CONTINUED)

IMPLEMENTATION OF THE REMUNERATION POLICY FOR FY25 (£'000) ON AN FTE BASIS

KENTON JARVIS (CHIEF EXECUTIVE)



JAN DE RAEYMAEKER (CHIEF FINANCIAL OFFICER)

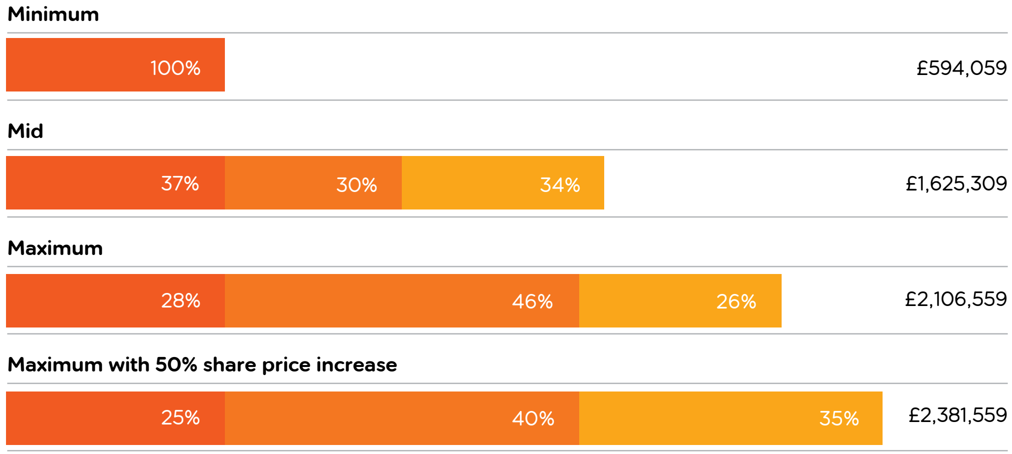
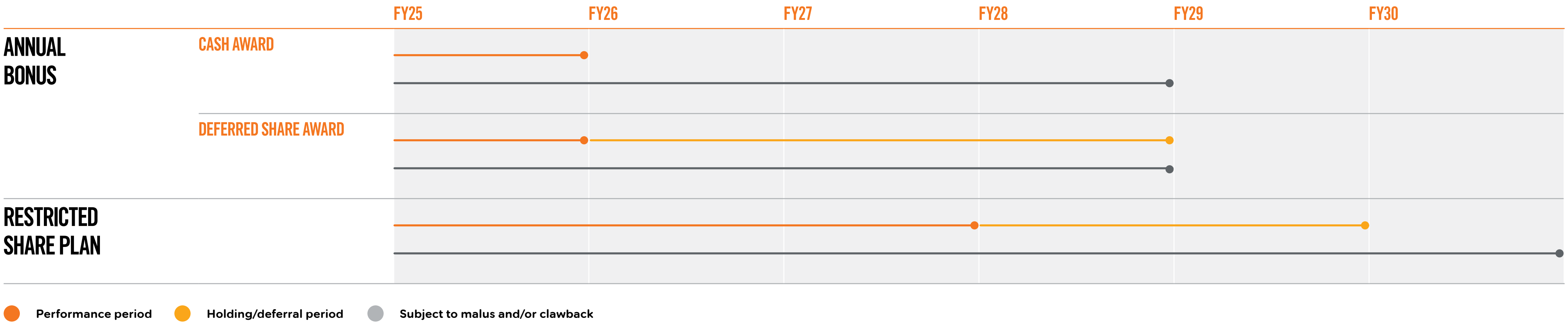


ILLUSTRATION OF REMUNERATION POLICY TIMELINES



The diagram sets out detail on the period of time that Executive Directors are required to retain shares from the annual bonus and RSP. It also shows for how long malus and/or clawback provisions could be applied to incentives.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
REMUNERATION AT A GLANCE (CONTINUED)

ROLE OF THE REMUNERATION COMMITTEE

The key role of the Committee is to make recommendations to the Board on executive remuneration packages and to ensure that the Remuneration Policy and practices of the Company reward fairly and responsibly, with a clear link to corporate and individual performance.

KEY ACTIVITIES DURING THE YEAR

- Undertook a review of the Directors Remuneration Policy and liaised with key stakeholders to consider whether it remained appropriate.
- Assessed the level of performance in respect of the bonus for the 2024 financial year, and RSP awards granted in February 2022 and vesting in December 2024, to determine appropriate payouts.
- Reviewed and approved remuneration arrangements related to CEO and CFO succession.
- Undertook a review of the reward frameworks in easyJet across M&A, pilots, cabin crew and engineering.
- Reviewed and approved the remuneration packages for the new AMB members.
- Reviewed the total packages and service contracts of the AMB and senior management.
- Reviewed the outcome of the AGM and agreed appropriate actions following engagement with shareholders.
- Considered the results and implications of the UK gender pay gap report and reviewed and commented on recommendations to address the gap and challenges faced by the aviation sector.
- Reviewed and approved the all-colleague Performance Share Award in respect of the 2024 financial year.
- Provided oversight on the broader remuneration framework for the wider workforce across easyJet and, in particular, the response to retaining key colleagues and the cost of living crisis.

On balance, having taken into account a number of internal and external measures as well as the pay ratio analysis, the Committee believes the proposed remuneration decisions in this report appropriately reflect the needs of the business and long-term interests of shareholders. The Committee also believes the Remuneration Policy operated as intended in terms of reflecting Company performance and the overall level of quantum delivered was considered appropriate given the business context.

REMUNERATION COMMITTEE KEY RESPONSIBILITIES

- To set the Remuneration Policy for all Executive Directors and the Company's Chair.
- To set the remuneration packages for the AMB and monitor the principles and structure of remuneration for other senior management.
- To oversee remuneration and workforce policies and practices and take these into account when setting the policy for Executive Directors and AMB remuneration to ensure that they remain reasonable and appropriate in comparison with the wider workforce and external market.
- To approve the design of, and determine targets for, all colleague share schemes operated by the Group.
- To oversee any major changes in colleague benefit structures throughout the Company or Group.
- To review and monitor the Group's compliance with relevant gender pay reporting requirements.
- To assess that all incentives implemented are consistent with Company culture and purpose.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

This part of the Directors' Remuneration Report sets out easyJet's Directors' Remuneration Policy. This policy will be put to shareholders for approval in a binding vote at the Company's next AGM, currently intended to be held on 13 February 2025, and will be effective from this date, if approved by shareholders. The Committee's current intention is that the policy will operate for a three-year period.

As outlined in the Remuneration Committee Chair's statement, following a detailed review of the Remuneration Policy, the Committee has concluded that the current structure remains appropriate, supporting the execution of our strategy and the creation of long-term shareholder value.

There are no other major changes to this policy compared to the 2022 Directors' Remuneration Policy. Minor changes have been made to the wording of the policy in certain areas to aid operation and to increase clarity.

ROLE OF THE REMUNERATION COMMITTEE

The Remuneration Committee has responsibility for determining remuneration for the Executive Directors, the Chair of the Board, and members of the Airline Management Board. The Committee takes into account the need to recruit and retain executives and ensure that they are properly motivated to perform in the long-term interests of the Company and its shareholders, while paying no more than is necessary. In addition, the Committee will review and be appraised of the application of the Remuneration Policy for senior management and all employee populations across the Group to ensure that decisions remain mindful of the wider employee experience.

In determining the new Directors' Remuneration Policy, the Committee followed a robust process which included discussions on the content of the policy at Remuneration Committee meetings during the year. The Committee considered input from management and independent advisers, as well as taking into account feedback provided by major shareholders and proxy and advisory services.

CONSIDERATIONS WHEN DETERMINING THE REMUNERATION POLICY

The primary objective of the Directors' Remuneration Policy is to align management interests with the long-term interests of shareholders and to promote the sustainable long-term success of the business by operating pay arrangements which are appropriately competitive. When setting the policy for Executive Directors' remuneration, the Committee takes into account total remuneration levels operating in companies of a similar size and complexity as well as companies in the wider aviation and travel and leisure sector, the responsibilities of each individual role, individual performance and an individual's experience.

Our overall policy, having given due regard to the factors noted above, is to weight remuneration towards elements which align management with sustainable long-term shareholder value creation. This is typically achieved through setting base pay at a competitive level, offering modest benefits with pension provision at similar levels to the wider UK workforce, and providing the potential to earn a performance-based annual bonus linked to Group financial and strategic or operational targets. An award of restricted shares supports long-term decision making and aligns management's interest with those of shareholders.

CONSIDERING THE VIEWS OF EMPLOYEES WHEN DETERMINING THE REMUNERATION POLICY

In setting remuneration for the Executive Directors, the Committee takes note of the overall approach to reward for employees in the Group. Salary increases will ordinarily be (in percentage of salary terms) no higher than those of the wider workforce (other than in circumstances described on page 126).

The Board has appointed three Non-Executive Directors as Employee Representative Directors. The Employee Representative Directors meet individually with the Company's European Works Council (EWC) and Management & Administration Consultative Group (MACG) at least once a year, and other works councils and other groups of employees on a periodic basis. In addition, other more informal engagement also takes place. A standing agenda item allows the Employee Representative Directors to report to the Board regularly on their discussions, and they are encouraged to bring the employee voice into conversations in the boardroom whenever possible, including any matters that may contribute to the decision making of the Committee.

During the year Catherine Bradley met with the MACG to discuss a range of topics and answer their questions. Feedback was received on the reward framework at easyJet and what changes may be considered in the future to support retention and engagement. In addition Moni Mannings met with the Safety, Security & Compliance team and also with easyJet holidays colleagues. Whilst Ryanne van der Eijk met with colleagues in the Integrated Control Centre and the easyJet pilots group.

In addition, the Group People Director and the Reward Director meet with the EWC and MACG to update them on reward activities, answer questions and receive feedback, which is then reported to the Committee.

CONSIDERING THE VIEWS OF SHAREHOLDERS WHEN DETERMINING THE REMUNERATION POLICY

easyJet remains committed to shareholder dialogue and takes an active interest in voting outcomes. We consult extensively with our major shareholders when considering any significant changes to our remuneration arrangements. The Committee also considers shareholder feedback received in relation to the Directors' Remuneration Report each year following the AGM. This, plus any additional feedback received from time to time, is then considered as part of the Committee's annual review of the remuneration policy and its implementation.

The Committee also considers developments in best practice expectations from institutional investors' and the views expressed by shareholders during any dialogue when making executive remuneration decisions.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

REMUNERATION STRUCTURE

The table below sets out the main components of easyJet's remuneration policy:

Element, purpose and link to strategy	Operation (including maximum levels where applicable)	Framework used to assess performance and provisions for the recovery of sums paid
Base salary To provide the core reward for the role. Set at a sufficient level to recruit and retain individuals of the necessary calibre to execute the Company's business strategy.	Salaries are normally reviewed annually, with changes typically effective from 1 January. Salaries are typically set after considering salary levels in companies of a similar size and complexity as well as companies in the wider aviation and travel and leisure sector, the responsibilities of each individual role, progression within the role, individual performance, and an individual's experience. Our overall policy, having given due regard to the factors noted, is normally to target salaries at a broadly market competitive level in the context of the total package. Salaries may be increased, and any increase will ordinarily be no higher than those of the wider workforce (in percentage of salary terms). However, increases beyond those granted to the wider workforce (in percentage of salary terms) may be awarded in certain circumstances such as to reflect performance, significant changes in market practice or the size of the Company, to recognise changes in roles and responsibilities or where a new Executive Director has been appointed to the Board at a lower than typical market salary to allow for growth in the role or other exceptional circumstances.	The Committee considers individual salaries at the appropriate Committee meeting each year after having due regard to the factors noted in operating the salary policy. No recovery provisions apply to base salary.
Benefits In line with the Company's policy to keep remuneration simple and consistent.	Executive Directors are entitled to a combination of modest benefits aligned to the market, such as life assurance and other insurance arrangements as well as a range of voluntary benefits including the purchase of additional holiday. The Company provides Directors' and Officers Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act (see Directors' Report section). Where required, a car allowance or the use of a driver for Company business may be provided. Executive Directors shall be reimbursed for all reasonable business expenses and the Company may settle any tax incurred in relation to these where appropriate. Where an Executive Director is required to relocate to perform their role, appropriate one-off or ongoing benefits may be provided (such as housing support, schooling etc). Executive Directors are also eligible to participate in any all-employee share plans operated by the Company, in line with HMRC guidelines currently prevailing (where relevant), on the same basis as for other eligible employees. The Committee may introduce other benefits or allowances if it is considered appropriate to do so.	Not applicable. No recovery provisions apply to benefits.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

Element, purpose and link to strategy	Operation (including maximum levels where applicable)	Framework used to assess performance and provisions for the recovery of sums paid
Pension To provide employees with long-term savings via pension provisions in line with the Company's strategy to keep remuneration simple and consistent.	Defined contribution plan with the same monthly employer contributions as those offered to eligible employees in the wider UK workforce (i.e. up to 7% of base salary); or a cash alternative to the same value, which will normally be less the equivalent value of employer National Insurance contribution costs. A combination of pension contribution and the balance as a cash alternative may also be offered to meet UK pension taxation requirements. easyJet operates a pension salary sacrifice arrangement whereby all UK employees, including Executive Directors, can exchange part of their salary for Company-paid pension contributions. Where employees exchange salary this reduces employer National Insurance contributions. easyJet credits half of this National Insurance reduction (currently 6.9% of the salary exchanged) to the individual's pension plan.	Not applicable. No recovery provisions apply to employer pension contributions.
Annual bonus To incentivise and recognise execution of the business strategy on an annual basis. Rewards the achievement of annual financial and operational goals. Deferral of a portion of the bonus provides alignment with shareholders.	Maximum opportunity of 200% of salary for Chief Executive and 175% of salary for other Executive Directors. One-third of the pre-tax bonus earned is normally subject to deferral into an award over shares under the DSBP (or equivalent), typically for a period of three years, and is normally subject to continued employment. Deferral may be scaled back (including to zero) where shareholding guidelines have been met. The remainder of the bonus is typically paid in cash. Dividend equivalent payments may be made on the deferred bonus and may assume the reinvestment of dividends. All bonus payments are at the discretion of the Committee, as set out following this table.	Bonuses are normally based on stretching financial and non-financial measures, which may include personal or strategic performance measures. Performance measures are set and assessed by the Committee at its discretion, with performance normally measured over a one-year period. Financial measures will normally represent the majority of the bonus, with other non-financial measures representing the balance. Bonus awards made against the targets set at Threshold would be 10% of the maximum opportunity, with 50% awarded for Target performance. Safety underpins all of the operational activities of the Group and the bonus plan includes a provision that enables the Committee to scale back the bonus earned (including to zero) in the event that there is a safety event which it considers warrants the use of such discretion. The annual bonus plan includes provisions which enable the Committee (in respect of both the cash and the deferred elements of bonuses) to recover or withhold value in the event of certain defined circumstances, as set out on page 129. The Committee may, at its discretion, adjust the level of bonus payout if it considers that the payout would not reflect the underlying performance of the executive, the Group, the experience of shareholders, other stakeholders or if such a level would not be appropriate in the circumstances.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

Element, purpose and link to strategy	Operation (including maximum levels where applicable)	Framework used to assess performance and provisions for the recovery of sums paid
Restricted Share Plan (RSP) award To incentivise the execution of the business strategy over the longer term. Rewards sustained increase in shareholder value.	Each year RSP awards may be granted. Awards normally vest over a three-year period. A holding period applies to RSP awards which requires the Executive Directors to retain the post-tax value of shares for 24 months from the vesting date. The maximum opportunity contained within the plan rules for RSP awards is 125% of salary (with awards up to 150% of salary eligible to be made in exceptional circumstances). The normal maximum face value of annual awards will be 125% of base salary for the Chief Executive and 100% of base salary for other Executive Directors. Dividend equivalent awards may be made on RSP awards that vest and may assume the reinvestment of dividends.	Awards will be subject to performance underpins normally measured over the vesting period. If the Company does not meet one or more of the underpins the Committee would consider whether it was appropriate to scale back the level of payout under the award to reflect this. The Committee would retain discretion to determine what level of scale back, if any, was appropriate. The RSP includes provisions which enable the Committee to recover or withhold value in the event of certain defined circumstances, as set out on page 129. The Committee retains discretion to review the performance underpins, and to set the triggers for each underpin. The Committee may, at its discretion, adjust the vesting level of an award if it considers that the vesting level would not reflect the underlying performance of the executive, the Group, the experience of shareholders, other stakeholders or if such a level would not be appropriate in the circumstances.
Share ownership To ensure alignment between the interests of Executive Directors and shareholders.	The Chief Executive and the Chief Financial Officer are required to build and maintain a holding equivalent to 250% and 200% of salary respectively. Executive Directors are required to retain 50% of the post-tax shares vesting under the RSP and 100% of the post-tax deferred bonus shares until the guideline is met.	Not applicable.
Post-employment share ownership guideline	Executive Directors are required to hold up to 100% of their shareholding requirement for two years after stepping down from the Board (or their total shareholding, if they have not met their shareholding requirement at the date of stepping down from the Board). The Committee retains discretion to waive this guideline if it is not considered appropriate in the specific circumstances.	Not applicable.

DISCRETION RETAINED BY THE COMMITTEE IN OPERATING THE INCENTIVE PLANS

The Committee will operate the annual bonus plan and RSP according to their respective rules (or relevant documents) and in accordance with the UK Listing Rules where relevant. The Committee retains discretion, consistent with market practice in the operation and administration of these plans. In relation to the annual bonus plan, the Committee retains discretion over:

> the participants
> the timing of a payment
> the determination of the bonus payment
> decision making in relation to the treatment of remuneration in the event of a change of control
> determination of the treatment of leavers based on the rules of the plan and the appropriate treatment chosen
> the annual review of performance measures and weighting, and targets for the annual bonus plan from year to year.

In relation to the RSP and DSBP, the Committee retains discretion on the following:

> the participants
> the timing of grant of an award
> the size of an award
> the determination of vesting
> the payment vehicle for the award/payment
> decision making in relation to the treatment of awards in the event of a change of control
> determination of the treatment of leavers based on the rules of the plan and the appropriate treatment chosen
> adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events and special dividends).

DIRECTORS' REMUNERATION REPORT (CONTINUED)

DIRECTORS' REMUNERATION POLICY

In relation to both the Group's RSP and the annual bonus plan, the Committee retains the ability to adjust the targets (in the case of the annual bonus) or underpins (in the case of the RSP) and/or set different measures if events occur which cause it to determine that the conditions are no longer appropriate (e.g. material acquisition and/or divestment of a Group business), and the amendment is required so that the conditions achieve their original purpose and are not materially less difficult to satisfy.

Any use of the above discretions would be explained in the relevant Annual Report on Remuneration and may be the subject of consultation with the Company's major shareholders.

The use of discretion in relation to the Group's Save As You Earn, and Share Incentive Plans will be as permitted under HMRC rules and the UK Listing Rules.

Details of outstanding share awards granted to existing Executive Directors are set out on page 136. These remain eligible to vest based on their original award terms.

Malus and clawback provisions are included in the annual bonus plan, DSBP and RSP: the annual bonus (up to three years from date of payment/award), and the RSP (up to six years from the date of award). The circumstances in which malus and clawback could apply may include some or all of the following as determined by the Board:

- A material misstatement resulting in an adjustment to the Company's audited consolidated accounts.
- The determination of the number of shares subject to an award or the assessment of any performance condition was in error or based on inaccurate or misleading information.
- The Board determining in its reasonable opinion that any action or conduct of the participant amounts to serious misconduct, fraud, or gross misconduct.
- That there has been a material failure of risk management.
- That there has been a safety incident which has damaged the reputation of the Company to a material extent.
- That there has been serious reputational damage.
- That there has been a material corporate failure.
- Any other circumstances which the Board in its discretion considers to be appropriate.

PERFORMANCE METRICS AND TARGET SETTING

The choice of the performance metrics applicable to the annual bonus plan reflect the Committee's belief that any incentive compensation should be appropriately challenging and tied to the delivery of a blend of key financial and non-financial measures. These bonus measures are intended to ensure that Executive Directors are incentivised to deliver across a range of objectives for which they are accountable. Financial measures will normally be used for the majority of the bonus and will be selected in order to provide a clear indication of how successful the Group has been in managing operations effectively overall. Overall the company measures will account for 80% of the bonus award. The remainder of the bonus may be based on key operational or strategic objectives, set for the Executive Directors, which are set annually and account for the remaining 20% of the bonus opportunity.

Since safety is of central importance to the business, the award of any bonus is subject to an underpin that enables the Committee to reduce the bonus earned (including to zero) in the event that there is a safety event that it considers warrants the use of such discretion.

RSP awards are subject to performance underpins. These are intended to represent a minimum level of performance below which vesting may not be appropriate. The performance underpins will normally be linked to key financial, operational or governance minimum standards. Underpins are set taking into account what would be considered to be a minimum acceptable level of performance. The Committee may reduce the level of vesting (including to nil) if it considers this to be appropriate having regard to performance against the underpins.

The Committee has retained flexibility on the specific measures which can be used for the annual bonus plan and the underpins for the RSP to ensure that they will be fully aligned with the strategic imperatives prevailing at the time they are set. Performance targets are set taking into account internal and external expectations of performance to align with our remuneration philosophy and principles.

No performance targets are set for Save As You Earn awards since these are purposefully designed to encourage employees across the Group to purchase shares in the Company. A measure of Group performance based on financial and operational targets set in the prior year is used in determining awards under the Share Incentive Plan.

HISTORICAL AWARDS

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the policy set out above where the terms of the payment were agreed (i) before the policy set out above came into effect, provided that the terms of the payment were consistent with any applicable shareholder-approved Directors' remuneration policy in force at the time they were agreed or where otherwise approved by shareholders; or (ii) at a time when the relevant individual was not a Director of the Company (or other persons to whom the policy set out above applies) and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company or such other person. For these purposes 'payments' include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' no later than the time the award is granted. This policy applies equally to any individual who is required to be treated as a Director under the applicable regulations.

DIFFERENCES IN PAY POLICY FOR EXECUTIVE DIRECTORS COMPARED TO OTHER EASYJET EMPLOYEES

In line with the Group's policy to keep remuneration simple, aligned, and performance-based, the benefit and pension arrangements for the current Executive Directors are typically on broadly the same terms as those offered to eligible UK employees in the wider workforce. In addition, all employees have the opportunity to participate in a number of broad-based share plans.

However, the overall remuneration policy for the Executive Directors is more heavily weighted towards variable and share-based pay than for other employees. This is to ensure that a greater proportion of executive pay is linked directly to the creation of value for shareholders. This approach is to create a clear link between the value created for shareholders and the remuneration received by the Executive Directors.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

ILLUSTRATION OF HOW MUCH THE EXECUTIVE DIRECTORS COULD EARN UNDER THE REMUNERATION POLICY

The charts below show how much the Chief Executive and Chief Financial Officer could earn, on an FTE basis, through easyJet's remuneration policy under different performance scenarios in the 2025 financial year. The following assumptions have been made:

Minimum (performance below threshold) – fixed pay only (including the value of benefits received in FY24), with no vesting under any of easyJet's incentive plans.

Mid (performance in line with expectations) – fixed pay plus a bonus at the mid-point of the range (giving 50% of the maximum opportunity), plus 100% vesting of the Restricted Share Plan.

Maximum (performance meets or exceeds maximum) – fixed pay plus maximum bonus, plus 100% vesting of the Restricted Share Plan.

Maximum plus 50% increase in share price (performance meets or exceeds maximum) – fixed pay plus maximum bonus, plus 100% vesting of the RSP and easyJet's share price increases by 50%.

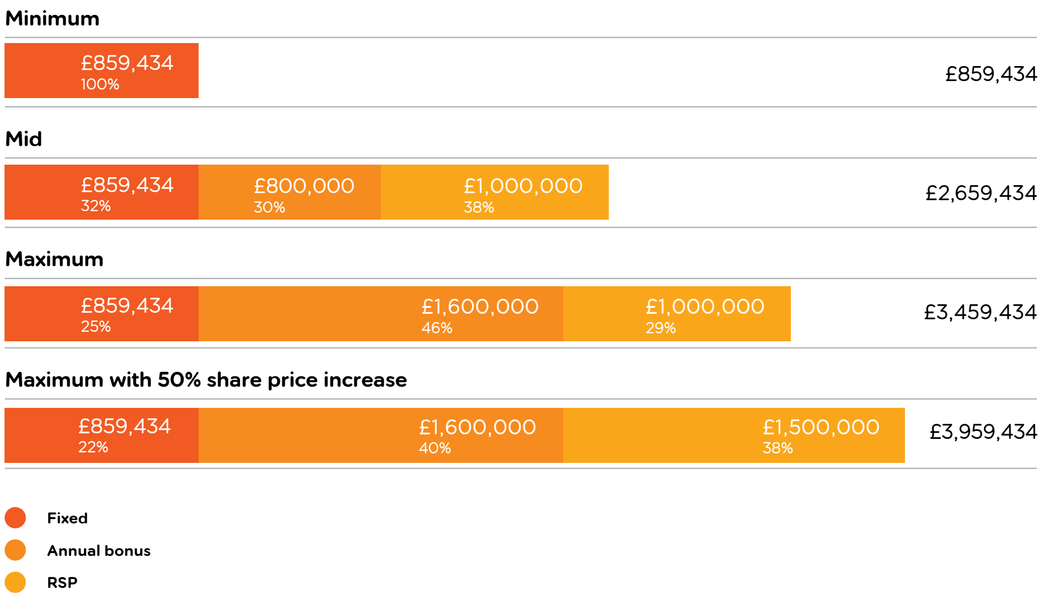
Fixed pay comprises:

Salaries – salary effective as at 1 January 2025 for Kenton Jarvis and 20 January 2025 for Jan De Raeymaeker.

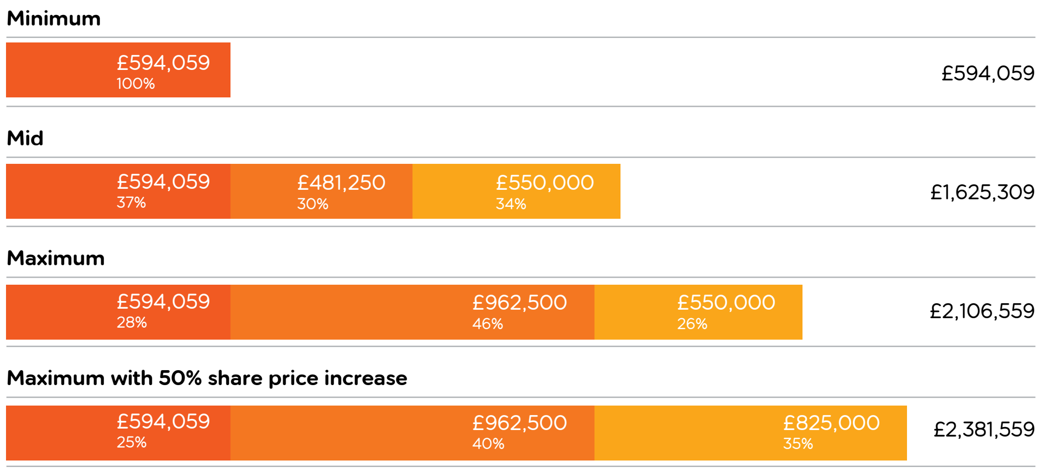
Benefits – amount receivable in the 2024 financial year. For the purposes of the charts below, the amount received by Kenton Jarvis in his role as CFO in the 2024 financial year have been included.

Pension – employer contributions or cash-equivalent payments receivable in the 2025 financial year.

Chief Executive (Kenton Jarvis)



Chief Financial Officer (Jan de Raeymaeker)



The scenarios shown above do not include any dividend assumptions. It should be noted that since the analysis above shows what could be earned by the Executive Directors based on the Remuneration Policy described above, these numbers will differ to values included in the table on page 133 detailing the actual earnings by Executive Directors.

DIRECTORS' REMUNERATION REPORT (CONTINUED)
DIRECTORS' REMUNERATION POLICY

EXECUTIVE DIRECTORS' TERMS OF EMPLOYMENT

The Group's policy is for Executive Directors to have service contracts which may be terminated with no more than 12 months' notice from either party. There are no provisions in the service contracts that would impact on application of the Directors Remuneration Policy.

The Executive Directors' service contracts are available for inspection by shareholders at the Company's registered office.

APPROACH TO LEAVERS

If notice is served by either party, the Executive Director will continue to receive basic salary, benefits and pension for the duration of their notice period, during which time the business may require the individual to continue to fulfil their current duties and/or may assign a period of garden leave.

A payment in lieu of notice may be made, and, in this event, the Committee's normal policy is to make the payment in up to 12 monthly instalments which may be reduced if alternative employment is taken up during this period.

For good leavers, bonus payments may be made on a pro-rata basis, taking into account the period of time served from the start of the financial year to the date of termination. Any bonus paid would normally be subject to the normal bonus targets, tested at the end of the financial year. Any bonus for the year of cessation of employment may be paid wholly in cash.

In relation to a termination of employment, the Committee may make any payment in relation to statutory entitlements or to settle or compromise claims in connection with a termination of any existing or future Executive Director as necessary. The Committee also retains the discretion to reimburse reasonable legal expenses incurred in relation to a termination of employment, to meet any outplacement costs or cost of a similar nature if deemed necessary. A payment may be made in respect of untaken annual leave.

The rules of the Company's share plans set out what happens to awards if a participant ceases to be an employee or Director of easyJet before the end of the vesting period. Generally, any outstanding share awards will lapse on such cessation, except in certain circumstances.

If an Executive Director ceases to be an employee or Director of easyJet as a result of death, injury, retirement, the sale of the business or company that employs the individual, or any other reason at the discretion of the Committee, then they will be treated as a 'good leaver' under the relevant plan's rules. Under the DSBP, the shares for a good leaver will normally vest in full on the normal vesting date (or on cessation of employment in the case of death) and if the award is in the form of an option, there is a 12-month window in which the award can be exercised. Awards structured as options which have vested prior to cessation can be exercised within 12 months of cessation of office or employment.

Under the RSP, a good leaver's unvested awards will normally vest (either on the normal vesting date or the relevant date of cessation, if determined by the Committee) subject to achievement of the performance underpin, with a pro-rata reduction to reflect the proportion of the vesting period served. The holding period shall normally continue to apply. The Committee has the discretion to dis-apply or alter time pro-rating if it considers it appropriate to do so. A good leaver may exercise their vested awards structured as options for a period of 12 months following the individual's cessation of office or employment. Unvested awards may be exercised within 12 months of vesting.

In determining whether an Executive Director should be treated as a good leaver, and the extent to which their award may vest, the Committee will take into account the circumstances of an individual's departure.

In the event of a takeover or solvent winding-up of easyJet plc (which is not part of an internal reorganisation of the easyJet Group, in circumstances where equivalent replacement awards are not granted) all awards will vest taking into account the achievement of any relevant performance underpins (in the case of the RSP) with a pro-rata reduction for the RSP to reflect the proportion of the vesting period served. The Committee has discretion to dis-apply time pro-rating if it considers it appropriate to do so. In the event of a takeover, the Committee may determine, with the agreement of the acquiring company, that awards will be exchanged for equivalent awards in another company.

POLICY ON EXTERNAL APPOINTMENTS

Executive Directors are permitted to accept appropriate outside Non-Executive Director appointments so long as the overall commitment is compatible with their duties as Executive Directors and is not thought to interfere with the business of the Group. Any fees received in respect of these appointments are normally retained directly by the relevant Executive Director.

APPROACH TO DETERMINING REMUNERATION ON RECRUITMENT

Base salary levels will normally be set in accordance with easyJet's remuneration policy as well as taking into account the experience and calibre of the individual. Benefits will normally be provided in accordance with easyJet's remuneration policy taking into account those offered to other employees. Where an Executive Director is required to relocate from their home location to take up their role, the Committee may provide assistance with relocation (via either one-off or ongoing payments or benefits).

The maximum level of variable pay that may be offered and the structure of remuneration will be in accordance with the approved policy detailed above, i.e. at an aggregate maximum of up to 325% of salary (200% annual bonus and 125% under the RSP) and 350% in exceptional circumstances (200% annual bonus and 150% under the RSP), taking into account annual and long term variable pay. This limit does not include the value of any buy-out arrangements.

Different performance measures may be set initially for the annual bonus, taking into account the responsibilities of the individual, and the point in the financial year that they join. The size of awards may be reduced to account for circumstances where an individual joins part-way through the year. RSP awards can be made shortly following an appointment, if considered appropriate (assuming the Company is not in a closed period).

The above policy applies to both an internal promotion to the Board or an external hire.

Where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Committee may offer compensatory payments or awards if, after careful consideration, it is determined that it is appropriate to offer a buy-out. Any buy-out may be on such terms as the Committee considers appropriate, taking into account relevant factors including the form of awards, expected value and vesting timeframe of forfeited opportunities.

To the extent that it was not possible or practical to provide the buy-out within the terms of the Company's existing incentive plans, a bespoke arrangement may be used (including granting an award under the UK Listing Rule 9.3.2 which allows for the granting of awards, to facilitate, in unusual circumstances, the recruitment of an Executive Director).

In the case of an internal promotion, any outstanding variable pay awarded in relation to the previous role will be paid according to its terms of grant.

On the appointment of a new Chair or Non-Executive Director, fees will be set taking into account the experience and calibre of the individual. Where specific cash or share arrangements are offered to Non-Executive Directors, these will not include share options or other performance-related elements.

The Board evaluation and succession planning processes in place are designed to ensure there is the correct balance of skills, experience, and knowledge on the Board. The activities of the Nominations Committee overseeing these matters are disclosed in the Nominations Committee report on pages 104 to 106.

