

GATWICK AIRPORT FINANCE PLC

**Annual Report and the Consolidated and Parent Company Financial
Statements for the year ended 31 December 2025**

Company Registration Number 06894065

**ANNUAL REPORT AND CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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STRATEGIC REPORT

ABOUT LONDON GATWICK

Our business

With 42.8m annual passengers, London Gatwick is the UK's second largest airport. It is a vital piece of national infrastructure that drives the national and regional economies by generating £5.5 billion gross value added (GVA) and supporting over 76,500 jobs (2023).

With a declared capacity of 55 movements an hour in 2025, London Gatwick is the most efficient single runway airport in the world. Our passengers can choose to fly with almost 60 airlines to more than 220 destinations, including over 50 long-haul routes.

VINCI Airports owns a 50.01% stake in the airport, with Global Infrastructure Partners managing the remaining 49.99%. Our vision is to be the airport for everyone, whatever their journey, with safety and security underpinning everything we do.

Our passengers

Our airport is located at the heart of one of the most prosperous, densely populated and best-connected regions of the UK. More than a quarter of England's population (15m) live within one hour by road or rail from our airport, including the whole of London. In 2025, 35.9m passengers flew on our airport's short haul services and 6.9m on long-haul routes.

Our broad range of retail and food and beverage partners reflect our airport's diverse range of passengers. As of 31 December 2025, there were 116 outlets operating across both terminals, including a range of premium options. In addition, there are 11 airport lounges to suit the needs of all our passengers.

Our people

Our vision is to be the airport for everyone, and this means ensuring that our teams reflect the diversity of our passengers and society. That's why creating an environment where everyone – passengers, partners and colleagues – feels welcome is a priority. This is supported by our commitment to place Diversity, Equity and Inclusion (DE&I) at the very heart of our business to help us attract the best candidates and develop our existing colleagues.

Our commercial partners

We work with a wide portfolio of carriers including many of the world's largest airlines. In 2025, passengers had a choice of almost 60 airlines. These flew over 259,000 aircraft movements, with 50.6m seats available to passengers. Airlines flying from our airport benefit from competitive costs and an ongoing programme of airport improvements.

Our infrastructure

Our airport's principal asset is its 3,316-metre Main Runway, served by two terminal buildings – the South Terminal and North Terminal.

Almost £3bn has been invested in the airport since 2010, and our 2025 Capital Investment Programme sets out our plan to invest a further £1.9bn in facilities and services through to March 2030, including supporting our ambitious plan to be a net zero airport by 2030. In addition, our programme to increase capacity by bringing the airport's existing Northern Runway into routine use, represents a fully privately funded investment of £2.2bn.

Our airport's dedicated train station offers passengers direct links to more than 120 destinations, with trains departing every four minutes and reaching numerous central London locations in just 30 minutes.

Maximising value and efficiency

Increasing value and efficiency by maximising income, lowering operating costs and driving capital efficiency is a key pillar of our business strategy.

Our income – how do we earn our revenue?

Our income comes from the facilities we operate and services we offer.

Aeronautical income	Landing fees	Airlines pay a fee for each aircraft to land and take off. This varies by aircraft weight, emissions and individual airline agreements.
	Parking fees	Airlines pay for the use of our stands, taxiways and on-airfield parking for each aircraft.
	Passenger fees	Airlines pay a fee per departing passenger as per our published tariff.

Aeronautical income is driven by the fees set out above, in accordance with London Gatwick's published tariff, as well as the terms of bilateral contracts with airlines.

Non-aeronautical income	Retail income	Passengers make purchases in our retail outlets within the terminal, and the retailer pays us a fee.
	Car parking income	Passengers pay for the use of our long-term and short-term parking facilities including drop-off.
	Property income	Various organisations pay us rental income for use of our buildings and facilities.
	Other income	Other income includes recharges for services provided by London Gatwick such as Special Assistance, logistics services and hold baggage screening.

Our costs – what are our outgoings?

We incur significant costs in providing services and facilities across our airport.

Operating costs	Staff costs	We're open 24 hours a day, with millions of passengers passing through our airport. To keep the operation running we employ a large workforce.
	Maintenance and equipment costs	We're consistently cleaning, repairing, renewing and updating our buildings and equipment.
	Rent and rates costs	We pay local council rates and taxes for properties across our business.
	Utilities costs	Every part of our operation requires power. Since 2013, we've been using 100% renewable electricity, but we continue to work hard to save energy and be as sustainable as we can.
	Other costs	The significant range of our operations results in a wide variety of costs. For example, policing, air traffic control and insurance.

Regulation at London Gatwick

London Gatwick is subject to economic regulation by the Civil Aviation Authority (CAA) under the Civil Aviation Act 2012. This takes the form of legally enforceable undertakings (commitments) made by London Gatwick to airlines, covering service, investment, price, transparency, financial resilience, operational resilience and dispute resolution. These undertakings put commercial agreements between the airport and airlines at the very centre of our business which drives improved outcomes for passengers. These commitments are backed by a CAA-issued licence.

All airport operators are also subject to aerodrome certification as referenced in the Air Navigation Order 2016 and specified in UK Regulation (EU) 139/2014, which requires an airport operator to demonstrate its competence for conducting aerodrome operations safely.

The first generation of commitments expired on 31 March 2021. These consistently delivered for passengers and airlines, with service levels and overall investment significantly exceeding what was committed. Having consulted with stakeholders, in January 2020 we proposed an extension to the arrangement with an improved set of commitments which were approved by the CAA in February 2021 and ran from 1 April 2021 to 31 March 2025.

In February 2025 the CAA published its final proposals which accepted our proposal to extend the commitments until 31 March 2029. These enhanced commitments took effect from 1 April 2025 through a modification to Gatwick Airport Limited's (GAL) economic licence and reflect extensive engagement with airlines and passenger representatives. The key features are as follows:

Service: London Gatwick commits to maintain excellent service delivery for its passengers and airlines and will remain financially incentivised to do so. We engaged with the airline community to enhance the package of Core Service Standards (CSS). This included reintroducing a CSS metric focused on air traffic control (ATC) performance at our airport and strengthening the special assistance metric.

Investment: Our substantially enhanced capital programme will deliver our sustainability objectives, invest in the international departure lounges and will start the Northern Runway programme. Our planned investment over the 10-year period from 2019 is substantially higher than the minimum investment commitment and delivered under a lower price ceiling.

Price: Recognising cost pressures and economic uncertainty, and underlining our commitment to sharing commercial risk, we switched to the Consumer Prices Index (CPI) and committed to limit airport charges with a ceiling and a maximum annual rate increase of CPI-1% for the first two years of the extension (but not to reduce below 0% nominal) with a trajectory of CPI+0% thereafter.

Vision: Our vision is encapsulated by the following statement: "To be the airport for everyone, whatever your journey". This recognises the breadth of airline customers and passengers, and is built on three core foundations – ease, efficiency and experience. This will flow through investment plans and operations.

Capacity growth: We commit to increase the resilience and efficiency of our airfield infrastructure, and to continue, during the extension of the current commitments, to bear the cost of developing these plans, securing the necessary statutory and planning approvals, and progressing the projects. This includes potential projects to maximise the use of the existing Main Runway and to bring into routine use the existing Northern Runway (sometimes referred to as the "stand-by" or "emergency" runway). We're also committed to delivering greater passenger choice with routes and airlines, as well as retail growth.

These commitments underpin the delivery of significant benefits for our passengers and airlines and investment in sustainable growth. We will continue to give confidence to both airlines and passengers by striving for outstanding service and investing in facilities. We will provide this at a price to airlines that we've committed to reduce (on average) in real terms.

Capital Investment at London Gatwick

We will invest in projects that serve our customers and enable growth

Our 2025 Capital Investment Programme (CIP) sets out a £1.9bn, five-year plan taking us to March 2030. The programme includes a wide range of projects and initiatives to help us deliver great service, meet our ambitious sustainability goals and grow our airport to meet future demand. Our seven key investment drivers are:

- Safety, security and compliance
- Capacity and service
- Asset stewardship
- Operational resilience and efficiency
- Commercial revenue
- Sustainability
- Future growth

Safety, security and compliance

Safety and security underpin everything we do. This is reflected in our investment programme alongside our need to comply with important requirements set by agencies including the Department for Transport (DfT), the Civil Aviation Authority (CAA) and the Environment Agency.

During the year, we completed a major upgrade to our security-screening technology across passenger search areas in both our North and South Terminals. The £60m investment was completed ahead of the Department for Transport's 31 March 2025 deadline. The new technology enhances security for our passengers and means they no longer need to remove liquids and laptops from their hand luggage, improving their airport experience.

We installed new drone management technology in 2025. London Gatwick led the way in airport drone detection in 2019, and we continue to ensure our technology addresses the evolving threats in this critical area.

Upgrades were completed to lighting and emergency escape routes in the South Terminal baggage hall and work continued on the design of improved facilities for providing potable water to departing aircraft.

Capacity and service

To ensure we offer a competitive service proposition to our passengers, we launched a portfolio of upgrade projects to ensure a consistent, high-quality 'look and feel' across the campus. This is driven by passenger research, in consultation with our airlines and our airport consultative committee GATCOM's Passenger Advisory Group.

Following the refurbishment of the North Terminal departure lounge in 2024, we completed a similar project in the South Terminal departure lounge in 2025. This included expanded assisted travel facilities, new flooring, wall finishes and refreshed wayfinding. A wider range of modern seating styles, with convenient charging points, also provide passengers with more choice and a better experience.

We continued a programme of refurbishing gate rooms with several more completed in 2025.

Groundworks on a £140m upgrade of our existing Pier 6 were completed in 2025. It will provide eight new pier-served stands, ready for Summer 2027. The project showcases sustainability best practice in its design and construction.

Following a successful proof-of-concept from Summer 2024 to Summer 2025, our Smart Stand technology will be deployed in a pilot scheme on nine stands on Pier 6. The technology provides real-time data to improve turn management, which will drive punctuality. It also allows several processes involved in turning aircraft around to be performed remotely. This increases standardisation, lowering training and other costs.

We also completed a major upgrade of 11 coaching gates in the North Terminal, providing new seating, flooring, lighting, and reconfigured boarding processes to offer passengers an improved experience. More self-service bag drops in our South Terminal have also transformed the check-in experience for our Wizz Air passengers.

Forthcoming projects to improve capacity and service include:

- Advancing designs for the expansion of the North Terminal departure lounge
- A new Airport Operations Centre to improve situational awareness, communications and decision making
- Airfield infrastructure enhancements including additional taxiway routes to/from the runway
- Enhanced 'push and hold' capability to free up stands and ground crew to deal with arriving aircraft
- Additional aircraft parking stands

Asset stewardship

To ensure consistently high levels of operational performance, we plan to invest over £0.5bn in asset stewardship projects by 2030.

Major maintenance programmes supporting this include a £57m programme to rehabilitate our taxiways and strengthen our airfield resilience. This programme continued during off-peak periods in 2025 with several taxiway 'blocks' rehabilitated and is scheduled to be completed in 2028.

The first phase of a five-year programme to replace our winter vehicle fleet also commenced during 2025, with six new jet sweepers delivered in time for our 'winter-readiness' snow clearing operations.

We replaced our Airfield Lighting Control and Monitoring System. This £5m project started in 2018 and controls over 8,000 lights guiding aircraft safely across our runways and taxiways. Crucially, the new system future-proofs us for dual-runway operations, supporting our recently approved plans to bring our Northern Runway into routine use.

We also continued our programme to renew routine assets such as lifts, escalators, jet bridges, equipment on aircraft parking stands, lighting, and both IT hardware and software which support core operational systems. During the period we:

Replaced five jet bridges connecting aircraft to gate rooms in both terminals

Replaced four escalators to/from the Pier 6 link bridge

Replaced firefighter training facilities

Replaced weather sensors in the runway

Re-surfaced several sections of the airport's 10km of roads

Replaced 57 fixed electric ground power (FEGP) units, which power aircraft while they are parking on stand

Completed an upgrade to the controls system for all the baggage belts in Zone H check-in

Upgraded several hundred WiFi access points, as well as installing additional units to address some areas of weaker network connectivity

Ensuring our airport is resilient is vital and we continue to invest in maintaining our asset base. In doing so we enhance capability with up-to-date technology and more sustainable solutions. Future investment will:

- Replace our Instrument Landing System (ILS), a critical asset that provides precise guidance for aircraft during final approach and landing, especially in low visibility
- Upgrades to our security access gates
- Upgrades to the Supervisory Control and Data Acquisition (SCADA) system which controls our high voltage electrical network
- Continued rolling programmes of jet bridge, escalator and lift replacements

Operational resilience and efficiency

The resilience of our airport is vital to us, our airline customers and our passengers. That is why we invest in a wide variety of measures to enhance our airport's ability to recover from disruption.

Many capacity and service projects, such as the Airport Operations Centre, airfield infrastructure enhancements and enhanced 'push and hold' capability, also support resilience.

We will invest to continuously improve the resilience of our critical IT systems, including investment to protect against the evolving risk of cyber-attacks, as aviation continues to be a high-profile target.

Commercial revenue

During 2025, we completed the construction of a new multi-storey car park in the North Terminal. This car park now provides more than 3,200 extra mid-stay car parking spaces directly linked to the terminal.

We also continued to enhance our retail and dining offer during 2025 with the opening of Pandora, GAIL's (the first ever in an airport), Discover London, Venchi, Roarsome and Sknfd.

In 2026 we will complete detailed planning and design work which will allow us to launch a trial of a valet parking service that uses robots to park cars closer together. This innovation has the potential to create 2,000 additional car park spaces while reducing bussing and other costs. The new service will provide passengers with a more convenient long stay parking product close to the South Terminal, via a short walk rather than a bus journey.

Sustainability

Our second Decade of Change sustainability policy focuses on achieving 10 goals over 10 years. Our 2025 Capital Investment Programme includes £320m to support these goals, including our target to reach net zero for our Scope 1 and 2 emissions by 2030.

Supporting plans to decarbonise our heating, we appointed Vital Energi as our strategic 'delivery partner', bringing significant knowledge and experience to the programme. We've also identified a location and are working up detailed designs for a new large-scale heat pump centre. This will support a heat network which will be used to heat both terminals and multiple other airport buildings.

Also supporting the net zero target, we received delivery of 48 electric vehicles (EV) in 2025. This included the first four buses, out of 14, to carry passengers between our long stay car parks and the terminals. The further 10 buses are expected to be delivered during 2026. In addition, our new EV fleet includes road sweepers, airfield cars and van-mounted access platforms. We forecast a further 200 EVs will be added to our fleet by 2030.

We are embedding sustainability throughout the project lifecycle of our investments including design and construction. For example, our Pier 6 Western Extension project is on track to achieve more than a 50% saving in embodied carbon on the original design forecast.

In addition, we became the world's first airport to achieve PAS2080:2023, a globally recognised certification for cutting carbon emissions when designing, delivering and operating new buildings and infrastructure. See page 23 for more detail.

Building on the success of our on-site STEM Centre to support local schools, we opened a new training facility to support our engineering apprentices with new practical learning areas and equipment.

London Gatwick has also retained Level 4+ of the Airport Carbon Accreditation scheme – the only institutionally endorsed, global carbon management certification programme for airports. Key to achieving this was our Stakeholder Partnership Plan which supports third parties on the campus to reduce emissions.

As part of this plan, in 2025, we:

- Invested £1m in local bus services, focussing on extending operating hours, so that seven local routes now serve the airport 24/7. Services to East Grinstead and Caterham have also doubled
- Ran a trial with easyJet that delivered carbon savings by using 'pre-conditioned air' to heat and cool aircraft with further trials planned
- Continued to support the CAA-led Airspace Modernisation programme to redesign airspace over Southern England to deliver "quicker, quieter and cleaner journeys"
- Established the London Gatwick Sustainability Forum to engage campus partners on sustainability issues to maximise impact

Forthcoming investments supporting our Decade of Change goals include:

- Exploring opportunities for on-site or near-site renewable energy generation, and off-site Power Purchase Agreements
- Developing a nature-based, reedbed solution to improve the quality of surface water discharged into our rivers
- Installing more charging facilities for operational electric vehicles across the campus
- Measures to boost active travel, including cycle routes and facilities for colleagues and passengers living locally

Future Growth

Following the Government decision to approve our Northern Runway programme in September 2025, we are progressing the definition phase and sequency of works to prepare for delivery, subject to ongoing legal proceedings.

Our plan for the Northern Runway Programme (NRP) comprises around 120 individual projects which will be phased over time.

Our 2025 Capital Investment Programme (CIP) was published before a final decision on our NRP planning application was made by the Government. Now the application has been approved we are carefully reviewing the scope, schedule, sequencing and cost of the programme.

As part of this exercise, we will consider how the complex programme can be phased and integrated with “non-NRP” projects to maximise the benefits, optimise capital efficiency and minimise operational disruption for our passengers, airlines and partners. We expect this consolidated view to inform the 2026 CIP.

Our plans also recognise the need to mitigate the impact on our local communities and the environment. Further details on this are in our Sustainable Growth section on page 25.

Chair's statement

This time last year, I highlighted the important role London Gatwick plays as a catalyst for economic growth, contributing £5.5bn GVA to the economy and supporting 76,000 jobs. The recent Government approval of our Northern Runway plans recognises the importance of our airport as a critical piece of national infrastructure. Once any legal hurdles are cleared, this is a key component of our longer-term growth programme, with the development projected to generate 14,000 new jobs and unlock an additional £1billion for the economy every year.

At the same time, across the business, our focus is on bringing to life our vision – to be the airport for everyone, whatever your journey – so that here at London Gatwick we create an experience that is welcoming, accessible and enjoyable for all.

This year has seen strong progress in strengthening both service and resilience for our airline partners and passengers. More airlines than ever before are flying from the airport to more than 220 destinations, offering more choice and flexibility for passengers.

Passengers are also benefiting from an even broader range of retail options, including the first ever GAIL's bakery in an airport. Our teams are also very proud to have achieved the CAA's top rating for assisted services, demonstrating our commitment to support our most vulnerable passengers.

In addition to the Northern Runway, we published our latest Capital Investment Programme. This represents an ambitious and comprehensive £1.9 billion programme of investment over five years including major projects to expand departure lounges, add new taxiways, and decarbonise airport operations, with the airport making considerable progress on its second Decade of Change sustainability strategy, and on track to reach net zero for our Scope 1 and 2 emissions by 2030.

Diversity, Equity and Inclusion (DE&I) continue to be core to our vision of being the airport for everyone and we recognise the value of a diverse and inclusive workplace - one that reflects our people, communities and our passengers. We offer first class training so that we have the skills needed for the future and we continue to make progress on improving the representation of underrepresented groups in leadership teams. 93% of our managers have completed DEI Confident Manager training and we launched the third cohort of our Empowering Women development programme with almost a third of the initial participants now promoted. As part of our investment in future talent we also welcomed five new apprentices and nine graduates to our early careers programme.

We also welcomed Pierre-Hugues Schmit as Chief Executive following Stewart Wingate's appointment as Managing Director, UK Airports, a newly created role by VINCI Airports and Global Infrastructure Partners (GIP). Pierre-Hugues brings a breadth of international airport and aviation experience, previously serving as Chief Commercial & Operating Officer for VINCI Airports.

The year has not been without its challenges, and we are mindful of significant geo-political, macro-economic and sector specific pressures, including a more than doubling of business rates and increasing employment costs. Teams across the airport have worked hard to control costs, while continuing to deliver great service, airfield innovations and operational enhancements, including a notable improvement in on-time departures.

Overall London Gatwick had a good 2025, and despite a slight drop in passenger numbers and EBITDA, we delivered solid operational and commercial performance. In the near term, we have a number of exciting opportunities, as we welcome new routes and airlines and deliver even greater choice for the 2026 summer season.

Looking further ahead, as we move from design to delivery on the Northern Runway, this multiplies the possibilities to unlock new capacity, jobs and even greater economic benefits for our region.

Baroness Margaret Ford of Cunninghame (OBE), Chair

Our strategy

Our Vision

To be the airport for everyone, whatever your journey

Underpinning our vision is a strengthened focus and investment on simplifying the journey through our airport, ensuring an easy and efficient experience.

Our Values

Our values support our strategy. They represent what we believe in and what we aspire to be. It's not just what we achieve, but how we work together, that sets us apart. Guided by our values, we'll make London Gatwick an even better place to work.

Our core values are:

- **Ambitious.** We are redefining what's possible.
- **Competitive.** We give our best.
- **Resilient.** We never give up.
- **Resourceful.** We deliver what matters.
- **Together.** We are a team.

Our Priorities

We're focused on strategic priorities that support our ambition to remain as one of Europe's best airports, with safety and security underpinning everything that we do.

Great service Give every passenger an enjoyable and effortless experience	
Progress in 2025	• We hit 99% - or 582 out of 588 - of our service standard metrics during the period. • We have invested £60m in Next Generation Security Systems in both our terminals resulting in more than 95% of passengers passing through security in five minutes or less during the period. • The Civil Aviation Authority (CAA) awarded us top rating for our assisted travel service • We completed a £7m refurbishment of the South Terminal Departure Lounge following a similar upgrade to the North Terminal the previous year
What's next?	• Building on the success of our internal disability awareness training programme, this will be extended to third party operators in 2026 • We will continue to develop our Assisted Travel service by offering greater choice to support independent journeys

Be sustainable Continually drive greener and more sustainable solutions	
Progress in 2025	• We identified the location for our new large-scale heat pump centre, with the design currently being finalised • We expanded our electric vehicle fleet which now includes four electric buses used to transport passengers from car parks to terminals, with 10 more buses due for delivery shortly • We identified a 52% saving in embodied carbon for the Pier 6 Western Extension project by re-evaluating and amending the original design and plans • We retained our Level 4+ Airport Carbon Accreditation rating
What's next?	To support our growing EV fleet, we are increasing the numbers of charging stations for operational vehicles across the campus; and continuing to identify and increase active travel options and facilities for passengers and colleagues living locally

Build and grow Strengthen our airline, retail and commercial offer	
Progress in 2025	• We offer passengers outstanding choice, with more airlines flying from the airport than ever before and flights to 227 destinations • We continued to secure significant growth in airline services to regions with little or no historic traffic from the airport, particularly across Asia, Africa and the Middle East • Following the refurbishment of our North Terminal departure lounge, a refurbished South Terminal departure lounge now provides passengers with an improved airport experience • We opened six new retail outlets, including several UK airport firsts such as GAIL's Bakery
What's next?	• We will become the newest base for one of the UK's largest airlines, as Jet2 launches operations with six aircraft flying 29 routes starting from March 2026 • We will expand our North Terminal departure lounge

Work smarter Drive efficiency and resilience	
Progress in 2025	• We are the world's first single-runway airport to adopt NATS' Intelligent Approach innovation that safely separates aircraft by time, rather than set distances, to increase our resilience, reduce delays, and cut carbon emissions • Next generation scanners were installed within the existing footprint of our security lane areas, avoiding the need for terminal extensions. • Our Smart Stand technology allows aircraft turn operations to be managed from a single control room without needing to physically attend every aircraft. The innovation is being rolled out more widely • The airport successfully integrated into the A-CDM system – enhancing our planning. See page 15 for more detail on this in the airfield operations section.
What's next?	• Our world-leading declared capacity will increase from a maximum of 55 to 57 scheduled aircraft movements per hour from Summer 2026, following air traffic control and airfield innovations • Robot-assisted parking

Engage our people Foster excitement and pride in working here	
Progress in 2025	• We've rolled out DE&I Confident Managers training to 93% of our managers across the business • To improve the representation of underrepresented groups in leadership teams, we launched the third cohort of our Empowering Women development programme. Almost a third of women in our initial cohort have since been promoted • Five apprentices and nine graduates joined our early careers programme
What's next?	Following staff feedback, a new Wellbeing Council will oversee our wellbeing strategy, supported by a network of Wellbeing Champions

Keep our airport moving forward Invest in projects that serve our customers and enable growth	
Progress in 2025	• The Government approved our Northern Runway (NRP) plans. Detailed logistical planning and design work is being progressed to prepare for the next stage, subject to ongoing legal proceedings • The NRP programme is comprised of around 120 individual projects which will be phased over time • We completed a £7m refurbishment of our South Terminal Departure Lounge to improve the passenger experience • A new 3,200 space, mid-stay multi-storey car park gives passengers more convenient access to our North Terminal
What's next?	We will complete a £50m taxiway refurbishment programme and progress designs to significantly expand both North and South Terminal departure lounges

Operating review

2025 was a strong year for London Gatwick with sustained airline growth, a choice of more than 227 destinations and approval from the Government for our plans to bring the Northern Runway into routine use. We had more airlines flying from the airport than ever before, with particularly strong growth in routes to Sub-Saharan Africa, the Far East and South Asia, the Middle East and Central Asia. The launch of new long-haul services were key drivers for this growth.