NON-EXECUTIVE DIRECTOR FEES

The Non-Executive Directors receive an annual fee (normally paid in monthly instalments). The fee for the Chair is set by the Remuneration Committee and the fees for the other Non-Executive Directors are approved by the Board, on the recommendation of the Chair and Chief Executive.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

DIRECTORS' REMUNERATION POLICY

Element	Purpose and link to strategy	Operation (including maximum levels where applicable)
Fees	To attract and retain high-calibre Chair and Non-Executive Directors by offering market-competitive fee levels.	The Chair is paid an all-inclusive fee for all Board responsibilities. The other Non-Executive Directors receive a basic fee, with supplementary fees payable for additional responsibilities including Board or Committee responsibilities. The Chair and Non-Executive Directors do not participate in any of the Group's incentive arrangements. Fee levels are reviewed on a regular basis, and may be adjusted, taking into account factors such as the time commitment of the role, market levels in companies of comparable size and complexity and any changes in the size and complexity of the organisation. Flexibility is retained to exceed current fee levels if it is necessary to do so in order to appoint a new Chair or Non-Executive Director of an appropriate calibre. In exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors, the Board may pay extra fees to recognise the additional workload. Necessary expenses incurred will be reimbursed so that the Chair and Non-Executive Directors are not worse off, on a net of tax basis, as a result of fulfilling Company duties. No other benefits or remuneration are provided to the Chair or Non-Executive Directors. Selected benefits may be introduced if considered appropriate. From 1 January 2025 the Chair fee will be increased to £375,000 to better reflect the size and complexity of the organisation and the time commitment for the role. The Non-Executive Director base fee and Committee Chair fees have also been uplifted in line with the increase for the wider workforce. The Senior Independent Director (SID) fee remains unchanged. From 1 January 2025, to reflect the additional time commitment related to Committee work we have also introduced a Committee fee of £6,000 per Committee.

	January 2025	January 2024
Chair	£375,000	£343,508
Basic fee for other Non-Executive Directors	£71,100	£68,702
Fees for SID role	£25,000	£25,000
Chair of the Audit, Safety and Remuneration Committees	£16,953	£16,380
Chair of the Finance Committee	£11,302	£10,920
Membership of the Audit, Finance, Remuneration and Safety Committees	£6,000	–

TERMS OF APPOINTMENT OF THE NON-EXECUTIVE DIRECTORS

The terms of appointment of the Chair and the other Non-Executive Directors are recorded in letters of appointment. The required notice from the Company is three months. The Non-Executive Directors are not entitled to any compensation on loss of office.

The Non-Executive Directors' letters of appointment are available for inspection by shareholders at the Company's registered office.

UK CORPORATE GOVERNANCE CODE – PROVISION 40 DISCLOSURES

When developing the proposed remuneration policy and considering its implementation for 2022, the Committee was mindful of the UK Corporate Governance Code and considers that the executive remuneration framework appropriately addresses the following factors:

> **Clarity** – The Committee is committed to providing open and transparent disclosures regarding our executive remuneration arrangements.
> **Simplicity** – Remuneration arrangements for our Executives and our wider workforce are simple in nature, in particular the use of the RSP, and well understood by both participants and shareholders.
> **Risk** – The Committee considers that the incentive arrangements do not encourage inappropriate risk-taking. Malus and clawback provisions apply to annual bonus and RSP awards, and the Committee has overarching discretion to adjust formulaic outcomes to ensure that they are appropriate.
> **Predictability and proportionality** – The RSP provides outcomes in line with delivering the strategy and minimises the potential of unintended outcomes. Our policy illustrates opportunity levels for Executive Directors under various scenarios for each component of pay. Alignment to culture – Any financial and strategic targets set by the Committee are designed to drive the right behaviours across the business. The RSP encourages our executives to focus on making the right decisions for the execution of our strategy and the creation of long term shareholder value.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

SINGLE TOTAL FIGURE OF REMUNERATION FOR THE YEAR ENDED 30 SEPTEMBER 2024

The table below sets out the amounts earned by the Directors (audited).

	Fees and salary		Benefits[1]		Bonus[2]		RSP[4]		Other emoluments[5]		Pension[3]		Total[6]		Total fixed		Total variable	
£'000	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2004**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Executive Directors:																		
Johan Lundgren	**803**	770	**57**	50	**1,362**	1,326	**607**	0	**3**	0	**49**	48	**2,881**	2,194	**909**	868	**1,972**	1,326
Kenton Jarvis	**567**	542	**10**	8	**841**	818	**341**	0	**3**	0	**35**	34	**1,797**	1,402	**612**	584	**1,185**	818
Non-Executive Directors:																		
Sir Stephen Hester	**340**	326	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**340**	326	**340**	326	**–**	–
Catherine Bradley CBE	**79**	76	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**79**	76	**79**	76	**–**	–
Sue Clark	**93**	53	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**93**	53	**93**	53	**–**	–
Ryanne van der Eijk	**68**	65	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**68**	65	**68**	65	**–**	–
Harald Eisenächer	**68**	65	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**68**	65	**68**	65	**–**	–
Moni Mannings OBE	**84**	81	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**84**	81	**84**	81	**–**	–
David Robbie	**84**	75	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**84**	75	**84**	75	**–**	–
Dr Detlef Trefzger	**84**	75	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**84**	75	**84**	75	**–**	–

1) Benefits relate to the cost to the Company of life assurance and other insurance of £23,244, together with reimbursements for business-related travel expenses in respect of domestic car travel to the value of £33,630 made to the Chief Executive and the cost to the Company of life assurance and other insurance of £10,234 for the Chief Financial Officer.
2) One-third of the annual bonus is satisfied via the grant of a nil cost option under the DSBP, vesting over three years. There are no performance conditions attaching to the DSBP award. The award is subject to continued employment.
3) Johan Lundgren and Kenton Jarvis received a cash alternative to pension contributions equivalent to 6.15% of base salary. From April 2024 Kenton Jarvis received an annual pension contribution of £10,000 with the balance paid in cash at the previous rate of 6.15% of basic salary. No Director who served during the year accrued any other pension benefits.
4) This value represents the vesting of the awards made in February 2022 that will vest in December 2024. For the purpose of this table, this award has been valued using the three-month average share price to 30 September 2024 of £4.69, which will be restated in next year's Remuneration Report once the share price on the date of vesting is known. No amount of the award is attributable to share price appreciation.
5) Other incentives include the grant face value of awards made under the all-employee share plans. Awards do not have performance conditions attached.
6) No clawback has been applied for FY24.

PAYMENTS FOR LOSS OF OFFICE AND PAYMENTS TO PAST DIRECTORS (AUDITED)

There were no payments for loss of office or payments to past Directors.

ANNUAL BONUS OUTTURN FOR PERFORMANCE IN THE 2024 FINANCIAL YEAR (AUDITED)

The measures selected for the FY24 annual bonus aligned with our key priorities for the year and were: 30% on PBT; 50% on a balanced scorecard of Group performance targets including ROCE, cost control, customer feedback and operational performance; and 20% on individual performance including measures linked to sustainability, strategy and employee engagement.

The Committee chose to use a balanced scorecard approach to assessing performance for 50% of the bonus for FY24 to ensure that we provided a balanced incentive to drive performance across a range of areas. At least 25% of the scorecard was linked to financial measures ensuring that at least 55% of the overall bonus was linked to financial measures.

The Committee reviewed performance against these measures and it was determined that the bonus would pay out at 84% of maximum. The Committee also had the discretion to determine the appropriate level of award at the end of the financial year based on overall performance achieved. The Committee felt the performance of the Executive Directors had been particularly strong in the year with excellent progress made towards a number of key financial and strategic objectives and therefore determined that the 84% outcome was appropriate.

	FY24 targets					
Measure	Weighting CEO and CFO	Threshold (10% minimum award)	On target (50% award)	Maximum (100% award)	Outcome	Payout
PBT (at constant currency) £ million	30%	400	535	670	586	68.9%
Balanced scorecard	50%					86.6%
Cost programme performance £ million		135	145	155	177	
ROCE		12%	15%	18%	15.7%	
Customer satisfaction		73.1%	74.6%	76.1%	76.2%	
On-time performance		-1	Industry average	+1	0.5	
Individual	20%	n/a	50%	100%	Fully achieved	100%
Total	100%					84%

Overall, FY24 was a very successful year for easyJet with a strong performance of pre-tax headline profit (at constant currency) of £610 million (£586 million on a constant currency basis), an increase of 34% from 2023. However, the Committee was conscious that, whilst as a business we have delivered an improved on-time performance overall, we did experience some operational challenges that led to some flight cancellations and the knock-on impact that this has on our customers' experience.

The Committee was careful to consider this when determining the annual bonus outcomes, noting that our overall customer experience scores were also above our stretch target for the year. Following review, it was felt the overall outcome was appropriate in the context of performance in the year and no discretion was applied.

The Committee considered the individual performance of the Executive Directors against their individual objectives as well as their broader contribution to the business during the year and determined that this 20% portion of the bonus should payout in full (see below).

As a result of this assessment and the Group performance achieved, the final bonuses agreed were £1,362,329 for Johan Lundgren (84% of maximum), and £840,540 for Kenton Jarvis (84% of maximum) of which one-third will be settled via an award under the DSBP, vesting over three years. DSBP awards are not subject to performance conditions but are subject to continued service.

PERSONAL OBJECTIVES (20% WEIGHTING) (AUDITED)

This component focuses on personal performance against the priorities set by the Board for the Executive Directors in 2024. The Remuneration Committee considers their performance holistically in relation to the development and driving of strategy, financial performance, sustainability, customer and people initiatives (both what was delivered and how each of these priorities is considered relevant to the business and they are not subject to formal weighting). The assessment for each Executive Director was as shown in the following tables:

JOHAN LUNDGREN (CEO)

The Committee assessed performance against the objective focus areas set out below and determined that the personal objectives element had been met in full. Details of performance against these objective focus areas is provided below.

Focus area	Outcomes and evidence
Strategy – Leading the Company strategy to deliver long-term value	> Engineering insourcing strategy – SR Technics in Malta successfully acquired and integrated to support engineering insourcing strategy. > Fleet strategy – negotiations successfully completed with full approval achieved from shareholders with high yes vote. > Focus on reducing winter losses – FY24 H1 performance: loss before tax £350 million, a £61 million year-on-year improvement.
Environmental, Social and Governance – Taking an industry lead on sustainability through delivering on our net zero ambition to underpin the strategy delivery	> FTSE4Good listing retained. > CDP rating of A- achieved. > 2024 Sustainalytics rating as fourth best airline worldwide and best airline in Europe. > MSCI rating at AA. > FY24 CO_2 emissions intensity improved 0.9% year on year. Performance remains better than the net zero roadmap. > SAF sourcing strategy agreed.
Balance sheet resilience – Generate and maintain strong liquidity above policy and CCA thresholds for lowest P&L cost	> Strong liquidity in place with significant headroom to policy. > Successfully completed Eurobond raise for €850 million. > 10 aircraft sale and leaseback deals achieved in FY24 on attractive terms.
People and employee engagement – To lead a continued improvement in employee engagement scores through the anticipation and implementation of agreed actions and initiatives	> Consistent outcomes achieved in Your Voice Matters employee engagement survey. > Strong M&A engagement score maintained. > Notably improved engagement scores achieved with pilots and maintained for cabin crew and engineers. > On track to deliver gender and ethnicity targets.

KENTON JARVIS (CFO)

The Committee assessed performance against the objective focus areas set out below and determined that the personal objectives element had been met in full. Details of performance against these objective focus areas is provided below.

Focus area	Outcomes and evidence
Strategy – Leading the company strategy to deliver long-term value.	> Engineering insourcing strategy – SR Technics in Malta successfully acquired and integrated. > Fleet strategy – negotiations successfully completed with full approval achieved from shareholders with high yes vote. > Profit improvement plans agreed. > Focus on reducing winter losses – FY24 H1 performance: loss before tax £350 million, a £61 million year-on-year improvement.
Environmental, Social and Governance – Taking an industry lead on sustainability through delivering on our net zero ambition to underpin the strategy delivery.	> FTSE4Good listing retained. > CDP rating of A- achieved. > 2024 Sustainalytics rating as fourth best airline worldwide and best airline in Europe. > MSCI rating at AA. > FY24 CO_2 emissions intensity improved 0.9% year on year. Performance remains better than the net zero roadmap. > SAF sourcing strategy agreed.
Balance sheet resilience – Generate and maintain strong liquidity above policy and CCA thresholds for lowest P&L cost.	> Strong liquidity in place with significant headroom to policy. > Successfully completed Eurobond raise for €850 million. > 10 aircraft sale and leaseback deals achieved in FY24 on attractive terms.
Governance/automation – Continue to strengthen the control environment and progress automation within Finance department.	> Controls attestation implemented and now actioned for six months. > Accounts payable automation/e-invoicing implemented in H1. > Revenue reporting system live in H1. > Riskonnect system implemented to better identify and track risks and mitigations.
Investor relations – Build confidence in delivery of medium-term targets and communicate effectively to the market.	> Positively received year end/H1 roadshows. > Targets clearly articulated to the market in October 2023. > Meetings centred around strategy and targets.
People and employee engagement – To lead a continued improvement in employee engagement scores in the Finance function through the implementation of agreed actions and initiatives.	> High colleague engagement scores maintained in Finance team with participation above 96% > Action plans in place > Strategy understanding score is above benchmark > Scores for equality and management support in the upper quartile

2022 RSP AWARD

Following the year end the Committee assessed the underpins attached to the RSP award made in February 2022. These underpins were that easyJet does not fall below its minimum liquidity target through the three-year performance period, and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company. The Committee assessed the overall performance achieved over the three-year period and determined that the underpins had been met, and that the 2022 RSP awards should vest in full.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

EXECUTIVE DIRECTORS' SHARE AWARDS OUTSTANDING AT THE FINANCIAL YEAR END (AUDITED)

Details of share options and share awards outstanding at the financial year end are shown in the following tables:

JOHAN LUNDGREN

Scheme	No. of shares/options at 30 September 2023[1]	Shares/options granted in year	Shares/options lapsed in year	Shares/options exercised in year	**No. of shares/options at 30 September 2024[1]**	Date of grant	Exercise price (£)	Market price on exercise date (£)	Date from which exercisable	Expiry date
A	254,621	–	254,621	–	**–**	29 Dec 2020[2]	–	–	n/a	n/a
B	129,334	–	–	–	**129,334**	16 Feb 2022[4]	–	–	19 Dec 2024	16 Feb 2032
B	241,136	–	–	–	**241,136**	12 Dec 2022[5]	–	–	12 Dec 2025	12 Dec 2032
B	–	198,776	–	–	**198,776**	13 Dec 2023[6]	–	–	13 Dec 2026	13 Dec 2033
C	36,775	–	–	–	**36,775**	19 Dec 2018	–	–	19 Dec 2021	19 Dec 2028
C	6,818	–	–	–	**6,818**	19 Dec 2019[7]	–	–	19 Dec 2022	19 Dec 2029
C	104,331	–	–	–	**104,331**	12 Dec 2022[8]	–	–	12 Dec 2025	12 Dec 2032
C	–	90,112	–	–	**90,112**	13 Dec 2023[9]	–	–	13 Dec 2026	13 Dec 2033

KENTON JARVIS

Scheme	No. of shares/options at 30 September 2023[1]	Shares/options granted in year	Shares/options lapsed in year	Shares/options exercised in year	**No. of shares/options at 30 September 2024[1]**	Date of grant	Exercise price (£)	Market price on exercise date (£)	Date from which exercisable	Expiry date
A	159,803	–	159,803	–	**–**	20 May 2021[3]	–	–	n/a	n/a
B	72,706	–	–	–	**72,706**	16 Feb 2022[4]	–	–	19 Dec 2024	16 Feb 2032
B	135,557	–	–	–	**135,557**	12 Dec 2022[5]	–	–	12 Dec 2025	12 Dec 2032
B	–	112,130	–	–	**112,130**	13 Dec 2023[5]	–	–	13 Dec 2026	13 Dec 2033
C	64,149	–	–	–	**64,149**	12 Dec 2022[8]	–	–	12 Dec 2025	12 Dec 2032
C	–	55,598	–	–	**55,598**	13 Dec 2023[9]	–	–	13 Dec 2026	13 Dec 2033
D	1,963	–	–	–	**1,963**	20 Jul 2021[10]	6.42	–	1 Sep 2024	1 Mar 2025
D	1,353	–	–	–	**1,353**	19 Jul 2022[10]	3.99	–	1 Sep 2025	1 Mar 2026
D	–	3,596	–	–	**3,596**	17 Jul 2024[10]	3.61	–	1 Sep 2027	1 Mar 2028

Key:

A LTIP   C Deferred Share Bonus Plan (DSBP)   B RSP   D Save As You Earn Awards (SAYE)

DIRECTORS' REMUNERATION REPORT (CONTINUED)

The closing share price of the Company's ordinary shares at 30 September 2024 was £5.20 and the closing price range during the year ended 30 September 2024 was £3.60 to £5.78.

NOTE 1: NUMBER OF SHARE AWARDS GRANTED

The number of shares is calculated according to the scheme rules of individual plans based on the middle-market closing share price on the day prior to grant.

NOTE 2: LONG-TERM INCENTIVE PLAN AWARDS MADE IN DECEMBER 2020

The targets were not met at the end of the three-year performance period and as a result the award did not vest.

NOTE 3: LONG-TERM INCENTIVE PLAN AWARD MADE IN MAY 2021

The targets were not met at the end of the three-year performance period and as a result the award did not vest.

NOTE 4: RESTRICTED SHARE PLAN AWARDS MADE IN FEBRUARY 2022

The RSP awards made in February 2022 relate to the performance period (1 October 2021 to 30 September 2024) and, subject to the underpins being met, the awards will vest on 19 December 2024. Awards were made in line with the approval of the new Directors' Remuneration Policy and Restricted Share Plan rules at the AGM in February 2022 and are treated as having been granted on the normal grant date of 19 December 2021 for the purposes of Provision 36 of the Corporate Governance Code. The face value of the award granted to Johan Lundgren was £925,000 (125% of salary) and for Kenton Jarvis £520,000 (100% of salary). This was based on the middle-market closing share price on the day prior to grant, being £7.15. The awards were granted as nil cost options and are subject to the following underpins: that easyJet does not fall below its minimum liquidity target through the three-year performance period; and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company (as determined by the Board).

The Committee operates a further underpin such that if the Company's performance, taken as a whole, materially underperforms what might reasonably have been expected for the sector for reasons attributable to management action or inaction, the Committee will at its discretion reduce the award quantum appropriately.

The Committee has determined that the underpins have been met for these awards, and they will vest at 100% in December 2024.

NOTE 5: RESTRICTED SHARE PLAN AWARDS MADE IN DECEMBER 2022

The face value of the award granted to Johan Lundgren was £925,000 (125% of salary) and for Kenton Jarvis £520,000 (100% of salary). This was based on the middle-market closing share price on the day prior to grant, being £3.84. The awards were granted as nil-cost options and are subject to the following underpins: that easyJet does not fall below its minimum liquidity target through the three-year performance period (1 October 2022 to 30 September 2025); and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company (as determined by the Board).

The Committee will operate a further underpin such that if the Company's performance, taken as a whole, materially underperforms what might reasonably have been expected for the sector for reasons attributable to management action or inaction, the Committee will at its discretion reduce the award quantum appropriately.

Subject to the underpins being met, the awards will vest on 12 December 2025.

NOTE 6: RESTRICTED SHARE PLAN AWARDS MADE IN DECEMBER 2023

The face value of the award granted to Johan Lundgren was £975,000 (125% of salary) and for Kenton Jarvis £550,000 (100% of salary). This was based on the middle-market closing share price on the day prior to grant, being £4.91. The awards were granted as nil-cost options and are subject to the following underpins: that easyJet does not fall below its minimum liquidity target through the three-year performance period (1 October 2023 to 30 September 2026); and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company (as determined by the Board).

The Committee will operate a further underpin such that if the Company's performance, taken as a whole, materially underperforms what might reasonably have been expected for the sector for reasons attributable to management action or inaction, the Committee will at its discretion reduce the award quantum appropriately.

Subject to the underpins being met, the awards will vest on 13 December 2026.

NOTE 7: DEFERRED SHARE BONUS PLAN AWARD MADE IN DECEMBER 2019

The face value of the award granted to Johan Lundgren was £75,481 and relates to the deferral into shares of one-third of the bonus paid in 2019. This was based on the middle-market closing share price on the day prior to grant, being £14.29. The award was granted as a nil-cost option and is not subject to performance conditions, but is subject to continued employment.

NOTE 8: DEFERRED SHARE BONUS PLAN AWARDS MADE IN DECEMBER 2022

The face value of the award granted to Johan Lundgren was £400,217 and for Kenton Jarvis £246,079 and relates to the deferral into shares of one-third of the bonus paid in 2022. This was based on the middle-market closing share price on the day prior to grant, being £3.84. They were granted as nil-cost options and are not subject to performance conditions, but are subject to continued employment.

NOTE 9: DEFERRED SHARE BONUS PLAN AWARDS MADE IN DECEMBER 2023

The face value of the award granted to Johan Lundgren was £441,999 and for Kenton Jarvis £272,708 and relates to the deferral into shares of one-third of the bonus paid in 2023. This was based on the middle-market closing share price on the day prior to grant, being £4.91. They were granted as nil-cost options and are not subject to performance conditions, but are subject to continued employment.

NOTE 10: SAVE AS YOU EARN AWARDS

Executive Directors are eligible to participate in the SAYE on the same terms as all other UK-based colleagues of the Company. Options are granted under the SAYE, which, in the UK, is an HMRC tax-advantaged plan. Participants contract to save up to the equivalent of £350 per month over a period of three years. Under the applicable plan rules the maximum permitted monthly saving, across all SAYE plans is £500. There is a 20% discount to market value for these awards.

As is usual market practice, the option price for SAYE awards is determined by the Committee in advance of the award by reference to the share price following announcement of the half-year results the day immediately preceding the date the invitations are sent.

In common with most plans of this type, there are no performance conditions applicable to options granted under the SAYE.

SHAREHOLDING GUIDELINES IN THE 2024 FINANCIAL YEAR (AUDITED)

The Chief Executive and Chief Financial Officer are expected to build up a shareholding of 250% and 200% of salary respectively. The Committee noted that Johan Lundgren is stepping down from the Board on 31 December 2024 and the post-employment shareholding guidelines will continue to apply. The Committee also notes that the Executive Directors are required to retain a minimum of 50% of net vested shares from the LTIP and RSP and 100% of net vested deferred bonus shares until the guidelines are met. This will be kept under review on an ongoing basis.

The Non-Executive Directors, including the Chair of the Board, are required to build up a shareholding of 100% of annual fees. Details of their holdings are set out below.

DIRECTORS' CURRENT SHAREHOLDINGS (AUDITED)

The following table provides details on current Directors' interests in shares at 30 September 2024 (unless otherwise noted).

	Interests in share schemes							
	Unconditionally owned shares[1]	Shareholding guidelines achieved[2]	Vested but unexercised[3]	Unvested – subject to continued employment[4]	Unvested – subject to performance underpins[5]	SAYE[6]	SIP[7]	Total
Stephen Hester	120,000	100%	–					
Johan Lundgren	66,713	50%	43,593	194,443	569,246	–	537	807,819
Kenton Jarvis	16,197	34%	–	119,747	320,393	6,912	537	447,589
Catherine Bradley	16,000	100%	–	–	–	–	–	–
Sue Clark	17,281	90%	–		–	–		
Ryanne van der Eijk	15,670	100%	–	–	–	–	–	–
Harald Eisenächer	17,500	100%	–	–	–	–	–	–
Moni Mannings	6,990	49%	–	–	–	–	–	–
David Robbie	16,596	100%	–	–	–	–	–	–
Detlef Trefzger	20,000	100%	–	–	–	–	–	–

1) Includes SIP Partnership Shares, vested SIP Performance (Free) Shares, vested SIP Matching Shares, and any shares owned by connected persons.
2) Based on the shareholding guidelines and including unconditionally owned shares and for the Executive Directors, the post-tax value of vested but unexercised share interests under the DSBP. The extent to which the guidelines have been achieved is calculated based on the price at purchase or vesting; therefore, the values will be different for each Director based on their purchase history.
3) Vested but unexercised awards include 36,755 options awarded under the DSBP in December 2018 and 6,818 (6,272 plus dividend equivalent of 545 shares) options awarded under the DSBP in December 2019 to Johan Lundgren
4) Unvested options that are subject to continued employment include Deferred Share bonus awards granted under the DSBP
5) Unvested options subject to performance underpins included restricted stock awards granted under the RSP plan
6) SAYE are granted as options and are not subject to performance conditions
7) Consists of unvested SIP Performance (Free) Shares

Between 30 September 2024 and the date of this report, the only change to the above holdings is the purchase of 58 partnership shares under the Buy As You Earn (SIP) scheme for Kenton Jarvis. There have been no other changes.

Executive Directors are deemed to be interested in the unvested shares held by the easyJet Share Incentive Plan Trust and the easyJet plc Employee Benefit Trust. At 30 September 2024, the unvested ordinary shares held in the Trusts were as follows:

	Number of ordinary shares
easyJet Share Incentive Plan Trust	2,233,122
easyJet plc Employee Benefit Trust	5,028,947
Total	7,262,069

Changes since the year end: as at 27 November 2024, the easyJet Share Incentive Plan Trust held 2,201,032 shares and the easyJet plc Employee Benefit Trust held 5,019,953 shares.

DILUTION LIMITS

easyJet complies with the Investment Association's Principles of Remuneration with regard to dilution limits.

EMPLOYEE SHARE PLAN PARTICIPATION

A key component of easyJet's reward philosophy is to provide share ownership opportunities throughout the Group by making annual awards of performance-related shares to all eligible employees under the tax-advantaged SIP, when necessary financial targets are achieved. In addition, easyJet operates a voluntary discounted share purchase arrangement for all employees via a Save As You Earn scheme and a Buy As You Earn arrangement with matching shares in the UK under the SIP. A 20% discount was offered on Save As You Earn 2024; however, Matching Shares remain suspended.

DETAILS OF DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Details of the service contracts and letters of appointment in place as at 30 September 2024 for Directors are as follows:

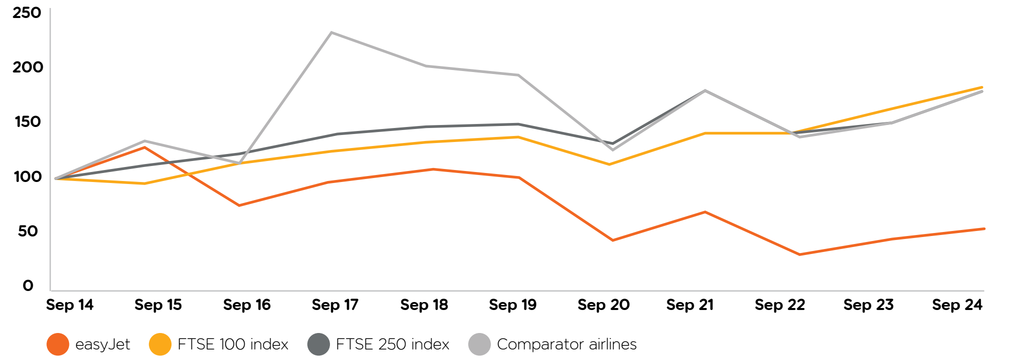
	Date of appointment	Date of current service contract	Unexpired term at 30 September 2024
Sir Stephen Hester	1 September 2021	20 August 2021	Executive Directors are subject to a 12-month notice period. Letters of appointment for the Non-Executive Directors do not contain fixed-term periods (but provide for three-month notice periods); however, they are appointed in the expectation that they will serve for a maximum of nine years, subject to satisfactory performance and re-election at AGMs.
Johan Lundgren	1 December 2017	10 November 2017	
Kenton Jarvis	3 February 2021	15 September 2020	
Catherine Bradley CBE	1 January 2020	9 December 2019	
Sue Clark	1 March 2023	4 January 2023	
Ryanne van der Eijk	1 September 2022	22 August 2022	
Harald Eisenächer	1 September 2022	22 August 2022	
Moni Mannings OBE	6 August 2020	5 August 2020	
David Robbie	17 November 2020	16 November 2020	
Dr Detlef Trefzger	1 September 2022	22 August 2022	

REVIEW OF PAST PERFORMANCE

The chart sets out the TSR performance of the Company relative to the FTSE 250, FTSE 100, and a group of European airlines[1] since 30 September 2014. The FTSE 100 and FTSE 250 were chosen as easyJet has been a member of both indices during the period.

This graph shows the value, by 30 September 2024, of £100 invested in easyJet on 30 September 2014, compared with the value of £100 invested in the FTSE 100 and FTSE 250 Indices or a comparator group of airlines on the same date.

The other points plotted are the values at intervening financial year ends. Overseas companies have been tracked in their local currency, i.e. ignoring exchange rate movements since 30 September 2014.



1) Lufthansa, Ryanair, Air France-KLM and Wizz Air have all been included in the comparative European airlines group. Wizz Air has been tracked from listing.

CHIEF EXECUTIVE TOTAL REMUNERATION TABLE

The table below shows the total remuneration figure earned for the Chief Executive over the same 10-year period. The total remuneration figure includes the annual bonus and LTIP/RSP awards which vested based on performance in those years.

The annual bonus and LTIP/RSP vesting percentages show the payout for each year as a percentage of the maximum.

		2015	2016	2017	2018[2]	2019	2020	2021	2022	2023	**2024**
Single total figure of remuneration (£000)	Johan Lundgren	–	–	–	1,500	1,006	755[1]	794	2,034	2,194	**2,881**
	Carolyn McCall	6,241	1,453	757	125	–	–	–	–	–	**–**
Annual bonus (%)	Johan Lundgren	–	–	–	73%	16%	0%	0%	81%	85%	**84%**
	Carolyn McCall	66%	13%	0%	–	–	–	–	–	–	**–**
LTIP/RSP vesting (%)	Johan Lundgren	–	–	–	–	–	0%	0%	0%	0%	**100%**
	Carolyn McCall	100%	32%	0%	–	–	–	–	–	–	**–**

1) This amount is after the voluntary 20% reduction in base salary during April, May and June 2020.
2) Johan Lundgren was appointed to the Board on 1 December 2017 and Carolyn McCall stepped down from the Board on 30 November 2017.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

CHANGE IN DIRECTORS' PAY FOR THE YEAR

The table below shows the year-on-year percentage change in pay for the Directors, compared to the average earnings of all other easyJet UK colleagues.

	2024			2023			2022			2021			2020		
%	**Salary/Fees**	**Benefits[9]**	**Annual bonus**	Salary/Fees	Benefits	Annual bonus	Salary/Fees	Benefits	Annual bonus	Salary/Fees	Benefits	Annual bonus	Salary/Fees	Benefits	Annual bonus
Executive Directors															
Johan Lundgren	**4.3%**	**14.0%**	**2.7%**	4.1%	6.4%	10.4%	0%	487.5%	n/a	6.0%	-43%	n/a	-2.6%	0%	-100%
Kenton Jarvis[1]	**4.6%**	**25.0%**	**2.8%**	4.2%	0%	10.8%	52.0%	n/a	n/a	n/a	n/a	n/a	–	–	–
Non-executive Directors															
Sir Stephen Hester[2]	**4.3%**	**–**	**–**	19.4%	–	–	n/a	–	–	n/a	–	–	–	–	–
Catherine Bradley[3]	**3.9%**	**–**	**–**	4.1%	–	–	–	–	–	62.2%	–	–	n/a	–	–
Sue Clark[4]	**75.5%**	**–**	**–**	n/a	–	–	n/a	–	–	–	–	–	–	–	–
Ryanne van der Eijk[5]	**4.6%**	**–**	**–**	1200%	–	–	n/a	–	–	–	–	–	–	–	–
Harald Eisenächer[5]	**4.6%**	**–**	**–**	1200%	–	–	n/a	–	–	–	–	–	–	–	–
Moni Mannings OBE[6]	**3.7%**	**–**	**–**	3.8%	–	–	–	–	–	680%	–	–	n/a	–	–
David Robbie[7]	**12.0%**	**–**	**–**	19.0%	–	–	21.2%	–	–	n/a	–	–	–	–	–
Dr Detlef Trefzger[5]	**12.0%**	**–**	**–**	1400%	–	–	n/a	–	–	–	–	–	–	–	–
Colleagues															
Average pay based on easyJet's UK colleagues[8]	**8.8%**	**166%**	**-7.3%**	7.0%	0%	0%	1.9%	0%	n/a	0%	0%	n/a	2.0%	0%	-100%

n/a refers to a nil value in the previous year, meaning that the year-on-year change cannot be calculated.

1) Appointed Executive Director on 3 February 2021.
2) Appointed to the Board on 1 September 2021 and Chair from 1 December 2021.
3) Appointed to the Board on 1 January 2020.
4) Appointed to the Board on 1 March 2023.
5) Appointed to the Board on 1 September 2022.
6) Appointed to the Board on 6 August 2020.
7) Appointed to the Board on 17 November 2020.
8) There are no colleagues in easyJet plc; therefore, the Committee decided to use the average for all UK colleagues as the appropriate comparator group given they comprise over 50% of total colleagues and therefore this is considered to be the most representative for comparison. There was an average change in pay of 8.8% in FY24 for UK colleagues.
9) Benefits relate to the cost to the Company of life assurance and other insurance, as well as reimbursements made to the Chief Executive for business-related travel expenses in respect of domestic car travel. Company funded supplementary healthcare has been introduced for UK colleagues.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

RELATIVE IMPORTANCE OF SPEND ON PAY

The table below Illustrates the relative importance of the spend on pay showing the total pay for all easyJet's colleagues compared to the distributions to shareholders in the year and the percentage change in the year ended 30 September 2024. Other reported key financial indicators are included for further points of reference including information on the number of colleagues in the year, the reported total revenue and the reported profit. For further information the majority of easyJet's colleagues (around 90%) perform flight and ground operations, with the rest performing administrative and managerial roles.