Almost 43m passengers chose London Gatwick last year and our dedicated teams ensured they received excellent customer service, support and care, with 95% of passengers rating their overall departure experience as good or excellent.

Our commitment to support passengers who require additional assistance has been reaffirmed with a newly refurbished special assistance lounge in our South Terminal. We are also proud to have received the top rating for special assistance services from the Civil Aviation Authority.

Significant On Time Departure (OTD) improvements resulted in more passengers getting away on time, thanks to strong operational leadership and close collaboration with our airline partners.

In addition, we further increased our resilience, reduced delays and cut carbon emissions by becoming the world's first single-runway airport to adopt NATS' Intelligent Approach innovation, safely separating aircraft by time, rather than set distances. Our optimised airfield operations have also enabled us to increase our maximum declared capacity for next summer. This will see an increase from 55 movements per hour in 2025 to 57 per hour in 2026.

Security remains paramount and the £60m investment in our new Next Generation scanners, delivered ahead of deadline, means that passengers can leave liquids and electronic devices in their bags while maintaining the highest levels of safety and vigilance.

Underpinning all of this is our Decade of Change sustainability strategy which includes an ambitious commitment to be a net zero airport by 2030. We are making strong progress thanks to our collaboration with airlines, airport partners and other key stakeholders.

In 2025 we have also seen some significant cost increases, including labour costs and a more than doubling of our future business rates. Strong programme management and efficiencies have enabled us to mitigate some of the impacts. We will continue to work with other airports and business groups to advocate for a fair and predictable planning, policy and taxation landscape, to create the right conditions for long-term investment in major infrastructure projects and deliver significant economic value for the whole country, for decades to come.

As I settle into my new role, I have made it my priority to meet as many London Gatwick colleagues as possible. I am very thankful for their commitment to delivering a great experience for our passengers and bringing to life our vision, to be the airport for everyone, whatever your journey. I would also like to pay tribute to my predecessor Stewart Wingate for his significant contribution to London Gatwick. I am delighted that we continue to work with Stewart in his new role as Managing Director, UK Airports.

Looking ahead to 2026 I am excited to be leading the airport through the next stage of its growth journey. Our teams are well prepared for a strong summer season as we welcome new airlines and continue to make significant investments in improving and further optimising our operations. We are also continuing with detailed design work for the Northern Runway project which offers even greater opportunities for transformation and growth.

Pierre-Hugues Schmit, Chief Executive

Review of the year

Reliable airfield operations

Best On-Time Departures in a decade

A focus from our leadership team and excellent collaboration with our airlines, ground handlers and air traffic controllers delivered a significant improvement in the airport's On-Time Departures (OTD) (70% up from 59% in 2024) and airfield resilience in 2025. Close partnership working and a multipronged action plan helped the airport deliver its best OTD performance in a decade, excluding the pandemic.

Initiatives supporting this improved airfield performance include becoming the world's first single runway airport to introduce time-based separation for arriving aircraft. Since deployment in March 2025, arrivals have been separated using dynamically calculated time-based intervals, instead of set distances. The system safely reduces the gaps between aircraft and is forecast to help minimise delays and disruption to airline schedules, as well as reducing emissions.

Now that we have implemented Airport Collaborative Decision-making (A-CDM), real-time data of our airfield plans and departure times is also integrated into the wider European air traffic network (EUROCONTROL). This enables better awareness of our aircraft turnaround and departure situation, which significantly improves the efficiency and resilience of our operations and the predictability of air traffic across the wider network.

Increasing our record-breaking efficiency

Our Rapid Exit Taxiway is now getting aircraft off the Main Runway faster – reducing occupancy time on the runway by an average of 5%. Incrementally – when combined with the innovations above – these investments have generated more runway capacity. This has allowed us to provide additional runway slots to our airline customers and increase our world-leading maximum declared capacity for a single runway airport from 55 movements an hour to 57 for summer 2026.

Innovating to turn aircraft around faster

Following a successful trial, our Smart Stand innovation is being rolled out across all nine stands on Pier 6 in the North Terminal. This new technology allows many functions of aircraft turns to be performed from a central control room, including safe entry onto stand, jet bridge operations and turn event monitoring and is expected to further improve our aircraft turnaround times and On Time Departures (OTD).

Significant progress has been made on our £140m project to extend Pier 6 in the North Terminal. The extension will provide eight new pier-served stands. This will support efficient aircraft turnaround times by removing the need to coach more than 500,000 passengers to remote stands each year. Sustainability has also been embedded into each stage of the project

Passenger Experience - great service and facilities

Maintaining high service levels

We provided our passengers with great service in 2025 as evidenced by hitting 99% - or 582 out of 588 - of our service standard metrics during the period. These metrics measure our performance standards across a wide range of services, including cleaning, flight information, special assistance and security.

Of note and following a £60m investment in new security-screening technology for passenger cabin baggage in both our terminals, more than 95% of passengers went through security in five minutes or less during the period. In addition to enhancing security, the new technology improves the passenger experience by permitting liquids and electrical items to be left in bags.

Supporting our vision to be the airport for everyone, our special assistance service was rated 'very good' by the Civil Aviation Authority (CAA) in June. The regulator recognised that we achieved the top rating and provided great service despite our large-scale operation and high passenger volumes.

Following a major upgrade to the North Terminal departure lounge last year, we completed a £7m refurbishment of the South Terminal Departure lounge in 2025. Work also continues to improve the look and feel of other passenger areas including gate rooms across the airport.

Our airline network

More airlines than ever before, flying to 227 destinations

In 2025, a record 57 airlines flew from our airport, serving 167 short-haul and 60 long-haul destinations.

Passenger traffic trends

In 2025, 42.8m passengers travelled through the airport – 1.1% fewer than the previous year (43.2m).

This reflects a shift in consumer behaviour, with more passengers choosing longer sector length destinations. This led short-haul airlines to change their networks to serve destinations further afield, resulting in fewer flight rotations each day.

In addition, February 2025 contained one fewer day compared with the leap year in 2024.

Like many airports globally, London Gatwick was also affected by temporary aircraft availability constraints. These included industrywide delays in the delivery of larger replacement aircraft for high-frequency short-haul routes, as well as mandatory engine inspections that required airlines to ground certain aircraft types used broadly across the network.

We continue to operate at full capacity across key periods - particularly during the morning peak. Improved operational efficiency has enabled us to increase our maximum declared capacity from 55 to 57 movements per hour and release slots in 2026.

The additional slots were well subscribed and taken up by airlines such as Jet2, Air France, Condor and Turkish Airlines.

Long haul

At 6.9m, long-haul passenger numbers grew by over 3% compared to 2024 due to more movements and higher load factor.

We saw particularly strong growth in markets to Sub-Saharan Africa (22%), Far East and South Asia (24%) and Middle East and Central Asia (17%). **The launch of new long-haul services were key drivers for this growth, including:**

- New British Airways routes to Bangkok and Islamabad
- Uganda Airlines services to Entebbe
- Kenya Airways services to Nairobi
- Norse services to Cape Town
- Gulf Air services to Bahrain

In addition, Wizz Air deployed their first A321 XLR (Extra Long-Range version of A321neo) aircraft to operate a long-haul service to Jeddah and followed up with a second new service to Medinah.

Both China Eastern (Shanghai) and Air China (Shanghai and Beijing) increased their frequencies and operated 17% more flights than in 2024, peaking at six daily flights to China in Summer 2025. Singapore Airlines also increased its services from five a week to daily.

Increases in load factor and average seats available per movement drove a 4% increase in Emirates passengers, compared to the same period last year.

Short haul

In total 35.9m passengers flew on short-haul routes during 2025, a slight decrease compared to 36.5m in 2024.

- BA Euroflyer delivered over 5% passenger growth compared to last year with new seasonal services to Ivalo, Finland and Salerno, Italy
- Northern Africa had notable growth of 5% due to additional capacity on leisure routes from easyJet, British Airways and TUI
- Norwegian airline passengers were slightly higher than last year, helped by higher load factor
- easyJet passengers reached 18.9m, slightly below 2024 due to the return of leased slots to BA and delayed deliveries of larger replacement aircraft
- Wizz Air short-haul passengers decreased by 8% due to a reduced winter programme
- TUI short-haul passengers declined by 6% due to fewer widebody flights
- Vueling passengers were 6% lower than 2024 due to lower load factors and a reduced winter programme

2026 Outlook

Airlines are set to continue expanding their networks at London Gatwick in 2026, reflecting sustained demand and growing market confidence.

A key development will be the opening of Jet2 base in March 2026, with six aircraft serving 29 destinations, adding significant capacity across the peak summer period. Network growth will be underpinned by the debut of seven new airlines, new services, as well as several confirmed frequency and route increases.

Short haul growth will include new daily services to Paris by Air France, to Frankfurt by Condor, to Cologne and Stuttgart by Eurowings, and to Bucharest by Animawings. Swiss will add a daily frequency to their schedule, enhancing connectivity through their Zurich hub.

British Airways will expand its seasonal programme with services to Kalamata in April and Chania in May, while SunExpress will introduce Bodrum in early May. Incumbent carriers will also consolidate their networks, with Wizz Air to serve Valencia, easyJet introducing a new service to Reus, and Royal Air Maroc launching direct flights to Tetouan.

Long haul connectivity will continue to strengthen with Air Arabia to begin operations to Sharjah, Air Transat to add Ottawa in May, and Beijing Capital Airlines to introduce a new service to Qingdao in June.

These developments point to continued network diversification and passenger growth through 2026, with further route opportunities under active discussion with target carriers.

Our people

Our vision is to be the airport for everyone, whatever your journey

Engaging our people and fostering excitement and pride in working for London Gatwick underpins our success. This starts with everyone living our values every day and focusing teams on our business priorities.

To support this, we have a clear set of company values and standards of behaviour that we expect all colleagues and those working with us to demonstrate. It is important that we all work together to provide the best service, while ensuring everyone feels that they belong, have a voice and are valued for the significant role they play in our success.

This ethos is further supported by a holistic Employee Value Proposition which includes a range of benefits, policies, resources and activities, to help us attract, engage, develop and reward our colleagues appropriately, ensuring that we have the necessary capabilities and talent required for the future of our business.

In 2025, we've continued focus on areas that our people have told us that are important to them, including topics such as wellbeing and personal growth.

Recruitment

Great journeys happen at London Gatwick... Where will your career take you?

In line with the needs of the business, we recruited an additional 248 new colleagues in 2025 to help ensure great levels of passenger and customer service. We were pleased to see an improvement in the diversity of applications following the launch of our Employee Value Proposition (EVP) last year.

Specifically, we saw an increase in applications from individuals that indicated they belong to a minority ethnic group (15% in 2024 vs 22% in 2025).

We continue to focus on supporting early careers, with new joiners including four engineering apprentices; an IT apprentice and nine new graduates. Graduates are assigned to a function relevant to their degree and have rotational placements within each function.

Functions this year included Construction Engineering, Engineering, Sales and Ops Planning, IT, Development, Commercial and Corporate Affairs.

Eight students also gained work experience as part of our summer intern placements programme.

Reward

London Gatwick operates a comprehensive and evolving reward and benefits programme for all colleagues, both in our management population and those in our union collective bargaining unit.

In 2025, a new two-year pay agreement was agreed with our recognised Trade Unions for all colleagues on negotiated salaries.

The agreement until March 2027 will help maintain the competitiveness of our pay and help us attract and retain core airport staff. Our salaried colleagues also received a pay award this year, ensuring our overall reward offering remains competitive.

All eligible staff also shared in the success of the business through our annual bonus scheme. The scheme is designed to align, motivate and reward individual performance across a balanced scorecard of business performance measures.

Inclusion and Belonging

It's our vision to be the airport for everyone, whatever your journey, and that includes our colleagues

Following staff feedback, and in addition to our existing support networks, we announced a new Wellbeing Council to oversee our wellbeing strategy. A network of Wellbeing Champions from across the business will also support our strategy by providing feedback and insights.