	Year ended 30 September 2024	Year ended 30 September 2023	Change %
Colleague costs (£ million)	**1,319**	1,130	17%
Ordinary dividend (£ million)	**34**	0	n/a
Average monthly number of colleagues	**17,639**	15,937	11%
Revenue (£ billion)	**9.3**	8.2	14%
Headline profit before tax (£ million)	**610**	455	34%

CHIEF EXECUTIVE PAY RATIO

The table below sets out the Chief Executive pay ratio as at 30 September 2024. The report will build up over time to show a rolling 10-year period. The ratios compare the single total figure of remuneration of the Chief Executive with the equivalent figures for the lower quartile (P25), median (P50) and upper quartile (P75) colleagues.

We have used the 'Option A' methodology which uses actual earnings for the Chief Executive and UK colleagues over the financial year to provide the most accurate comparison. The total FTE remuneration paid during the year for each colleague in each of the groups was then calculated, on the same basis as the information set out in the single figure table for the Chief Executive on page 133.

In calculating the figures, the following considerations were made:

> The single total figure of remuneration of our UK colleagues was calculated as at 30 September 2024.
> Annual bonus will be paid in relation to the year ended 30 September 2024.
> For participating employees in the RSP, the value of awards that vest in relation to the year ended 30 September 2024 have been included.
> Earnings for those who are part-time or joined during the year have been annualised on an FTE basis.

The Chief Executive's remuneration differs significantly from that of most colleagues as it is largely performance-based, influenced by business results and the share price, with a significant proportion tied to Bonus and RSP schemes. This structure can therefore lead to year-on-year fluctuations in ratios, as illustrated by the higher ratio for FY24. The increased ratio is also due to the company's strong recent performance which has resulted in a payout from both the bonus and RSP and therefore a higher total single figure for the CEO.

The Committee has reviewed the final ratio and confirmed that it aligns with easyJet's broader pay and reward philosophy whilst reflecting market conditions, experience, and skills.

This data then identified those employees at the 25th, 50th (median) and 75th percentile points.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2020	Option A	30:1	23:1	12:1
2021	Option A	27:1	21:1	10:1
2022	Option A	75:1	56:1	24:1
2023	Option A	74:1	57:1	27:1
2024	Option A	93:1	74:1	34:1
2024	Total pay and benefits	£31,128	£38,812	£83,805
2024	Salary	£18,402	£24,340	£62,587

DEPARTURE TERMS FOR JOHAN LUNDGREN

In May 2024 we announced our CEO succession plan, and that Johan Lundgren will be retiring and step down as Chief Executive on 1 January 2025, having served seven years as CEO. Details of Johan's remuneration arrangements related to his departure are below and follow the agreed policy without the need for discretion by the Committee. Further details will be provided in next year's Directors' Remuneration Report.

Element	Treatment
Notice	> Johan will step down as Chief Executive on 1 January 2025, and will remain with the business until the conclusion of his notice period on 16 May 2025, during which period he will be available to support the business.
Bonus	> Johan will remain eligible for an FY25 bonus in respect of the period worked to 31 December 2024, subject to performance. Any bonus earned will be paid in cash.
Restricted Share Plan (RSP)	> No RSP awarded in December 2024. > Johan will retain all outstanding RSP awards, subject to time pro-rating. Awards will vest at the normal time subject to assessment of performance underpins. > Awards will be subject to post vesting holding requirement of two years.
Deferred Share Bonus Plan (DSBP)	> All outstanding share awards will remain capable of vesting at the normal time.
Performance (Free) Shares under SIP	> Transferred by trustees after sale for tax within 30 days of cessation date.
Post-employment Shareholding	> Will be required to hold up to 100% of their shareholding requirement for two years after stepping down from the Board in respect of shares received from incentive awards.
Other benefits	> Total of £25,000 paid for legal fees.

JOINING ARRANGEMENTS FOR JAN DE RAEYMAEKER

Jan De Raeymaeker will join as Chief Financial Officer on 20 January 2025.

Salary – Set at £550,000 on appointment.

Pension and benefits - Provided in line with the Directors' Remuneration Policy.

Bonus – Eligible to participate in the Annual Bonus scheme approved in the Directors' Remuneration Policy with a maximum of 175%. This will be pro-rated from 20 January 2025.

One-third of the pre-tax bonus will be deferred into shares for a period of three years. Dividend equivalent payments may be made on the deferred bonus.

Restricted Share Plan – 2025 award of 100% of salary (£550,000) will be made shortly after appointment in line with the shareholder approved Directors' Remuneration Policy.

Shareholding – Expected to build and maintain a holding equivalent to 200% of salary. Will be expected to retain 50% of the post-tax shares vesting under the RSP and 100% of the post-tax deferred bonus shares until the guideline is met.

Other – No buy-out payments will be made in respect of forfeited remuneration from previous employment. Relocation support will be provided in line with the company policy. This will include temporary accommodation, tax advice, immigration advice and support for visa applications, the provision of time limited school fees support if needed and additional one-off financial support for other reasonable expenses incurred.

Further details of the support provided will be detail in next year's Directors' Remuneration Report.

STATEMENT OF SHAREHOLDERS' VOTING AT AGM

The table below provides details of shareholder voting in respect of the Directors' Remuneration Policy (approved in February 2022), and the Annual Report on Remuneration (in February 2024).

	Policy (February 2022 AGM)		Annual Report on Remuneration (February 2024 AGM)	
Votes cast in favour	186,561,503	73.38%	316,092,533	91.76%
Votes cast against	67,687,412	26.62%	28,375,376	8.24%
Total votes cast in favour or against	254,248,915	100%	344,467,909	100%
Votes withheld	19,999,292	–	158,224	–

We were pleased that the Remuneration Report passed at the 2024 AGM with a vote of 92% in favour; however, we are also mindful that a very small number of shareholders voted against the resolution.

The Committee remains satisfied that the current bonus and RSP structure supports the business and long-term strategic decision making. We are not therefore proposing any significant changes to the Remuneration Policy that will be put to a vote at the next AGM. We have written to our shareholders to explain our approach and rationale for keeping our remuneration policy broadly consistent.

The Board believes that the updated Remuneration Policy will not only support long-term strategic decision-making and help retain and motivate management to drive the performance of the business but will also support the longer-term performance of the business including delivering sustainable shareholder value. The views since the 2022 AGM policy vote have been taken into account in formulating the proposed new policy.

REMUNERATION COMMITTEE

The Remuneration Committee is advised by Deloitte which was appointed by the Committee in 2021 following an independent review process. Deloitte advises the Committee on developments in executive pay and on the operation of easyJet's incentive plans. Other than to the Committee, advice is also provided to easyJet in relation to, for example, senior management pay practices and the fees of the Non-Executive Directors. Total fees (excluding VAT) paid to Deloitte in respect of services to the Committee during the 2024 financial year were £118,575 based on time and materials. Deloitte is a founding member of the Remuneration Consultants Group and a signatory to its Code of Conduct. Any advice received is governed by that code. Deloitte LLP also provided strategic and technology consulting and wider risk advisory and assurance services to the Company during the year.

The Committee is satisfied that the Deloitte engagement team, which provides remuneration advice to the Committee, does not have connections with easyJet plc or its Directors that may impair its independence. The Committee has reviewed the operating processes in place at Deloitte and is satisfied that the advice it receives is independent and objective. In line with the appointment of Deloitte as company auditors, Deloitte will step down as Remuneration Committee Advisors in 2025 and the Remuneration Committee will review and appoint a new advisor.

OTHER DISCLOSURES

The Directors present their Annual Report and Accounts together with the audited consolidated financial statements for the year ended 30 September 2024. This Directors' Report and the Strategic Report, which includes the trends and factors likely to affect the future development, performance and position of the business and a description of the principal risks and uncertainties of the Group (which can be found on pages 67 to 74 and are incorporated by reference), collectively comprise the management report as required under the Disclosure Guidance and Transparency Rules (DTRs).

RESULTS AND DIVIDEND

The profit for the financial year after taxation is £452 million (last year: £324 million). The Board recommends a dividend of 12.1 pence per share, totalling £92 million and representing about 20% of headline profit after tax. This dividend is subject to shareholder approval at the Annual General Meeting (AGM), due to be held on 13 February 2025, and will be payable on 21 March 2025 to shareholders registered by the close of business on 21 February 2025.

BOARD

DIRECTORS AND THEIR INTERESTS

Details of the Directors who held office during the year and their biographical details are set out on pages 93 to 95. The Directors' interest in the ordinary shares and options of the Company are disclosed within the Directors' Remuneration Report on pages 120 to 142.

DIRECTORS' APPOINTMENT AND RETIREMENT

The Directors may from time to time appoint one or more Directors. Any such Director shall hold office only until the next AGM and shall then be subject to appointment by the Company's shareholders.

It is the current intention that at the Company's next AGM all Executive and Non-Executive Directors will retire and offer themselves for election or re-election. Further information is set out in the Nominations Committee Report on page 106.

DIRECTORS' CONFLICTS OF INTEREST

Directors must avoid conflicts of interest with easyJet, requiring Board approval if such conflicts arise. The Company has procedures and provisions in its Articles of Association to manage and authorise these conflicts, ensuring compliance with company law. Directors must inform the Board of any direct or indirect interests in transactions with easyJet and continually update any changes to their conflicts of interest.

DIRECTORS' INDEMNITIES

Directors' and officers' insurance has been set up for all Directors, covering their reasonable actions for the Company. A 2007 deed indemnifies all current and past Directors of the Company and its subsidiaries, supplementing this insurance. These indemnities, qualifying as third-party indemnity provisions under section 234 of the Companies Act 2006, were active in the 2024 financial year and continue to protect all eligible Directors.

DIVERSITY

The Board prioritises diversity, recognising that a mix of skills and experience is essential for the Company's future success. The Company has achieved the FTSE Women Leaders target with 40% women on Boards for 2023–2024 and aims for 40% women in the Airline Management Board and their direct reports by 2025 (2024: 33%). Additionally, the Company meets FCA Diversity Targets as per UK Listing Rule 6.6.6:

- At least 40% of the Board are women (2024: 40%).
- At least one senior Board position is held by a woman (2024: Senior Independent Director).
- At least one Board member is from an ethnic minority background (2024: one).

More details on the Board and Committee Diversity Policy and the development of a diverse pipeline are in the Nominations Committee Report on pages 104 to 106. The broader approach to Inclusion and Diversity is detailed on pages 57 and 58.

Data for the Board of Directors and executive management as of 30 September 2024, based on information from the Company's HR team and individual confirmations during the year-end sign-off, is available on the following page.

OTHER DISCLOSURES (CONTINUED)

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management*	Percentage in executive management*
Men	6	60%	3	9	81%
Women	4	40%	1	2	19%
Not specified/prefer not to say	–	–	–	–	–

Ethnicity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management*	Percentage in executive management*
White British or other White (including minority-white groups)	9	90%	4	11	100%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	1	10%	–	–	–
Black/African/Caribbean/ Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

* For the purposes of the FCA disclosures, 'executive management' is required to refer to the AMB (the most senior executive body below the Board) and the Company Secretary, as set out under UK Listing Rule 6.6.6. However, the Company Secretary is not a member of the AMB. Therefore as set out earlier in this report, the AMB (Executive Committee) (and their direct reports) currently comprises 33% female and 77% male colleagues. Further details of our female and male representation are set out on page 58.

EMPLOYEES

EMPLOYEES WITH A DISABILITY

As part of our commitment to inclusion and diversity, we treat every applicant in our recruitment process fairly, including those requiring workplace adjustments. We also continue to support employees who require workplace adjustments to achieve their full potential, including through training and development needs. This includes colleagues who become disabled whilst in employment. However, for our two largest communities, pilots and cabin crew, we are bound by regulatory requirements for ability with which all applicants and employees must comply, for operational safety reasons.

COMMUNICATION AND ENGAGEMENT

Details on how the Board and management have communicated and engaged with employees and the wider workforce while taking into account their interests in decision making during the year can be found in the Stakeholder engagement section on pages 100 to 103

PARTICIPATION IN SHARE SCHEMES

A key component of easyJet's reward philosophy is to provide share ownership opportunities throughout the Group by making annual awards of performance-related shares to all eligible employees when certain criteria are met. In addition, easyJet operates a voluntary discounted share purchase arrangement for all employees via a Save As You Earn scheme, and a Buy As You Earn arrangement in the UK under the tax-approved Share Incentive Plan. Further details of the Company's share schemes are disclosed within the Directors' Remuneration Report on pages 120 to 142.

STAKEHOLDERS

Details on the methods the Board has used to engage and build strong business relationships with the Group's suppliers, customers and other key stakeholders are given on pages 100 to 103. Further information on how the Board considered stakeholders in its decision making can be found in the Governance Report on pages 80 to 103. The section 172 statement is available on pages 77 to 78.

SHARES

SHARE CAPITAL AND RIGHTS ATTACHING TO SHARES

The Company's issued share capital as at 30 September 2024 comprised a single class of ordinary shares. Further details of the Company's share capital during the year are disclosed in note 22 to the consolidated financial statements.

All of the issued ordinary shares are fully paid and rank equally in all respects. The rights and obligations attaching to the Company's ordinary shares are set out in its Articles of Association. Holders of ordinary shares are entitled, subject to any applicable law and the Company's Articles of Association, to:

> have shareholder documents made available to them, including notice of any general meeting;
> attend, speak and exercise voting rights at general meetings, either in person or by proxy, unless they are subject to disenfranchisement; and
> participate in any distribution of income or capital.

DIRECTORS' POWERS IN RELATION TO ISSUING OR BUYING BACK SHARES

Subject to applicable law and the Company's Articles of Association the Directors may exercise all powers of the Company, including the power to authorise the issue and/or market purchase of the Company's shares (subject to an appropriate authority being given to the Directors by shareholders in a general meeting and any conditions attaching to such authority).

At the AGM held on 8 February 2024 the Directors were given the following authority:

> to allot shares up to a nominal amount of £68,873,873 representing approximately one-third of the Company's then-issued share capital;
> to allot shares comprising equity securities up to a further aggregate nominal amount of £68,873,873 in connection with an offer by way of a rights issue, representing approximately one-third of the Company's then issued share capital;

OTHER DISCLOSURES (CONTINUED)

> to allot shares, without first offering them to existing shareholders in proportion to their holdings, up to a maximum nominal value of £20,682,844, representing approximately 10% of the Company's then issued share capital;
> to allot shares, without first offering them to existing shareholders in proportion to their holdings, up to a maximum nominal value of £20,682,844, representing approximately 10% of the Company's then issued share capital only in connection with the financing (or refinancing, if the authority is to be used within 12 months after the original transaction) of an acquisition or specified capital investment; and
> to purchase in the market a maximum of 75,801,002 shares representing approximately 10% of the Company's then share capital.

No shares were allotted or bought back under the above authorities during the year and up to the date of this report.

VOTING RIGHTS AND RESTRICTIONS ON TRANSFER OF SHARES

None of the ordinary shares carry any special rights with regard to control of the Company. There are no restrictions on transfers of shares other than:

> certain restrictions which may from time to time be imposed by laws or regulations such as those relating to insider dealing;
> pursuant to the Company's Share Dealing Code, whereby the Directors and designated employees require approval to deal in the Company's shares;
> where a person with an interest in the Company's shares has been served with a disclosure notice and has failed to provide the Company with information concerning interests in those shares;
> where a proposed transferee of the Company's shares has failed to provide to the Directors a declaration of nationality (together with such evidence as the Directors may require) as required by the Company's Articles of Association; and
> the powers given to the Directors by the Company's Articles of Association to implement disenfranchisement and to limit the ownership of the Company's shares by non-UK nationals or, following a decision of the Directors, by non-EU nationals, and powers to enforce this limitation, including the right to force a sale of any affected shares.

There are no restrictions on exercising voting rights save in situations where the Company is legally entitled to impose such a restriction (for example under the Articles of Association where an Affected Share Notice has been served, amounts remain unpaid in the shares after request, or the holder is otherwise in default of an obligation to the Company).

Those shareholders who own shares whose voting rights will be suspended at the AGM will receive an Affected Share Notice by post from Equiniti in January 2025 notifying them of the suspension of voting rights in respect of their Affected Shares. Shareholders in receipt of an Affected Share Notice will not be entitled to attend, speak or vote at the AGM, in respect of those shares subject to an Affected Share Notice. The Company is not aware of any other arrangements between shareholders that may result in restrictions on the transfer of securities or voting rights.

VARIATION OF RIGHTS

Subject to the Companies Act 2006, rights attached to any class of shares may be varied with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of such class.

EMPLOYEE SHARE SCHEMES – RIGHTS OF CONTROL

The trustees of the easyJet UK Share Incentive Plan, which is used to acquire and hold shares in the Company for participants in the UK Share Incentive Plan, does not seek to exercise voting rights on shares held other than on direction of the underlying beneficiaries. The trustees take no action in respect of ordinary shares for which they have received no direction to vote, or in respect of ordinary shares which are unallocated.

The trustee of the easyJet plc Employee Benefit Trust (the Trust), which is used to acquire and hold shares in the Company for the benefit of employees, including in connection with the easyJet Long Term Incentive Plan, the Restricted Share Plan, the International Share Incentive Plan and Save As You Earn plans, has the power to vote or not vote, at its absolute discretion, in respect of any shares in the Company held unallocated in the Trust. However, in accordance with good practice, the trustee adopts a policy of not voting in respect of such shares. Both the trustees of the easyJet UK Share Incentive Plan and the easyJet plc Employee Benefit Trust have a dividend waiver in place in respect of shares which are the beneficial property of each of the trusts.

ADDITIONAL INFORMATION

SUBSTANTIAL INTERESTS

As at 30 September 2024, the Company had been notified of the following disclosable interests in its issued ordinary shares in accordance with DTR 5:

	Number of shares as notified to the Company	% of issued share capital as at 30 September 2024
The Haji-Ioannou family concert party shareholding, consisting of easyGroup Holdings Limited (holding vehicle for Sir Stelios Haji-Ioannou and Clelia Haji-Ioannou) and Polys Haji-Ioannou (through his holding vehicle Polys Holdings Limited)	115,737,821	15.27%
Societe Generale	33,384,779	4.40%

Between 30 September 2024 and 27 November 2024, the Company received further notifications under DTR 5. As at 27 November 2024, the Company had been notified that Bank of America Corporation had a notifiable interest of 64,822,997 shares, representing 8.55% of voting rights.

ANNUAL GENERAL MEETING

The Board currently intends to hold the AGM on 13 February 2025. The arrangements for the Company's 2025 AGM and details of the resolutions to be proposed, together with explanatory notes, will be set out in the Notice of AGM to be published on the Company's website.

ARTICLES OF ASSOCIATION

The Company's Articles of Association may only be amended by a special resolution at a general meeting of the shareholders, and were last amended at the AGM on 23 December 2020. A copy of the Articles is available on the Company's website: **corporate.easyJet.com**.

BRANCHES

The Group, through various subsidiaries, has established branches in France, Germany, Italy, the Netherlands, Portugal and Spain, in which the business operates.

FINANCIAL INSTRUMENTS

Details of the Group's use of financial instruments, together with information on our financial risk management objectives and policies, hedging policies and our exposure to financial risks, can be found in notes 26 and 27 of the consolidated financial statements.

GOING CONCERN AND VIABILITY STATEMENT

The Company's going concern and viability statements are detailed on pages 75 and 76 of the Strategic Report.

OTHER DISCLOSURES (CONTINUED)

POLITICAL DONATIONS AND EXPENDITURE

easyJet works constructively with all levels of government across its network, regardless of political affiliation. easyJet believes in the rights of individuals to engage in the democratic process; however, it is easyJet's policy not to make political donations. There were no political donations made or political expenditure incurred during the 2024 financial year.

GREENHOUSE GAS EMISSIONS AND ENERGY CONSUMPTION

Details of the Company's greenhouse gas emissions (GHG), energy consumption, energy efficiency action and Streamlined Energy and Carbon Reporting (SECR) disclosures can be found on pages 44 to 45 of the Strategic Report.

SIGNIFICANT AGREEMENTS – CHANGE OF CONTROL

The Company licenses the easyJet brand from easyGroup Limited. Further details are set out in note 30 to the financial statements.

The following significant agreements, which were in force at 27 November 2024, take effect, alter or terminate on a change of control of the Company.

EMTN PROGRAMME AND EUROBOND ISSUE

On 7 January 2016, the Group established a Euro Medium Term Note Programme (the EMTN Programme) which provides the Group with a standardised documentation platform to allow for senior unsecured debt issuance in the Eurobond markets. The maximum potential issuance under the EMTN Programme is £4 billion.

Under the EMTN Programme, the following notes (the Notes) have been issued by the Company and easyJet Finco B.V.:

> February 2016: Eurobonds consisting of €500 million guaranteed Notes paying 1.75% coupon. This was repaid on its maturity date in February 2023;
> October 2016: Eurobonds consisting of €500 million guaranteed Notes paying 1.125% coupon. This was repaid on its maturity date in October 2023;
> June 2019: Eurobonds consisting of €500 million guaranteed Notes paying 0.875% coupon and maturing in June 2025;
> March 2021: Eurobonds consisting of €1.2 billion guaranteed Notes paying 1.875% coupon and maturing in March 2028; and
> March 2024: Eurobonds consisting of €850 million guaranteed Notes paying 3.750% coupon and maturing in 2031.

Pursuant to the final terms attaching to the Notes, the Company will be required to make an offer to redeem or purchase the Notes at their principal amount plus interest up to the date of redemption or repurchase if there is a change of control of the Company which results in a downgrade of the credit rating of the Notes to a non-investment grade rating or withdrawal of the rating by both Moody's and Standard & Poor's.

REVOLVING CREDIT FACILITY

On 9 September 2021, easyJet entered into a revolving credit facility (the RCF). The RCF amounts to a $400 million commitment, supported by a syndicate of banks, and has a termination date of September 2025. If there is a change of control of the Company, the lenders are not required to lend easyJet any money under the RCF. Lenders may also request that any amounts that have been borrowed (together with accrued interest and all other amounts accrued or outstanding under the RCF) become immediately due and payable.

UK EXPORT FINANCE FACILITIES AGREEMENT

On 16 June 2023, easyJet entered into a five-year sustainability-linked term loan facility of $1.75 billion underwritten by a syndicate of banks and supported by a partial guarantee from UK Export Finance under their Export Development Guarantee scheme (the EDG Facility). If there is a change of control of the Company, the lenders are not required to lend easyJet any money under the EDG Facility. Lenders may also request that any amounts that have been borrowed (together with accrued interest and all other amounts accrued or outstanding under the EDG Facility) become immediately due and payable. The EDG Facility is undrawn and replaced easyJet's previous export development guarantee facility of $1.87 billion entered into in January 2021.

OTHER AGREEMENTS

The Company does not have agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a change of control on takeover, except that provisions of the Company's share schemes and plans may cause options and awards granted to employees under such schemes and plans to vest on a takeover.

The Annual Report and Accounts have been drawn up and presented in accordance with UK company law and the liabilities of the Directors in connection with the report shall be subject to the limitations and restrictions provided by such law.

easyJet plc is incorporated as a public limited company and is registered in England under number 3959649. easyJet plc's registered office is Hangar 89, London Luton Airport, Luton, Bedfordshire LU2 9PF.

The Strategic Report (comprising pages 2 to 78) and Directors' Report (comprising pages 80 to 146) were approved by the Board and signed on its behalf by the Company Secretary.

By order of the Board

Ben Matthews
Company Secretary
27 November 2024

DISCLOSURES REQUIRED UNDER UK LISTING RULE 6.6

The information to be included in the 2024 Annual Report and Accounts under UKLR 6.6, where applicable, can be located as set out below.

Information	Page
Shareholder waiver of future dividends	145

Other information that is relevant to this report, and which is incorporated by reference, can be located as follows:

Information	Page
Directors' service contracts	139
Environmental, Social and Governance (ESG) matters	36–55
Corporate governance report	80–103
Activities in relation to research and development	18–19, 43–55
Events after statement of financial position date	198

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Accounts 2024 and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, 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 Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- make judgements and accounting estimates that are reasonable and prudent; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

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

DIRECTORS' CONFIRMATIONS

Each of the Directors, whose names and functions are listed on pages 93 to 95, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic Report, included in the Annual Report, includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

This responsibility statement was approved by the Board of Directors on 27 November 2024 and signed on its behalf by:

Johan Lundgren
Chief Executive

Kenton Jarvis
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF easyjet plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion:

> easyJet Plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 September 2024 and of the group's profit and the group's cash flows for the year then ended;
> the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
> the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
> the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2024 (the "Annual Report"), which comprise: the Consolidated and Company statements of financial position as at 30 September 2024; the Consolidated income statement and the Consolidated statement of comprehensive income, the Consolidated and Company statements of changes in equity, and the Consolidated statement of cash flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 3 to the financial statements and the Audit Committee report, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

OUR AUDIT APPROACH

OVERVIEW

Audit scope

> We performed full scope audit procedures over the Company and two individually significant components in the Group. Procedures over material financial statement lines were performed in relation to four further components.
> Separate audit procedures were performed in relation to consolidation adjustments and balances which arise or eliminate on consolidation of the Group financial statements, including goodwill, tax, cash and post-employment benefit obligations.

Key audit matters

> Assessment of impairment of easyJet plc's investment in easyJet Airline Company Limited (parent)
> Valuation of the leased aircraft maintenance provision (group)

Materiality

> Overall group materiality: £30,500,000 (2023: £30,000,000) based on 5% of headline profit before tax.
> Overall company materiality: £51,500,000 (2023: £46,000,000) based on 1% of total assets, capped at 95% of Group materiality for the purposes of the Group audit.
> Performance materiality: £22,875,000 (2023: £22,500,000) (group) and £38,625,000 (2023: £34,000,000) (company).

THE SCOPE OF OUR AUDIT

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASYJET PLC (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Valuation of the leased aircraft maintenance provision (group)	
The Group operates aircraft which are held under lease arrangements and for which it incurs liabilities for maintenance costs during the term of the lease. These arise from legal and contractual obligations relating to the condition of the aircraft when they are returned to the lessor. Significantly material maintenance provisions for aircraft maintenance costs in respect of leased aircraft were recorded in the financial statements at 30 September 2024. At each statement of financial position date, the calculation of the maintenance provision includes a number of variable factors and assumptions including primarily the expected cost of the heavy maintenance check and the point in time it is expected to occur. We focused on this area because of the inherent level of management estimation required in calculating the amount of provision needed as a result of the subjective estimation of uncontracted variable costs and uncontracted inflationary increases which may arise as part of the overall cost estimate. Refer to the Accounting policies, judgements and estimates note (note 1) and Note 20, for management's disclosures of the relevant estimates and judgements involved in assessing this provision valuation. The Audit Committee's views are set out in the Significant judgements and estimates section of the Audit Committee report.	> We evaluated the maintenance provision model and tested the calculations therein. > We assessed the process by which the variable elements within the provision are estimated, evaluating the reasonableness of the assumptions, testing the input data and re-performing calculations. Our testing has focussed on those elements of the cost assumptions which are most exposed to estimation uncertainty, being the non-fixed elements of the current estimate of event costs and uncontracted future escalation of these costs to the date at which the event is expected to arise. > We challenged the key assumptions using both the Group's internal data, such as maintenance contract terms and pricing, historical experience, business plans and forecasts as well as external data points such as external contracts, and price indices. We also performed sensitivity analysis in respect of the key cost and inflationary assumptions identified above, which are the elements most exposed to estimation uncertainty. We found no material exceptions from these assessments and comparisons. > We have assessed the methodology by which the gross provision has been discounted back to present value and considered it to be appropriate. > We evaluated the judgements made by management to calculate certain elements of the provision based on the expectation of incurring penalties rather than performing maintenance restoration work before the lease end date. We also performed testing to agree these penalty rates back to the contractual agreements. > Having ascertained the magnitude of movements in those key assumptions that would be required for the provision to be misstated, we considered the likelihood of such movements arising and any impact on the overall level of aircraft maintenance provisions recorded in the financial statements. Our assessment as to likelihood and magnitude of misstatement did not identify any material exceptions. > We reviewed the adequacy of disclosures made in the financial statements and challenged management to be clear on what the critical sources of estimation uncertainty are with respect to this balance and to ensure that the sensitivity disclosures provided are relevant to those specific areas. Based on the work performed, as summarised above, we have concluded the Group's valuation of maintenance provisions on leased aircraft and disclosure of the related critical estimates is materially appropriate.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment of easyJet plc's investment in easyJet Airline Company Limited (parent)	
At 30 September 2024, easyJet plc holds an investment of £1.1bn (2023: £1.0bn) in easyJet Airline Company Limited (EACL). The directors have considered the cash flow projections for the Airline cash-generating unit ("CGU"), which are considered to be the relevant cash flows for the purposes of assessing impairment of the investment in EACL. We focussed on the risk of impairment as the impairment test involves estimates to be made by management, many of which are forward-looking. These estimates include key assumptions underpinning the strategic plan, fuel prices (including the ability of cost increases to be passed through to the customer), contracted increases in fleet size, revenue per seat, long-term economic growth rates and the impacts of climate change on future cash flows. Refer to the Accounting policies, judgements and estimates note (note 1), Note 11 to the consolidated financial statements, and Notes a) and c) to the Company financial statements for management's disclosures of the relevant estimates and judgements involved in assessing the total investment balance for impairment. The Audit Committee's views are set out in the Significant judgements and estimates section of the Audit Committee report.	We obtained management's annual impairment assessment and ensured the calculations were mathematically accurate and that the methodology used was in line with the requirements of IAS 36 'Impairment of Assets'. > We concluded that using the Airline CGU cash flows is appropriate for the purposes of performing the assessment of impairment of the investment held in EACL. > We evaluated the future cash flow forecasts of the CGU, and the process by which the forecasts were drawn up. In doing this, we confirmed that the forecasts used for the impairment assessment were appropriately consistent with the latest available Board plans (excluding the impact of easyJet holidays which is a separate CGU). > We evaluated the inputs in the Value in Use ("VIU") calculation and challenged the key assumptions including assessment of short and medium-term flying assumptions by comparing them to industry forecasts; > Using our internal valuation experts to calculate an independent WACC rate range, with reference to comparable businesses, to assess the appropriateness of the WACC rate used in management's assessment; > Assessment of the fuel price assumptions, to ensure the foreign exchange rates used at 30 September 2024 were appropriate and that sufficient disclosure of the underlying assumptions for dealing with future potential fuel and Emissions Trading Scheme credit price volatility via pass through to customers have been adequately disclosed in the financial statements; and > We evaluated the extent to which the considerations of climate change, such as costs associated with emissions trading schemes and the expected increased use of sustainable aviation fuels, had been reflected in the underlying cash flows and management's sensitivities. This included an assessment of the consistency of the assumptions used with the latest impact assessments that have been carried out by easyJet's sustainability team, including the continuing fleet transition. > We reviewed the adequacy of disclosures made in the financial statements and assessed compliance with disclosure requirements, including challenging management to be transparent about the underlying risk scenarios which have been assessed and embedded into its future cash flow assumptions. Based on our work summarised above, we have concluded that the investment in easyJet Airline Company Limited is not impaired at 30 September 2024, and that appropriate assumption and sensitivity disclosures have been made in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASYJET PLC (CONTINUED)

HOW WE TAILORED THE AUDIT SCOPE

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group operates through the Company and its thirteen subsidiary undertakings of which nine were actively trading through the year. The remaining subsidiaries are either holding companies or currently dormant. The accounting for these subsidiaries, each of which is considered to be a separate component in the way we scope our audit, is primarily centralised in the UK.

We determined the most effective approach to scoping was to perform full scope audit procedures over the Company and two individually significant components in the Group which are registered in the UK. Procedures over material financial statements lines were performed in respect of four further components. In some cases, financial statement line items are tested in aggregate to the Group materiality where they arise on consolidation. All Group audit work has been performed by the UK Group engagement team.

Additional audit procedures were performed in relation to consolidation adjustments by the UK Group engagement team. The testing approach ensured that appropriate audit evidence was obtained over all financial statement line items in order to support our opinion on the Group financial statements as a whole.

THE IMPACT OF CLIMATE RISK ON OUR AUDIT

Climate change risk is expected to have a significant impact on the aviation industry. As explained in the Sustainability Report, the Group is clearly mindful of their impact on the environment and in September 2022 set out their roadmap to net zero carbon emissions by 2050, including an interim target to have reduced well-to-wake GHG emissions by 35% by 2035, aligned with the Science-Based Targets initiative and how they aim to deliver on these targets.

In planning and executing our audit we have considered the Group's risk assessment process and the steps the business expects to take to deliver on its GHG emissions target. This, together with discussions with management and our own sustainability specialists and reading the Group's most recent sustainability reporting, including their latest CDP (Carbon Disclosure Project) submission, provided us with a good understanding of the potential impact of climate change on the financial statements.

We assessed that the key financial statement line items and estimates which are more likely to be materially impacted by climate risks are those associated with future cash flows, given that the more notable impacts of climate change on the business are expected to arise in the medium to long term. These include the key audit matter in respect of the assessment of impairment of easyJet plc's investment in easyJet Airline Company Limited, as well as the assessment of impairment of goodwill and other intangible assets and the recoverability of the Group's deferred tax assets. We have considered the estimated costs used by management in relation to carbon credits required to be purchased under Emission trading schemes and the minimum levels of SAF usage required under currently implemented mandates. We have also specifically considered how easyJet's net zero targets impact on likely aircraft ownership periods, and the related impact on ongoing depreciation charges in respect of aircraft assets held at 30 September 2024. In addition we also considered the consistency of the disclosures in relation to climate change (including the disclosures in the Task Force on Climate-related Financial Disclosures (TCFD) section) within the Annual Report and Accounts with the financial statements and our knowledge obtained from our audit.

Whilst the Group has started to quantify some of the impacts that may arise on its pathway towards its net zero targets, the future financial impacts are clearly uncertain given the medium to long term time horizon and the technological advancements that will be necessary, including further updates to sustainable aviation fuel mandates and the development of zero emissions aircraft. We have discussed with management and the Audit Committee that the estimated financial impacts of climate change, which are expected to be significant, will need to be frequently reassessed and our expectation that climate change disclosures will continue to evolve as greater understanding of the actual and potential impacts on the Group's future operations is obtained.

MATERIALITY

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£30,500,000 (2023: £30,000,000).	£51,500,000 (2023: £46,000,000).
How we determined it	Based on 5% of headline profit before tax	Based on 1% of total assets, capped at 95% of Group materiality for the purposes of the Group audit
Rationale for benchmark applied	We consider that the income statement remains the principal measure used by the shareholders in assessing the underlying performance of the Group and therefore an approach to materiality based on 5% of the headline profit/loss before tax has been applied. In 2023, we used a five-year average of headline profit/loss before tax due to the volatility caused by COVID and the subsequent recovery. As the Group has now returned to profitability for two consecutive years, we consider it appropriate to return to a materiality level based on this year's profit. This is consistent with the approach taken prior to 2020.	We believe that a total asset benchmark is appropriate given that the Company does not generate revenues of its own.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASYJET PLC (CONTINUED)

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £7,625,000 and £28,975,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £22,875,000 (2023: £22,500,000) for the group financial statements and £38,625,000 (2023: £34,000,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £1,525,000 (group audit) (2023: £1,500,000) and £1,525,000 (company audit) (2023: £1,500,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

CONCLUSIONS RELATING TO GOING CONCERN

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

> Review of management's base case and severe but plausible downside scenario, ensuring the directors have considered appropriate factors. This included consideration of the cash flows against current industry forecasts, the liquidity position of the Group, available financing facilities, the timing of contractual debt repayments and committed capital expenditure.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

STRATEGIC REPORT AND DIRECTORS' REPORT

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 September 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

DIRECTORS' REMUNERATION

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

CORPORATE GOVERNANCE STATEMENT

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Governance and Strategic Report sections of the Annual Report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

> The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
> The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
> The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
> The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
> The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EASYJET PLC (CONTINUED)

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

> The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
> The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
> The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory compliance to ensure Air Operator's Certificates (held in the UK, Switzerland and Austria) and travel provider licences remain valid and fully operational, Task Force on Climate-Related Financial Disclosures and Streamlined Energy and Carbon Reporting (SECR) requirements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the requirements of emissions trading schemes and customer claims regulation, The Listing Rules, UK and overseas tax legislation, The UK Corporate Governance Code and Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries in the underlying books and records and management bias in accounting estimates. Audit procedures performed by the engagement team included:

> Discussions with management, internal audit and the Group's legal team, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
> Challenging assumptions and judgements made by management in its significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We focused on the valuation of the maintenance provision, and for the Company the assessment of impairment of the investment in easyJet Airline Company Limited (see related key audit matters above). We also specifically assessed the liabilities held in respect of items including actual and potential litigation matters, liabilities held for customer compensation, the assessment of impairment of intangible assets, and the recoverability of deferred tax assets;
> Consideration of recent correspondence with the Group's legal advisors to ensure that it aligned with the conclusions drawn on obligations recognised and contingent liabilities disclosed in respect of uncertain legal matters;
> Identifying and testing journal entries, in particular certain journal entries posted with unusual account combinations;
> Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditors' report.

USE OF THIS REPORT

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

COMPANIES ACT 2006 EXCEPTION REPORTING

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

APPOINTMENT

Following the recommendation of the Audit Committee, we were appointed by the members on 22 February 2006 to audit the financial statements for the year ended 30 September 2006 and subsequent financial periods. The period of total uninterrupted engagement is 19 years, covering the years ended 30 September 2006 to 30 September 2024.

OTHER MATTER

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Matthew Mullins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
27 November 2024

CONSOLIDATED INCOME STATEMENT

		Year ended 30 September					
		2024			2023		
	Notes	**Headline £ million**	**Non-headline (note 5) £ million**	**Total £ million**	Headline £ million	Non-headline (note 5) £ million	Total £ million
Passenger revenue		**5,715**	**–**	**5,715**	5,221	–	5,221
Ancillary revenue							
Airline ancillary revenue		**2,457**	**–**	**2,457**	2,174	–	2,174
Holidays incremental revenue		**1,137**	**–**	**1,137**	776	–	776
Total ancillary revenue		**3,594**	**–**	**3,594**	2,950	–	2,950
Total revenue	8	**9,309**	**–**	**9,309**	8,171	–	8,171
Fuel		**(2,223)**	**–**	**(2,223)**	(2,033)	–	(2,033)
Airports and ground handling		**(1,989)**	**–**	**(1,989)**	(1,800)	–	(1,800)
Crew		**(1,074)**	**–**	**(1,074)**	(941)	–	(941)
Navigation		**(463)**	**–**	**(463)**	(422)	–	(422)
Maintenance		**(390)**	**–**	**(390)**	(341)	–	(341)
Holidays direct operating costs (excluding flights)		**(840)**	**–**	**(840)**	(582)	–	(582)
Selling and marketing		**(257)**	**–**	**(257)**	(232)	–	(232)
Other costs		**(758)**	**(9)**	**(767)**	(695)	(10)	(705)
Other income		**52**	**1**	**53**	5	6	11
EBITDA		**1,367**	**(8)**	**1,359**	1,130	(4)	1,126
Depreciation	12	**(727)**	**–**	**(727)**	(625)	(19)	(644)
Amortisation of intangible assets	11	**(43)**	**–**	**(43)**	(29)	–	(29)
Operating profit		**597**	**(8)**	**589**	476	(23)	453
Interest receivable and other financing income		**141**	**–**	**141**	132	–	132
Interest payable and other financing charges		**(132)**	**–**	**(132)**	(180)	–	(180)
Foreign exchange gain		**4**	**–**	**4**	27	–	27
Net finance income/(charges)	2	**13**	**–**	**13**	(21)	–	(21)
Profit before tax	3	**610**	**(8)**	**602**	455	(23)	432
Tax charge	6	**(151)**	**1**	**(150)**	(114)	6	(108)
Profit for the year		**459**	**(7)**	**452**	341	(17)	324
Earnings per share, pence							
Basic	7			**60.3**			43.1
Diluted	7			**59.6**			42.7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**Year ended 30 September 2024 £ million**	Year ended 30 September 2023 £ million
Profit for the year		**452**	324
Other comprehensive (loss)/income			
Items that may be reclassified to the income statement:			
Cash flow hedges			
Fair value losses in the year		**(358)**	(19)
Losses/(gains) transferred to the income statement		**23**	(51)
Hedge ineffectiveness/discontinuation losses transferred to the income statement		**2**	1
Related deferred tax credit	6	**83**	12
Cost of hedging		**(8)**	(9)
Related deferred tax credit	6	**2**	2
Items that will not be reclassified to the income statement:			
Remeasurement loss of post–employment benefit obligations	21	**(11)**	(8)
Related deferred tax credit/(charge)	6	**3**	(1)
Fair value gain on equity investment		**20**	–
		(244)	(73)
Total comprehensive income for the year		**208**	251

Fair valuation losses in the year are driven by a fall in the fuel price and strengthening of sterling, resulting in an adverse move in the value of hedges.

Losses/(gains) on cash flow hedges reclassified from other comprehensive income to the income statement by income statement caption are as follows:

	2024 £ million	2023 £ million
Revenue	**(25)**	6
Fuel	**(13)**	(86)
Maintenance	**4**	(5)
Eurobonds (within foreign exchange gain)	**38**	21
Other financing income	**19**	13
	23	(51)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2024 £ million	As at 30 September 2023 £ million
Non-current assets			
Goodwill	11	**387**	365
Other intangible assets	11	**406**	276
Property, plant and equipment	12	**5,475**	4,864
Derivative financial instruments	26	**2**	35
Equity investment	26	**51**	31
Restricted cash	15	**–**	2
Other non-current assets	13	**169**	138
		6,490	5,711
Current assets			
Trade and other receivables	14	**483**	343
Current intangible assets	11	**572**	676
Derivative financial instruments	26	**29**	186
Other investments	15	**2,118**	–
Cash and cash equivalents	15	**1,343**	2,925
		4,545	4,130
Current liabilities			
Trade and other payables	16	**(1,656)**	(1,764)
Unearned revenue	17	**(1,737)**	(1,498)
Borrowings	18	**(416)**	(433)
Lease liabilities	19	**(227)**	(217)
Derivative financial instruments	26	**(270)**	(54)
Current tax liabilities	6	**(9)**	(3)
Provisions for liabilities and charges	20	**(156)**	(175)
		(4,471)	(4,144)
Net current assets/(liabilities)		**74**	(14)

	Notes	As at 30 September 2024 £ million	As at 30 September 2023 £ million
Non-current liabilities			
Unearned revenue	17	**(4)**	(3)
Borrowings	18	**(1,690)**	(1,462)
Lease liabilities	19	**(947)**	(772)
Derivative financial instruments	26	**(51)**	(14)
Other liabilities		**(6)**	(4)
Post–employment benefit obligations	21	**(17)**	(7)
Provisions for liabilities and charges	20	**(806)**	(626)
Deferred tax liabilities	6	**(70)**	(22)
		(3,591)	(2,910)
Net assets		**2,973**	2,787
Shareholders' equity			
Share capital	22	**207**	207
Share premium		**2,166**	2,166
Hedging reserve		**(137)**	113
Cost of hedging reserve		**(8)**	(2)
Translation reserve		**72**	72
Retained earnings		**673**	231
Total equity		**2,973**	2,787

The financial statements on pages 154 to 198 were approved by the Board of Directors and authorised for issue on 27 November 2024 and signed on behalf of the Board.

Johan Lundgren
Director

Kenton Jarvis
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Translation reserve £ million	Retained earnings/ (accumulated losses) £ million	Total equity £ million
At 1 October 2023	**207**	**2,166**	**113**	**(2)**	**72**	**231**	**2,787**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**452**	**452**
Other comprehensive (loss)/income	**–**	**–**	**(250)**	**(6)**	**–**	**12**	**(244)**
Total comprehensive (loss)/income	**–**	**–**	**(250)**	**(6)**	**–**	**464**	**208**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(34)**	**(34)**
Share incentive schemes							
Employee share schemes – Value of employee services (note 23)	**–**	**–**	**–**	**–**	**–**	**30**	**30**
Purchase of own shares	**–**	**–**	**–**	**–**	**–**	**(18)**	**(18)**
At 30 September 2024	**207**	**2,166**	**(137)**	**(8)**	**72**	**673**	**2,973**

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Translation reserve £ million	Retained earnings/ (accumulated losses) £ million	Total equity £ million
At 1 October 2022	207	2,166	170	5	(6)	(9)	2,533
Profit for the year	–	–	–	–	–	324	324
Other comprehensive loss	–	–	(57)	(7)	–	(9)	(73)
Total comprehensive (loss)/income	–	–	(57)	(7)	–	315	251
Share incentive schemes							
Employee share schemes – Value of employee services (note 23)	–	–	–	–	–	18	18
Purchase of own shares	–	–	–	–	–	(15)	(15)
Currency translation transfer[1]	–	–	–	–	78	(78)	–
At 30 September 2023	207	2,166	113	(2)	72	231	2,787

1) The translation reserves transfer relates to a correction of a historical error in the retranslation of monetary assets and liabilities in overseas subsidiaries on consolidation. The cumulative amount of exchange differences on these balances were previously presented within retained earnings/(accumulated losses) in the consolidated statement of changes in equity and the consolidated statement of financial position. However, these exchange differences should have been presented as part of the translation reserve. This has resulted in a £78 million transfer between retained earnings/(accumulated losses) and the translation reserve to more accurately present the cumulative foreign exchange gains recognised on consolidation. The nature of the error is considered to not constitute a material error on a qualitative basis and therefore the impact was adjusted in the FY23 financial statements, being the year the error was noted. There is no change in brought forward or carried forward total equity from this change and no restatement of the consolidated statement of financial position or consolidated statement of changes in equity has been made.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to highly probable transactions that are forecast to occur after the year end.

At 30 September 2024, amounts in the cost of hedging reserve comprised a £1 million loss related to cross-currency basis (2023: £3 million gain) and a £9 million loss related to the time value of options (2023: £5 million loss).

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Cash flows from operating activities			
Cash generated from operations	24	**1,483**	1,509
Dividends paid	9	**(34)**	–
Interest and other financing charges paid		**(101)**	(162)
Interest and other financing income received		**124**	125
Settlement of derivatives		**1**	91
Tax paid	6	**(8)**	(12)
Net cash generated from operating activities		**1,465**	1,551
Cash flows from investing activities			
Purchase of property, plant and equipment		**(811)**	(677)
Proceeds from sale of property, plant and equipment		**9**	–
Acquisition of subsidiary, net of cash acquired	10	**(22)**	–
Purchase of non–current other intangible assets		**(118)**	(77)
(Increase)/decrease in other investments	25	**(2,118)**	126
Proceeds from sale and leaseback of aircraft		**114**	76
Net cash used in investing activities		**(2,946)**	(552)
Cash flows from financing activities			
Purchase of own shares for employee share schemes		**(18)**	(15)
Proceeds from debt financing	25	**718**	–
Repayment of bank loans and other borrowings	25	**(434)**	(1,192)
Settlement of derivatives		**(11)**	–
Repayment of capital element of leases	25	**(222)**	(218)
Decrease in restricted cash	15	**2**	5
Net cash generated from/(used in) financing activities		**35**	(1,420)
Effect of exchange rate movements		**(136)**	(168)
Net decrease in cash and cash equivalents		**(1,582)**	(589)
Cash and cash equivalents at beginning of year		**2,925**	3,514
Cash and cash equivalents at end of year	15	**1,343**	2,925

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

STATEMENT OF COMPLIANCE

easyJet plc (the 'Company') and its subsidiaries ('easyJet' or the 'Group' as applicable) is a low-cost airline carrier operating principally in Europe. The Company is a public limited company (company number 03959649), incorporated and domiciled in the United Kingdom, whose shares are listed on the London Stock Exchange under the ticker symbol EZJ. The address of its registered office is Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF, England.

The consolidated financial statements of easyJet plc have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

BASIS OF PREPARATION

The financial statements are prepared based on the historical cost convention except for certain financial assets and liabilities, including derivative financial instruments, financial guarantees, equity investments, and certain contingent liabilities and commitments, which are measured at fair value.

easyJet's business activities, together with factors likely to affect its future development and performance, are described in the strategic report on pages 2 to 78. Principal risks and uncertainties are described on pages 69 to 74. Note 27 to the financial statements sets out the Group's objectives, policies and procedures for managing its capital and gives details of the risks related to financial instruments held by the Group.

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Directors have considered easyJet's business activities, together with factors likely to affect its future development and performance, as well as easyJet's principal risks and uncertainties through to June 2026.

As at 30 September 2024, easyJet had a net cash position of £181 million including cash and cash equivalents of £1.3 billion, with access to £5.1 billion of liquidity, and has retained ownership of 54% of the total fleet, all of which are unencumbered.

The Directors have reviewed the financial forecasts and funding requirements with consideration given to the potential impact of severe but plausible risks. easyJet has modelled a base case representing management's best estimation of how the business plans to perform over the period. The future impact of climate change on the business has been incorporated into strategic plans, including the estimated financial impact within the base case cash flow projections of the cost of future fleet renewals, the future estimated price of Emissions Trading Scheme (ETS) allowances, the phasing out of the free ETS allowances, the expected price and quantity required of Sustainable Aviation Fuel (SAF) and the cost of carbon removal credits and other sustainability initiatives. Further detail is given in the sustainability section on pages 36 to 55.

The business is exposed to fluctuations in fuel prices and foreign exchange rates. easyJet is currently c.80% hedged for fuel in H1 of FY25 at c.$808 per metric tonne, c.59% hedged for H2 FY25 at c.$771 and c.24% hedged for H1 FY26 at c.$761.

In modelling the impact of severe but plausible downside risks, the Directors have considered demand suppression leading to a reduction in ticket yield of 5% and a reduction in easyJet holidays' contribution of 5%. The model also includes the reoccurrence of additional disruption costs (at FY22 levels), an additional $50 per metric tonne on the fuel price, 1.5% additional operating cost inflation and an adverse movement on the US dollar rate. These impacts have been modelled across the whole going concern period. In addition, this downside model also includes a grounding of 25% of the fleet for the duration of the peak trading month of August, to cover the range of severe but plausible risks that could result in significant operational disruption. This downside scenario resulted in a significant reduction in liquidity but still maintained sufficient headroom on liquidity requirements.

After reviewing the current liquidity position, committed funding facilities, the base case and the severe but plausible downside financial forecasts incorporating the uncertainties described above, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis of accounting in preparing the Group's financial statements.

The use of critical accounting estimates and management judgement is required in applying relevant accounting policies to the Group's consolidated financial statements. Areas involving a higher degree of judgement, or where assumptions and estimates are significant to the financial statements and carry estimation risk, are highlighted on pages 167 to 168.

CLIMATE CHANGE

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risks identified in the Sustainability section of the strategic report, the Group's stated target of net zero carbon emissions by 2050, and our commitment to reducing our carbon emissions intensity by 35% by 2035. These targets and risks have been considered in relation to the financial reporting judgements and estimates in the current year and these have not materially impacted the conclusions reached including;

> the estimates of future cash flows used in impairment assessments of the carrying value of non-current assets;
> the estimates of future profitability used in our assessment of the recoverability of deferred tax assets in the UK; and
> the useful economic lives (UELs) and related residual values for our less fuel-efficient aircraft.

Known climate-related impacts are incorporated into the Group's short-term and medium-term cash flows including the fleet planning, the purchase of next-generation aircraft, fuel-saving initiatives and the costs associated with carbon, i.e., updated mandates for the phase-out of free ETS allowances, the expected price and quantity required of SAF usage and the cost of carbon removal credits.

Climate change is not expected to have any significant impact on demand or further impact on the Group's short-term cash flows considered in the going concern and viability assessments. Additional identified climate-based risks and the impact of these in the absence of actions taken by easyJet to manage the transition are considered in the stress testing for impairment and viability. In particular the impact of a reduction in demand due to investor/market sentiment and increased costs due to changes in technology, regulatory and legal requirements have been considered.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of the consolidated financial statements are summarised below. Unless otherwise stated they have been applied consistently to both years presented. The explanations of these policies focus on areas where judgement is applied or which are particularly significant in the financial statements.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of easyJet plc and its subsidiaries for the years ended 30 September 2023 and 30 September 2024. A full list of subsidiaries can be found in the Notes to the Company financial statements on page 202.

A subsidiary is an entity controlled by easyJet plc. Control is achieved when easyJet is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power, directly or indirectly, over the investee.

The Group applies the acquisition method to account for business combinations. The consideration paid is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Intragroup balances, transactions, and any unrealised gains and losses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

FOREIGN CURRENCIES

The primary economic environment in which a subsidiary operates determines its functional currency. The consolidated financial statements of easyJet are presented in sterling, rounded to the nearest £ million, which is the Company's functional currency and the Group's presentation currency.

Transactions arising in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the rate of exchange ruling at the end of a reporting period and (except where the asset or liability is designated as a cash flow hedge) the gains or losses on translation are included in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at foreign exchange rates ruling at the dates the transactions were effected.

Certain subsidiaries have operations that are primarily influenced by a currency other than sterling. Exchange differences arising on the translation of these foreign operations are taken to the translation reserve within shareholders' equity until all or part of the interest is disposed of, when the relevant portion of the accumulated exchange gains or losses is recognised in the income statement. Profits and losses of foreign operations are translated into sterling at average monthly rates of exchange during the year, as this approximates the rates on the dates of the transactions.

IMPAIRMENT OF NON-FINANCIAL ASSETS

easyJet has identified two separate cash-generating units (CGUs) which are two separate groups of assets generating largely independent cash flows, these being easyJet's airline route network and its Holidays business.

All goodwill, landing rights, current intangible assets, associated working capital balances, aircraft and aircraft spares belong to the Airline CGU which is tested annually for impairment or when there is an indication of impairment. A single value in use (VIU) calculation is performed in order to assess the recoverability of the assets.

The Holidays CGU includes other intangible assets, which are subject to amortisation and working capital associated to the Holidays segment. The CGU is tested for impairment annually or when there is an indication of impairment.

A further description of the calculation of the VIU and current year outcome and sensitivities for the Airline CGU is given in note 11.

GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill arising on acquisition has been recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over easyJet's interest in the net fair value of the identifiable assets acquired and the liabilities assumed. Goodwill is stated at cost less any accumulated impairment losses. It has an indefinite expected useful life and is tested for impairment as part of the Airline CGU on an annual basis or when there is an indication of impairment.

Landing rights are stated at cost less any accumulated impairment losses. They are considered to have an indefinite useful life as they remain available for use for the foreseeable future provided minimum utilisation requirements are observed. Landing rights form part of the Airline CGU and are tested for impairment at least annually or when there is an indication of impairment. Landing rights with a carrying value that have no further VIU and have been surrendered for nil value are de-recognised and a loss on disposal recognised in the income statement at the point of surrender.

When assessing for impairment or reassessing UELs, easyJet considers potential significant future changes including in relation to market, technological, economic and legal developments. The potential future impacts of climate change have been incorporated by including the estimated financial impact within cash flow projections of the future estimated price of ETS allowances, the expected price and quantity required of SAF usage, and the cost of carbon removal credits and other sustainability initiatives. Additional risks associated with climate change have also been stress tested, including sensitivities of SAF usage and ETS costs, additional legal and technology costs, reduced demand and increased cost of maintenance and replacement aircraft.

Computer software is stated at cost and is amortised from the point at which the asset is ready for use on a straight-line basis over the asset's UEL. UELs are reviewed annually.

	Expected useful life
Computer software	2–7 years

Annual licence agreements to use Cloud software are expensed and treated as a service agreement. Perpetual licences to use Cloud software are capitalised if easyJet has both a contractual right to the software and the ability to run the software independently of the host vendor, but are otherwise expensed. Customisation and configuration costs related to the implementation of cloud based applications are expensed unless the activity creates an asset that is separate and identifiable from the software.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

EU ETS, CH ETS AND UK ETS CARBON ALLOWANCES

easyJet participates in the EU ETS, CH (Swiss) ETS and UK ETS schemes. Participants are required to purchase and surrender ETS carbon allowances to cover their annual carbon emissions from flying. The surrender process takes place ahead of the compliance deadline of 30 April each year in respect of the preceding calendar year. A proportion of allowances are issued for free and are recognised at fair value, being the market value on the date they are received, with a corresponding liability recognised simultaneously. Purchased allowances are recognised at the purchase price. Both free and purchased carbon allowances are held as intangible assets and are not subsequently revalued as they are held for own use.

As part of the annual surrender process free allowances will be surrendered first with purchased allowances then surrendered on a first in, first out (FIFO) basis. The income statement expense (included in fuel costs), recognised throughout the year as the liability is incurred through flying, is based on a weighted average cost of the free and purchased allowances estimated to be surrendered (on the FIFO basis described above) as part of the annual surrender process. A corresponding liability of the same value is also recognised. As such, for any financial year, three months of the related expense will be known having already been surrendered, with nine months of the expense subject to a degree of estimation. Both the related asset and liability are extinguished only at the point when the allowances are surrendered.

These intangible assets form part of the Airline CGU and are reviewed for impairment annually or when there is an indication of impairment within the Airline CGU.

CARBON OFFSETTING AND VERIFIED EMISSION REDUCTIONS

Up until 31 December 2022, easyJet operated a voluntary policy to offset every tonne of carbon and carbon equivalents emitted from fuel used for its flights. This was done through purchasing Verified Emission Reduction (VER) certificates arising from Gold Standard or Verified Carbon Standard (VCS) accredited projects. The Voluntary Offsetting Policy was retired in September 2022 but VER assets remain on the consolidated statement of financial position. No contractual commitments remain for the purchase of VERs. These certificates are being actively marketed for sale, but are held on the consolidated statement of financial position at purchase price. The value is not material. When sold, any excess of sale value over the purchase price value held on the consolidated statement of financial position will be recognised in other income.

Additionally, easyJet has an obligation under French law to offset CO_2 emissions incurred for French domestic flights. Carbon certificates have been purchased for the obligation and are held on the consolidated statement of financial position at purchase price.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (PPE) is stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value, of assets on a straight-line basis over their UELs. UELs and residual values are reviewed annually.

	Expected useful life
Aircraft[1]	18–23 years[2, 3]
Aircraft spares	18 years
Aircraft – prepaid maintenance	7–10 years
Aircraft – subsequent maintenance	5–10 years
Leasehold improvements	5–10 years or the length of the lease if shorter
Freehold land	Not depreciated
Fixtures, fittings and equipment[4]	3 years or length of the lease of the property where the equipment is used if shorter
Computer hardware[4]	3–5 years

1) Aircraft held as right of use assets are depreciated over the lease term; see leases section. Contractual capital maintenance associated with leased aircraft is charged as depreciation to the income statement as the usage that defines the maintenance event occurs.
2) easyJet operates a fleet of Airbus CEO and NEO aircraft. The newer NEO aircraft have a UEL of 23 years. Aligning to the longer-term plan for CEO aircraft, and the ambition to replace these over time with the more fuel-efficient NEO aircraft as part of easyJet's net zero commitment, CEO aircraft have a shorter UEL of 18–20 years.
3) Aircraft are depreciated once in the location and condition necessary to be capable of operating in the manner intended by management.
4) Included within owned other assets within note 12.

Residual values are reviewed annually, at the end of the reporting period, against prevailing market rates for assets of an equivalent age, and the depreciation applied is adjusted accordingly on a prospective basis. The carrying value of PPE assets is part of the Airline CGU and is therefore reviewed for impairment at least annually or when there is any indication of impairment within the CGU. For aircraft, easyJet is dependent on Airbus as its sole supplier. This gives rise to an increased valuation risk, which crystallises when aircraft exit the fleet, where easyJet is reliant on the future demand for second-hand aircraft and specifically Airbus aircraft. Future developments, such as the impact of climate change on the market, technological, economic or legal environment, are considered when assessing residual values and UELs.

An element of the cost of a new aircraft is attributed on acquisition to prepaid maintenance, reflecting the 'full-life' maintenance status of key components of the aircraft at the point of transition of ownership. This cost is depreciated over a period of between seven to ten years from the date of manufacture, in accordance with the maintenance schedule for the aircraft. Subsequent costs incurred which lend enhancement to future periods, such as long-term scheduled maintenance and major overhauls of aircraft and engines, are capitalised at the time of the event and depreciated over the length of the period benefiting from these events. All other maintenance costs for owned aircraft are charged to the income statement as incurred.

Pre-delivery payments made in respect of aircraft are recorded in PPE at cost. These amounts are not depreciated. A proportion of easyJet's financing costs have been attributed to pre-delivery payments, made in respect of aircraft and other qualifying assets under construction. These financing costs are capitalised and added to the cost of the relevant asset. Pre-delivery payments are depreciated from the point at which the aircraft to which they relate is received and ready for commercial use.

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Gains and losses on disposals (other than aircraft-related sale and leaseback transactions) are determined by comparing the net proceeds with the carrying amount of the asset and are recognised in the income statement.

Freehold land is recorded at cost and not depreciated as it is considered to have an indefinite useful life.

LEASES

When a contractual arrangement contains a lease, easyJet recognises a lease liability and a corresponding right of use asset at the commencement of the lease.

At the commencement date the lease liability is measured at the present value of the future lease payments, discounted using the Group's incremental borrowing rate where the interest rate in the lease is not readily determined. Lease payments include fixed payments and variable payments which are dependent on an index or rate. Where an index or rate is used this is initially measured using the index or rate at commencement. Subsequently, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease term is determined from the commencement date of the lease and the duration of the non-cancellable term. If easyJet has an extension option, which it considers it is reasonably certain to exercise, then the lease term will be considered to extend beyond that non-cancellable period to the end of the extension period available. Where easyJet has previously assessed that there is no intention to exercise an extension option but subsequently opts to exercise the option, then a modification would be carried out. If easyJet has a termination option, which it considers it is reasonably certain to exercise, then the lease term will be accounted for until the point when the termination option will take effect.

At the commencement date the right of use asset is measured at an amount equal to the lease liability plus any lease payments made before the commencement date and any initial direct costs, less any lease incentive payments. An estimate of costs to be incurred in restoring an asset before return to the lessor, in accordance with the terms of the lease, is also included in the right of use asset at initial recognition. Subsequently, for leased aircraft, the right of use asset attracts maintenance work in accordance with the contractual obligations of the lease, and a provision for the maintenance work is built up as the aircraft is flown, with the offset being against the right of use asset. The maintenance asset created is immediately fully depreciated as the liability is incurred as the aircraft is flown. Adjustment is also made to the right of use asset to reflect any remeasurement of the corresponding lease liability. The right of use assets form part of the Airline CGU and are therefore subject to review for impairment annually or when there is an indication of impairment within the Airline CGU.

Short-term leases less than 12 months in length and low-value leases are not recognised as lease liabilities and right of use assets but are recognised as an expense on a straight-line basis over the lease term.

In the consolidated statement of cash flows, payments for the interest element of recognised lease liabilities are included in interest and other financing charges paid within cash flows from operating activities. Payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

easyJet periodically enters into sale and leaseback transactions whereby it sells either new or mid-life aircraft or engines to a third party and immediately leases them back. Where the transaction is judged to reflect the aircraft's fair value, any gain or loss arising on disposal is recognised in the income statement, to the extent that it relates to the rights that have been transferred. Gains and losses that relate to the rights that have been retained are included in the carrying amount of the right of use asset recognised at commencement of the lease. If sale proceeds received were determined to not be at the aircraft's fair value, any below market terms would be recognised as a prepayment of lease payments, and above market terms recognised as additional financing provided by the lessor. Gains on sale and leaseback transactions are recognised in other income, with losses on sale and leaseback transactions recognised in other costs. Proceeds received for the sale of the fair value of the asset are recognised in the statement of cash flows within investing activities as it relates to property, plant and equipment.

OTHER NON-CURRENT ASSETS

Other non-current assets include both general lease deposits, as stipulated in lease agreements, as well as mid-life aircraft delivery assets for maintenance obligations incurred on mid-life aircraft before easyJet acquired the aircraft. The payments and receivables are recorded within current and non-current assets as applicable, pending reimbursement or receipt in accordance with contract specific terms. Management assess the recoverability of these assets on an annual basis through consideration of the credit position of the debtors and other relevant inputs. Under the general approach to assess impairment of financial assets, easyJet recognises a loss allowance equal to the 12-month expected credit losses.

FINANCIAL GUARANTEES

Financial guarantees are initially measured at fair value and subsequently at the higher of the initial fair value or the amount of the loss allowance determined by an expected credit loss calculation.

A loss allowance is calculated where easyJet is jointly and severally liable for financial guarantee contracts. This is calculated based on the probability-weighted estimate of cash shortfalls to reimburse the holder for a credit loss that it incurs and based on the agreements which may exist between any co-guarantors.

TAX

Tax expense in the income statement consists of current and deferred tax. Tax is recognised in the income statement except when it relates to items credited or charged directly to other comprehensive income or shareholders' equity, in which case it is recognised in other comprehensive income or shareholders' equity. The charge for current tax is based on the results for the year as adjusted for income that is exempt and expenses that are not deductible, using tax rates that are applicable to the taxable income.

Deferred tax is provided in full on temporary differences relating to the carrying amount of assets and liabilities, where it is probable that the recovery or settlement will result in an obligation to pay more, or a right to pay less, tax in the future, with the following exceptions:

> where the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable income nor accounting profit; and
> deferred tax arising on investments in subsidiaries is not recognised where easyJet is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the periods in which recovery of assets and settlement of liabilities are expected to take place, based on tax rates or laws enacted or substantively enacted at the date of the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Deferred tax assets represent amounts considered recoverable in future periods in respect of deductible temporary differences, losses and tax credits carried forward. Deferred tax assets are recognised to the extent that these are estimated to be fully recoverable against the unwind of taxable temporary differences and future taxable income.

Deferred tax liabilities represent the amount of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

PROVISIONS

Provisions are recognised when a present legal or constructive obligation arises as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Amounts provided for represent the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account all related risks and uncertainties.

Restructuring

Provisions for restructuring arise principally in relation to network optimisation and head office reviews. Provisions for restructuring programmes are made when easyJet has a demonstrable commitment to a restructuring programme, for example through an announcement made to the impacted employees.

Restructuring provisions are measured based on the expected outcome of consultations with impacted employees. Where specific individuals at risk have not been identified, estimations are based on information available such as average payroll data, employee age and length of service.

Maintenance

easyJet incurs liabilities for maintenance and restoration costs in respect of leased aircraft during the term of the lease. These arise from legal and constructive contractual obligations relating to the condition of the aircraft when it is returned to the lessor or when heavy maintenance events are expected to occur during the period of the lease. Contractual maintenance obligations arising from the ongoing use of the aircraft are provided for over the term of the lease based on the estimated future costs of the maintenance events, or forecast penalty charges, discounted to present value. The provision is built as the aircraft are flown, and recognised against the right of use asset, where it is immediately fully depreciated as the flying hours that determine the provision have taken place. The restoration cost obligation is described in the lease section.

Other

Other provisions include amounts in respect of onerous contracts, compensation for quality issues and personal injury and illness for Holidays' customers, the provision for refunds of air passenger duty and similar charges, and potential liabilities for employee related and litigation matters which arise in the normal course of business. Onerous contracts are recognised at the first indication that a loss is anticipated, and the provision based on the expected economic outflow arising from the contracts.

EMPLOYEE BENEFITS

easyJet contributes to defined contribution pension schemes for the benefit of employees. The assets of the schemes are held separately from those of easyJet in independently administered funds. easyJet's contributions are charged to the income statement in the year in which they are incurred. easyJet has no further payment obligations once the contributions have been paid for defined contribution schemes.

The expected cost of compensated annual leave and other employee benefits is recognised at the time that the related employees' services are provided.