We launched the next phase of our popular DE&I Confident Manager training programme to all our line managers. These Advancing Inclusive Management workshops were complemented by Inclusive Masterclass webinars which are open to all staff across the organisation.

We completed the third cohort of our empowering women programme, which aims to improve the representation of underrepresented groups in our leadership teams. A third of those attending our initial training cohort last year have since been promoted.

Developing our people

We continue to invest in the development of our leadership teams and managers

A refreshed leadership framework clarifies the expectations of leaders and managers at all levels across the organisation, and a new digital performance tool enables all line managers to track and record progress of their direct reports against agreed goals.

In partnership with Corndel, we launched the Level 5 Leadership & Management Diploma (upskilling apprenticeship), with over 40 of our leaders undertaking this qualification.

We also increased our range of development opportunities for all colleagues, including workshops in personal development, business skills, digital skills and formal qualifications.

Our career pathway tool has also been developed to better enable existing internal colleagues to progress their careers at the airport. The tool includes more interactive information about all roles across the airport, providing insights into the required knowledge and experiences for each post.

Key management changes

Senior appointments to our airport's executive leadership team during the period include a new Chief Executive. Pierre-Hugues Schmit started in role in September, having formerly been Chief Commercial and Operational Officer at VINCI Airports. Pierre-Hugues was also a London Gatwick board member for several years prior to this appointment and has deep experience in airports and the aviation sector.

Former Chief Executive of 15 years, Stewart Wingate, started a new role as Managing Director, UK Airports. This is a newly created role by VINCI Airports and Global Infrastructure Partners and focuses on the future development and strategic direction for London Gatwick, Edinburgh and Belfast International airports.

During the period, we announced that Mathieu Boutitie would start as our new Chief Technical Officer (CTO) from January 2026, replacing Cedric Laurier.

Mathieu joins from Kansai Airports, where he was also CTO, with responsibility for infrastructure investment, facilities management and improving environmental performance at three Japanese airports (Kansai International Airport, Osaka International Airport and Kobe Airport).

During the year, David Conway and Nick Batchelor resigned as HR Director and IT Director, respectively. Since then, Simon Baker (Head of HR Services) and Pieter Heiberg (Head of Technical Services) have been acting as Interim HR Director and Interim IT Director, while the search process for permanent appointments is ongoing.

Decade of Change – Our Sustainability Policy

Our Goals

Sustainability is at the heart of the business

Our second Decade of Change policy (2021 to 2030) sets out action against 10 sustainability goals listed below. These align with the United Nations Sustainable Development Goals (UN SDGs).

People and communities

1. Local economy

Be a partner and advocate for a thriving resilient economy and contribute to local and regional workforce skills partnerships and initiatives.

2. Opportunity and accessibility

Increase workforce diversity through recruitment, training and retention practices and partnerships and ensure accessibility and opportunity for disabled colleagues and passengers.

3. Workplace safety

Be a leading airport for the safety, health and wellbeing of our workforce and passengers, striving to learn and continually improve.

4. Local communities

Invest resources in programmes and partnerships for those communities most affected by London Gatwick's operations.

5. Noise

Limit and where possible reduce the airport's impact on local communities by working with partners and stakeholders to create the most noise efficient operation possible.

Net zero

Continue London Gatwick's net zero transition and further improve local air quality by:

6. Airport emissions

- Achieving Net Zero for GAL Scope 1 and 2 GHG emissions by 2030.
- Sourcing 50% of airport network electricity and 50% of heat network from UK renewable sources via onsite generation and direct purchase agreements by 2030.
- Requiring all GAL and airport duty vehicles, ground support equipment and mobile construction equipment to meet zero or ultra-low emission standards by 2030

7. Aircraft and surface access emissions

- Play our part in UK aviation and ground transport transition to net zero carbon.
- Working with airlines and fuel providers to implement the Sustainable Aviation decarbonisation roadmap.
- Work with transport partners to increase airport passenger and staff usage of public transport and zero and ultra-low emission journey modes to 60% by 2030.

Local environment

8. Water

Reduce the airport's potable water consumption by 50% on a per passenger basis by 2030 compared to 2019, continue to improve the quality of water leaving the airport and work with partners to promote local water stewardship.

9. Waste

Ensure that by 2030 all materials used at London Gatwick in operations, commercial activity and construction, are repurposed for beneficial use i.e. repaired, reused, donated, recycled, composted or converted to fuel for heating or transport.

10. Biodiversity

Have a sector-leading 'net gain' approach to protecting and enhancing biodiversity and habitats on the airport estate, including zero use of herbicides by 2030; and support biodiversity partnerships in our region.

Our Decade of Change roadmaps

Accompanying this report we have also published our 2025 Performance Summary, which reflects our focus on timely and transparent sustainability reporting. The Summary provides an update on each of the key performance indicators (KPIs) set out in our Decade of Change Roadmaps, which we aim to achieve by the end of the decade.

2025 highlights

People and communities

Goal 2 Opportunity and accessibility: *Increased workforce diversity through recruitment, training and retention practices and partnerships; and ensure accessibility and opportunity for disabled colleagues and passengers.*

Our special assistance services were rated 'very good' by the Civil Aviation Authority (CAA) in June, with the airport recognised for providing great service.

Goal 4 Local communities: Invest resources in programmes and partnerships for those communities most affected by Gatwick's operations.

Our education programme contributes to our target of achieving a million student encounters by 2030. We are already over halfway to achieving that goal and secured more than 200,000 student encounters in 2025, through regular career broadcasts, student mentoring and career and apprenticeship fairs and events.

We prioritise engaging students in science, technology, engineering and maths (STEM) skills.

We also aim to invest in our local community and during the period, the Gatwick Airport Community Trust provided grants totalling over £200,000 to 113 organisations.

Net zero

Goal 6 Airport emissions: *Achieve net zero for GAL scope 1 and 2 GHG emissions.*

Operating at lower heating temperatures helped us to reduce our Scope 1 emissions from the use of natural gas across the airport by over 10%.

To support our net zero target, the goal is for our entire 300-strong road vehicle fleet to be electric by 2030. See the sustainability section of capital investment at London Gatwick on page 7 for more details.

Goal 7 Aircraft and surface access emissions: *Play our part in UK aviation and ground transport transition to net zero carbon, work with airlines and fuel providers to implement the Sustainable Aviation decarbonisation roadmap, and work with transport partners to increase airport passenger and staff usage of public transport and zero and ultra-low emission journey modes to 60% by 2030.*

Demonstrating our support for the transition to a decarbonised aviation sector, we issued our second sustainability-linked bond during the period. The €750m bond is based on achieving two carbon reduction targets tied to our goal of achieving net zero for Scope 1 and 2 emissions by 2030, and to reducing GHG emissions per passenger during the aircraft landing and take-off (LTO) cycle.

We're working with our air airline partners to test the use of pre-conditioned air on aircraft when on stand to reduce jet fuel burn in the LTO cycle.

We have continued our participation in industry initiatives and working groups. We continue our role as a council member of Sustainable Aviation (SA), which includes contributing to the 2026 SA Net Zero Carbon Roadmap update. We are also members of the Zero Emission Flight Infrastructure Group and Airports UK Sustainability Working Group.

Funding from the Gatwick Sustainable Transport Fund has helped significantly improve local bus services including frequency and extending operating hours.

London Gatwick has also worked closely with Govia Thameslink Railway (GTR) to improve access to the staff rail discount, with a new website launched exclusively for airport staff to buy tickets at a discount.

Gatwick's 2025 Staff Travel Survey was conducted providing critical evidence to support new initiatives and identify best use of funding to support staff to travel to work more sustainably, such as improvements to local bus routes.

Local environment

Goal 9 Waste: *Ensure that all materials used at Gatwick in operations, commercial activity and construction, are repurposed for beneficial use i.e. repaired, reused, donated, recycled, composted or converted to fuel for heating or transport.*

Around 20% of our total annual material generation comes from airline cabins, with all International Cabin Waste (Category 1 waste) subject to strict handling, storage and disposal controls, including transportation for high temperature incineration. This year we have developed a new approved facility to sort recyclable materials that have been appropriately segregated onboard the aircraft. This prevents these materials from being incinerated, while still meeting stringent requirements set out by the Animal and Plant Health Agency.

Goal 10 Biodiversity: *Have a sector-leading 'net gain' approach to protecting and enhancing biodiversity and habitats on the airport estate, including zero use of herbicides by 2030; and support biodiversity partnerships in our region.*

In 2025 we began a programme of alternative weed management in landside areas to reduce the use of herbicides. This included increased road sweeping to prevent weeds growing in the first instance and the use of hot air machines.

London Gatwick set to deliver low carbon expansion

London Gatwick has become the world's first airport to achieve a globally recognised certification for cutting carbon emissions when designing, delivering and operating new buildings and infrastructure - setting itself up to deliver low carbon assets as part of expansion.

Published by the British Standards Institute, PAS 2080:2023 carbon management in buildings and infrastructure focuses on reducing carbon across the entire asset lifecycle — from planning and design to construction to operation — and encourages smarter, more efficient low carbon solutions through collaborative ways of working when delivering capital projects.

As part of the Northern Runway planning application, London Gatwick committed to becoming PAS 2080 certified. To achieve this, the airport has embedded carbon management across its construction activities - including changes to decision-making processes and how the supply chain is engaged.

The new approach has been independently audited by BSI and certified to PAS 2080:2023, demonstrating the airport's approach to managing construction-related carbon meets the highest industry standards.

This has taken almost two years to achieve and demonstrates the airport's commitment to tackling climate change by rethinking how it designs, builds and operates its facilities.

Our carbon footprint

We monitor our carbon footprint and report on our Greenhouse Gas (GHG) emissions annually. This helps us to identify opportunities to reduce our emissions and assess our progress towards our carbon-reduction goals. This section includes our mandatory reporting of GHG emissions and energy use pursuant to the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and Streamlined Energy and Carbon Reporting (SECR) under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The method used to calculate our carbon follows the Greenhouse Gas Protocol, using UK Government emission factors for the assessment year, and quantifying all six GHGs measured in terms of carbon dioxide equivalence (CO₂e).

Greenhouse Gas Protocol	Airport Carbon Accreditation Category	Greenhouse gas emissions	
		2025	2024
	Energy & fuel consumption used to calculate emissions:		
	Natural gas (MWh)	31,479	35,454
	Electricity (MWh)	86,670	88,596
	Vehicle fuels (MI)	0.79	0.94
	Propane (tonnes)	23	17
	Refrigerants (kg)	340	439
	De-icer (kg)	16,825	3,945
	De-icer (litres)	306,610	129,607
	SCOPE 1 (tonnes CO₂e)	6,692	7,617
Company facilities	Combustion of natural gas	5,759	6,485
Company vehicles	Combustion of vehicle fuels	65	320
Company facilities	Propane and materials use in fire training and workshops	70	50
Company facilities	Use of refrigerants	444	615
Company facilities	Use of deicer	354	148
	SCOPE 2 (tonnes CO₂e)		
Purchased electricity for own use	Purchased electricity (location-based)	15,333	18,338
Purchased electricity for own use	Purchased electricity (market-based)	-	-
	SCOPE 1 and 2 (tonnes CO₂e)		
	Total gross location-based SCOPE 1 and 2	22,024	25,955
	Total gross market-based SCOPE 1 and 2	6,692	7,617
	SCOPE 1 and 2 carbon intensity		
	Intensity ratio: kgCO ₂ e/passenger	0.51	0.60
	Intensity metric: passenger numbers	42.8m	43.2m
		4,443,686	4,379,222
	SCOPE 3 (tonnes CO₂e) (location-based)	39,183	44,234
Purchased goods and services	Purchased goods and services	34,925	32,506
Capital goods	Capital goods	5,726	6,026
Fuel and energy related activities	Fuel and energy well-to-tank	1,605	1,621
Fuel and energy related activities	Fuel and energy transmission and distribution	166	207
Waste generated in operations	Waste and wastewater	284	510
Business travel	Business travel	46,776	46,366
Employee commuting	Staff commuting and home office	414,109	413,487
Use of sold products	Aircraft landing and take-off (LTO)	3,696,759	3,626,107
Use of sold products	Aircraft climb, cruise and descent (CCD)	188,606	192,564
Use of sold products	Passenger surface access	1,985	1,319
Use of sold products	Aircraft engine testing	2,559	1,128
Use of sold products	De-icer	31	551
Use of sold products	Non-road construction machinery	10,971	12,596
Downstream leased assets	3 rd party consumption		
	SCOPE 1, 2 and 3 (tonnes CO₂e)	4,465,711	4,405,177
	Total gross location-based SCOPE 1, 2 and 3	4,443,049	4,378,168
	Total gross market-based SCOPE 1, 2 and 3	31,479	35,454

Sustainable Growth

Operating sustainably and being a responsible business is critical to our long-term success and is the right thing to do.