Switzerland pension scheme

easyJet contributes to an independently administered post-employment fund for employees in Switzerland. The benefit is contribution-based with certain minimum guarantees required by Swiss law to the mandatory part of the benefit. Due to these minimum guarantees, the Swiss pension plan meets IAS 19 Employee Benefits requirements to be treated as a defined benefit plan for the purposes of these consolidated financial statements.

The easyJet portion of the current service costs and the net interest costs are charged to the consolidated income statement in the year in which they relate. Actuarial gains and losses are recognised in the consolidated statement of comprehensive income and the consolidated statement of financial position reflects the net surplus or deficit at the reporting date.

The actuarial assumptions used to calculate the defined benefit obligation are based on the requirements set out in IAS 19. They are set by management, based on advice from an independent actuary. The defined benefit obligation is calculated using the projected unit credit method. The costs of managing the plan assets are deducted as incurred in determining the return on plan assets and the present value of projected future general administration expenses that are a direct consequence of past service are included as part of the retirement benefit obligation.

SHARE CAPITAL AND DIVIDEND DISTRIBUTION

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company or employee benefit trust purchases the Company's equity shares, the consideration paid, and any directly attributable incremental costs are deducted from retained earnings until the shares are cancelled or reissued. Proceeds from re-issue are shown as a credit to retained earnings.

easyJet settles share awards under the Long Term Incentive Plan, the Save As You Earn scheme, Restricted Share Plan, Share Incentive Plans and Deferred Annual Bonus by purchasing its own shares on the market through employee benefit trusts. The costs of such purchases are deducted from retained earnings in the period that the transaction occurs.

Final dividend distributions to the Company's shareholders are recognised as a liability in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

SHARE-BASED PAYMENTS

easyJet has a number of equity-settled share incentive schemes. The fair value of share options granted under the Save As You Earn scheme is measured at the date of grant using the Binomial Lattice option pricing model. The fair value of grants under the Long Term Incentive Plan is measured at the date of grant using the Stochastic model (also known as the Monte Carlo model) for awards based on Total Shareholder Return (TSR) performance targets. The fair value of all other awards is the share price at the date of grant.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The fair value of the estimated number of options and awards that are expected to vest is expensed to the income statement on a straight-line basis over the period that employees' services are rendered, with a corresponding increase in shareholders' equity. Where non-market performance criteria (such as sustainability targets) attached to the share options and awards are not met, any cumulative expense previously recognised is reversed. For awards with market-related performance criteria (such as TSR), an expense is recognised irrespective of whether the market condition is satisfied.

The social security obligations payable in connection with the grant of the share options are an integral part of the grant itself and the charge is treated as a cash-settled transaction. A deferred tax balance is recognised based on the intrinsic value of the outstanding options.

FINANCIAL INSTRUMENTS

Financial instruments are recognised when easyJet becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Financial assets are also derecognised (written-off) when the Group has no reasonable expectation of recovering the financial asset.

With the exception of trade receivables that do not contain a significant financing component, financial instruments are initially measured at fair value plus or minus (in the case of a financial asset or financial liability not at fair value through the income statement) directly attributable transaction costs. Trade receivables that do not contain a significant financing component are initially measured at the transaction price.

Where market values are not available, the fair value of financial instruments is calculated by discounting expected cash flows at prevailing interest rates and by applying period end exchange rates.

The equity investment in The Airline Group Limited is measured at fair value. Movements in fair value are assessed at each reporting period and recorded in other comprehensive income. The fair value is measured using a dividend income model in accordance with IFRS 13 requirements. See note 26 for further details.

NON-DERIVATIVE FINANCIAL ASSETS

Non-derivative financial assets are classified and measured according to easyJet's business model for managing a specified group of financial assets, and the nature of the contractual cash flows arising from that group of financial assets.

FINANCIAL ASSETS MEASURED AT AMORTISED COST

Subsequent to initial recognition, this classification of financial asset is measured at amortised cost using the effective interest rate method.

Financial assets are measured at amortised cost when both of the following criteria are met:

> the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
> the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

Financial assets measured at amortised cost include refundable lease deposits and other refundable lease contributions, restricted cash, trade and other receivables, other investments, and cash and cash equivalents (excluding money market funds).

Restricted cash comprises cash deposits which have restrictions governing their use and is classified as a current or non-current asset based on the estimated remaining length of the restriction. Movements in restricted cash are shown within financing activities in the consolidated statement of cash flows as the movements arise from cash held relating to guarantees.

Cash and cash equivalents comprise cash held in bank accounts with no access restrictions and bank term deposits and tri-party repos repayable on demand or maturing within three months of inception. Money market funds (also part of Cash and cash equivalents) are measured at fair value through income statement (below).

Other investments comprise bank term deposits and tri-party repos maturing greater than three months from inception. Managed investments (also part of Other investments) are measured at fair value through income statement (below).

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

On initial recognition, equity investments, excluding interests in associates, are irrevocably designated as measured at fair value through other comprehensive income. Subsequently they are measured at fair value with changes recognised in other comprehensive income with no recycling of these gains and losses.

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH THE INCOME STATEMENT

Financial assets are measured at fair value through the income statement when they do not meet the criteria to be measured at amortised cost or at fair value through other comprehensive income.

Subsequent to initial recognition, this classification of financial assets is measured at fair value through the income statement.

Financial assets measured at fair value through the income statement compromised money market funds and managed investments as at 30 September 2024.

IMPAIRMENT OF FINANCIAL ASSETS

At each reporting date easyJet recognises a loss allowance for expected credit losses on financial assets measured at amortised cost.

In establishing the appropriate amount of loss allowance to be recognised, easyJet applies either the general approach or the simplified approach, depending on the nature of the underlying group of financial assets.

General approach – impairment assessment

The general approach is applied to the impairment assessment of refundable lease deposits and other refundable lease contributions, restricted cash, other investments and cash and cash equivalents.

Under the general approach easyJet recognises a loss allowance for a financial asset at an amount equal to the 12-month expected credit losses calculated using expected future default probabilities, unless the credit risk on the financial asset has increased significantly since initial recognition, in which case a loss allowance is recognised at an amount equal to the lifetime expected credit losses.

Simplified approach – impairment assessment

The simplified approach is applied to the impairment assessment of trade and other receivables.

Under the simplified approach easyJet recognises a loss allowance for a financial asset at an amount equal to the lifetime expected credit losses using a historical loss probability method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

NON-DERIVATIVE FINANCIAL LIABILITIES

Non-derivative financial liabilities are initially recorded at fair value less directly attributable transaction costs, and subsequently at amortised cost, and include trade and other payables and borrowings. Interest expense on borrowings is recognised using the effective interest method.

Borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting period date.

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

Subsequent to initial recognition at cost, this classification of financial liability is measured at amortised cost.

Financial liabilities measured at amortised cost include trade and other payables, lease liabilities and borrowings.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivative financial instruments are measured at fair value through the income statement with the exception of derivative financial instruments that are designated as a hedging instrument in a cash flow hedge relationship.

easyJet uses foreign currency forward exchange contracts to hedge foreign currency risks on transactions denominated in US dollars, euros and Swiss francs. These transactions primarily affect revenue, fuel, lease costs, holiday accommodation costs, pre-delivery payments, and the initial carrying value of owned aircraft. easyJet also uses cross-currency interest rate swaps to hedge currency and interest rate risk on certain borrowings, and jet fuel swap and option contracts to hedge fuel price risks. easyJet has a small number of euro-denominated lease contracts which result in a committed schedule of euro lease rental payments; these are matched against forecasted euro revenue cash flows to provide a cash flow hedge against the sterling/euro exchange rate. Hedge accounting is applied to those financial instruments that are designated as cash flow hedges or fair value hedges.

CASH FLOW HEDGES

Gains and losses arising from changes in the fair value of foreign exchange forwards, jet fuel forward swaps, jet fuel options and cross-currency interest rate swap contracts designated as cash flow hedges are recognised in other comprehensive income and deferred in the hedging reserve to the extent that the hedges are determined to be effective.

All foreign exchange contracts in a cash flow hedge relationship are designated on a forward basis with the full fair value as the hedge instrument. Jet fuel option contracts in a cash flow hedge relationship are designated using the intrinsic value of the derivative as the hedge instrument only. The time value element of the full fair value for these derivatives is recognised through other comprehensive income as a cost of hedging and recycled to the income statement at the same time as the hedge item also impacts the income statement.

Fair value changes in a foreign currency derivative instrument attributable to the currency basis are not designated as part of the hedged instrument. Such fair value changes are recognised through other comprehensive income as a cost of hedging, and are recycled to the income statement on maturity or in the event of hedge discontinuation, according to the nature of the underlying hedged item.

When the hedged forecast transaction relates to an item of property, plant and equipment, the relevant accumulated gains and losses are transferred from the hedging reserve and included in the initial carrying amount of that purchased asset. Otherwise they are recognised in the income statement in the same period in which the hedged transaction affects the income statement and against the same line item.

In the event that a hedged forecast transaction is no longer expected to occur, any related gains and losses are immediately transferred from the hedging reserve and recognised in the income statement. Derivative instruments that have been derecognised from hedge relationships are classified as fair value through the income statement thereafter with subsequent fair valuation movements being recognised in the income statement.

Hedge accounting is discontinued when a hedging instrument is derecognised (e.g. through expiry, disposal or termination of a derivative), or no longer qualifies for hedge accounting. Where the hedged item continues to be expected to occur, the related gains and losses remain deferred in the hedging reserve until the transaction takes place.

HEDGE RELATIONSHIP

The Group determines that the criteria for each hedge accounting relationship are met where:

> all relationships demonstrate a strong economic correlation;
> the effects of credit do not dominate the change in value of the associated hedged risk; and
> all Group hedge relationships have a hedge ratio of one to one, aligning to the Group's risk management strategy.

REVENUE RECOGNITION

easyJet categorises total revenue earned on the face of the income statement between passenger and ancillary revenue, with ancillary revenue further categorised into airline ancillary revenue and holidays incremental revenue.

Passenger revenue

Passenger revenue arises from the sale of flight seats and is recognised when the performance obligation has been completed, which is when the flight takes place. Revenue recognised is the price paid by the customer for the flight excluding air passenger tax; this includes amounts paid by 'no-show' customers, as such customers are not generally entitled to change flights or seek refunds once a flight has departed.

Compensation payments made to customers (in respect of flight delays and cancellations) are offset against revenues recognised up to the amount of the flight, with the excess compensation being recorded within other costs. The liability for compensation payments not yet paid is measured based on known eligible events, the number of passengers impacted, and the best estimate of claim rates which is informed by historical claim rates.

Airline flights are paid for at the point of booking. Unearned revenue from flights not yet flown is held in the statement of financial position until it is realised in the income statement when the flight takes place.

If easyJet cancels a flight, unless a customer immediately rebooks on an alternative flight, at the point of the cancellation the amount paid for the flight is derecognised from unearned revenue and a contract liability is recognised within trade and other payables to refund the customer or provide a voucher or flight transfer if requested. Vouchers issued by easyJet in lieu of refunds are held on the statement of financial position in other payables as a contract liability (see note 17) until they are redeemed against a new booking, at which point they are recognised as unearned revenue. Once vouchers expire or are deemed to have a remote probability of being redeemed for a future booking they will be recognised as revenue. For vouchers issued to customers in countries where regulations stipulate unused vouchers should be refunded to the customer before the expiry of the statutory period, the required refunds are made.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Where customers do not request either a voucher, refund or flight transfer the liability continues to be recognised in other payables, and breakage is applied when the likelihood of the customer exercising their remaining rights to be compensated is considered remote.

Airline ancillary revenue

Sale of checked baggage, allocated seating, change fees and other

Revenue is measured as the price paid by the customer for the service booked and is recognised at a point in time, which is when the flight takes place. Unearned revenue includes the amount paid for these services and is treated in line with unearned revenue for the sale of flight seats.

Partner revenue and in-flight sales

Revenue is measured at the value of the commission earned as easyJet is deemed to be the agent and does not control the related services or goods. The key consideration to reach this conclusion is that the partner is deemed to be responsible for inventory risk and fulfilment of the goods and services. The revenue is recognised at a point in time which is when the service takes place. The exception is commission earned from travel insurance, where revenue is recognised at the time of booking as easyJet acts solely as the appointed representative of the insurance company.

Cancellation fees

Revenue is measured at the amount paid for the cancellation and is recognised at a point in time, when the cancellation requested by the customer is processed.

easyJet plus

Revenue is measured at the amount paid for the annual membership and is recognised evenly over the membership period.

Holidays incremental revenue

Holidays incremental revenue as referenced in the income statement is net of flight revenue and comprises package holiday revenue which is measured as the price paid by the customer for the service booked. The performance obligation is satisfied over time with the revenue recognised evenly across the length of the holiday. This includes amounts paid by 'no-show' customers.

Package holiday deposits are paid for at the point of booking. Unearned revenue from the non-flight elements of package holidays for which the customer has paid but the service has not yet taken place, is held in the statement of financial position until it is realised in the income statement when the performance obligation is complete. Package holiday balances are due from customers 28 days before departure.

If easyJet cancels a holiday, and the customer does not elect to rebook or receive a voucher, the price of the holiday (including flights) is refunded to the customer. If the customer elects to receive a voucher, the voucher is held on the statement of financial position in other payables as a contract liability (see note 17) until it is redeemed against a new booking, at which point it is recognised as unearned revenue. Vouchers that expire or are deemed to have a remote probability of being redeemed for a future booking are recognised as revenue.

OPERATIONAL COSTS AND INCOME

Costs and income are presented in the income statement based on the nature of the cost/income as this is most relevant to enable users of the financial statements to understand easyJet's financial performance. Costs are expensed as incurred either at the point the goods or service is transferred, or over time to reflect when the benefits are received (for example holiday accommodation costs recognised over the period the holiday is taken). Separate financial statement line items are shown for material income and expenses; the other costs and other income lines include items not reported in the separate material line items. Other income includes insurance receipts, supplier compensation payments, rental income, income from sale of excess aircraft spare parts, and gains on sale of intangible assets. Other costs are expensed as incurred and include disruption costs, IT costs, cost of third-party providers, employee costs for sales, marketing and administration teams and insurance costs. Gains/losses on sale and leaseback transactions are recognised as non-headline in other income/other costs as applicable.

FINANCE CHARGE/INCOME

Interest payable/receivable and other financing charges/income includes interest expense/income on cash and borrowings which is recognised using the effective interest method, interest on lease liabilities which is recognised using the interest rate implicit in the lease, and fair value movements of derivative financial instruments that are not designated hedging instruments in a cash flow hedge arrangement.

Net foreign exchange gains/losses on statement of financial position monetary assets and liabilities are presented as a separate financial statement line item.

Within the statement of cash flows, interest paid on bank borrowings and leases is included within net cash generated from/used in operating activities as allowable by IAS 7, and this includes the settlement of the derivatives used to hedge borrowings. In addition, the settlement of derivatives relating to cash flows for ineffective and fair value derivatives through the income statement are also shown within operating activities as they relate to transactions that primarily affect revenue, fuel and lease costs. The amount recognised in settlement of derivatives includes cash flows arising from the maturity of cross-currency interest rate swaps in the period. The settlement of operational hedged derivatives that have already been recycled through the income statement are included in the operating result.

SEGMENTAL REPORTING

easyJet has two operating segments, being its Airline business, which operates easyJet's route network, and the Holidays business, which sells package holidays. The Chief Operating Decision Maker (CODM) has been assessed as being the easyJet plc Board, which receives regular reporting on the Airline and Holidays' results in order to make resource allocation decisions. Presentation of separate segmental reporting is included in note 8.

Geographic revenue is allocated on the following basis:

> revenue earned from customers is allocated according to the location of the first departure airport on each booking; and
> commission revenue earned from partners is allocated according to the domicile of each partner.

Revenue by country of origin has been provided where revenues from external customers attributed to an individual foreign country are material.

Passenger revenue recognised within the Airline segment includes intra-segment sales of flights to the Holidays segment. Sales of seats are made between Airline and Holidays on a commercial basis whereas the pricing of hold bags is based on historical average pricing to direct airline customers. Passenger revenue is recognised in the Airline segment when the flight takes place.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1A. MATERIAL ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received. Loans provided and/or guaranteed by governments that represent market rates of interest are recorded at the amount of the proceeds received and recognised within borrowings. All existing loans are considered to be at market value. Grants that compensate the Group for expenses incurred are recognised in the income statement in the relevant financial statement line on a systematic basis in the periods in which the expenses are recognised to present the net expense to the Group.

ALTERNATIVE PERFORMANCE MEASURES (APMS)

A number of APMs are disclosed within the financial statements on pages 154 to 198. In the Directors' opinion, these APMs provide additional understanding to users of the financial statements in their assessment of underlying performance. Refer to the glossary for a list of APMs disclosed in the financial statements, including definitions and reconciliations to IFRS measures.

Included in the income statement is the sub-total EBITDA which is a measure of earnings before interest, taxes, depreciation and amortisation.

NEW AND REVISED STANDARDS AND INTERPRETATIONS

A number of amended standards became applicable during the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The amendments that became applicable for annual reporting periods commencing on or after 1 January 2023, and did not have a material impact were:

> IFRS 17 Insurance Contracts
> Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
> Definition of Accounting Estimates – Amendments to IAS 8
> Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
> International Tax Reform — Pillar Two Model Rules – Amendments to IAS 12

There are no standards that are issued but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1B. ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make judgements as to the application of accounting standards to the recognition and presentation of material transactions, assets and liabilities within the Group, and the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Estimations are based on management's best evaluation of a range of assumptions, however, events or actions may mean that actual results ultimately differ from those estimates, and these differences may be material. The estimates and the underlying assumptions are reviewed regularly.

1B.(I) CRITICAL ACCOUNTING JUDGEMENTS

The following are the critical judgements, apart from those involving estimation (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and presented in the financial statements.

CLASSIFICATION OF INCOME OR EXPENSES BETWEEN HEADLINE AND NON-HEADLINE ITEMS (NOTE 5)

Non-headline items are those where, in management's opinion, their separate reporting provides an additional understanding to users of the financial statements of easyJet's underlying trading performance, and which are significant by virtue of their size and/or nature. In considering the categorisation of an item as non-headline, management's judgement includes, but is not limited to, a consideration of:

> whether the item is outside of the principal activities of the easyJet Group (being to provide point-to-point airline services and package holidays);
> the specific circumstances which have led to the item arising, including, if extinguishing an item from the statement of financial position, whether that item was first generated via headline or non-headline activity. The rebuttable presumption being that when subsequently extinguishing an item from the statement of financial position, any impact on the income statement should be reflected in the same way as that which was used in the initial creation of the item;
> if the item is irregular in nature; and
> whether the item is unusual by virtue of its size.

In accordance with Group policy, non-headline items include expenditure on major restructuring programmes and the gain or loss resulting from the initial recognition of sale and leaseback transactions. They may also include impairments and amounts relating to corporate acquisitions and disposals, depending on the assessment of the above criteria.

RECOVERABILITY OF DEFERRED TAX ASSETS (NOTE 6)

The deferred tax asset balances include £440 million (2023: £442 million) arising on full recognition of the UK trading tax losses accumulated at the statement of financial position date. The Group has concluded that these deferred tax assets will be fully recoverable against the unwind of taxable temporary differences and future taxable income based on the long-term strategic plans of the Group. Where applicable the financial projections used in assessing future taxable income are consistent with those used elsewhere across the business, for example in the assessment of going concern. These assessments include the expected impact of climate change on easyJet, and the future financial impact within cash flow projections, such as the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of SAF, and the cost of carbon removal credits and other sustainability initiatives.

The tax losses for which a deferred tax asset has been recognised are expected to be utilised within the next six years, assessed by considering probable forecast future taxable income. The probable forecast future taxable income includes the impact of the expected unwind of taxable temporary differences as well as the effect of Full Expensing Relief for qualifying capital expenditure. Probable forecast future taxable income includes an incremental and increasing risk weighting to represent higher levels of uncertainty in future periods.

The tax losses can be carried forward indefinitely and have no expiry date.

CONSOLIDATION OF EASYJET SWITZERLAND S.A.

Judgement has been applied in consolidating easyJet Switzerland S.A. as a subsidiary on the basis that the Company exercises control over the undertaking. A non-controlling interest has not been reflected in the consolidated financial statements on the basis that the holders of the remaining 51% of the shares have no entitlement to any dividends from that holding and the Company has an option to acquire those shares for a predetermined minimal consideration.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1B.(II) CRITICAL ACCOUNTING ESTIMATES

The following critical accounting estimates include judgements or complexity and are the major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

AIRCRAFT MAINTENANCE PROVISIONS – £894 MILLION (2023: £753 MILLION) (NOTE 20)

easyJet incurs liabilities for maintenance costs arising during the lease term of leased aircraft. These costs arise from legal and constructive contractual obligations relating to the condition of the aircraft when it is returned to the lessor. To discharge these obligations, it is usual for easyJet to carry out at least one heavy maintenance check on each of the engines and the airframe of the aircraft during the lease term. A material provision representing the estimated cost of this obligation is built up over the course of the lease. The estimates and assumptions used in the calculation of the provision are reviewed at least annually, and when information becomes available that is capable of causing a material change to an estimate, such as the renegotiation of end of lease return conditions, increased or decreased aircraft utilisation, or changes in the cost of heavy maintenance services and the expected uplift in future prices.

A significant portion of the future maintenance costs and cost increases are under contract and provide certainty to the provision. Where cost increases are not under contract, an estimation of the likely future increases are made in the calculation of the provision. Given the significant value of the provision, the provision is sensitive to changes in the future increase of uncontracted costs. An additional 4% cost uplift on uncontracted costs over the future years used in the provision would result in a £32 million increase in the provision. Additionally, with many maintenance costs incurred in US dollars, the provision remains sensitive to changes in the GBP/USD exchange rate. A significant +/- 10 cent change in the GBP/USD exchange rate would impact the provision by -£50 million/+£58 million respectively.

The rates used to discount the provision to arrive at a present value are based on observable market rates as an estimate of the relevant risk-free rate.

The provision can also be materially influenced by the maintenance status of aircraft when they enter the easyJet fleet. To give flexibility to the fleet plan easyJet may lease 'mid-life' aircraft. When mid-life aircraft enter the fleet, a 'catch-up' maintenance provision is created to reflect the maintenance obligation for the flying cycles undertaken before the aircraft entered the easyJet fleet. The trigger for the recognition of this addition to the provision is the signing of the lease contract. It is of note that where contractually agreed a mid-life delivery asset is also created when the mid-life leased aircraft enter the fleet, creating a separate related asset on the statement of financial position.

GOODWILL AND LANDING RIGHTS – £542 MILLION (2023: £520 MILLION) (NOTE 11)

It is management's judgement that there are two separate CGUs which generate largely independent cash flows, these being easyJet's Airline route network and its Holidays business. The recoverable amount of goodwill and landing rights has been determined based on value in use calculations for the airline route network CGU as they are wholly attributable to it. The value in use is determined by discounting future cash flows to their present value. When applying this method, easyJet relies on a number of key estimates including the ability to meet its strategic plans, future fuel prices and exchange rates, long-term economic growth rates for the principal countries in which it operates, and its pre-tax weighted average cost of capital. Strategic plans include assessments of the future impact of climate change on easyJet to the extent these can be estimated. This includes for example, the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of SAF and the cost of carbon removal credits and other sustainability initiatives. The possible impact of longer-term climate change risks that are not part of the strategic plans have been considered as part of the sensitivity analysis.

Fuel prices and exchange rates continue to be volatile in nature and the ability to pass these changes on to the customer is a critical judgement that requires estimation. In addition, assumptions over customer demand levels could have a significant effect on the impairment assessment performed. Any future events that would lead to extended travel restrictions or fleet grounding may impact future impairment or useful economic life assessments. The sensitivity analysis considered as part of the overall impairment assessment takes into account different assumptions for these key estimates, see note 11 for details.

1B.(III) OTHER AREAS OF JUDGEMENT AND ACCOUNTING ESTIMATES

The following are other areas of judgement and accounting estimates that do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements. The recognition and measurement of the following material assets and liabilities are of note in that they are based on assumptions and/or are subject to longer term uncertainties.

OWNED AIRCRAFT CARRYING VALUES – £4,192 MILLION (2023: £3,846 MILLION) (NOTE 12)

The key estimates used in arriving at aircraft carrying values are the UELs and residual values of the owned aircraft.

Aircraft are depreciated over their UEL to their residual values in line with the Property, Plant and Equipment Accounting Policy. The UEL is based on easyJet's long-term fleet plan and intended utilisation of the current fleet, which include long-term assumptions of market conditions and customer demands, which by their nature are inherently uncertain.

Residual value estimates for aircraft are based on independent aircraft valuations. The valuations are based on an assessment of the current state of the global marketplace for specific aircraft assets. Should the marketplace for an asset class deteriorate unpredictably, there could be a risk that the recoverable amount for some aircraft assets would fall below their current carrying value or that residual values are subject to downward adjustment.

Owned and leased aircraft asset recoverable amounts are included in the Airline CGU and are therefore subject to review for impairment annually or when there is an indication of impairment within the Airline CGU. Further details of the impairment testing applied are included in note 11.

DEFINED BENEFIT PENSION ASSUMPTIONS – £175 MILLION GROSS OBLIGATION (2023: £152 MILLION GROSS OBLIGATION) (NOTE 21)

The Swiss pension scheme meets the requirements under IAS 19 to be recognised as a defined benefit pension scheme and the net pension obligation is recognised on the consolidated statement of financial position. The measurement of scheme assets and obligations are calculated by an independent actuary in line with IAS 19. The financial and demographic assumptions used in the calculation are determined by management following consultation with the independent actuary with consideration of external market movements and inputs. The calculation is most sensitive to movements in the discount rate applied, which has been subject to significant volatility. A sensitivity analysis is included in note 21.

LIABILITY FOR COMPENSATION PAYMENTS – £50 MILLION (2023: £62 MILLION) (NOTE 16)

easyJet incurs liabilities for amounts payable to customers who make claims in respect of flight delays and cancellations, for which claims could be made up to six years after the event, and for reimbursement of reasonable expenses incurred as a result of flight delays and cancellations. The key estimation in the liability is the passenger claim rate for compensation payments. The estimation carries a level of uncertainty as it is based on customer behaviour. The basis of the estimates included in the liability are reviewed at least annually and when information becomes available that may result in a change to the estimate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. NET FINANCE (INCOME)/CHARGES

	2024 £ million	2023 £ million
Interest receivable and other financing income		
Interest income	**(141)**	(132)
Interest payable and other financing charges		
Hedge discontinuation and ineffectiveness[1]	**2**	1
Interest payable on bank and other borrowings	**80**	132
Interest payable on lease liabilities	**50**	46
Other interest payable	**–**	1
	132	180
Net exchange gain on monetary assets and liabilities[2]	**(4)**	(27)
Net finance (income)/charges	**(13)**	21

1) See note 27 for details.
2) Included within net exchange gain on monetary assets and liabilities is an £80 million loss (2023: £84 million loss) relating to the fair value loss on US dollar foreign exchange derivatives designated as fair value through profit or loss.

3. PROFIT BEFORE TAX

The following have been included in arriving at profit before tax:

	2024 £ million	2023 £ million
Depreciation of property, plant and equipment		
Owned assets	**277**	271
Right of use assets	**450**	373
Loss on disposal of intangible assets	**1**	3
Loss on disposal of property, plant and equipment	**18**	10
Impairment/(reversal of impairment) of trade receivables	**2**	(3)
Sale and leaseback gain	**(1)**	–

AUDITORS' REMUNERATION

During the year the Company obtained the following services from the Company's auditors:

	2024 £ million	2023 £ million
Company audit fee	**0.2**	0.1
Fees for audit of the Company's subsidiaries and their associates (including foreign partners)	**1.5**	1.4
	1.7	1.5

In addition, easyJet incurred audit-related non-audit services fees of £0.2 million (2023: £0.2 million) from its auditors. This includes the fee of £0.1 million (2023: £0.1 million) in respect of the half-year review performed.

During the year, other assurance related non-audit services fees totalling £0.4 million (2023: £0.3 million) were also incurred, primarily in relation to our EMTN Programme, the Airbus order and ESG assurance (2023: primarily in relation to our Airbus Proposed Purchase).

4. EMPLOYEES

The average monthly number of people employed by easyJet was:

	2024 Number	2023 Number
Flight and ground operations	**16,049**	14,598
Sales, marketing and administration	**1,590**	1,339
	17,639	15,937

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. EMPLOYEES (CONTINUED)

Employee costs for easyJet were:

	2024 £ million	2023 £ million (re-presented)
Wages and salaries[1]	**1,065**	922
Social security costs	**152**	129
Pension costs[1]	**72**	63
Share-based payments	**30**	18
	1,319	1,132

1) The employee portion of defined pension contributions for the prior year of £34 million has been re-presented from pension costs to wages and salaries.

Included in the pension costs is £6 million (2023: £6 million) related to pension schemes treated as a defined benefit scheme under IAS 19. Refer to note 21.

Included in employee costs is a net debit of £9 million (2023: £2 million net debit) from redundancy and restructuring costs. These costs predominantly reflect the non-headline costs arising from the announced restructuring programmes in Germany, France and Italy (see note 5 for further detail).

The amounts received under government furlough schemes are offset against employee costs in the income statement. Refer to note 29 for further details.

Key management compensation was as follows:

	2024 £ million	2023 £ million
Short-term employee benefits	**13**	14
Share-based payments	**4**	2
	17	16

The Directors of easyJet plc and the other members of the Airline Management Board are easyJet's key management as they have collective authority and responsibility for planning, directing and controlling the business.

Emoluments paid or payable to the Directors of easyJet plc were:

	2024 £ million	2023 £ million
Remuneration	**5**	5
	5	5

For details of Directors' remuneration refer to the audited sections of the Directors' Remuneration Report on pages 133 to 138.

5. NON-HEADLINE ITEMS

An analysis of the amounts presented as non-headline is given below:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Sale and leaseback gain	**(1)**	–
Restructuring charge	**9**	1
Loss on disposal of landing rights	**–**	3
Correction of prior year error	**–**	19
Total non-headline charge before tax	**8**	23
Tax credit on non-headline items	**(1)**	(6)
Total non-headline charge after tax	**7**	17

SALE AND LEASEBACK GAIN

During the year, easyJet completed the sale and leaseback of 11 A319 aircraft (2023: eight). The income statement impact of the 11 sale and leasebacks was a £1 million profit on disposal (2023: £nil million profit) recognised in other income.

RESTRUCTURING

Following a network review in the financial year, restructuring programmes impacting bases in France and Italy were announced in September 2024. A provision of £12 million has been recognised in the financial statements as a best estimate of the potential costs of the restructuring exercise. This cost has been recognised as non-headline in accordance with our non-headline accounting policy. The cost has been offset by a £3 million release from the provision for the previously announced restructuring programmes in Germany, following a number of settlements finalised in the year. The release has been credited to other costs where the initial expense was recognised.

In the prior year the restructuring charge included a £3 million loss on disposal of landing right 'slots' surrendered at Berlin Brandenburg Airport as a result of the downsizing of operations at the airport, and £1 million representing additional estimated costs arising from the restructuring programmes in Germany.

As at 30 September 2024, there were unpaid amounts of £12 million (2023: £6 million) representing remaining redundancy cases which have not been finalised and settled at the end of the financial year.

CORRECTION OF PRIOR YEAR ERROR

In the previous financial year, a £19 million cost was recognised as non-headline for the correction of an error identified in a third-party system. The error related to aircraft lease modifications which occurred in FY21, and impacted the depreciation recognised on a number of right of use assets.

TAX ON NON-HEADLINE ITEMS

After the necessary tax adjustments, which principally relate to the sale and leaseback transactions and restructuring provisions, there is a non-headline tax credit of £1 million (2023: £6 million) for the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. TAX CHARGE

Tax on profit on ordinary activities

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Current tax		
Foreign tax	**13**	11
Total current tax charge	**13**	11
Deferred tax		
Temporary differences relating to property, plant and equipment	**145**	76
Other temporary differences	**(4)**	24
Adjustments in respect of prior years	**(4)**	(3)
Total deferred tax charge	**137**	97
Total tax charge	**150**	108
Effective tax rate	**24.9%**	25.1%

Reconciliation of the total tax charge

The tax for the year is lower than (2023: higher than) the standard rate of corporation tax in the UK as set out below:

	2024 £ million	2023 £ million
Profit before tax	**602**	432
Total tax charge at 25.0% (2023: 22.0%)	**151**	95
Income not chargeable for tax purposes:		
Expenses not deductible for tax purposes	**10**	8
Share-based payments	**(5)**	(3)
Adjustments in respect of prior years – overseas current tax	**(1)**	–
Adjustments in respect of prior years – deferred tax	**(4)**	(3)
Difference in applicable rates for current and deferred tax	**–**	12
Attributable to rates other than standard UK rate	**(2)**	(1)
Movement in provisions	**1**	–
Total tax charge	**150**	108

Current tax payable at 30 September 2024 amounted to £9 million (2023: £3 million) which is solely related to tax payable in other European jurisdictions.

During the year ended 30 September 2024, net cash tax paid amounted to £8 million (2023: £12 million).

The Group monitors income tax developments in all jurisdictions in which it operates, including the OECD Base Erosion and Profit Shifting (BEPS) initiative (Pillar 2), which may impact the Group's future tax liabilities. The UK has introduced a global minimum corporation tax in line with the OECD Inclusive Framework on BEPS, which requires a minimum corporation tax rate of 15% in each jurisdiction in which the Group operates. The first accounting period to which the new rules will apply to the Group in the UK will be the year ended 30 September 2025.

The Group does not expect its tax liabilities to be materially increased as a result of the UK's implementation of the Pillar 2 rules. The Group is currently assessing their detailed impact and Malta is the only jurisdiction that is likely to be affected. The impact on the Group's total tax charge based on the profits earned in the year ended 30 September 2024 would be less than 1%.

Tax on items recognised directly in other comprehensive income or shareholders' equity:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Credit/(charge) to other comprehensive income		
Deferred tax on change in fair value of cash flow hedges	**85**	14
Deferred tax on post-employment benefit	**3**	(1)
	88	13
Credit/(charge) directly to equity		
Deferred tax on share-based payments	**1**	–
Total credit to other comprehensive income	**89**	13

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. TAX CHARGE (CONTINUED)

Deferred tax

The net deferred tax (asset)/liability in the statement of financial position is as follows:

	Accelerated capital allowances £ million	Short-term timing differences £ million	Fair value losses/ (gains) £ million	Share-based payments £ million	Post-employment benefit obligation £ million	Trading loss £ million	Total £ million
At 1 October 2023	414	1	54	(4)	(1)	(442)	**22**
Charged/(credited) to income statement	141	(1)	–	(5)	–	2	**137**
Credited to other comprehensive loss	–	–	(85)		(3)	–	**(88)**
Credited directly to equity	–	–	–	(1)	–	–	**(1)**
At 30 September 2024	**555**	**–**	**(31)**	**(10)**	**(4)**	**(440)**	**70**

Deferred tax liabilities expected to be settled:

	£ million
Within 12 months	**–**
After more than 12 months	**70**
At 30 September 2024	**70**

It is estimated that deferred tax assets of approximately £45 million (2023: £ nil million) will reverse during the next financial year.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

	Accelerated capital allowances £ million	Short-term timing differences £ million	Fair value (gains)/ losses £ million	Share-based payments £ million	Post-employment benefit obligation £ million	Trading loss £ million	Total £ million
At 1 October 2022	341	(26)	68	(1)	(1)	(443)	(62)
Charged/(credited) to income statement	73	27	–	(3)	(1)	1	97
Charged/(credited) to other comprehensive loss	–	–	(14)	–	1	–	(13)
At 30 September 2023	414	1	54	(4)	(1)	(442)	22

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the total profit for the year by the weighted average number of shares in issue during the year after adjusting for shares held in employee benefit trusts.

To calculate diluted earnings per share, the weighted average number of ordinary shares in issue has been adjusted to assume conversion of all dilutive potential shares. Share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year are considered to be dilutive potential shares. Where share options are exercisable based on performance criteria and those performance criteria have been met during the year, these options are included in the calculation of dilutive potential shares.

Headline basic and diluted earnings per share are also presented, based on headline profit for the year.

Earnings per share is based on:

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Headline profit for the year	**459**	341
Total profit for the year	**452**	324

	2024 million	2023 million
Weighted average number of ordinary shares used to calculate basic earnings per share	**749**	751
Weighted average number of ordinary shares used to calculate diluted earnings per share	**759**	758

Earnings per share	**2024 pence**	2023 pence
Basic	**60.3**	43.1
Diluted	**59.6**	42.7

Headline earnings per share	**2024 pence**	2023 pence
Basic	**61.3**	45.4
Diluted	**60.5**	45.0

8. SEGMENTAL AND GEOGRAPHICAL REVENUE REPORTING

Segmental analysis:

	Year ended 30 September 2024			
	Airline £ million	**Holidays £ million**	**Intergroup transactions £ million**	**Group £ million**
Passenger revenue	**5,715**	**–**	**–**	**5,715**
Ancillary revenue	**2,457**	**1,521**	**(384)**	**3,594**
Total revenue	**8,172**	**1,521**	**(384)**	**9,309**
Airline operating costs including fuel	**(6,139)**	**–**	**–**	**(6,139)**
Holidays direct operating costs	**–**	**(1,214)**	**374**	**(840)**
Selling and marketing	**(195)**	**(62)**	**–**	**(257)**
Other costs and other income	**(643)**	**(73)**	**10**	**(706)**
Amortisation and depreciation	**(762)**	**(8)**	**–**	**(770)**
Net interest (payable)/receivable and other financing income/(charges)	**(15)**	**24**	**–**	**9**
Foreign exchange gain	**2**	**2**	**–**	**4**
Headline profit before tax	**420**	**190**	**–**	**610**
Non-headline items	**(8)**	**–**	**–**	**(8)**
Total profit before tax	**412**	**190**	**–**	**602**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. SEGMENTAL AND GEOGRAPHICAL REVENUE REPORTING (CONTINUED)

	Year ended 30 September 2023			
	Airline £ million	Holidays £ million	Intergroup transactions £ million	Group £ million
Passenger revenue	5,221	–	–	5,221
Ancillary revenue	2,174	1,047	(271)	2,950
Total revenue	7,395	1,047	(271)	8,171
Airline operating costs including fuel	(5,537)	–	–	(5,537)
Holidays direct operating costs	–	(842)	260	(582)
Selling and marketing	(189)	(43)	–	(232)
Other costs and other income	(654)	(47)	11	(690)
Amortisation and depreciation	(649)	(5)	–	(654)
Net interest (payable)/receivable and other financing income/(charges)	(59)	11	–	(48)
Foreign exchange gain	26	1	–	27
Headline profit before tax	333	122	–	455
Non-headline items	(23)	–	–	(23)
Total profit before tax	310	122	–	432

Note that airline operating costs including fuel comprises operating costs that relate solely to the Airline segment, and similarly holidays direct operating costs are costs specific to the Holidays segment. All other costs are incurred by both the Airline and Holidays segments.

As described in note 1, airline revenue is recognised at a point in time (when the flight takes place). The Holidays revenue detailed in this note includes both flight revenue, recognised at the time the flight takes place, and remaining ancillary revenue which is recognised over time, aligned to the duration of the holiday. The holidays flight revenue is included in this note within ancillary revenue (with the associated intergroup transaction) aligned to the presentation of revenue to the CODM and plc Board.

The intergroup transactions column represents revenue and cost transactions between Airline and Holidays for the flight element of package holidays and Group recharges. These intercompany transactions are eliminated on consolidation.

Assets and liabilities are not allocated to individual segments and are not separately reported to, or reviewed by, the CODM, and therefore have not been disclosed.

Geographical revenue:

	2024 £ million	2023 £ million
United Kingdom	**5,077**	4,345
France	**941**	852
Switzerland	**877**	791
Northern Europe (excluding Switzerland)	**641**	610
Southern Europe (excluding France)	**1,670**	1,434
Other	**103**	139
	9,309	8,171

easyJet has assessed the materiality of geographical revenues and has disclosed revenues by country of origin where such revenues are in excess of 10% of total revenue.

Geographical revenue is allocated according to the location of the first departure airport on each booking.

Southern Europe comprises countries lying wholly or mainly south of the border between Italy and Switzerland.

easyJet holidays' revenue is predominantly from the United Kingdom with additional revenues generated in Europe that are not material for separate disclosure.

easyJet's non-current assets principally comprise its fleet of 188 (2023: 183) owned and 159 (2023: 153) leased aircraft, giving a total fleet of 347 at 30 September 2024 (2023: 336). 30 aircraft (2023: 27) are registered in Switzerland, 134 (2023: 128) are registered in Austria, and the remaining 183 (2023: 181) are registered in the United Kingdom.

9. DIVIDENDS

The Company paid an ordinary dividend of 4.5 pence per share, or £34 million (2023: nil) in respect of the year ended 30 September 2023. The dividend was paid on 22 March 2024, with a record date of 23 February 2024.

An ordinary dividend in respect of the year ended 30 September 2024 of 12.1 pence per share, or £92 million, based on 20% headline profit after tax, is to be proposed at the forthcoming Annual General Meeting. These financial statements do not reflect this proposed dividend.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. BUSINESS COMBINATION

On 31 May 2024 easyJet acquired 100% of the issued share capital of SR Technics Malta Limited, a heavy base maintenance facility in Malta. The acquisition will provide supply certainty and unlock future cost benefits. Since acquisition, the entity has been renamed to easyJet engineering Malta Limited.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	£ million
Purchase consideration[1]:	
Cash paid	26
Contingent consideration	4
Total purchase consideration	30

The assets and liabilities recognised as a result of the acquisition are as follows:

	£ million
Cash and cash equivalents	4
Trade and other receivables	17
Property, plant and equipment	9
Trade and other payables	(16)
Lease liabilities	(6)
Add: goodwill	22
Net assets acquired	30

1) Purchase consideration – cash outflow:

	£ million
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	26
Less: balances acquired	(4)
Net outflow of cash – investing activities	22

The goodwill is attributable to the high potential of the acquired business and competitive advantage of securing the maintenance and repair capacity for the easyJet group. The goodwill is not deductible for tax purposes.

There were no acquisitions in the year ending 30 September 2023.

11. GOODWILL AND OTHER INTANGIBLE ASSETS

		Other intangible assets			
	Goodwill £ million	Landing rights £ million	Computer software £ million	Carbon allowances £ million	Total £ million
Cost					
At 1 October 2023	365	155	215	-	370
Additions	–	–	104	70	174
Acquisition of business (note 10)	22	–	–	–	–
Disposals	–	–	(45)	–	(45)
At 30 September 2024	387	155	274	70	499
Accumulated amortisation					
At 1 October 2023	–	–	94	–	94
Charge for the year	–	–	43	–	43
Disposals	–	–	(44)	–	(44)
At 30 September 2024	–	–	93	–	93
Net book value					
At 30 September 2024	387	155	181	70	406
At 1 October 2023	365	155	121	–	276

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

		Other intangible assets			
	Goodwill £ million	Landing rights £ million	Computer software £ million	Carbon allowances £ million	Total £ million
Cost					
At 1 October 2022	365	158	135	–	293
Additions	–	–	91	–	91
Disposals	–	(3)	(11)	–	(14)
At 30 September 2023	365	155	215	–	370
Accumulated amortisation					
1 October 2022	–	–	76	–	76
Charge for the year	–	–	29	–	29
Disposals	–	–	(11)	–	(11)
At 30 September 2023	–	–	94	–	94
Net book value					
At 30 September 2023	365	155	121	–	276
At 1 October 2022	365	158	59	–	217

Included within computer software are internally generated intangible assets of £99 million (2023: £49 million) and work in progress of £77 million (2023: £62 million). The accumulated depreciation of internally generated intangible assets as at 30 September 2024 was £89 million (2023: £88 million).

VALUE IN USE CALCULATION

The recoverable amount of goodwill and other assets with indefinite expected useful lives has been determined based on value in use calculations for the airline route network CGU, which holds these assets.

Pre-tax cash flow projections have been derived from the strategic plan approved by the plc Board for the period up to 2029, using the following key assumptions:

	2024	2023
Pre-tax discount rate (derived from weighted average cost of capital, WACC)	**10.0%**	11.4%
Fuel price (US dollars per metric tonne, MT)	**838**	751
Long-term economic growth rate	**2.0%**	2.0%
Exchange rates:		
US dollar	**1.26**	1.27
Euro	**1.18**	1.16

The discount rate has been calculated based on the capital asset pricing model using external inputs where relevant and the current cost of debt to the Group. The methodology is unchanged from the prior year. The decrease in the discount rate has been driven primarily by a decrease in the cost of debt since the prior year end. Exchange rates and fuel price are based on spot rates as at 30 June 2024, the date on which the annual impairment review is performed.

Cash flow projections for the period up to 2029 incorporate the long-term prospects of the Group, taking into account growth expected by way of creating value through the business model. Cash flow projections beyond the forecast period have been extrapolated using an estimated average of long-term economic growth rates for the principal countries in which easyJet operates. The future impact of climate change on the business has been incorporated into strategic plans, including the estimated financial impact within the base case cash flow projections of the cost of future fleet renewals, the future estimated price of ETS allowances, the phasing out of the free ETS allowances, the expected price and quantity required of SAF, and the cost of carbon removal credits and other sustainability initiatives.

The headroom of the value in use calculation over the carrying value of the relevant assets has decreased compared to 30 June 2023. This is primarily due to increased fleet capex combined with an increase in fuel and crew costs, partially offset by a decrease in the discount rate.

Stress testing has been performed on key inputs to the value in use calculation, including the assumptions listed above and the strategic plan used as the base for the calculation. The impairment model is sensitive to a sustained and significant adverse movement in foreign currency exchange rates (other than movements that are included in the fuel pass-through assumption) and forecast operating profits to the extent that no other compensating action is taken. It has been assumed that any significant future fuel price increase would be recovered through revenue pass through. Individual scenarios that have been deemed reasonably probable, in particular in relation to the current macroeconomic environment, do not give rise to an impairment. These scenarios include +/-10% on euro and US dollar rates, +100 bps increase in WACC, reduced capacity of 5%, increased operating costs (excluding fuel) of 3%, a fuel price increase of $100 per metric tonne and a flat growth rate.

Additional risks associated with climate change have also been stress tested, including sensitivities of SAF usage and ETS costs, additional legal and technology costs, reduced demand and increased cost of maintenance and replacement aircraft. These scenarios, both individually and in reasonably probable combinations, do not give rise to an impairment.

INTANGIBLE ASSETS

	2024 £ million	2023 £ million
Non-current assets		
EU ETS, CH ETS and UK ETS carbon allowances	**70**	–
	70	–
Current assets		
Carbon offsetting VER	**8**	7
EU ETS, CH ETS and UK ETS carbon allowances	**564**	669
	572	676
	642	676

ETS allowances are required to offset the carbon emitted by flights. The scheme is settled on an annual basis. The allowances required for annual settlement are held as intangible assets, with the associated liability included within accruals in trade and other payables (note 16). Non-current assets represent allowances purchased in advance for future settlement in over 12 months.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT

	Owned assets			Right of use assets		
	Aircraft and spares £ million	Land and buildings £ million	Other £ million	Aircraft £ million	Other £ million	Total £ million
Cost						
At 1 October 2023	5,396	44	78	2,652	48	8,218
Additions	752	–	14	605	62	1,433
Aircraft sold and leased back	(248)	–	–	46	–	(202)
Disposals[1]	(55)	–	(27)	(326)	(7)	(415)
At 30 September 2024	5,845	44	65	2,977	103	9,034
Accumulated depreciation						
At 1 October 2023	1,550	–	32	1,747	25	3,354
Charge for the year	269	–	8	440	10	727
Aircraft sold and leased back	(135)	–	–	–	–	(135)
Disposals[1]	(31)	–	(24)	(326)	(6)	(387)
At 30 September 2024	1,653	–	16	1,861	29	3,559
Net book value						
At 30 September 2024	4,192	44	49	1,116	74	5,475
At 1 October 2023	3,846	44	46	905	23	4,864

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Owned assets			Right of use assets		
	Aircraft and spares £ million	Land and buildings £ million	Other £ million	Aircraft £ million	Other £ million	Total £ million
Cost						
At 1 October 2022	4,988	44	68	2,416	45	7,561
Additions	604	–	14	292	18	928
Aircraft sold and leased back	(165)	–	–	44	–	(121)
Disposals	(31)	–	(4)	(100)	(15)	(150)
At 30 September 2023	5,396	44	78	2,652	48	8,218
Accumulated depreciation						
1 October 2022	1,390	–	28	1,479	35	2,932
Charge for the year	263	–	8	368	5	644
Aircraft sold and leased back	(86)	–	–	–	–	(86)
Disposals	(17)	–	(4)	(100)	(15)	(136)
At 30 September 2023	1,550	–	32	1,747	25	3,354
Net book value						
At 30 September 2023	3,846	44	46	905	23	4,864
At 1 October 2022	3,598	44	40	937	10	4,629

The net book value of aircraft includes £519 million (2023: £569 million) relating to advance payments for future deliveries and life limited parts not yet in use. This amount is not depreciated.

The net book value of aircraft spares is £157 million (2023: £112 million).

The 'Other' categories are principally comprised of leasehold improvements, computer hardware, leasehold property, fixtures, fittings and equipment, and work in progress in respect of property, plant and equipment projects. The work in progress as at 30 September 2024 was £15 million (2023: £14 million).

As at 30 September 2024, easyJet was contractually committed to the acquisition of one CFM LEAP engine (2023: two), and 299 (2023: 158) Airbus A320 family aircraft with a total estimated list price[2] of $36.2 billion (2023: $18.1 billion) before escalations and discounts, for delivery in financial years 2025 (9 aircraft), 2026 and 2027 (59 aircraft) and 2028 to 2034 (231 aircraft). Additionally, easyJet maintains purchase rights for a further 100 aircraft.

At the year-end date easyJet had no commitment (2023: six) for aircraft lease contracts, where the aircraft had not been delivered.

1) Right of use asset disposals includes the transactions to remove the fully depreciated assets from the statement of financial position when the leased assets are returned.
2) As Airbus no longer publishes list prices, the last available list price published in January 2018 has been used for the estimated list price.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. OTHER NON-CURRENT ASSETS

	2024 £ million	2023 £ million
Mid-life aircraft delivery assets	**156**	115
Deposits held by aircraft lessors	**13**	23
	169	138

Mid-life aircraft delivery assets arise from maintenance obligations incurred on mid-life leased aircraft before easyJet acquired the aircraft. Some of these obligations occur where a lessor has agreed to make a contribution to easyJet's maintenance costs to reflect the cycles already flown by the aircraft at the point it is delivered to easyJet, plus or minus any maintenance utilised by easyJet that will not be paid for via a maintenance shop visit. Depending on the contract terms, payment will be made either at the maintenance event date or at the lease return date, the timing of which determines the current and non-current split of the asset. Other mid-life aircraft delivery assets are recognised as an offset to comparable lease maintenance obligations in respect of cycles flown at the point the leased aircraft enters the fleet and for which easyJet carries the cost burden. The timing of the utilisation of these assets matches the estimated timing of the maintenance obligation assumed in the maintenance provision. The recoverability of this asset has been assessed by management, and the asset is considered to be fully recoverable.

14. TRADE AND OTHER RECEIVABLES

	2024 £ million	2023 £ million
Trade receivables	**142**	115
Less provision for loss allowance	**(7)**	(5)
	135	110
Prepayments	**57**	44
Accrued income	**162**	110
Other receivables	**129**	79
	483	343

Within the provision for loss allowance, £5 million has been credited to the income statement (2023: £3 million credited), with £nil million (2023: £nil million) being utilised in the year ended 30 September 2024.

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in note 27.

Other receivables comprises current mid-life aircraft delivery assets, supplier receivables, VAT and trade deposits.

15. CASH, CASH EQUIVALENTS AND OTHER INVESTMENTS

	2024 £ million	2023 £ million
Cash and cash equivalents (original maturity less than three months)	**1,343**	2,925
Other investments (original maturity more than three months)	**2,118**	–
Non-current restricted cash	**–**	2
	3,461	2,927

Other investments include term deposits, tri-party repos and managed investments where the original duration of the investment was more than three months.

Restricted cash comprises:

	2024 £ million	2023 £ million
Cash held as bank guarantee collateral	**–**	2
	–	2

16. TRADE AND OTHER PAYABLES

	2024 £ million	2023 £ million
Trade payables	**357**	402
Accruals	**1,097**	1,096
Taxes and social security	**38**	52
Other payables	**164**	214
	1,656	1,764

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. LIABILITIES RELATING TO CONTRACTS WITH CUSTOMERS

	2024		2023	
	Unearned revenue £ million	**Other £ million**	Unearned revenue £ million	Other £ million
Opening contract liabilities	**1,501**	**79**	1,043	158
Revenue deferred during the year	**10,170**	**–**	9,233	–
Revenue recognised during the year	**(9,930)**	**(47)**	(8,775)	(47)
Additional contract liability during the year	**–**	**187**	–	147
Reduction in contract liability during the year	**–**	**(184)**	–	(177)
FX impact during the year	**–**	**–**	–	(2)
Closing contract liabilities	**1,741**	**35**	1,501	79

Revenue deferred and recognised during the year is inclusive of airline passenger duty (APD) and other charges, but net of intercompany eliminations.

	2024		2023	
	Unearned revenue £ million	**Other £ million**	Unearned revenue £ million	Other £ million
Revenue recognised that was included in the contract liability balance at the beginning of the year	**1,399**	**47**	1,006	47

Other customer contract liabilities consist of amounts transferred from unearned revenue to other payables due to the cancellation of flights and is made up of customer vouchers outstanding and amounts where customers have not yet requested a refund, voucher or flight transfer. The movements in 'additional contract liability' and 'reduction in contract liability' arise as flights are cancelled, as vouchers are awarded or exercised, and as customers advise on the exercise of their options following flight cancellations. The breakage applied to the contract liability in the year is included in revenue recognised during the year.

18. BORROWINGS

	Current £ million	**Non-current £ million**	**Total £ million**
At 30 September 2024			
Eurobonds	**416**	**1,690**	**2,106**
	416	**1,690**	**2,106**

	Current £ million	Non-current £ million	Total £ million
At 30 September 2023			
Eurobonds	433	1,462	1,895
	433	1,462	1,895

Amounts above are shown net of issue costs or discounted amounts which are amortised at the effective interest rate over the life of the debt instruments.

The October 2016 €500 million Eurobond with a carrying value of £433 million was repaid in October 2023. In addition, in March 2024, a €850 million Eurobond was issued with a value of £718 million (net of issue costs). See note 27 for further information on borrowings.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. LEASE LIABILITIES

easyJet holds aircraft under leasing arrangements that are recognised as right of use assets and lease liabilities, with remaining lease terms ranging up to seven years. easyJet is contractually obliged to carry out maintenance on these aircraft, and the cost of this is provided based on the number of flying hours, days and cycles operated and the estimated cost of the maintenance events. Further details are given in note 1.

Information in respect of right of use assets, including the carrying amount, additions and depreciation, is set out in note 12. Information in respect of the carrying value and interest arising on lease liabilities is set out in note 26 and note 2 respectively. A maturity analysis of lease liabilities is set out below.

Amounts recognised in the statement of cash flows	2024 £ million	2023 £ million
Capital repayments	**(222)**	(218)
Interest payments	**(50)**	(46)
	(272)	(264)

Lease liabilities	2024 £ million	2023 £ million
Maturity analysis – contractual undiscounted cash flows		
Less than one year	**(269)**	(254)
One to five years	**(852)**	(690)
More than five years	**(226)**	(139)
	(1,347)	(1,083)

Lease liabilities included in the statement of financial position	2024 £ million	2023 £ million
Current	**(227)**	(217)
Non-current	**(947)**	(772)
Total	**(1,174)**	(989)

easyJet also enters into short-term leases and low-value leases which are not recognised as right of use assets and lease liabilities. The expense recognised in the year in relation to these leases is disclosed below.

Amounts recognised in income statement	2024 £ million	2023 £ million
Interest on lease liabilities	**50**	46
Expenses relating to low-value leases	**5**	8
Expenses relating to short-term wet leases	**–**	15
	55	69

20. PROVISIONS FOR LIABILITIES AND CHARGES

	Maintenance provisions £ million	Restructuring £ million	Other provisions £ million	Total provisions £ million
At 1 October 2023	**753**	**6**	**42**	**801**
Exchange adjustments	**(67)**	**(1)**	**(1)**	**(69)**
Release of provisions	**(2)**	**(3)**	**(10)**	**(15)**
Additional provisions recognised	**315**	**12**	**28**	**355**
Updated discount rates net of unwind of discount	**(12)**	**–**	**–**	**(12)**
Utilised	**(93)**	**(2)**	**(3)**	**(98)**
At 30 September 2024	**894**	**12**	**56**	**962**

	Maintenance provisions £ million	Restructuring £ million	Other provisions £ million	Total provisions £ million
At 1 October 2022	636	15	40	691
Exchange adjustments	(44)	–	–	(44)
Release of provisions	–	(5)	(6)	(11)
Additional provisions recognised	257	6	17	280
Updated discount rates net of unwind of discount	(30)	–	–	(30)
Utilised	(66)	(10)	(9)	(85)
At 30 September 2023	753	6	42	801

The maintenance provisions provide for maintenance costs arising from legal and constructive obligations relating to the condition of the aircraft when returned to the lessor. Restructuring and other provisions include amounts in respect of potential liabilities for employee-related matters and litigation which arose in the normal course of business.

	2024 £ million	2023 £ million
Current	**156**	175
Non-current	**806**	626
	962	801

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

The split of the current/non-current maintenance provision is based on the expected maintenance event timings. If actual aircraft usage varies from expectation the timing of the utilisation of the maintenance provision could result in a material change in the classification between current and non-current. Maintenance provisions are expected to be utilised within seven years.

Within other provisions are provisions for litigation matters. The split of these provisions between current/non-current is based on the dates of expected court judgements. Provisions for restructuring could be fully utilised within one year from 30 September 2024 and therefore are classified as current.

21. PENSIONS

Total pension costs of £72 million (2023: £63 million) are recognised in employee costs (note 4) and comprise £66 million (2023: £57 million) related to defined contribution plans and £6 million (2023: £6 million) related to defined benefit plans in Switzerland, including administration expenses of £nil million (2023: £nil million).

The contributions payable to the relevant plans by the Group are at the rates specified in the rules of the plans. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

Due to the minimum guarantees in place under Swiss law, the Swiss pension plan meets IAS 19 requirements to be treated as a defined benefit plan under IAS 19 despite the scheme having many attributes akin to a defined contribution scheme. The Swiss Federal Council requires that a guaranteed minimum interest rate must be achieved (currently 1.25%) on the mandatory part of the benefits. When an employee retires, the accumulated pension on retirement is converted into a life annuity using a conversion rate. The statutory minimum conversion rate to be applied is currently 6.8%. Swiss plans do not meet the definition of a defined contribution (DC) scheme under IFRS as, due to the guarantees, the obligation of the employer does not stop with the payment of the pre-defined regular contributions. Further contributions may be required by the employer and the employee if the plan becomes underfunded under local Swiss GAAP. This results in the Swiss plans being accounted for as defined benefit plans. The scheme remains open to new employees.

The easyJet portion of the current service costs and the net interest cost are charged to the consolidated income statement in the year to which they relate. Net interest is determined by multiplying the net defined benefit liability by the discount rate at the start of the annual reporting period, adjusted for any contributions and benefit payments in the period. Actuarial gains and losses are recognised in the consolidated statement of comprehensive income and the consolidated balance reflects the net surplus or deficit at the statement of financial position date.

The defined benefit obligation is calculated using the projected unit credit method. This reflects service rendered by employees to the dates of valuation and incorporates actuarial assumptions including discount rates used in determining the present value of benefits, projected rates of remuneration growth and mortality rates. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yields of high-quality corporate bonds. Management bases the discount rate on the bond yield in the Swiss bond market over 10 to 20 years, reflecting the currency in which the benefits will be paid, and maturity terms approximating to the terms of the related pension obligation.

The key financial assumptions used to calculate the Swiss scheme liabilities under IAS 19 as at 30 September were:

	2024	2023
Discount rate	**1.10%**	1.90%
Interest rate in savings	**1.10%**	1.90%
Salary increase	**1.50%**	1.50%
Mortality assumptions	**70% BVG 2020 GT**	70% BVG 2020 GT

DEMOGRAPHIC ASSUMPTIONS

The demographic assumptions, including mortality assumptions used for the liability calculation, are based on the most recent BVG 2020 tables (2023: BVG 2020 tables). These tables are based on the experience during the period 2015 to 2019 of 14 of the largest autonomous Swiss pension plans, and management consider these to be the best estimate available.

SENSITIVITIES

The scheme asset values are sensitive to market conditions. The scheme liabilities are sensitive to actuarial assumptions used to determine the scheme obligations. Significant changes in these assumptions could potentially have a material impact on the consolidated statement of financial position. The main assumptions are the discount rate, the rate of salary increase and the life expectancy rate. The following table provides an estimate of the potential impact on the pension scheme of changing these assumptions. The sensitivity analysis was performed by recalculating the defined benefit obligation with the following parameters (all other parameters were not modified):

		Increase/(decrease) in defined benefit obligation	
		2024	2023
Discount rate	+0.5%	**(6.1%)**	(5.6%)
	-0.5%	**6.9%**	6.3%
Salary increase	+0.5%	**0.9%**	0.9%
	-0.5%	**(0.9%)**	(0.9%)
Life expectancy	+1 year	**0.8%**	0.6%
	-1 year	**(0.8%)**	(0.6%)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. PENSIONS (CONTINUED)

easyJet has an affiliation contract with Swiss Life Collective BVG Foundation. The assets of all affiliated companies are pooled which diversifies the associated risk, and the scheme assets represent the share in this Foundation. The Collective controls the asset management, is exposed to the risk, and guarantees the savings capital under the contract in place which is valid until 31 December 2027. The Board of Trustees with the elected employees and employer's representatives decide the investment strategy. The current agreement is known as 'fully insured' by Swiss Life, which means that all underfunding, investment and longevity risks are transferred from easyJet to Swiss Life over the term of the policy. After the expiry date the benefits are no longer insured and all payments are the liability of the pension scheme, unless the provider renegotiates the terms of the contract.

Amounts recognised in the consolidated income statement are as follows:

	2024 £ million	2023 £ million
Current service costs defined benefit	**7**	6
Interest cost on net defined benefit obligation	**3**	3
Interest income on defined benefit asset	**(3)**	(3)
Past service costs (plan amendment)	**(1)**	–
Net defined benefit cost recognised in the income statement	**6**	6

Amounts recognised in other comprehensive income:

	2024 £ million	2023 £ million
Loss from change in financial assumptions	**9**	5
Experience loss	**2**	3
Recognised in the statement of other comprehensive income	**11**	8

Movement in net deficit in the year:

	2024 £ million	2023 £ million
Net deficit of the plan at 1 October	**7**	1
Net defined benefit cost recognised in the income statement	**6**	6
Net defined benefit loss recognised in other comprehensive income	**11**	8
Company contributions	**(9)**	(8)
Foreign exchange loss	**2**	–
Statement of financial position net deficit as at 30 September	**17**	7

A £3 million (2023: £3 million) prepayment representing cash paid over to Swiss Life in advance and not yet utilised in the pension scheme is offset against the net deficit.

The employer cash contribution from the Group in the 2025 financial year is expected to be CHF 9 million (2024: CHF 9 million).

Changes in the present value of the defined benefit obligation are as follows:

	2024 £ million	2023 £ million
Present value of obligation at 1 October	**152**	140
Current service cost	**7**	6
Contributions paid by employees	**5**	5
Interest costs on defined benefit obligation	**3**	3
Contributions paid by plan participants	**3**	2
Benefit payments from scheme assets	**(7)**	(9)
Past service cost	**(1)**	–
Actuarial loss arising from changes in financial assumptions	**9**	5
Actuarial loss arising from experience adjustments	**2**	3
Foreign exchange loss/(gain)	**2**	(3)
Present value of obligation as at 30 September	**175**	152

Changes in the fair value of the scheme assets are as follows:

	2024 £ million	2023 £ million
Fair value of the scheme asset as at 1 October	**145**	139
Interest income on the defined benefit plan assets	**3**	3
Contributions paid by Company	**9**	8
Contributions paid by employees	**5**	5
Contributions paid by plan participants	**3**	2
Benefit payments from scheme assets	**(7)**	(9)
Foreign exchange (loss)/gain	**–**	(3)
Fair value of the pension assets as at 30 September	**158**	145

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. PENSIONS (CONTINUED)

	2024	2023
Number of active participants	**1,152**	1,031
Average age of active insured members in years	**40**	41
Average time remaining before active employees reach final age in years	**9**	9
Average active life expectancy in years	**52**	52
Average years of service in years	**9**	10

The assets held do not have a quoted market price as they are within the affiliation contract with Swiss Life Collective BVG Foundation. All assets are within the one class which takes the form of an insurance contract.

The weighted average duration of the defined benefit obligation of the Swiss pension scheme is 13 years (2023: 13 years).

MATURITY PROFILE OF DEFINED BENEFIT OBLIGATION

Expected benefit payments during fiscal year ending 30 September:	2024 £ million	2023 £ million
One year	**11**	10
Two years	**17**	13
Three years	**14**	16
Four years	**14**	15
Five years	**16**	13
Six up to ten years	**75**	70

22. SHARE CAPITAL

	Number		Nominal value	
	2024 million	2023 million	**2024 £ million**	2023 £ million
Allotted, called up and fully paid				
At 30 September				
Ordinary shares of par 27 2/7 pence each	**758**	758	**207**	207

easyJet's employee benefit trusts hold the following shares. The cost of these shares has been deducted from retained earnings:

	2024	2023
Number of shares (million)	**7**	5
Cost (£ million)	**42**	21
Market value at year end (£ million)	**38**	21

23. SHARE INCENTIVE SCHEMES

easyJet operates the following share incentive schemes, all of which are equity settled. The change in the number of awards outstanding, weighted average exercise prices during the year, and the number exercisable at each year end were as follows:

	1 October 2023 million	Granted million	Forfeited/ cancellations million	Exercised million	30 September 2024 million
Long Term Incentive Plan	**0.3**	**–**	**(0.3)**	**–**	**–**
Restricted Stock Unit	**5.0**	**–**	**(0.4)**	**(0.8)**	**3.8**
Restricted Share Plan	**0.8**	**2.4**	**(0.2)**	**–**	**3.0**
Save As You Earn scheme	**19.1**	**9.4**	**(6.1)**	**–**	**22.4**
Individual Incentive Plan	**0.2**	**–**	**–**	**(0.1)**	**0.1**
Share Incentive Plan	**3.0**	**4.0**	**(0.2)**	**(0.4)**	**6.4**
Deferred Annual Bonus Plan	**0.3**	**0.3**	**–**	**–**	**0.6**
	28.7	**16.1**	**(7.2)**	**(1.3)**	**36.3**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. SHARE INCENTIVE SCHEMES (CONTINUED)

	1 October 2022 million	Granted million	Forfeited/ cancellations million	Exercised million	30 September 2023 million
Long Term Incentive Plan	1.1	–	(0.8)	–	0.3
Restricted Stock Unit	2.7	2.7	(0.3)	(0.1)	5.0
Restricted Share Plan	0.5	0.4	(0.1)	–	0.8
Save As You Earn scheme	16.3	6.3	(3.5)	–	19.1
Individual Incentive Plan	–	0.2	–	–	0.2
Share Incentive Plan	3.3	–	(0.1)	(0.2)	3.0
Deferred Annual Bonus Plan	–	0.3	–	–	0.3
	23.9	9.9	(4.8)	(0.3)	28.7

LONG TERM INCENTIVE PLAN
The plan was open, by invitation, to Executive Directors and senior management, and provided for annual awards of Performance Shares worth up to 250% of salary each year. The vesting of these shares was dependent on TSR targets compared to FTSE-ranked companies at the start of the performance period. All awards have a three-year vesting period. The last awards were made in December 2020 and were assessed on performance conditions measured over the three financial years ended 30 September 2023.