Our airport is an important driver of the region's economy. Supply chain, tourism, trade and other business opportunities related to airport activity generate prosperity and support the livelihoods of thousands of families across the region.

Growing our airport will maintain these vital benefits while also unlocking new economic and job opportunities for future generations.

We welcomed the Government's recent approval of our Northern Runway plans which has the potential to create an additional 14,000 jobs and inject an additional £1 billion annually into the regional economy.

While emphasising the benefits of growth, we embrace our responsibility to grow sustainably. As outlined in our Decade of Change sustainability policy, roadmaps and progress reports, we've introduced a broad programme of measures and goals to ensure we limit and, where possible, reduce the significant environmental impact of our operations. This includes protecting and enhancing our local environment and supporting the Government's commitment to achieve net zero carbon emissions by 2050.

Driving economic growth

The full extent of our airport's economic relationship with the region is stated most clearly in the Local economic impact of London Gatwick report produced by leading economists Oxera. The report states that we supported more than 56,000 jobs across the region (Six Authorities) and added more than £4bn of gross value in 2023.

Area	Jobs supported	Gross added value
National	76,560	£5.5bn
Gatwick	35,725	£2.6bn
Diamond		
Six Authorities	56,570	£4.1bn

Gatwick Region Airport Economic Zone

The Gatwick Region Airport Economic Zone (AEZ) initiative, launched in 2024, aims to unlock new economic growth. In 2025, the AEZ taskforce brought together senior economic development and business leaders from across the region, alongside representatives from UK Government, to promote long-term sustainable economic growth across the region and encourage new inward investment.

Limiting and reducing our impacts

Our sustainability plans align with the United Nations Sustainable Development Goals (SDGs). We are investing £250m to meet net zero for Green House Gasses (GHG) emissions under our direct control (Scope 1 and 2 emissions) by 2030. Design work has progressed to replace gas boilers and refrigerants with low carbon alternatives.

Sustainability-linked bond

Demonstrating our strong commitment to and leadership on sustainability and support for the transition to a decarbonised aviation sector, we issued our second sustainability-linked bond during 2025. The €750m bond is based on achieving net zero for Scope 1 and 2 emissions by 2030, and on reducing Greenhouse Gas (GHG) emissions per passenger during the aircraft landing and take-off (LTO) cycle. Find out more on page 33.

Our Masterplan

Our Masterplan offers a low impact way of unlocking new capacity and increasing resilience by making best use of our airport's existing infrastructure. We plan to use new technologies on our Main Runway and bring the existing Northern Runway into routine use. We'll also continue to make representations to ensure that land south of London Gatwick is safeguarded in line with national aviation and planning policy.

Our airport's Main Runway was resurfaced in 2022, and a new Rapid Exit Taxiway has improved runway resilience and performance throughout this year. To further improve the efficiency of this key piece of national infrastructure, we're continuing to explore several opportunities to adopt new technology and process initiatives.

Financial review

Basis of preparation

Gatwick Airport Finance plc (the Company) is a holding company of a group of companies (the Ivy Holdco Limited Group) that owns Gatwick Airport (London Gatwick). The financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

The financial information presented within these financial statements has been prepared on a going-concern basis. See page 96 and note 1 for further details.

Review of 2025

Financial performance in 2025 remained strong despite passenger numbers falling slightly to 42.8m (a reduction of 0.4m or 1.1% against 2024). Revenue grew by £1.8m (0.2%) compared to the same period in 2024. However, this masked much stronger underlying revenue growth of 1.3% when adjusting for several items unique to 2024 as described below. We continued to recruit staff to ensure we had appropriate service levels but balanced this with a careful focus on managing costs. As a result, total operating costs only increased by 0.4% from £608.3m for the 12 months ended 31 December 2024 to £610.8m for the same period in 2025.

Revenue

For the year ended 31 December 2025, total revenue was £1,132.1m. However, 2024 results included two large one-off items that do not repeat in 2025. One relates to a new retail contract which had a backdated element. The other relates to a surcharge implemented post Covid-19 to recover ancillary charge deficits; these amounts were fully recovered in October 2024. Collectively these total £12.5m and, adjusting for these, revenue would have increased by £14.3m (1.3%).

Revenue mix has remained relatively consistent between periods. Airport and other traffic charges income represent just over half of total revenue, with the next largest category being retail.

	Year ended 31 December	
	2025	2024
	£m	£m
Airport and other traffic charges	607.4	599.4
Retail	238.8	241.3
Car parking	148.1	147.8
Property income	36.8	35.0
Operational facilities and utilities income	44.1	45.5
Other income	56.9	61.3
Total revenue	1,132.1	1,130.3

Airport and other traffic charges

Airport and other traffic charges income is driven by passenger and aircraft traffic volume, the level of airport charges and the terms of bilateral contracts with airlines. Charges are set in line with our Contracts and Commitments Framework. Until 31 March 2025, this allowed for a maximum annual price increase of RPI+0%, with a reference date of 2019, effective from 1 April each year following consultation with the airline community. In the first half of 2025, the CAA approved a four-year extension to our Contracts and Commitments Framework, with pricing capped at CPI-1% for the period 1 April 2025 to 31 March 2026.

For the 12 months ended 31 December 2025, airport and other traffic charges income increased £8.0m (1.3%) to £607.4m compared with the same period in 2024. This was against a backdrop of 1.1% fewer passengers across the same periods and was driven by:

- Continued growth and breadth in airline mix giving greater choice for passengers in terms of airlines, price points and destinations
- Increases to the planned gross yield for the year commencing 1 April 2025 (i.e. the planned aeronautical revenue per passenger excluding the terms of bilateral contracts) in accordance with our Contracts and Commitments Framework
- An increase from 1 April 2025 in the permitted security cost adjustment associated with a hold baggage-screening project

Retail

For the 12 months to 31 December 2025, revenue from our retail operations was £238.8m. This compares to £241.3m in 2024 but this also included a back-dated element relating to new contract terms for duty and tax-free shopping. Adjusting for this one-time revenue, retail revenue increased in 2025 by £5.9m (2.5%) despite passenger numbers decreasing by 1.1%.

In 2025 we saw the full year benefits of the North Terminal refurbishment (which largely took place in the first half of 2024) and have also started to see the impact of our recent refurbishment of the South Terminal. Collectively, these improvements have enhanced the passenger experience and positively impacted underlying retail revenue.

Duty and tax-free continues to account for over one third of total retail revenue. Adjusting for the one-time revenue in 2024, underlying revenue increased by £2.3m (2.8%). The continued diversification of our passenger mix with the introduction of new routes, especially to African destinations, also contributed to higher spend per passenger across this category.

Catering saw the highest growth in 2025, with revenues increasing by £2.2m (3.4%) compared to 2024. This was driven by new openings such as GAIL's bakery (an airport first), Pret and Starbucks, plus we welcomed Big Smoke and Venchi to our departure lounges. Revenue from specialist shops grew by 1.8% with new openings such as Pandora and Monsoon.

Other retail revenue reflects a successful transition to our new jetty and bridges sponsoring partner, Uber, as well as increased advertising revenue following investment in new digital screens across our terminals. There was also strong demand for Fast Track and premium products such as lounges.

Net income per passenger was almost flat for the 12 months to 31 December 2025 compared to the same period in 2024 (£5.46 in 2025 compared to £5.47 in 2024). However, adjusting for the one-time contract revenue in 2024, net income per passenger would have grown 3.6% from £5.27.

	Year ended 31 December	
	2025	2024
	£m	£m
Duty and tax-free	85.3	91.4
Specialist shops	44.4	43.6
Catering	67.2	65.0
Other retail	41.9	41.3
Retail revenue	238.8	241.3
Less: retail expenditure	(5.1)	(4.8)
Net retail income	233.7	236.5
Passengers (m)	42.8	43.2
Net retail income per passenger¹	£5.46	£5.47

1. APMs are defined on page 149.

Car parking

Car parking revenue comprises revenue from various parking products available across our airport. These include short stay, long stay and valet operations, and revenue from forecourt charges for passenger drop-offs. In April 2025, we further enhanced our product range by introducing a new mid-stay product with direct pedestrian access to the North Terminal. This added over 3,000 spaces to our portfolio.

Despite lower passenger numbers in 2025, and other factors such as a greater number of passengers travelling to the airport by public transport and competitive pricing across the market, transaction values and market share remained strong and car parking revenue increased by £0.3m (0.2%) compared to the same period in 2024.

We experienced continued pressure on labour costs, but our focus on finding both operational and cost efficiencies resulted in net car parking income per passenger for the 12 months ended 31 December 2025 increasing by 2.2% to £2.77.

	Year ended 31 December	
	2025	2024
	£m	£m
Car parking revenue	148.1	147.8
Less: car parking expenditure	(29.6)	(30.5)
Net car parking income	118.5	117.3
Passengers (m)	42.8	43.2
Net car parking income per passenger¹	£2.77	£2.71

1. APMs are defined on page 149

Other income

Property income increased due to rent reviews and new letterings during the year.

Other income also includes recharges for utilities plus various recharges specific to the airline community for certain services, for example, check-in facilities, hold-baggage screening and services for assisted travel passengers.

During Covid-19, we took the decision not to fully recover several of these recharges at that time, and instead, work collaboratively with airlines to offer a scheme which spread these costs to help ease the financial pressure on our sector. In April 2022, we introduced a surcharge to do this and by October 2024, these deficits were fully recovered.

The 12 months which ended 31 December 2024 included £4.1m relating to those surcharges. Also in that same period, we received £1.0m insurance proceeds for a claim relating to Covid-19 business interruption during 2020–21. As a result, other income for the 12 months to 31 December 2025 appears lower at £137.8m compared to £141.8m for the equivalent period in 2024.

	Year ended 31 December	
	2025	2024
	£m	£m
Property income	36.8	35.0
Operational facilities and utilities income	44.1	45.5
Other income	56.9	61.3
Other income	137.8	141.8

Operating costs

Total operating costs for the year ended 31 December 2025 increased by £2.5m (0.4%) compared to same period in 2024. We remain committed to balancing good passenger service and operational requirements alongside tight cost management. We acknowledge the pressure that an inflationary environment has on our cost base, particularly on labour costs. We have continued to see above inflation pay settlements across some of our key service contracts, especially those who are more sensitive to movements in the minimum wage.

Staff costs

Our largest cost category continues to be staff, making up just over one-third of total operating costs. For the year ended 31 December 2025, this amounted to £209.9m, an increase of £21.1Um (11.2%) on the prior period. Key drivers behind this increase include recruitment to help deliver our expanding investment programme, together with the recruitment of additional security staff to operate the more labour-intensive UK Government-mandated Next Generation Security Screening process. London Gatwick was fully compliant by the end of March 2025 and as a result, the average full-time equivalent (FTE) employees increased by 3.5% from 2,563 for the 12 months to 31 December 2024 to 2,653 for the same period in 2025. Earlier this year, we worked closely with the relevant Trade Unions to agree a two-year pay award effective from 1 April 2025.

Retail and car parking expenditure

Retail expenditure reflects costs associated with e-commerce and advertising income. Costs increased by £0.3m (6.3%) compared to the prior year due to higher revenue in 2025. For the same period, car parking expenditure decreased by £0.9m through a combination of careful cost management (for example finding efficiencies in website paid search costs) and better compliance for our forecourt operations leading to lower costs.

Maintenance and IT expenditure

Maintenance and IT costs rose by £0.8m (1.6%) for the 12 months ended 31 December 2025 compared with the same period in 2024. This reflects our continued focus on finding efficiencies, often through a greater use of technology.

Utility costs

Utility costs were broadly in line with 2024. Although we reduced consumption and improved energy efficiency, achieved by our focused investment programmes (such as installing LED lighting across the campus, this was offset by increased prices for our gas and electricity and some additional costs in 2025.

Rent and rates

During 2024, we received several rebates relating to prior years. The rebates received in 2025 were lower and as a result, rent and rates costs increased by £1.7m (4.4%) when comparing the two accounting periods.

Other operating expenses

This category includes a range of costs that are largely fixed in nature (such as police, air traffic control and insurance) and other costs that have both fixed and variable elements (including special-assistance, cleaning, logistics and hold baggage screening). We continue to see the impact of wage inflation on our labour-intensive contracts. Expenditure on professional fees for compliance, regulation and to deliver our Environmental, Social and Governance agenda (including our second Decade of Change), are also included here.

In 2025, the number of special assistance passengers increased, and most airlines are now seeing higher volumes per flight. The cost of several key service contracts, including cleaning and the police, also rose as we started to experience the impact of external pay awards from April 2025.

These increases were offset by remaining focused on identifying areas to generate efficiencies, alongside delivering operational requirements and a good passenger experience. We also capitalised more costs during the year and we recognised a £6.0m adjustment arising from a change in how we account for certain airline recharges. This better aligns the recognition of the costs with the associated revenue. Excluding this adjustment, other operating costs decreased by £7.5m (7.5%).

Depreciation and amortisation

Finally, depreciation and amortisation decreased by £7.3m or 4.6% to £150.3m.

	Year ended 31 December	
	2025	2024
	£m	£m
Staff costs	209.9	188.8
Retail expenditure	5.1	4.8
Car parking expenditure	29.6	30.5
Maintenance and IT expenditure	52.2	51.4
Utility costs	36.7	36.4
Rent and rates	40.6	38.9
Other operating expenses	86.4	99.9
Depreciation and amortisation	150.3	157.6
Total operating costs (pre-exceptional items)	610.8	608.3

EBITDA AND OPERATING PROFIT

For the year ended 31 December 2025, the Group recorded operating profit of £521.3m compared to £522.0m in 2024.

EBITDA for the year was £671.6m compared to £679.6m in 2024, resulting in an EBITDA margin of 59.3% compared to 60.1%.

	Year ended 31 December	
	2025	2024
	£m	£m
Operating profit	521.3	522.0
Depreciation and amortisation	150.3	157.6
EBITDA¹	671.6	679.6

1. APMs are defined on page 149.

Profit for year

For the year ended 31 December 2025, the Group recorded a profit before tax of £337.8m (2024: £414.7m) and a profit after tax of £249.6m (2024: £305.7m).

Fair value of investment property decreased slightly in 2025 which resulted in a non-cash fair value adjustment of £2.2m.

Net finance costs increased by £42.3m mainly as a result of higher interest costs on our fixed rate bonds and our swap portfolio.

Fair value gain on derivative financial instruments for the year ended 31 December 2025 was £22.7m (2024: £1.8m loss). Positive fair value movements in our fixed rate to index-linked and fixed rate to variable rate swap portfolios were partly offset by negative fair value movements in our variable rate to index-linked swap portfolio.

	Year end 31 December	
	2025	2024
	£m	£m
Operating profit	521.3	522.0
Investment property revaluation gain	(2.2)	56.3
Loss on disposal of fixed assets	(1.4)	(1.5)
Net finance costs	(202.6)	(160.3)
Fair value loss on derivative financial instruments	22.7	(1.8)
Income tax charge	(88.2)	(109.0)
Profit for year	249.6	305.7

Tax

The tax charge for the year ended 31 December 2025 was £88.2m (2024: £109.0m). Based on a profit before tax of £337.8m (2024: £414.7m), this results in an effective tax rate of 26.1% (2024: 26.3%).

During the year the Group paid corporation tax of £35.4m (2024: £58.5m).

Cash position and cash flow

On 31 December 2025, the Group had £396.8m (31 December 2024: £408.0m) of cash and cash equivalents and term deposits, of which cash and cash equivalents were £246.8m (2024: £408.0m).

In the 12 months ended 31 December 2025, net cash from operating activities was £613.1m (2024: £618.3m). The following table reconciles EBITDA to net cash from operating activities:

	Year ended 31 December	
	2025	2024
	£m	£m
EBITDA	671.6	679.6
Increase in inventories, trade and other receivables	(20.2)	3.2
Increase in trade and other payables	(3.5)	(11.2)
Difference between pension charge and cash contributions	(0.2)	(0.1)
Other non-cash movements	0.8	5.3
Corporation tax paid	(35.4)	(58.5)
Net cash from operating activities	613.1	618.3

Capital expenditure

We continued to grow our Capital Investment Programme during 2025. We invested £192.7m in the year ended 31 December 2025 compared with £176.0m in 2024. See the capital investment section on page 7 for key projects and areas of investment during the year.

Financing

Financing structure and activities in 2025

In 2011, we put a secured financing structure in place. As part of these arrangements, the Group entered into a Common Terms Agreement (CTA) with its debt investors. The CTA sets out the terms and conditions of the Group's borrowing and the ongoing management of its secured financing, which includes Class A Bonds, an Authorised Credit Facility (ACF) and a Liquidity Facility (LF). The CTA also sets out the financial and non-financial covenants that must be complied with in relation to the financing.

Gatwick Airport Limited (GAL) has a Revolving Credit Facility (RCF) of £450.0m under the Authorised Credit Facility (ACF) and a Liquidity Facility (LF) of £250.0m to ensure interest payment obligations can be kept current for more than 12 months, providing additional assurance to Secured Creditors. We refinanced and upsized the facilities in March 2025. In February 2026, the maturity date of the RCF has been extended by one year from March 2030 to March 2031 through the exercise of an extension option at the lenders' discretion. The RCF and LF were fully undrawn as of 31 December 2025.

Class A bonds are issued by Gatwick Funding Limited (as Issuer), which are lent to either the Company or Gatwick Airport Limited as borrowers under the respective borrower loan agreements, with Deutsche Trustee Company Limited acting as Borrower Security Trustee.

In October 2024, the Group established a Sustainability-Linked Financing Framework (SLFF). The SLFF outlines the approach and criteria for structuring debt where the terms are tied to the borrower's performance on pre-defined sustainability targets. It also aligns our financial strategy with our sustainability ambitions. In June 2025 the Group issued a €750.0m Sustainability-Linked Bond (SLB) with scheduled and legal maturities of 2035 and 2037 respectively. This is the second issuance under the SLFF following a €750.0m issuance in 2024.

In November 2025, the Group issued £475.0m of Senior Secured Notes (due 2030) and repaid £450.0m of Senior Secured notes (due 2026).

See note 23 on page 131 for further detail of the Group's borrowings.

The Group uses interest rate swaps to hedge against both movements in floating rates (SONIA) and to convert some of its fixed-rate Class A bonds into RPI-linked debt. The RPI-linked interest rate swaps have total nominal value of £396.0m, of which £356.0m swap interest from a fixed-rate coupon, and the remaining £40.0m swap interest from floating rates. The SONIA-linked interest rates swaps have total nominal value of £289.0m and swap interest from a fixed-rate coupon to a floating-rate.

The Group uses cross-currency swaps to hedge against movements in foreign exchange rates associated with the SLBs. The cross-currency swaps have total nominal value of €1,500m, of which €793.1m swap interest from a fixed-rate Euro coupon to a fixed-rate in Sterling, and the remaining €706.9m swap interest from a fixed-rate Euro coupon to a floating-rate in Sterling.

The Group regularly prepares long-term cash flow forecasts to test the sufficiency of its financing facilities to meet its funding requirements. The directors consider that the current level of credit facilities is sufficient to meet its present forecast funding requirements and provides the Group with appropriate headroom.

On 31 December 2025, the Group's consolidated senior net debt was £3,734.4m. It comprised:

	Year ended 31 December	
	2025	2024
	£m	£m
Class A bonds	4,005.3	3,365.6
Index-linked derivative accretion	96.7	170.3
Cash	(367.6)	(388.0)
Senior net debt ¹	3,734.4	3,147.9

1. APMs are defined on page 149

For the year ended 31 December 2025, the average interest rate payable on borrowings was 5.17% pa (31 December 2024: 5.45% pa).

Financial covenant ratios

The maximum net indebtedness to the total Senior RAR1 and minimum Senior ICR1 are the Group's financial covenants that govern the Group's ability to raise incremental debt. The Group's financial covenants on 31 December 2025 and 2024 under the CTA are shown below.

The financial covenants remain strong and provide significant headroom to the trigger and default levels.

	Year ended 31 December			
	2025	2024	Trigger	Default
Minimum interest cover ratio (Senior ICR) ¹	2.64	3.94	<1.50	<1.10
Maximum net indebtedness to the total regulatory asset base (Senior RAR) ¹	0.51	0.49	>0.70	>0.85

1. APMs are defined on page 149.

Pension scheme

London Gatwick operates a defined benefit pension scheme, which closed to new members in June 2010. On 31 December 2025, the defined benefit pension scheme, as measured under IAS 19, was funded at 124% (31 December 2024: 122%). This translated into an accounting surplus of £74.2m (31 December 2024: £70.5m).

The Directors believe the scheme has no significant plan-specific or concentration risks. Further details can be found in Note 24.

Dividends

After considering the factors set out in the capital allocation section of the Section 172 (1) Statement on page 60, the directors have declared and paid dividends of £300.0m during the year ended 31 December 2025 (2024: £600.8m). The directors did not recommend the payment of a final dividend (2024: £nil).

Our approach to risk management

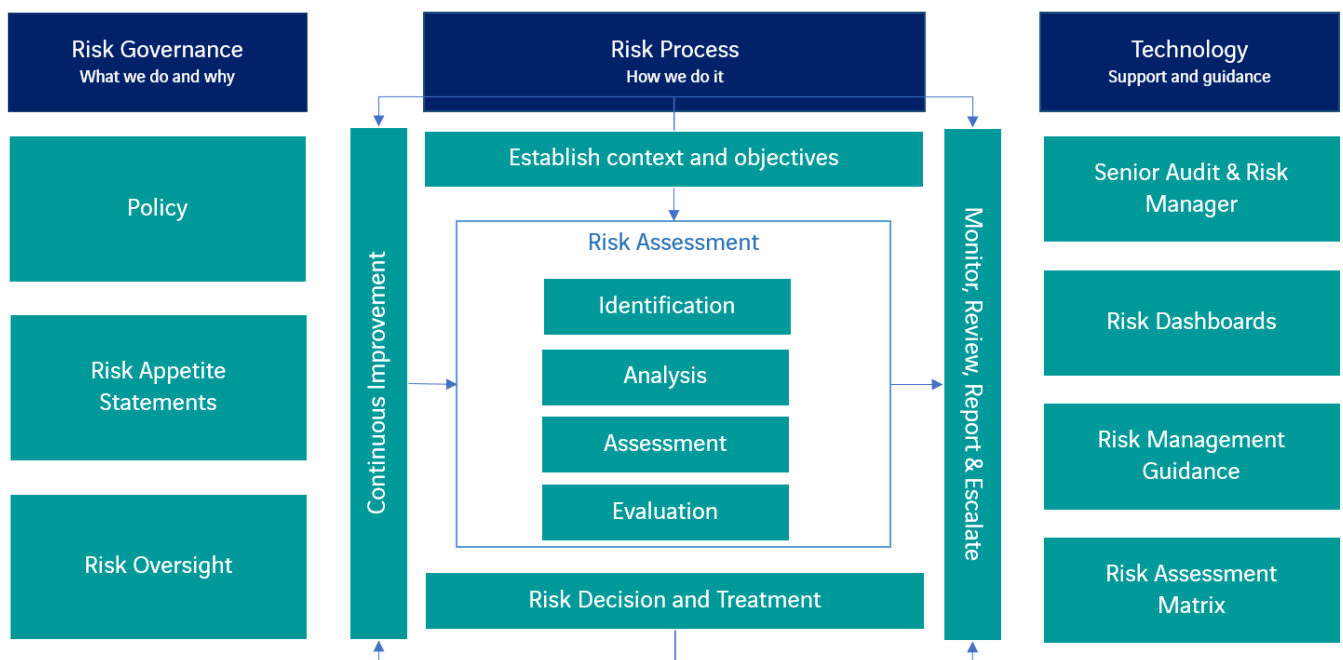
Risk Management Framework

Risk management is a central element of our strategic decisions and operations. We're committed to implementing appropriate strategies and processes that identify, analyse and manage the risks associated with the organisation. This way we can minimise the frequency and impact of undesired and unexpected events, while optimising business opportunities.