RESTRICTED STOCK UNIT
The plan was awarded to the Airline Management Board, senior managers and some middle management, and provided annual awards of Performance Shares worth up to 75% of salary each year. All awards have a two or three-year vesting period, of which the vesting conditions are continued employment. These plans are no longer awarded.

RESTRICTED SHARE PLAN
The plan is open, by invitation, to Executive Directors, the Airline Management Board and senior and some middle management, and provides for annual awards of Performance Shares worth from 20% to 125% of salary, depending on role. All awards have either a two or three-year vesting period. For the Executive Directors a three-year performance period plus two-year post-vesting holding period will apply. The awards are subject to the following underpins: that easyJet does not fall below its minimum liquidity target (such that a credit risk is triggered) through the vesting period and that there is satisfactory governance performance including no ESG issues that result in material reputational damage to the Company (as determined by the Board). The vesting of these shares is also dependent on continued employment and assessment against performance underpins, as outlined in the Directors' Remuneration Report, measured over the vesting period.

INDIVIDUAL INCENTIVE PLAN
These cash-settled plans may be made available, by invitation, to members of the Airline Management Board. Based on specific individual performance related measures and requiring continued employment, awards are payable over multiple years based on the achievement of agreed targets. All awards are approved by the Remuneration Committee.

SAVE AS YOU EARN SCHEME
The scheme is open to all employees on the UK payroll. Participants may elect to save up to £500 per month under a three-year savings contract. An option is granted by the Company to buy shares at a discount of 20% from the market price on the day immediately preceding the date on which invitations are sent; however the 2022 scheme was granted at a discount of 10% from the market price, and the 2020 scheme did not have a discount. At the end of the savings period, the option becomes exercisable for a period of six months. Employees who are not paid through the UK payroll may participate in the scheme under similar terms and conditions, albeit without the same tax benefits.

SHARE INCENTIVE PLAN
The plan is open to all employees on the UK payroll. Participants may invest up to £1,800 of their pre-tax salary each year to purchase Partnership Shares in easyJet and up until 1 April 2020 easyJet also contributed matching shares. Employees must remain with easyJet for three years from the date of purchase of each Partnership Share in order to qualify for the Matching Share, and for five years for the shares to be transferred to them tax free. The employee is entitled to dividends on shares purchased, and to vote at shareholder meetings.

Subject to Company performance, easyJet also issues performance-related shares to UK employees (at no cost to the employees) under an approved share incentive plan of up to £3,000 per annum in value. There is a similar unapproved share scheme for international employees.

DEFERRED ANNUAL BONUS PLAN
This plan represents the compulsory deferral of one-third of the annual bonus in shares for the Executive Directors and one-fifth of the annual bonus for the Airline Management Board. All awards have a three-year vesting period of which the vesting conditions are continued employment.

Weighted average exercise prices are as follows:

	1 October 2023 £	Granted £	Forfeited £	Exercised £	**30 September 2024 £**
Save As You Earn scheme	4.22	3.61	4.43	-	**3.91**

The exercise price of all awards except those disclosed in the above table is £nil.

23. SHARE INCENTIVE SCHEMES (CONTINUED)

The number of awards exercisable at each year end and their weighted average exercise price is as follows:

	Price £		Number million	
	2024	2023	**2024**	2023
Long Term Incentive Plan	**–**	–	**–**	–
Restricted Stock Unit	**–**	–	**0.6**	0.2
Restricted Share Plan	**–**	–	**0.2**	–
Save As You Earn scheme	**6.39**	5.62	**0.6**	1.3
Individual Incentive Plan	**–**	–	**–**	–
Share Incentive Plan	**–**	–	**–**	–
Deferred Annual Bonus Plan	**–**	–	**–**	–
			1.4	1.5

The weighted average remaining contractual life for each class of share award at 30 September 2024 and 30 September 2023 are as follows:

	Years	
	2024	2023
Long Term Incentive Plan	**5.2**	7.3
Restricted Stock Unit	**7.8**	8.5
Restricted Share Plan	**8.9**	8.9
Save As You Earn scheme	**2.4**	2.5
Individual Incentive Plan	**0.7**	1.1
Share Incentive Plan (free shares)	**9.5**	–
Deferred Annual Bonus Plan	**8.7**	9.2

The fair value of grants under the Save As You Earn scheme are calculated by applying the Binomial Lattice option pricing model. The fair value of grants under the TSR based Long Term Incentive Plan is estimated under the Stochastic model (also known as the Monte Carlo model). The fair value of grants under all other schemes is the share price on the date of grant. The following assumptions are used for share schemes in this financial year:

Grant date	Share price £	Exercise price £	Expected volatility %	Option life years	Risk-free interest rate %	Dividend yield assumption %	Fair value £
Restricted Share Plan							
12 December 2023	5.02	–	0%	–	0%	–	5.02
21 June 2024	4.50	–	0%	–	0%	–	4.50
Save As You Earn scheme							
18 July 2024	4.51	3.61	42%	3.50	4%	2.5%	1.70
Deferred Annual Bonus Plan							
13 December 2023	4.91	–	0%	–	0%	–	4.91

Share price for the Restricted Share plans is the closing share price from the last working day prior to the date of grant.

Expected volatility is based on historical volatility over a period comparable to the expected life of each type of option.

The total share-based payment expense recognised for the year was £30 million (2023: £18 million). The share-based payment liability, representing the national insurance payments due, as at 30 September 2024, was £5 million (2023: £2 million).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. RECONCILIATION OF OPERATING PROFIT TO CASH GENERATED FROM OPERATIONS

	2024 £ million	2023 (re-presented) £ million
Operating profit	**589**	453
Adjustments for non-cash items:		
Depreciation	**727**	644
Loss on disposal of property, plant and equipment	**18**	14
(Gain)/loss on sale and leaseback	**(1)**	–
Amortisation of intangible assets	**43**	29
Share-based payments	**30**	18
Loss on disposal of other intangible assets	**1**	3
Changes in working capital and other items of an operating nature:		
Increase in trade and other receivables	**(130)**	(16)
Increase in intangible assets	**(8)**	(179)
(Decrease)/increase in trade and other payables	**(45)**	120
Increase in unearned revenue	**240**	458
Post employment benefit contributions	**(12)**	(2)
Increase/(decrease) in provisions[1]	**31**	(94)
Decrease in other non-current assets[1]	**10**	47
(Decrease)/increase in derivative financial instruments	**(10)**	14
Cash generated from operations	**1,483**	1,509

1) The non-cash element of £87 million within lessor maintenance contributions has been re-presented between provisions and other non-current assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH/(DEBT)

	1 October 2023 £ million	Foreign exchange £ million	New debt raised in the year £ million	Repayment of capital £ million	Other[1] £ million	Cash, cash equivalents and other investments movement £ million	30 September 2024 £ million
Cash and cash equivalents	2,925	**(136)**	**–**	**–**	**–**	**(1,446)**	**1,343**
Other investments	–					**2,118**	**2,118**
	2,925	**(136)**	**–**	**–**	**–**	**672**	**3,461**
Eurobond	(1,895)	**77**	**(718)**	**434**	**(4)**	**–**	**(2,106)**
Lease liabilities	(989)	**91**	**(228)**	**222**	**(270)**	**–**	**(1,174)**
	(2,884)	**168**	**(946)**	**656**	**(274)**	**–**	**(3,280)**
Net cash/(debt)	41	**32**	**(946)**	**656**	**(274)**	**672**	**181**

1) Other includes deferred fees, lease extensions and rate changes.

Other investments include term deposits, tri-party repos and managed investments where the original duration of the investment was more than three months.

26. FINANCIAL INSTRUMENTS

The fair values of financial assets and liabilities, together with the carrying value at each reporting date, are as follows:

	Amortised cost		Held at fair value					
At 30 September 2024	**Financial assets £ million**	**Financial liabilities £ million**	**Fair value hedges £ million**	**Cash flow hedges £ million**	**Other financial instruments £ million**	**Other[1] £ million**	**Carrying value £ million**	**Fair value £ million**
Other non-current assets	**169**	**–**	**–**	**–**	**–**	**–**	**169**	**169**
Trade and other receivables	**327**	**–**	**–**	**–**	**–**	**156**	**483**	**483**
Trade and other payables	**–**	**(1,134)**	**–**	**–**	**–**	**(522)**	**(1,656)**	**(1,656)**
Derivative financial instruments	**–**	**–**	**–**	**(240)**	**(50)**	**–**	**(290)**	**(290)**
Restricted cash	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other investments	**1,968**	**–**	**–**		**150**		**2,118**	**2,118**
Cash and cash equivalents	**671**				**672**		**1,343**	**1,343**
Eurobonds[2]	**–**	**(2,106)**	**–**	**–**	**–**	**–**	**(2,106)**	**(2,083)**
Lease liabilities[3]	**–**	**(1,174)**	**–**	**–**	**–**	**–**	**(1,174)**	**n/a**
Equity investments[4]	**–**	**–**	**–**	**–**	**51**	**–**	**51**	**51**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

At 30 September 2023	Amortised cost: Financial assets £ million	Amortised cost: Financial liabilities £ million	Held at fair value: Fair value hedges £ million	Held at fair value: Cash flow hedges £ million	Held at fair value: Other financial instruments £ million	Other[1] £ million	Carrying value £ million	Fair value £ million
Other non-current assets	138	–	–	–	–	–	138	138
Trade and other receivables	237	–	–	–	–	106	343	343
Trade and other payables	–	(1,102)	–	–	–	(662)	(1,764)	(1,764)
Derivative financial instruments	–	–	–	142	11	–	153	153
Restricted cash	2	–	–	–	–	–	2	2
Other investments	–	–	–	–	–	–	–	–
Cash and cash equivalents	1,968	–	–	–	957	–	2,925	2,925
Eurobonds[2]	–	(1,895)	–	–	–	–	(1,895)	(1,756)
Lease liabilities[3]	–	(989)	–	–	–	–	(989)	n/a
Equity investments[4]	–	–	–	–	31	–	31	31

1) Amounts disclosed in the 'Other' column are items that do not meet the definition of a financial instrument. They are disclosed to facilitate reconciliation of the carrying values of financial instruments to line items presented in the statement of financial position.
2) For further information see capital, financing and interest risk management section below in note 27.
3) Lease liabilities are valued in accordance with IFRS 16 and a fair value determination is not applicable.
4) The equity investment of £51 million (2023: £31 million) represents a 13.2% shareholding in a non-listed entity, The Airline Group Limited. Valuation movements are designated as being fair valued through other comprehensive income due to the nature of the investment being held for strategic purposes. No dividend was received during the year (2023: £nil).

FAIR VALUE CALCULATION METHODOLOGY

Where available the fair values of financial instruments have been determined by reference to observable market prices where the instruments are traded. Where market prices are not available, the fair value has been estimated by discounting expected future cash flows at prevailing interest rates and by applying year-end exchange rates (excluding The Airline Group Limited equity investment).

The fair values of the remaining three Eurobonds are classified as level 1 of the IFRS 13 'Fair Value Measurement' fair value hierarchy (valuations taken as the closing market trade price for each respective Eurobond as of 30 September 2024). Apart from the equity investment, the remaining financial instruments for which fair value is disclosed in the table above, and derivative financial instruments, are classified as level 2.

The fair values of derivatives are calculated using observable market forward curves (e.g. forward foreign exchange rates, forward interest rates or forward jet fuel prices) and discounted to present value using risk-free rates. The impacts of counterparty credit, cross-currency basis and market volatility are also included where appropriate as part of the fair valuation.

The equity investment is classified as level 3 due to the use of forecast dividends which are discounted to present value. Though there are other level 2 inputs to the valuation, the discounted cash flow is a significant input which is not based on observable market data. The fair value is assessed at each reporting date based on the discounted cash flows with a secondary validation through a comparison to two other valuations calculated using a market approach and level 2 inputs. The fair value is being held at £51 million (2023: £31 million) based on a valuation report using this method by an external valuation firm with the material increase in valuation arising during the year as a result of improvements in the forecast of future cash flows. If the level 3 forecast cash flows were 10% higher or lower the fair value would not increase/decrease by a material amount.

The fair value measurement hierarchy levels have been defined as follows:

> Level 1, fair value of financial instruments based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
> Level 2, fair value of financial instruments in an active market (for example, over the counter derivatives) which are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.
> Level 3, fair value of financial instruments that are not based on observable market data (i.e. unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

At 30 September 2024	**Quantity million**	**Non-current assets £ million**	**Current assets £ million**	**Current liabilities £ million**	**Non-current liabilities £ million**	**Total £ million**
Designated as cash flow hedges						
US dollar	**1,899**	**–**	**–**	**(64)**	**(12)**	**(76)**
Euro	**2,065**	**1**	**18**	**(45)**	**(2)**	**(28)**
Swiss franc	**275**	**–**	**7**	**–**	**–**	**7**
Jet fuel	**2**	**1**	**2**	**(107)**	**(4)**	**(108)**
Cross-currency interest rate swaps	**1,100**	**–**	**–**	**(26)**	**(9)**	**(35)**
Designated as fair value through profit or loss						
US dollar	**982**	**–**	**1**	**(19)**	**(24)**	**(42)**
Euro	**197**	**–**	**–**	**(8)**	**–**	**(8)**
Jet fuel	**–**	**–**	**1**	**(1)**	**–**	**–**
		2	**29**	**(270)**	**(51)**	**(290)**

At 30 September 2023	Quantity million	Non-current assets £ million	Current assets £ million	Current liabilities £ million	Non-current liabilities £ million	Total £ million
Designated as cash flow hedges						
US dollar	1,820	5	22	(11)	–	16
Euro	1,446	–	11	(3)	(2)	6
Swiss franc	241	–	2	(1)	–	1
Jet fuel	2	7	123	(1)	–	129
Cross-currency interest rate swaps	1,406	10	–	(12)	(8)	(10)
Designated as fair value through profit or loss						
US dollar	1,195	13	28	(14)	(4)	23
Euro	619	–	–	(12)	–	(12)
		35	186	(54)	(14)	153

26. FINANCIAL INSTRUMENTS (CONTINUED)

For foreign currency forward exchange contracts, quantity represents the absolute gross nominal value of currency contracts held, disclosed in the contract foreign currency. The cross-currency interest rate swap contracts are presented at the sterling notional amount. For jet fuel derivative contracts, the quantity represents absolute contracted metric tonnes.

The majority of foreign exchange and jet fuel transactions designated as a cash flow hedge are expected to occur within the next 18 months. Accumulated gains and losses resulting from these transactions are deferred in the hedging reserve. The gains and losses will be recognised in the income statement in the periods when the hedged transactions impact the income statement. Where the gain or loss is included in the initial amount recognised following the purchase of an aircraft, recognition in the income statement is over a period of up to 23 years in the form of depreciation of the purchased asset.

Amounts related to US dollar and euro foreign exchange derivatives held at fair value through profit or loss (e.g. not held in a hedge accounting relationship) form part of the Group's statement of financial position retranslation risk management strategy. Fair value movements on these derivatives are recognised in the income statement and offset foreign exchange movements on the corresponding notional amount of the statement of financial position monetary liabilities held in US dollar and euro. These trades are all expected to occur within the next 36 months.

The Group maintains cross-currency interest rate swap contracts on a proportion of fixed rate debt issuance as part of the approach to currency and interest rate risk management. These cross-currency interest rate swap contracts are designated and qualify as cash flow hedges to minimise volatility in the income statement.

The following derivative financial instruments are subject to offsetting, enforceable master netting arrangements.

At 30 September 2024	**Gross amount £ million**	**Amount not set off £ million**	**Net amount £ million**
Derivative financial instruments			
Assets	**31**	**(31)**	**–**
Liabilities	**(321)**	**31**	**(290)**
	(290)	**–**	**(290)**

At 30 September 2023	Gross amount £ million	Amount not set off £ million	Net amount £ million
Derivative financial instruments			
Assets	221	(66)	155
Liabilities	(68)	66	(2)
	153	–	153

All financial assets and liabilities are presented gross on the face of the statement of financial position as the conditions for netting specified in IAS 32 'Financial Instruments Presentation' are not met.

27. FINANCIAL RISK AND CAPITAL MANAGEMENT

easyJet is exposed to financial risks including fluctuations in exchange rates, jet fuel prices and interest rates. Financial risk management aims to limit these market risks with selected derivative hedging instruments being used for this purpose. easyJet's policy is not to speculatively trade derivatives but use the instruments to hedge anticipated exposure and gain cash flow certainty. easyJet reduces its exposure to market risk by using derivatives as any gains and losses arising are offset by the outcome of the underlying exposure being hedged.

The Board is responsible for setting financial risk and capital management policies and objectives which are implemented by the treasury function on a day-to-day basis. The policy outlines the approach to risk management and also states the instruments and time periods which the treasury function is authorised to use in managing financial risks. The policy is regularly reviewed to ensure best practice.

Capital employed comprises shareholders' equity (excluding hedging and cost of hedging reserves), borrowings (including amounts related to IFRS 16 lease liability), cash and cash equivalents and other investments (excluding restricted cash).

In addition, easyJet also maintains committed access to capital through its undrawn credit facilities. This amounted to £1.6 billion at 30 September 2024 (2023: £1.8 billion) and contributed to easyJet's total liquidity. There were no plans to draw from undrawn facilities as at 30 September 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Consequently, the capital employed at the end of the current and prior year and the return earned during those years was as follows:

	2024			2023		
	Headline £ million	**Non-headline £ million**	**Total £ million**	Headline £ million	Non-headline £ million	Total £ million
Opening capital employed						
Shareholders' equity (excluding hedging & cost of hedging reserves)	**2,676**	**–**	**2,676**	2,358	–	2,358
Borrowings	**1,895**	**–**	**1,895**	3,197	–	3,197
Lease liabilities	**989**	**–**	**989**	1,113	–	1,113
Cash, cash equivalents and other investments (excluding restricted cash)	**(2,925)**	**–**	**(2,925)**	(3,640)	–	(3,640)
Reported capital employed	**2,635**	**–**	**2,635**	3,028	–	3,028
Closing capital employed						
Shareholders' equity (excluding hedging & cost of hedging reserves)	**3,118**	**–**	**3,118**	2,676	–	2,676
Borrowings	**2,106**	**–**	**2,106**	1,895	–	1,895
Lease liabilities	**1,174**	**–**	**1,174**	989	–	989
Cash, cash equivalents and other investments (excluding restricted cash)	**(3,461)**	**–**	**(3,461)**	(2,925)	–	(2,925)
Reported capital employed	**2,937**	**–**	**2,937**	2,635	–	2,635
Average capital employed	**2,786**	**–**	**2,786**	2,832	–	2,832
Reported operating profit/(loss)	**597**	**(8)**	**589**	476	(23)	453
UK corporation tax rate			**25%**			25%
Normalised operating profit/(loss) after tax	**448**	**(6)**	**442**	357	(17)	340
Return on capital employed	**16.1%**		**15.9%**	12.6%		12.0%

Return on capital employed is calculated by dividing the normalised operating profit/(loss) after tax by the average of the opening and closing capital employed.

Normalised operating profit is reported operating profit, less tax at the prevailing UK corporation tax rate at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Liquidity risk management

The objective of easyJet's liquidity risk management is to ensure sufficient cash is available to meet future liabilities as they fall due and ensure access to cost-effective funding in various markets.

Liquidity raised in the year was primarily through the issue of a €850 million bond under the EMTN Programme in March 2024, and from sale and leaseback transactions, which were conducted on 11 aircraft generating gross cash proceeds of £114 million. Repayments in the year included the €500 million repayment of the Oct-16 Eurobond in October 2023.

easyJet's policy has consistently been to hold significant liquidity to mitigate the impact of potential business disruption events. Throughout the year, easyJet's target minimum liquidity requirement was to cover unearned revenue plus £500 million. In assessing this liquidity metric any undrawn credit facilities need to be taken into consideration. Total cash and cash equivalents and other investments at 30 September 2024 was £3,461 million (30 September 2023: £2,925 million) with total liquidity at £5,065 million. Surplus funds are invested in high-quality short-term liquid instruments, mainly money market funds, term deposits, tri-party repos and managed investments.

The maturity profile of financial liabilities and derivatives based on undiscounted cash flows and contractual maturities is as follows:

At 30 September 2024	Within one year £ million	One-two years £ million	Two-five years £ million	Over five years £ million
Borrowings principal and interest	465	45	1,115	760
Trade and other payables	1,656	–	–	–
Lease liabilities	269	257	595	226
FX & jet derivative contracts – receipts	(4,303)	(787)	(199)	–
FX & jet derivative contracts – payments	4,538	828	210	–
Cross-currency swap contracts – receipts	(429)	(9)	(518)	–
Cross-currency swap contracts – payments	469	15	540	–

At 30 September 2023	Within one year £ million	One-two years £ million	Two-five years £ million	Over five years £ million
Borrowings principal and interest	458	457	1,087	–
Trade and other payables	1,764	–	–	–
Lease liabilities	254	412	278	139
FX & jet derivative contracts – receipts	(4,543)	(961)	(223)	–
FX & jet derivative contracts – payments	4,334	938	222	–
Cross-currency swap contracts – receipts	(452)	(447)	(544)	–
Cross-currency swap contracts – payments	476	469	556	–

The maturity profile has been calculated based on spot rates for the US dollar, euro, Swiss franc and jet fuel at close of business on 30 September each year.

Credit risk management

easyJet is exposed to credit risk arising from cash and other investments, derivative financial instruments and trade and other receivables. Credit risk management aims to reduce the risk of default by setting limits on credit exposure to counterparties based on their respective credit ratings. Credit ratings also determine the maximum period of investment when placing funds on deposit. The maximum exposure to credit risk at the reporting date is equal to the carrying value of its financial assets, excluding tri-party repos, which are securitised by high-quality, investment-grade financial assets.

Counterparties for cash investments and derivatives contracts are required to have a long-term credit rating of A- or better at contract inception from either Moody's, Standard & Poor's or Fitch (except where there is a specific regulatory, contractual requirement or a bank guarantee from an A- rated entity). Exposures to these counterparties are regularly reviewed and, if the long-term credit rating falls below A-, management will make a decision on remedial action to be taken.

The credit ratings of counterparties that easyJet holds financial assets with are as follows:

At 30 September 2024	A- and above £ million	Below A- £ million	Unrated/ other £ million	Total £ million
Financial assets				
Trade receivables	–	–	483	483
Other non-current assets	–	–	169	169
Derivative financial instruments	(290)	–	–	(290)
Other investments	2,118	–	–	2,118
Cash and cash equivalents	1,340	3	–	1,343
Total	3,168	3	652	3,823

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

At 30 September 2023	A- and above £ million	Below A- £ million	Unrated/ other £ million	Total £ million
Financial assets				
Trade receivables	–	–	343	343
Other non-current assets	–	–	138	138
Derivative financial instruments	153	–	–	153
Restricted cash	2	–	–	2
Cash and cash equivalents	2,922	3	–	2,925
Total	3,077	3	481	3,561

At the end of each reporting date easyJet recognises a loss allowance for expected credit losses on financial assets measured at amortised cost. In establishing the appropriate amount of loss allowance to be recognised, easyJet applies either the general approach or the simplified approach, depending on the nature of the underlying group of financial assets. See note 1a for further detail.

The general approach is applied to the impairment assessment of refundable lease deposits and other refundable lease contributions, restricted cash, other investments and cash and cash equivalents (excluding money market funds held at fair value through profit or loss). At 30 September 2024, the expected credit loss was considered immaterial. This is due to easyJet's strict policy of investing only with counterparties who hold a high, investment-grade credit standing (except in specific circumstances) as detailed in the tables above.

The simplified approach is applied to the impairment assessment of trade and other receivables.

At 30 September 2024, trade receivables had a total loss allowance of £7 million (2023: £5 million). The exposure to individual customer's credit risk is reduced as no individual customer accounts for a substantial amount of the total revenue and most payments for flight tickets are collected in advance of the service being provided.

Foreign currency risk management
The majority of easyJet's exposure to currency arises from fluctuations in the US dollar, euro and Swiss franc exchange rates which can significantly impact easyJet's financial results and cash flows. The aim of easyJet's foreign currency risk management is to reduce the impact of these exchange rate fluctuations.

easyJet has maintained hedging in line with policy throughout the year.

Significant currency exposures in the income statement are managed through the use of foreign currency forward contracts entered into cash flow hedge relationships in line with the Board approved policy. Throughout the year easyJet hedged operational US dollar, euro, and Swiss franc exposures to an 18-month hedging policy with the aim of maintaining average cover of c.60% over a rolling 12-month period.

Of note, the Group separately manages foreign exchange risk related to forecast cash outflows associated with package holiday costs. Significant currency exposures relating to the acquisition cost of aircraft are managed through the use of FX forward contracts where up to 36 months of forecasted cash flows may be hedged.

easyJet has monetary liabilities denominated in US dollars and euros, which are largely offset by holding US dollar and euro cash, and other investments. easyJet also uses FX forward contracts to manage foreign exchange translation risk. These are classified as fair value through profit or loss (e.g. not designated in a hedge relationship) and provide a natural offset to the translation of foreign currency liabilities. During the year, easyJet used euro lease liabilities to hedge a proportion of its euro revenue receipts in a cash flow hedge relationship. Translation gains and losses from these euro liabilities are held in reserves and released on a straight-line basis over the term of the lease agreement through profit or loss.

Management may take action to hedge other currency exposures as deemed appropriate.

The gross notional value of transactions in a hedge relationship that matured during the financial year to manage the foreign currency risk and the resulting gains and losses were as follows:

	2024		2023	
	Notional £ million	**Gain/(loss) £ million**	Notional £ million	Gain/(loss) £ million
USD	**1,571**	**(46)**	1,634	14
EUR	**1,392**	**7**	1,091	(8)
CHF	**296**	**5**	192	(2)

Notional value reflects the sterling contractual leg amount.

Capital financing and interest rate risk management
The objective of capital management is to ensure that easyJet is able to continue as a going concern whilst delivering shareholder expectations of a strong capital base as well as returning benefits for other stakeholders.

On 30 September 2024, easyJet held long-term corporate credit ratings from both Standard & Poor's (BBB) and Moody's (Baa2).

easyJet plc established a £3,000 million Euro Medium Term Note (EMTN) Programme on 7 January 2016. Subsequently easyJet plc has issued four bonds under this programme and easyJet FinCo B.V. has issued one bond. Two bonds have since been repaid. The three remaining bonds under this scheme are guaranteed by easyJet Airline Company Limited, easyJet plc and easyJet FinCo B.V. On 11 February 2022 the EMTN Programme increased in size to £4,000 million.

In February 2016, easyJet plc issued a €500 million bond under the EMTN Programme guaranteed by easyJet Airline Company Limited. The Eurobond had a seven-year term and paid an annual fixed coupon of 1.750%. At the same time the Group entered into three cross-currency interest rate swaps to convert the entire €500 million fixed rate Eurobond to a sterling floating rate exposure. In February 2023, this bond reached maturity and was settled.

In October 2016, easyJet plc issued a €500 million bond under the EMTN Programme guaranteed by easyJet Airline Company Limited. The Eurobond had a seven-year term and paid an annual fixed coupon of 1.125%. Shortly after the issuance of the €500 million bond the Group entered into three cross-currency interest rate swaps to convert the entire €500 million fixed rate Eurobond to a sterling fixed rate exposure. In October 2023, this bond reached maturity and was settled.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

In June 2019, easyJet plc issued a €500 million bond under the EMTN Programme guaranteed by easyJet Airline Company Limited. The Eurobond is for a six-year term and pays an annual fixed coupon of 0.875%. At the same time the Group entered into three cross-currency interest rate swaps to convert the entire €500 million fixed rate Eurobond to a sterling fixed rate exposure. All three swaps pay fixed interest semi-annually, receive fixed interest annually, and have maturities matching the Eurobond. The Group designated all three cross-currency interest rate swaps as a cash flow hedge of the currency risk on the €500 million Eurobond. The cross-currency interest rate swaps are measured at fair value with the effective portion taken through the statement of comprehensive income. The element of the fair value generated by the change in the spot rate is recycled to the income statement from the statement of comprehensive income to offset the foreign currency translation of the Eurobond. The carrying value of the fixed rate Eurobond net of cross-currency interest rate swaps at 30 September 2024 was £390 million. This value does not include capitalised set-up costs incurred in the issuing of the bond.

In March 2021, easyJet FinCo B.V. issued a €1,200 million bond under the EMTN Programme guaranteed by easyJet Airline Company Limited and easyJet plc. The Eurobond has a seven-year term and pays an annual fixed coupon of 1.875%. easyJet subsequently entered into four cross-currency interest rate swaps to convert €600 million of the fixed rate Eurobond to a sterling fixed rate exposure. All four swaps pay fixed interest semi-annually, receive fixed interest annually, and have maturities matching the Eurobond. The Group designated these cross-currency interest rate swaps as a cash flow hedge of the currency risk on the €1,200 million Eurobond. The cross-currency interest rate swaps are measured at fair value with the effective portion taken through the statement of comprehensive income. The element of the fair value generated by the change in the spot rate is recycled to the income statement from the statement of comprehensive income to offset the foreign currency translation of the Eurobond. The carrying value of the fixed rate Eurobond net of cross-currency interest rate swaps at 30 September 2024 was £989 million. This value does not include capitalised set-up costs incurred in the issuing of the bond.

In March 2024, easyJet plc issued a €850 million bond under the EMTN Programme guaranteed by easyJet Airline Company Limited and easyJet FinCo B.V. The Eurobond has a seven-year term and pays an annual fixed coupon of 3.75%. The carrying value of the fixed rate Eurobond at 30 September 2024 was £707 million. This value does not include capitalised set-up costs incurred in the issuing of the bond.

The weighted average sterling interest rate hedged for the three bonds was 2.66% with a weighted average GBP/EUR foreign exchange hedge rate of 1.15.

Interest rate cash flow risk arises on floating rate borrowings and cash investments.

Interest Rate Risk Management Policy aims to provide certainty in a proportion of financing while retaining the opportunity to benefit from interest rate reductions. Borrowings are issued at either fixed or floating interest rates, repricing every three to six months. Operating leases are a mix of fixed and floating rates. Of the 159 aircraft operating leases in place at 30 September 2024 (2023: 153), 98% were based on fixed interest rates and 2% were based on floating interest rates (2023: 95% fixed, 5% floating).

In addition, easyJet has access to facilities which are fully undrawn at 30 September 2024; a $400 million revolving credit facility due to mature in September 2025 (with potential extension to September 2026), and a $1,750 million UKEF backed facility maturing in June 2028.

Commodity price risk management

The Group is exposed to commodity risk in the form of jet fuel requirements and Carbon Emissions Trading schemes (EU ETS, CH ETS and UK ETS) price risk. easyJet has maintained risk management activities throughout the year in line with policy.

The objective of the fuel price risk management policy is to provide protection against sudden and significant increases in jet fuel prices, thus mitigating volatility in the income statement in the short term. In the year, easyJet hedged in line with its 18-month hedging policy with the aim of maintaining average cover of c.60% over a rolling 12-month period. Jet fuel derivatives are entered into a cash flow hedge relationship against the future forecasted jet fuel usage. Treasury strategies and actions will be driven by the need to meet treasury, financial and corporate objectives.

The volume of effective hedge transactions that matured during the financial year to manage the jet commodity price risk was 2 million metric tonnes. This resulted in a £41 million gain (2023: £68 million gain) in the fuel line within the income statement.

The Group has a requirement to comply with EU ETS, CH ETS and UK ETS regulations and report on an annual basis to the relevant environmental agencies. In addition to being in receipt of free allowances, easyJet is required to purchase carbon allowances on the open market to fulfil this requirement and is exposed to price movements that can introduce cash flow volatility. To mitigate this exposure, easyJet purchases its requirements on a spot or forward basis up to 24 months in advance. easyJet holds allowances for 100% of all estimated ETS obligations for calendar year 2024.

ETS allowance spot and forward contracts maturing in the year were not classified as financial instruments as they fell within the own use provision under IFRS 9.

Market risk sensitivity analysis

Financial assets and liabilities affected by market risk include borrowings, deposits, trade and other receivables, trade and other payables, and derivative financial instruments. The following analysis illustrates the sensitivity of changes in relevant foreign exchange rates, interest rates and fuel prices. It should be noted that the analysis reflects the impact on profit or loss after tax for the year and other comprehensive income on financial instruments in a cash flow hedge relationship held at the reporting date. The sensitivities are calculated based on all other variables remaining constant. The analysis is considered representative of easyJet's exposure over the next 12-month period.

The sensitivity analysis is based on easyJet's financial assets and liabilities and financial instruments held as at 30 September 2024.

The currency exchange rate analysis assumes a +/-10% change in both US dollar and euro exchange rates.

The interest rate analysis assumes a 1% increase in interest rates over the next 12 months.

The fuel price analysis assumes a 10% increase in the fuel price forward curve over the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

At 30 September 2024	US dollar +10%[1] £ million	US dollar -10%[2] £ million	Euro +10%[1] £ million	Euro -10%[2] £ million	Interest rates 1% increase £ million	Fuel price 10% increase £ million
Income statement impact: gain/(loss)	**1**	**(1)**	**(1)**	**–**	**26**	**–**
Impact on other comprehensive income: increase/(decrease)	**109**	**(89)**	**49**	**(40)**	**–**	**63**

At 30 September 2023	US dollar +10%[1] £ million	US dollar -10%[2] £ million	Euro +10%[1] £ million	Euro -10%[2] £ million	Interest rates 1% increase £ million	Fuel price 10% increase £ million
Income statement impact: gain/(loss)	(6)	5	7	(6)	21	–
Impact on other comprehensive income: increase/(decrease)	135	(110)	3	(2)	–	93

1) GBP weakened.
2) GBP strengthened.