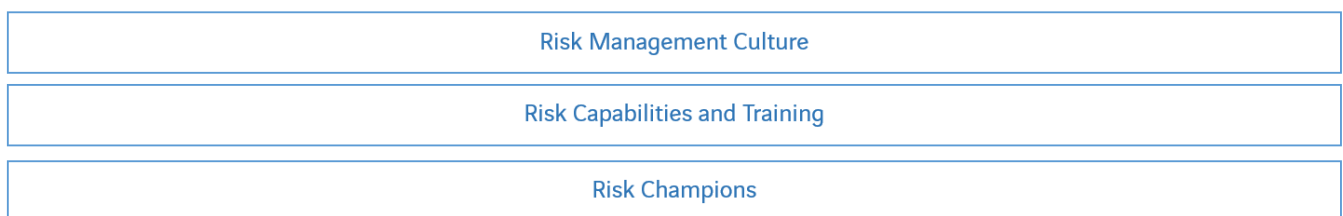
The principal aim of our risk-management strategy is to embed awareness of risk at all levels of the organisation to ensure all significant business decisions are risk-informed. Particular emphasis is given to safety and security, environmental, climate, cyber, data, commercial, financial, reputational and legal risks.

A key element of the risk-management process is the risk assessment methodology. This determines the threats to the achievement of business objectives and day-to-day operations in terms of likelihood and consequence at a residual level, after taking account of mitigating and controlling actions. These internal controls and processes are designed to manage rather than eliminate the risk of failure to achieve business objectives. They can only provide reasonable, not absolute, assurance against material misstatements or loss.

Our risk management framework provides the business with guidance on how risk should be identified, assessed, treated and reported:



Underpinned by:



Risk Appetite

Our risks are evaluated based on defined risk appetite levels that have been agreed by the Board. These risk appetite levels guide our risk management framework and allow us to balance our risk decisions with achievement of our objectives. Our risk appetite is summarised in the statement below:

“In the pursuit of our objectives, we are most open to taking commercial risks compared to all other risks, with the lowest appetite for health and safety, security and compliance risks. As an operational business we accept that in some instances we must take a more balanced approach to our acceptance of financial, operational and reputational risks; ensuring that when we make decisions, we fully consider the potential impacts, and how they may be minimised. We carefully assess risks and develop contingency plans to manage uncertainties effectively.

We aim to identify and address risks proactively rather than adopting a reactionary approach. By conducting comprehensive risk assessments and developing effective risk mitigation strategies, we will be better equipped to seize opportunities while safeguarding the organisation’s interests. We have established robust risk governance structures and processes to ensure a consistent and transparent approach to managing our risks. Accountability for risk-taking decisions lies with the relevant stakeholders, and we encourage open communication and reporting to foster a culture of risk awareness. We recognise that managing our risks is essential to ensure the sustainable growth and success of our operations. Our risk appetite reflects our commitment to striking a balance between innovation and prudence, enabling us to seize opportunities while safeguarding our financial stability resilience, the environment and commitment to our sustainability goals.”

Our risk appetite statement outlines the principles that guide our decision-making and risk-taking across our risk categories. It is a living statement that will be regularly reviewed and updated to reflect changes in our strategic priorities, market conditions and risk landscape. By adhering to these principles, we aim to foster a culture of responsible risk-taking, enabling London Gatwick to maintain its position as a leading airport and deliver value to our stakeholders.

Risk Governance

At London Gatwick the risk management framework clearly defines the accountabilities, processes and reporting requirements for corporate and departmental risks to ensure appropriate risk ownership and decision-making is understood.

We have an established executive committee, the Risk and Compliance Board (RCB), which oversees our enterprise risk management, meeting five times in the year and reports directly on our risk management to the Audit, Risk and Finance Committee.

In addition, our leadership teams have departmental risk forums that focus on key risks in their area and progress in implementing agreed mitigating actions. These forums are supported by the Senior Audit and Risk Manager and each department's Risk Champion, who's responsible for coordinating, formulating and reviewing the departmental risk registers and holding risk challenge sessions. Operational risks report to the Operations Resilience Board (ORB), which reports on the most significant operational risks to the RCB. ORB also reports specific updates on the management of operational risks to the Operations, Health and Safety Committee (OHSC). Risks relating to people issues are also brought to the People Committee and escalated through to the Remuneration Committee.

Risks are escalated to the RCB through these departmental risk forums based on whether they have a corporate impact and/or are in or out of appetite. The Audit, Risk and Finance Committee and our Executives (through the RCB) receive regular detailed management information on our risk exposure. This arrives in the form of reports highlighting key corporate risks, material changes to the risk profile and risks outside of appetite, along with plans in place to mitigate the risk down to an acceptable level.

In 2025, the organisation implemented an enhanced risk management software system, significantly strengthening our risk oversight capabilities. This system standardises risk assessment procedures and consolidates all risks, controls, and mitigation actions within a centralised repository. It facilitates the linkage of related risks and integrates business continuity and insurance arrangements, thereby providing the Board with a comprehensive and accessible overview of the organisation's risk management framework.



The Audit, Risk and Finance Committee provides, among other things, independent oversight of the risk management of the Group. The key features of the Group's internal control and risk-management systems in relation to the financial reporting process include:

- A Group-wide comprehensive system of financial reporting and financial planning and analysis
- Documented procedures and policies
- A defined and documented organisational structure with clear delegated financial authority levels and segregation of duties
- A formal risk management process that includes the identification of safety and security, environmental, climate, cyber, data, commercial, financial, reputational and legal risks
- Detailed reviews by the Executive Management Board and the Board of management accounts measuring actual performance against both budgets and forecasts on key metrics
- Audit, Risk and Finance Committee review of key interim and annual financial statements and press releases before submission to the Board, scrutinising among other items:
 - compliance with accounting, legal, regulatory and lending requirements
 - critical accounting policies and the going concern assumption
 - significant areas of judgement and estimates
 - key financial statement risk areas as reported further below in the report
- Independent review of controls by the Internal Audit function, reporting to the Audit, Risk and Finance Committee
- A confidential whistleblowing process

Our principal risks

This section contains a description of the significant risks specific to London Gatwick's activities as identified by the Board. These principal risks are presented in categories without hierarchy. Each risk is detailed by indicating a complete description of the risk, the risk trend (how it has changed during the year), how it links to our strategic objectives, the potential effects for the Group in the event of occurrence, as well as the systems put in place to control our activities and risks.

Our principal risks are kept under review as the risk environment within which we operate is continually evolving. If the Board identifies changes in the risk profile, new or emerging risks; these will be added to our principal risk register.

Our principal risks are grouped into the categories below:

1. Strategy: risks and uncertainties that may hamper the achievement of our strategic and/or business plans; and impact our long-term objectives.
2. Business: risks and uncertainties that impact the effectiveness and efficiency of our airport's operational activities.
3. Financial: risks and uncertainties with respect to the financial position of the Company.
4. Regulatory and Compliance: risks and uncertainties with respect to laws and regulations (internally and externally).

The 12 principal risks identified by the Board of Directors are as follows:

Principal risk	Link to strategic priorities	Change in 2025
Strategy risks		
Demand	2	
Growth	2, 5, 6	
Climate change	All	
Business risks		
Stable and resilient operations	1, 2, 5	
Health, safety and security	All	
Information security	1, 3, 5, 6	
Capital investment	All	
People and industrial relations	All	
Financial risks		
Treasury risks	3	
Taxation risks	3	New
Regulatory and compliance risks		
CAA economic regulation	All	
Business ethics and compliance	All	

Our Strategic Priorities		
1. Great Service	2. Build and Grow	3. Work Smarter
4. Engage Our People	5. Keep Our Airport Moving Forward	6. Be Sustainable
Safety and security underpins everything we do		

 risk is increasing	 risk is stable	 risk is decreasing
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Demand	
Passenger demand is affected by macro-economic conditions, airline strategies, slot regulation, and consumer travel preferences.	
Link to priorities	2
Change in 2025	
Risk status	
While several long-haul and leisure markets are demonstrating strong demand, other segments, such as business and domestic travel, and certain city routes are growing at a slower pace. This may affect the overall balance of our traffic mix. Overall demand has remained robust across key segments, with short-term macroeconomic pressures impacting airline load factors, particularly in the first half of the year. Underlying demand remains strong, as evidenced by carriers increasing frequencies on existing routes, up gauging fleets by introducing larger aircraft and expanding into new markets. Long-haul growth has been strong throughout 2025, with regions such as Africa, the Middle East and Asia seeing an increase in seat capacity. Demand for certain segments remains softer, especially during off-peak periods.	
Risk impact	
Market conditions are affecting the number of carriers, traffic mix and passenger traffic growth.	
Risk mitigations	
We employ a range of measures to mitigate and manage this risk, including implementing a strategy to diversify our network and carriers. We engage with the airline industry to target, attract and grow new carriers and new routes. We also participate in industry events and conferences which are critical for future growth. We participate in the ACI Expert Group on Slots Board and engage with ACL, our slot coordinators, to optimise the slot portfolio at London Gatwick, maximising airport infrastructure use. Additionally, our pricing mechanism remains competitive and attractive to airlines with bilateral contracts. This encourages committed passenger volumes and efficient use of slots. A strong focus on improving the passenger experience helps to secure market share.	

Growth	
Gatwick Airport Limited requires numerous permissions and licences from various external bodies and organisations to develop facilities and infrastructure at our airport.	
Link to priorities	2, 5, 6
Change in 2025	
Risk status	
In July 2023, GAL submitted its application for a Development Consent Order (DCO) to bring forward plans for the routine use of the existing Northern Runway as well as supporting and associated infrastructure including airfield and terminal works. The application was accepted by the Planning Inspectorate, on behalf of the Secretary of State, and was examined by a panel of independent inspectors during 2024. A full suite of application documents accompanied the DCO including an Environmental Statement, Transport Assessment and Planning Statement. On 27 February 2025, the Secretary of State for Transport issued a 'minded to approve' letter for our growth plans and on 21 September 2025, the Secretary of State for Transport granted consent. The GAL Team liaises closely with our local planning authority (Crawley Borough Council) and our local highways authority (West Sussex County Council and Surrey County Council) to bring forward plans in line with national and local policies and requirements and ensure mitigations are in place to address environmental and other concerns.	
Risk impact	
Ongoing legal proceedings mean there's a risk that facilities are delayed or not brought forward in a timely manner to meet long-term demand as well as the needs of our airlines, passengers and stakeholders.	

Risk mitigations
We actively participate in and respond to consultations and calls for evidence to secure clear and stable policy so that permissions can be applied for, and investment decisions taken, with confidence. We also produce and consult on documents such as our Airport Master Plan and a Capital Investment Programme, setting out the infrastructure and development requirements likely to be needed by our airport over the medium and longer term. We engage extensively across stakeholder groups including the DfT, our consultative committee GATCOM, statutory consultees, members of parliament, local authorities, airlines, airport companies, community groups and business organisations, to seek views and feedback on our proposals. Executive level oversight: Investment and Growth Board (a subset of our Executive Management Board). Board level: Capital, Environment and Sustainability Committee.

Climate change	
Climate change presents significant strategic risks to the aviation sector and London Gatwick. Climate change is a significant global risk that has implications across the sector.	
Link to priorities	All
Change in 2025	
Risk status	
A high-profile risk for many industries, the pace of climate change continues and, in several instances, exceeds the expectations of industry recognised forecasts. There is widespread reporting of comparative temperature records consistently being exceeded in various parts of the world, along with a significant frequency of weather events globally that are often attributed to climate change.	
Risk impact	
Risks related to climate change are considered within two categories – transition risks and physical risks. Transition risks arise, among other aspects, from the impact of policies that governments implement to ensure aviation achieves net zero in due course, along with consumer and stakeholder confidence in the ability of the sector to decarbonise. These risks can vary significantly depending on the nature and speed at which the UK Government aligns to a Paris Agreement trajectory. Although measures like increasing air travel costs or limiting airport capacity could reduce aviation demand, no significant changes have been proposed yet.	
In the longer term, physical risks could pose a greater threat to our ability to run stable operations because of extreme weather events. More detail regarding these risks is included in our climate disclosure on page 49.	
Risk mitigations	
Set out in greater detail within the climate disclosure.	