The market risk sensitivity analysis has been calculated on spot rates for the US dollar, euro and jet fuel at close of business on 30 September each year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

IMPACT ON THE FINANCIAL STATEMENTS DURING THE YEAR ENDED 30 SEPTEMBER 2024

Details of major hedging arrangements at the reporting date are set out below, broken down by the cash maturity of hedge instruments, notional and average rates.

Hedge instrument (notional in millions)	Within one year	Greater than one year
Jet fuel hedged notional	2	–
Average hedge rate	796	773
USD foreign exchange hedged notional	1,182	170
Average hedge rate	1.27	1.29
EUR foreign exchange hedged notional	541	50
Average hedge rate	1.15	1.15
CHF foreign exchange hedged notional	228	27
Average hedge rate	1.08	1.07

Notional expressed in the sterling contractual leg for currencies and metric tonnes for jet fuel.

HEDGE DISCONTINUATION AND INEFFECTIVENESS

Hedge effectiveness testing on all relationships is performed at each reporting date. Whilst the critical terms matching of the Group's hedge relationships means that any ineffectiveness should be minimal, it can be driven by factors such as material changes in credit risk, price fixing basis (in the case of jet fuel) or changes in the timings of the hedged cash flows.

In the year ended 30 September 2024, easyJet discontinued three Jet Swaps, due to hedges exceeding forecasted exposures and one FX forward where the FX hedge position exceeded forecasted exposures. Total impact was a cost of £nil million.

All hedge relationships where the underlying exposure is still anticipated to occur continue to exhibit a strong economic hedge relationship as the changes in fair value of hypothetical hedged items is materially offset by the changes in the fair value of hedging instruments.

Additionally, fair value adjustments of £1 million loss (2023: £1 million loss) were recorded during the year related to hedge ineffectiveness on hedges of foreign currency denominated borrowings that continue to be effective hedge relationships.

28. CONTINGENT LIABILITIES AND COMMITMENTS

CONTINGENT LIABILITIES

easyJet previously disclosed an ICO investigation into a cyberattack and data breach that took place in 2020. Whilst the ICO investigation is now closed, an associated group action by a law firm representing a class of customers affected by the data breach arising from the cyberattack remains in place and, as previously highlighted, other claims have been commenced or threatened in certain other courts and jurisdictions. The merit, likely outcome, and potential impact of these actions are subject to significant uncertainties and therefore the Group is unable to assess the likely outcome or quantum of the claims and as such a provision is not included in these financial statements.

The Spanish Ministerio de Consumo (Ministry of Consumer Affairs) has issued easyJet with a €29 million fine for its hand luggage policy and the charges applied to cabin bags. easyJet is appealing this and believes its policy is entirely lawful. On this basis, easyJet does not consider it appropriate to recognise a provision for the charge.

Additionally, there is an ongoing litigation matter in Italy, and a possibility of a claim being made by a third-party supplier, for what would be material recoveries. Management has assessed the likelihood of each case being brought, easyJet's response and likelihood of a successful defence, and at this stage, having taken external legal advice, does not consider it appropriate to provide for either matter.

easyJet is involved in a number of other disputes and litigation cases which arose in the normal course of business. The potential outcome of these disputes and litigations can cover a range of scenarios, and in complex cases reliable estimates of any potential obligation may not be possible.

CONTINGENT COMMITMENTS

Letters of credit and performance bonds

At 30 September 2024, easyJet had outstanding letters of credit and performance bonds totalling £47 million (2023: £45 million), of which £9 million (2023: £12 million) expires within one year. The fair value of these instruments at each year end was negligible.

No amount is recognised on the statement of financial position in respect of any of these financial instruments as it is not probable that there will be an outflow of resources and the fair value has been assessed to be £nil.

Pathway to net zero

On 26 September 2022, easyJet announced its pathway to net zero. This roadmap references several partnerships with other commercial companies to explore certain technologies which may assist with the overall goal to decarbonise the aviation industry. The majority of these partnerships are in fact agreements to work together on the areas identified and do not involve a financial commitment from easyJet other than the time and effort involved in the collaboration over an agreed period. Where there is a signed agreement requiring a financial commitment from easyJet in the future, any future payments are contingent on project progress or product/service delivery and are therefore not certain, hence no liability has been recognised for these payments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

29. GOVERNMENT GRANTS AND ASSISTANCE

During the year ended 30 September 2024, easyJet Airline Company Limited claimed 'activité partielle longue durée', long-term partial activity (APLD), a scheme implemented by the French Government under which, subject to agreement with trade unions, it is possible to reduce the activity of employees, within the limit of 50% of their legal working time, while maintaining a compensation funded by the Government. The total amount claimed by easyJet companies in the year ended 30 September 2024 amounted to £2 million (2023: £3 million) and is offset within employee costs in the income statement. There are no unfulfilled conditions or contingencies relating to this scheme and easyJet stopped claims at the end of February 2024 under this scheme.

In June 2023 easyJet Airline Company Limited entered into a five-year term loan facility of $1.75 billion (with easyJet plc as guarantor), underwritten by a syndicate of banks and supported by a partial guarantee from UK Export Finance under their Export Development Guarantee scheme. The Export Development Guarantee scheme for commercial loans is available to qualifying UK companies, does not carry preferential rates or require state aid approval, but does contain some restrictive covenants including dividend payments. However, these restrictive covenants are compatible with easyJet's existing policies. Embedded within the facility is a sustainability key performance indicator linked to a reduction in carbon emission intensity in line with easyJet's SBTi validated target, with a margin adjustment mechanism (upward or downward) conditional on the achievement of specific milestones. This term loan facility remains undrawn at 30 September 2024.

30. RELATED PARTY TRANSACTIONS

The Company licences the easyJet brand from easyGroup Limited ('easyGroup'), a wholly owned subsidiary of easyGroup Holdings Limited, an entity in which easyJet's founder, Sir Stelios Haji-Ioannou, holds a beneficial controlling interest. The Haji-Ioannou family concert party shareholding (being easyGroup Holdings Limited and Polys Holding Limited) holds, in total, approximately 15.27% of the issued share capital of easyJet plc as at 30 September 2024 (2023: 15.27%).

Under the Amended Brand Licence signed in October 2010 and approved by the shareholders of easyJet plc in December 2010, an annual royalty of 0.25% of total revenue is payable by easyJet to easyGroup. The full term of the agreement is 50 years.

easyJet and easyGroup established a fund to meet the annual costs of protecting the 'easy' (and related marks) and the 'easyJet' brands. easyJet contributes up to £1 million per annum to this fund and easyGroup contributes £100,000 per annum. If easyJet contributes more than £1 million per annum, easyGroup will match its contribution in the ratio of 1:10 up to a limit of £5 million contributed by easyJet and £500,000 contributed by easyGroup.

Three side letters have been entered into: (i) a letter dated 29 September 2016 in which easyGroup consented to easyJet acquiring a portion of the equity share capital in Founders Factory Limited; (ii) a letter dated 26 June 2017 in which easyJet's permitted usage of the brand was slightly extended; and (iii) a letter dated 2 February 2018 in which easyGroup agreed that certain affiliates of easyJet have the right to use the brand.

The amounts included in the income statement, within other costs, for these items are as follows:

	2024 £ million	2023 £ million
Annual royalty	**23**	20
Brand protection (legal fees paid through easyGroup to third parties)	**1**	1
	24	21

At 30 September 2024, £3 million (2023: £6 million) was payable to easyGroup.

31. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

After the statement of financial position date of 30 September 2024,

> in October 2024, three A321NEO and one A320NEO aircraft were delivered by Airbus to easyJet.

COMPANY STATEMENT OF FINANCIAL POSITION

	Notes	30 September 2024 £ million	30 September 2023 £ million
Non-current assets			
Investments in subsidiary undertakings	c	**1,093**	1,042
Amounts due from subsidiary undertakings	f	**3,634**	3,138
		4,727	4,180
Current assets			
Amounts due from subsidiary undertakings	f	**434**	438
		434	438
Current liabilities			
Borrowings	d	**(416)**	(433)
Other payables		**(20)**	(6)
Derivative financial instruments with subsidiary undertakings		**(26)**	(12)
		(462)	(451)
Net current liabilities		**(28)**	(13)

	Notes	30 September 2024 £ million	30 September 2023 £ million
Non-current liabilities			
Borrowings	d	**(710)**	(431)
Derivative financial instruments with subsidiary undertakings		**–**	(8)
		(710)	(439)
Net assets		**3,989**	3,728
Shareholders' equity			
Share capital		**207**	207
Share premium		**2,166**	2,166
Hedging reserve		**1**	1
Retained earnings		**1,615**	1,354
Total equity		**3,989**	3,728

The financial statements on pages 199 to 203 were approved by the Board of Directors and authorised for issue on 27 November 2024 and signed on behalf of the Board.

In accordance with Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own income statement and statement of comprehensive income. The Company's profit for the year was £266 million (2023: £532 million). Included in this amount are dividends received of £125 million (2023: £436 million), which are recognised when the right to receive payment is established.

Johan Lundgren
Director

Kenton Jarvis
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Retained earnings £ million	Total equity £ million
At 1 October 2023	**207**	**2,166**	**1**	**–**	**1,354**	**3,728**
Profit for the year	**–**	**–**	**–**	**–**	**266**	**266**
Other comprehensive loss	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income	**–**	**–**	**–**	**–**	**266**	**266**
Dividends paid	**–**	**–**	**–**	**–**	**(34)**	**(34)**
Share incentive schemes						
Movement in reserves for employee share schemes	**–**	**–**	**–**	**–**	**29**	**29**
At 30 September 2024	**207**	**2,166**	**1**	**–**	**1,615**	**3,989**

	Share capital £ million	Share premium £ million	Hedging reserve £ million	Cost of hedging reserve £ million	Retained earnings £ million	Total equity £ million
At 1 October 2022	207	2,166	13	3	805	3,194
Profit for the year	–	–	–	–	532	532
Other comprehensive loss	–	–	(12)	(3)	–	(15)
Total comprehensive (loss)/income	–	–	(12)	(3)	532	517
Share incentive schemes						
Movement in reserves for employee share schemes	–	–	–	–	17	17
At 30 September 2023	207	2,166	1	–	1,354	3,728

An ordinary dividend in respect of the year ended 30 September 2024 of 12.1 pence per share, or £92 million, based on headline profit after tax, is to be proposed at the forthcoming Annual General Meeting. These financial statements do not reflect this proposed dividend.

The disclosures required in respect of share capital are shown in note 22 to the consolidated financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

A) MATERIAL ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The financial statements of easyJet plc (the 'Company') have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the applicable legal requirements of the Companies Act 2006 as applicable to companies using FRS 101. The financial statements are prepared based on the historical cost convention except for certain financial assets and liabilities, including derivative financial instruments, financial guarantees and certain contingent liabilities and commitments, which are measured at fair value.

easyJet plc is a holding company for a group of companies engaged in providing low-cost flights and package holidays, principally in Europe. The Company is a public limited company (company number 03959649), incorporated and domiciled in the United Kingdom, whose shares are listed on the London Stock Exchange under the ticker symbol EZJ. The address of its registered office is Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF, England.

STATEMENT OF PREPARATION

The financial statements have been prepared on a going concern basis; details of the going concern and viability statement on pages 75 to 76.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

> IFRS 7, Financial instruments: Disclosures.
> The requirements of paragraphs 45(b) and 46–52 of IFRS 2, Share-based payment.
> The requirement in paragraph 38 of IAS 1, Presentation of financial statements to present comparative information in respect of: paragraph 79(a)(iv) of IAS 1.
> The requirements of paragraphs 10(f), 40A, 40B, 40C, 40D, of IAS 1, presentation of financial statements.
> The following paragraphs of IAS 1, Presentation of financial statements:

- 10(d) (statement of cash flows);
- 16 (statement of compliance with all IFRS);
- 38A (requirement for minimum of two primary statements, including statement of cash flows);
- 38B-D (additional comparative information);
- 111 (statement of cash flows information); and
- 134-136 (capital management disclosures).

> IAS 7, Statement of cash flows and related notes.
> Paragraphs 91 to 99 of IFRS 13, Fair value measurement (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
> Paragraphs 30 and 31 of IAS 8, Accounting policies, changes in accounting estimates and errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
> Paragraph 17 of IAS 24, Related party disclosures (key management compensation).
> The requirements in IAS 24, Related party disclosures, to disclose related party transactions entered into between two or more members of a group.

The material accounting policies applied in the preparation of these Company financial statements are the same as those set out in note 1 to the consolidated financial statements with the addition of the following:

INVESTMENTS

Investments in subsidiaries are stated at cost, less any provision for impairment. Where subsidiary undertakings incur charges for share-based payments in respect of share options and awards granted by the Company (see note 23 of the consolidated financial statements), a capital contribution for the same amount is recognised as an investment in subsidiary undertakings with a corresponding credit to shareholders' equity.

The recoverable amount of the investment balance has been assessed for impairment. This assessment represents a critical accounting estimate for the Company. The cash flow projections, assumptions and sensitivity analysis are based on those disclosed in note 11 to the consolidated financial statements. Individual risks in reasonably probable combinations, including those associated with climate change and the current macroeconomic environment, do not give rise to an impairment. A further review as at 30 September using up to date key inputs (fuel price and exchange rates) and latest cash flow projections also did not give rise to an impairment.

AMOUNTS DUE FROM/TO SUBSIDIARY UNDERTAKINGS

Amounts due from/to subsidiary undertakings are recognised initially at fair value, and subsequently at amortised cost using the effective interest rate method.

At each reporting date the Company recognises a loss allowance for expected credit losses on amounts due from subsidiaries using the simplified approach. Under the simplified approach the Company recognises a loss allowance at an amount equal to the lifetime expected credit losses.

DIVIDEND INCOME

Dividends received from investments in subsidiaries are recognised in the income statement when the right to receive payment is established.

DERIVATIVE FINANCIAL INSTRUMENTS WITH SUBSIDIARY UNDERTAKINGS

For the year ended 30 September 2024, this related to the Oct-16, Jun-19 and Mar-24 Eurobonds as detailed in the consolidated financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

B) INCOME STATEMENT AND STATEMENT OF TOTAL COMPREHENSIVE INCOME

In accordance with Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own income statement and statement of comprehensive income. The Company's profit for the year was £266 million (2023: £532 million). Included in this amount are dividends received of £125 million (2023: £436 million), which are recognised when the right to receive payment is established.

The eight Non-Executive Directors of easyJet plc (2023: nine) are paid for their services by easyJet Airline Company Limited. The Executive Directors of easyJet plc are employed and paid by easyJet Airline Company Limited. Details of Directors' remuneration are disclosed in note 4 to the consolidated financial statements and in the audited sections of the Directors' Remuneration Report on pages 133 to 138.

C) INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiary undertakings were as follows:

	2024 £ million	2023 £ million
At 1 October	**1,042**	1,025
Capital contributions to subsidiaries	**29**	17
Acquisition of subsidiary	**22**	–
At 30 September	**1,093**	1,042

During the year, £29 million (2023: £17 million) capital contributions of share awards (as explained in note a) above) were provided to Group companies. No other contributions were made during the year (2023: £nil million).

The recoverable amount of the investment balance has been assessed for impairment. The cash flow projections, assumptions and sensitivity analysis used in this exercise are based on those disclosed in note 11 to the consolidated financial statements. Individual risks, and risks in reasonably probable combinations, including those associated with climate change and the current macro-economic environment, do not give rise to an impairment.

A full list of Group companies is detailed below.

	Country of incorporation	Principal activity	Percentage of ordinary shares held
easyJet Airline Company Limited[1]	England and Wales	Airline operator	100
easyJet Switzerland S.A.[2]	Switzerland	Airline operator	49*
easyJet Sterling Limited[3, 4]	Cayman Islands	Aircraft trading and leasing	–
easyJet Leasing Limited[3, 4]	Cayman Islands	Aircraft trading and leasing	–
easyJet UK Limited[1]	England and Wales	Airline operator	100
easyJet Europe Airline GmbH[5]	Austria	Airline operator	100
easyJet FinCo B.V.[6]	Netherlands	Financing company	100
easyJet MT Limited[7]	Malta	Insurance	100
easyJet HQ Holdings Limited[1, 8]	England and Wales	Holding company	100
easyJet HQ Limited[1, 8]	England and Wales	Development of building projects	100
easyJet HQ Development Limited[1, 8]	England and Wales	Development of building projects	100
easyJet Holidays Holdings Limited[1]	England and Wales	Holding company	100
easyJet Holidays Limited[1]	England and Wales	Tour operator	100
easyJet Holidays Transport Limited[1]	England and Wales	Air transport	100
easyJet Engineering Malta Limited[9]	Malta	Heavy base maintenance	100

1) Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF, England.
2) 5 Route de l'Aeroport, Meyrin, CH-1215 Geneve 15, Switzerland.
3) Governor's Square, West Bay Road, Lime Tree Bay Road, UNIT # 2-105 , PO Box 1982, Grand Cayman KY1-1104, Cayman Islands.
4) Dissolved on 6 February 2024. It is of note that whilst these companies were Cayman Islands incorporated they were always UK tax resident.
5) Wagramer Stasse 19, 11.Stock IZD Tower, 1220 Wien, Austria.
6) Westerdoksdijk 423, 1013BX Amsterdam, Netherlands.
7) 188, 21st September Avenue, Naxxar, NXR 1012, Malta.
8) As dormant subsidiaries, the following UK entities, all of which are 100% owned by the Group, are exempt from the requirement to prepare individual financial statements by virtue of section 394A of the Companies Act 2006 and from filing individual accounts under section 448A of the Companies Act 2006: easyJet HQ Limited, (12367394), easyJet HQ Development Limited (12367361) and easyJet HQ Holdings Limited (12366723).
9) Triq Hal Farrug, Hal Farrug, LUQA LQA 3079, Malta. This entity was previously known as SR Technics Malta Limited but the name has been changed subsequent to acquisition.

* The Company has a 49% interest in easyJet Switzerland S.A. with an option to acquire the remaining 51%. The option is automatically extended for a further year on a rolling basis, unless the option is terminated by written agreement prior to the automatic renewal date. easyJet Switzerland S.A. is a subsidiary on the basis that the Company exercises control over the undertaking. A non-controlling interest has not been reflected in the consolidated financial statements on the basis that holders of the remaining 51% of the shares have no entitlement to any dividends from that holding and the Company has an option to acquire those shares for a predetermined minimal consideration. The Company has 100% of voting rights for all other subsidiaries.

There have been no changes to the percentage of ordinary shares held during the year.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

D) BORROWINGS

	Current £ million	**Non-current £ million**	**Total £ million**
At 30 September 2024			
Eurobonds	**416**	**710**	**1,126**
	416	**710**	**1,126**

	Current £ million	Non-current £ million	Total £ million
At 30 September 2023			
Eurobonds	433	431	864
	433	431	864

easyJet plc uses cross-currency interest rate swaps with subsidiary undertakings to hedge currency and interest rate risk on borrowings and these are held at a fair value, resulting in a £26 million liability as at 30 September 2024 (2023: £20 million liability). The fair value of the swaps is determined as described in note 26 to the consolidated financial statements.

For full details on the borrowings and financial instruments see note 18 and 26 respectively of the consolidated financial statements.

E) GUARANTEES AND CONTINGENT LIABILITIES

The Company has given formal undertakings to the Civil Aviation Authority to guarantee the payment and discharge of all liabilities of easyJet Airline Company Limited, a subsidiary of the Company. The guarantees are required for that company to maintain its operating licence under Regulation 3 of the Licensing of Air Carriers Regulations 1992, and to maintain its ATOL licence under The Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012.

The Company has issued a guarantee in favour of easyJet Airline Company Limited, a subsidiary undertaking, in relation to the processing of credit card transactions, and also in respect of hedging transactions carried out in accordance with treasury policy.

The Company has guaranteed the contractual obligations of easyJet Airline Company Limited to Airbus SAS in respect of the supply of Airbus 320 family aircraft. Details of aircraft orders are disclosed in note 12 to the consolidated financial statements.

The Company has guaranteed jointly and severally the contractual obligations with easyJet Airline Company Limited, a subsidiary undertaking, in respect of a $400 million revolving credit facility. The revolving credit facility was agreed on 9 September 2021, for a minimum of four and a maximum of six years. In FY23 easyJet did not exercise the first extension option, therefore this facility now has a minimum duration of four and maximum of five years.

In June 2023 easyJet Airline Company Limited entered into a five-year undrawn term loan facility of $1.75 billion (with easyJet plc as guarantor), underwritten by a syndicate of banks and supported by a partial guarantee from UK Export Finance under their Export Development Guarantee scheme. The Export Development Guarantee scheme for commercial loans is available to qualifying UK companies, does not carry preferential rates or require state aid approval, but does contain some restrictive covenants including dividend payments. However, these restrictive covenants are compatible with easyJet's existing policies. Embedded within the facility is a sustainability key performance indicator linked to a reduction in carbon emission intensity in line with easyJet's SBTi validated target, with a margin adjustment mechanism (upward or downward) conditional on the achievement of specific milestones.

The Company jointly and severally with easyJet Airline Company Limited has guaranteed the repayment of borrowings that financed the acquisition of aircraft by subsidiary undertakings. This includes the contractual obligations of the €1,200 million bond that was issued on 3 March 2021 by easyJet FinCo B.V. under the Euro Medium Term Note (EMTN) Programme. The bond has a coupon of 1.875% and matures in March 2028. The Company has also guaranteed the payment obligations for the lease of aircraft by subsidiary undertakings.

easyJet plc has given a formal undertaking to the Civil Aviation Authority to guarantee the payment and discharge of all liabilities of easyJet Holidays Limited and easyJet Holidays Transport Limited. The guarantees are required for easyJet Holidays Limited and easyJet Holidays Transport Limited to maintain ATOL licences under The Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012. easyJet plc has also issued guarantees in favour of easyJet Holdings Limited relating to the processing of credit card transactions and the brand licence agreement with easyGroup Limited.

The Company has guaranteed certain letters of credit issued on behalf of subsidiary undertakings.

No amount is recognised on the Company statement of financial position with respect to any of these guarantees as the fair value is deemed to be £nil per measurement under IFRS 9. The calculated loss allowance on these financial guarantee contracts is immaterial.

F) RELATED PARTY TRANSACTIONS

Transactions with subsidiary undertakings principally relate to the provision of funding within the Group. Apart from those relating to loans associated with the issuance of the Eurobonds, the outstanding balances are placed on intercompany accounts with no specified credit period, are unsecured, and bear market rates of interest. It is expected that balances will be settled when the associated funding is repaid or via distribution of a dividend. The portion of the 'Amounts due from subsidiary undertakings' balance that is expected to be settled within 12 months is classified as current.

The intercompany loan agreements associated with the issuance of the Eurobonds in October 2016, June 2019 and March 2024 are on the same terms as the bonds themselves (see note 27 in the consolidated financial statements).

For full details of the Company's relationships with easyGroup Holdings Limited, see note 30 of the consolidated financial statements.

G) EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The were no events to report after the statement of financial position date.

FIVE-YEAR SUMMARY (UNAUDITED)

	2024 £ million	2023 (as reported) £ million	2022 (as reported) £ million	2021 (as reported) £ million	2020 (as reported) £ million
Income statement					
Revenue	**9,309**	8,171	5,769	1,458	3,009
Total EBITDA[1]	**1,359**	1,126	537	(430)	(359)
Headline EBITDA[1]	**1,367**	1,130	567	(556)	(273)
Total operating profit/(loss)	**589**	453	(27)	(910)	(899)
Headline operating profit/(loss)	**597**	476	3	(1,036)	(777)
Total profit/(loss) before tax	**602**	432	(208)	(1,036)	(1,273)
Headline profit/(loss) before tax	**610**	455	(178)	(1,136)	(835)
Total profit/(loss) after tax	**452**	324	(169)	(858)	(1,079)
Headline profit/(loss) after tax	**459**	341	(147)	(900)	(725)
Basic total earnings/(loss) per share – pence	**60.3**	43.1	(22.4)	(159.0)	(222.9)
Basic headline earnings/(loss) per share – pence	**61.3**	45.4	(19.6)	(166.9)	(149.7)
Diluted total earnings/(loss) per share – pence	**59.6**	42.7	(22.4)	(159.0)	(222.9)
Diluted headline earnings/(loss) per share – pence	**60.5**	45.0	(19.6)	(166.9)	(149.7)
Ordinary dividend per share – pence[2]	**12.1**	4.5	–	–	–
Statement of financial position					
Non-current assets	**6,490**	5,711	5,525	5,608	5,910
Current assets	**4,545**	4,130	4,929	4,165	2,563
Current liabilities	**(4,471)**	(4,144)	(3,678)	(2,677)	(3,826)
Non-current liabilities	**(3,591)**	(2,910)	(4,243)	(4,457)	(2,748)
Net assets	**2,973**	2,787	2,533	2,639	1,899

	2024 £ million	2023 (as reported) £ million	2022 (as reported) £ million	2021 (as reported) £ million	2020 (as reported) £ million
Other performance indicators					
Headline return on capital employed	**16.1%**	12.6%	0.1%	(25.2)%	(19.2)%
Net cash/(debt) (£m)	**181**	41	(670)	(910)	(1,125)
Group total profit/(loss) before tax per seat (£)	**6.00**	4.67	(2.55)	(36.75)	(23.09)
Group headline profit/(loss) before tax per seat (£)	**6.08**	4.91	(2.19)	(40.29)	(15.16)
Airline total profit/(loss) before tax per seat (£)	**4.10**	3.35	(3.01)	(36.33)	(22.66)
Airline headline profit/(loss) before tax per seat (£)	**4.18**	3.59	(2.65)	(39.87)	(14.68)
Airline revenue per seat (£)	**81.35**	79.84	66.23	50.54	54.35
Airline headline cost per seat (£)	**(77.17)**	(76.25)	(68.88)	(90.41)	(69.03)
Airline headline cost per seat excluding fuel (£)	**(55.03)**	(54.30)	(53.20)	(77.25)	(55.94)
Seats flown (millions)	**100.4**	92.6	81.5	28.2	55.1

1) EBITDAR has been re-presented as EBITDA in all periods presented which, in the Directors' opinion provides better understanding to users of the financial statements.
2) The 2024 amount is based on the proposed dividend subject to approval at the AGM.

GLOSSARY – ALTERNATIVE PERFORMANCE MEASURES (APM) (UNAUDITED)

Non-headline items Non-headline items are those where, in management's opinion, their separate reporting provides an additional understanding to users of the financial statements of easyJet's underlying trading performance, and which are significant by virtue of their size/nature (see note 5).

Headline profit before tax A measure of underlying performance which is not impacted by non-headline items.

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Statutory profit before tax	**602**	432
Total non-headline charge before tax (see note 5)	**8**	23
Headline profit before tax	**610**	455

EBITDA Earnings before interest, taxes, depreciation and amortisation.

Headline EBITDA Earnings before non-headline items, interest, taxes, depreciation and amortisation.

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Statutory operating profit	**589**	453
Add back:		
Depreciation	**727**	644
Amortisation of intangible assets	**43**	29
EBITDA	**1,359**	1,126
Non-headline charge within EBITDA (see note 5)	**8**	4
Headline EBITDA	**1,367**	1,130

Net cash Total cash less borrowings and lease liabilities; cash includes cash equivalents and other investments but excludes restricted cash.

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Borrowings	**(2,106)**	(1,895)
Lease liabilities	**(1,174)**	(989)
Cash, cash equivalents and other investments (excluding restricted cash)	**3,461**	2,925
Net cash	**181**	41

Return on capital employed (ROCE) Profit/loss before interest, exchange gain/(loss) and tax applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by the average capital employed. Capital employed is shareholders' equity, excluding the hedging and cost of hedging reserves, plus net cash/debt.

Headline return on capital employed (ROCE) Headline profit/loss before interest, exchange gain/(loss) and tax, applying tax at the prevailing UK corporation tax rate at the end of the financial year, and dividing by the average capital employed. Capital employed is shareholders' equity, excluding the hedging and cost of hedging reserves, plus net cash/debt.

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Average shareholders' equity excluding hedging and cost of hedging reserves	**2,897**	2,517
Average net debt	**(111)**	315
Average capital employed	**2,786**	2,832
Reported operating profit	**589**	453
Tax rate	**25%**	25%
Adjusted operating profit after tax	**442**	340
Return on capital employed	**15.9%**	12.0%
Reported operating profit	**589**	453
Non-headline charge within operating profit (see note 5)	**8**	23
Headline reported operating profit	**597**	476
Tax rate	**25%**	25%
Adjusted headline operating profit after tax	**448**	357
Headline returned on capital employed	**16.1%**	12.6%

GLOSSARY – ALTERNATIVE PERFORMANCE MEASURES (APM) (UNAUDITED) (CONTINUED)

Basic headline earnings per share – pence	Total headline profit for the year divided by the weighted average number of shares in issue during the year after adjusting for shares held in employee benefit trusts.
Diluted headline earnings per share – pence	Total headline profit for the year divided by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential shares.

	Year ended 30 September 2024 £ million	Year ended 30 September 2023 £ million
Total profit after tax for the year	**452**	324
Total non-headline charge before tax (see note 5)	**8**	23
Tax impact of non-headline items	**(1)**	(6)
Headline profit after tax	**459**	341
Weighted average number of ordinary shares used to calculate basic earnings per share	**749**	751
Weighted average number of ordinary shares used to calculate diluted earnings per share	**759**	758

	2024 pence	2023 pence
Headline earnings per share		
Basic	**61.3**	45.4
Diluted	**60.5**	45.0

Constant currency measures	These performance measures are calculated by translating the year ended 30 September 2024 income statement at the average exchange rate for year ended 30 September 2023, excluding any income statement impact in either financial year from foreign currency exchange gains and losses arising from the foreign currency translation of the statement of financial position. The purpose of this APM is to provide a like for like comparison of underlying operating performance by excluding the impact of exchange rate movements.

GLOSSARY – OTHER (UNAUDITED)

Aircraft dry/wet leasing	Dry leasing arrangements relate solely to the provision of an aircraft. Wet leasing arrangements relate to the provision of aircraft, crew, maintenance and insurance.
Aircraft owned/leased at end of year	Number of aircraft owned or on lease arrangements of over one month's duration at the end of the period.
Available seat kilometres (ASK)	Seats flown multiplied by the number of kilometres flown.
Block hours	Hours of service for an aircraft, measured from the time that the aircraft leaves the terminal at the departure airport to the time that it arrives at the terminal at the destination airport.
Capital employed	Shareholders' equity excluding the hedging and cost of hedging reserves, plus net cash/debt.
Airline cost per ASK (CASK)	Total airline costs divided by available seat kilometres.
Airline cost per seat (CPS)	Total airline costs divided by seats flown.
Airline cost per seat, excluding fuel (CPS ex fuel)	Total airline costs adding back fuel costs, divided by seats flown.
Airline CSAT (Customer Satisfaction Score)	Customer satisfaction index, based on the results of a customer satisfaction survey which measures how satisfied the customer was with their most recent flight, and includes results from customers who are completely, very and quite satisfied.
Load factor	Number of passengers as a percentage of number of seats flown. The load factor is not weighted for the effect of varying sector lengths.
Normalised operating profit/loss after tax	Reported operating profit/loss, less tax at the prevailing UK corporation tax rate at the end of the financial year.
Operating costs excluding fuel	Includes costs relating to airports and ground handling, crew, navigation, maintenance, Holidays direct operating costs, selling and marketing, and other costs/income.
Other costs	Administrative and operational costs not reported elsewhere, including disruption costs, IT costs, costs of third-party providers, some employee costs, wet lease costs and insurance. Additionally, some non-headline costs, such as loss on sale and leaseback transactions, and restructuring costs, are included in other costs.
Other income	Includes insurance receipts, supplier compensation payments, rental income, gains on sale of intangible assets, income from sale of excess aircraft spare parts, and gains on sale and leaseback transactions.
Passengers	Number of earned seats flown. Earned seats comprises seats sold to passengers (including no-shows), seats provided for promotional purposes and seats provided to staff for business travel.
Profit before tax per seat	Profit before tax divided by seats flown.
Revenue	The sum of passenger revenue and ancillary revenue, including package holiday revenue.
Revenue passenger kilometres (RPK)	Number of passengers multiplied by the number of kilometres those passengers were flown.
Revenue per ASK (RASK)	Revenue divided by available seat kilometres.
Revenue per seat	Revenue divided by seats flown.
Seats flown	Seats available for passengers.
Sector	A one-way revenue flight.

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MANAGING YOUR SHARES

If you have further queries relating to your shareholding, you should contact Equiniti, the Company's registrars, by visiting **help.shareview.co.uk**.

ANNUAL GENERAL MEETING

The Board currently intends to hold the AGM on 13 February 2025. The arrangements for the Company's 2025 AGM and details of the resolutions to be proposed, together with explanatory notes, will be set out in the Notice of AGM to be published on the Company's website.

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SHARE PRICE INFORMATION

Details of our share price data and other share price tools are available at **corporate.easyJet.com.**

SHAREGIFT

Shareholders who only have a small number of shares whose value makes it uneconomic to sell them may wish to consider donating them to charity through ShareGift, the independent charity share donation scheme (registered charity no. 1052686).

Further information may be obtained from ShareGift on 020 7930 3737 or at **sharegift.org**.

SHAREHOLDER FRAUD

Fraud is on the increase and many shareholders are targeted every year. If you have any reason to believe that you may have been the target of a fraud, or attempted fraud in relation to your shareholding, please contact Equiniti immediately.

WEBSITE

You can access the corporate website at **corporate.easyJet.com**. The corporate website provides useful information including annual reports, results announcements and share price data, as well as background information about the Company and current issues. Shareholders are encouraged to sign up to receive email notifications of results and press announcements as they are released by registering on the website.

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