Stable and resilient operations	
Business interruption and/or disruption can be caused by a wide range of events, both in and out of our direct control (including technical system failures, adverse weather events, pandemics, security incidents, riots, political action or wars). Certain events may lead to prolonged closure of airspace or pervasive travel restrictions. Enduring trends in the macroeconomic or physical environment could have a longer-term impact on the stability and resilience of our operation. Vulnerability in our supply chain, caused by events outside of our/our suppliers' control, could also have a material adverse effect on the stability and resilience of our operation.	
Link to priorities	1, 2, 5
Change in 2025	
Risk status	
In 2025, operational stability improved, evidenced by longer intervals between command state activations and consistent recovery times. Notwithstanding this progress, challenges persisted in industrial relations, network regulation, and rail station availability, including two full closures due to major incidents. Cyber threats, particularly within the supply chain, continued to increase in sophistication; however, the Cyber team maintained robust defences, ensuring the resilience of the airport's digital infrastructure.	

Risk impact	
Failure to maintain a stable and resilient operation impacts our operating resilience, service levels and passenger experience. It could also impact air traffic movements, passenger numbers and, consequently, airport revenue. Material, long-term impact to our operation could have consequential adverse financial impact for our airport. For system-related issues the service impacted dictates the nature of the disruption and/or passenger impact. At worst, this can lead to check-in or security queues, delayed flights and cancelled flights. Failure to maintain our normal stable operation affects the expected service levels and passenger experience which could result in rebates incurred through CSS failures. Any inability to effectively deliver a stable operation could also have repercussions on future growth aspirations.	
Risk mitigations	
We have a dedicated Stable Operations function which has responsibility for ensuring the planning, preparation, maintenance and testing of detailed contingency plans. These help to minimise disruption and passenger inconvenience, updated through routine testing, best practice and lessons learned from previous incidents. We have also adopted a command structure which is enacted during periods of disruption – this is a structured approach to incident and crisis management which provides appropriate levels of leadership and strategic, tactical and operational direction, decision making and resource allocation. Our corporate insurance framework protects against events outside of our control. We also monitor financial resilience of our key suppliers. Executive level oversight: Operations Resilience Board (ORB), the Risk and Compliance Board (RCB) (both subsets of our Executive Management Board). Board-level oversight: Operations and Health & Safety Committee (OHSC).	
Health, safety and security	
Key risks relating to fire, health, safety and security	
Link to priorities	All
Change in 2025	
Risk status	
The September 2025 Common Threat Assessment (CTA) issued by the DfT, provides the Risk Advisory Group (RAG) with a national and global strategic threat picture for aviation, which in turn enables the security risk assessment process. Aviation remains an enduring, symbolic and attractive target for terrorist acts. The targeting of civil aviation is consistent throughout recent history.	
Risk impact	
We ensure our airport infrastructure, assets, systems and processes meet legal and regulatory requirements to protect aviation security and the ongoing security and operation of a critical piece of national infrastructure. Any threat to safety at our airport could result in injury or loss of human life, damage to airport infrastructure, impact to flight schedules, short- or long-term closure of our facilities with consequential impact on passenger traffic levels, and broad-reaching reputational impact. Failure to comply with our obligations could have serious consequences for London Gatwick and for individuals employed by the Group. Sanctions include fines, disqualification and imprisonment.	

Risk mitigations

We undertake multi-agency risk assessments in accordance with DfT Airport Security planning guidance and we liaise with Government agencies, the police and armed forces to assess the current threat environment. Our security procedures are subject to independent scrutiny from the CAA and other domestic/international agencies.

London Gatwick has a clear health, safety and environment (HSE) policy statement of intent that is executed through internationally recognised ISO management systems, designed to underpin all our work, including corporate risk. The focus is on safety, occupational health and wellbeing, environment, fire and performance improvement.

We promote a just and fair culture. We have a comprehensive occupational health and wellbeing service for our people, as well as a confidential reporting line for concerns about health, safety and security.

Oversight of our security-related controls and multi-agency mitigations: Risk Advisory Group chaired by our Security Risk and Safety Manager.

Executive-level oversight of our risk identification, assessment, mitigation, management and assurance strategies: ORB and RCB. Board-level oversight: OHSC and Audit, Risk and Finance Committee.

Information security

London Gatwick continues to see a rise in the threats from multiple sources such as nation states, organised crime and AI. The risk of highly disruptive or catastrophic system outages due to a cyber-attack continues to be a key focus. We continue to track the emerging risk of attacks on operational technology.

Cyber security remains a critical enterprise risk, given the evolving threat landscape and London Gatwick's role as an Operator of Essential Services (OES) under the NIS Regulations. Cyber resilience of the supply chain within the aviation sector is a key risk. Cyber defence is on the global and local governmental risk registers, making the topic a shared focus of critical national infrastructure. London Gatwick continues to strengthen relations across the aviation community and with the National Cyber Security Centre, National Crime Agency, DfT and the CAA.

We process a large amount of personal data – both passengers and employees. As a leading airport, part of critical national infrastructure and with perceived close links to immigration and law enforcement, we remain at high risk for data breaches and cyber-attack.

Link to priorities

1, 3, 5, 6

Change in 2025



Risk status

2025 saw the continued risk and impact from supply-chain attacks across the aviation sector. Phishing attacks utilising AI continues to be prevalent. The likelihood of attacks has increased due to wars and other geo-political conflicts, as well as AI advancements increasing threat actor capability. Regulatory regimes associated with cyber resilience, AI and automated decision making, and data and infrastructure security are becoming more complex. The fast-moving nature of this risk and reliance on legacy operational technology means the Group needs to retain strong momentum to keep risk at acceptable levels.

Risk impact

A major cyber-attack could result in significant operational disruption over an extended period. This could mean a loss of core infrastructure, service outages, system compromises or compromises of critical infrastructure. Negative impacts could include loss of revenue through inability to operate at planned capacity, regulatory fines incurred through CSS failures or reportable incident defined by DfT, and financial loss through ransomware demands or penalties imposed under GDPR if the attack includes loss or breach of personal data. There's also potential for impact to reputation and customer confidence and perception over safety of operational systems.

Risk mitigations	
Gatwick has a long-term cyber security strategy, focussing on key areas to help minimise the likelihood of an attack and mitigate any potential impacts. This year, we've further strengthened our cyber resilience across technical controls, operations, risk management and assurance. We operate a dedicated cyber function of certified professionals supported by industry-leading technologies designed to detect, prevent and respond to cyber incursions. A comprehensive cyber training and awareness regime aligned to DfT syllabus, including e-learning style courses, face-to-face training, roadshows and gamification of cyber are undertaken annually by all colleagues. Strong ties to our shareholders' cyber teams and programmes continue to strengthen our maturity, with threat intelligence being shared across the network. In 2025 we enhanced our detection and monitoring capability, investing in leading technology and improvements against threats such as ransomware. We work closely with the National Cyber Security Centre, CAA, DfT, our shareholders' cyber teams and external specialists to keep up with latest trends, threat intelligence and counter measures. We monitor the controls and mitigations including an ongoing GDPR Compliance Programme. Information security risk is explicitly managed and reported on at both Executive Management, Board level and Audit Committee.	

Capital investment	
Failure to develop and implement a Capital Investment Programme to match the needs of our airlines, passengers and stakeholders, impacting ability to sustain growth. This Programme encompasses asset replacement, operational resilience, compliance, sustainability, capacity and service, and commercial return.	
Link to priorities	All
Change in 2025	
Risk status	
In 2025 we experienced challenges in recruiting construction team members with the right skills and experience. Also, we continued to see fragility in the supply chain, which manifested in fewer tender applications and much longer award-to-contract finalisation periods. Moving into 2026, we are continuing to increase the capacity of our construction teams through recruitment and utilisation of external construction partners to support the delivery of our capital programme. Operational disruption during the peak summer months impacts airline schedules and causes challenges for project delivery teams. Many project teams have limited working windows during the night and schedule disruption further constrains them.	
Risk impact	
This risk could have a material impact on delivery of our future growth ambitions and to the level of service offered to passengers, with consequential adverse regulatory, financial and reputational impact.	
Risk mitigations	
Each year we consult with our airline community and GATCOM's Passenger Advisory Group to publish a rolling five-year Capital Investment Programme. Our investment plans are underpinned by the latest traffic forecasts and service-delivery performance. We seek passenger feedback via our Quality-of-Service in-house survey and regular independent market research. We also benchmark against comparator airports through industry bodies. Closely monitoring industry technological developments, we include trials and pilot schemes in our investment plans, with the successes incorporated into our next Capital Investment Programme. Our Asset Stewardship Programme allows us to monitor the performance of our assets and plan replacements. Sustainability is a fundamental consideration at the heart of our growth strategy, and our investment plans are refreshed each year to reflect our sustainability goals and the progress we've made towards achieving them. Clear 3 to 5-year pipeline planning aids us in building confidence in our supply chain and attracts and retains talent in our development and delivery teams. We also utilise external construction providers to support delivery of our capital plans. Finally, we have integrated project teams that collaborate ensuring that our capital investment optimises value. Executive-level oversight: Investment and Growth Board (a subset of the EMB). Board-level oversight: Capital, Environment and Sustainability Committee.	

People and industrial relations	
Our people are central to everything that we do. London Gatwick consists of a large operational and engineering workforce that is supported by support functions. Across these teams there are people-related risks such as talent attraction and development, employee engagement and reward. Addressing these risks is essential to sustaining a skilled, motivated, and safe workforce.	
Link to priorities	All
Change in 2025	
Risk status	
The inherent risk remained stable in 2025. The organisation size has met the controlled organisation number agreed with the Board with an alleviation of c.200 additional Airport Security Officers to meet the requirements of Next Generation Security. We've also continued with our successful engineering apprentice programme and hired our second group of graduates. In 2025 we changed our engagement survey provider to Culture Amp. Although direct comparison with prior years is not possible due to the change in provider, we were pleased that overall engagement improved, with 61% of colleagues taking part. Based on colleague feedback, we will continue to focus on three key areas: leadership, personal growth and wellbeing. In our talent development space, we launched career pathways to enable our colleagues to identify future career paths within the Company. Our compensation and benefits programme included a successful two-year pay agreement for colleagues on negotiated salaries, effective through to April 2027. Our global graded population also received a market related pay award. The MyReward programme continued to evolve, offering a wider range of flexible benefits. Alongside our recognition scheme, our career milestones programme and total reward statements, we continue to offer a comprehensive and inclusive range of benefits to all colleagues. We also published our gender and ethnicity pay gaps and continued to see further improvement this year.	
Risk impact	
As the Airport grows in preparation for the Northern Runway, there are new skillsets and areas where more focused skills are needed to be best prepare for growth.	
Risk mitigations	
Our holistic Employee Value Proposition includes a range of benefits, policies, resources and activities to be able to attract, engage, develop and reward our colleagues appropriately, ensuring that we have the necessary capabilities and talent required for the future of our business. Our talent acquisition policy and procedures reflect our commitment to recruit diverse, talented individuals. We welcome candidates from all genders, gender identities, sexual orientations, ages, disabilities, marital status, pregnancy or maternity status, colour, race, ethnic origin, religion, belief or lack thereof. Working arrangements for most colleagues are covered by a collective bargaining agreement that recognises three trade unions (Unite, Prospect and PCS) which lays out formally how the company interacts across various employment matters. We work with formal negotiation and consultative bodies to discuss pay, terms and conditions of employment as well as business issues and performance. Executive-level oversight of our controls and mitigations: People Committee (a subset of the EMB). Board-level oversight: Remuneration and People Committee.	

Treasury (cash flow, interest rate, funding and liquidity, and counterparty credit)	
The Group is exposed to interest rate fluctuations on both floating debt and interest rate swaps. The Group is also exposed to currency movements on its Euro-denominated debt. The Group uses a mixture of bond and bank debt, with an exposure to refinancing risk if the debt capital markets are closed for long periods of time. Exposure to counterparty credit risk exists through swaps held by the Group to mitigate its interest rate and currency exposures, as well as through cash deposits held by the Group with various financial institutions.	
Link to priorities	3
Change in 2025	

Risk status
In June 2025, the Group accessed the debt capital markets and issued a Class A €750m Sustainability-Linked Bond. This was at a fixed-rate but was partially swapped to floating-rate, reducing the overall fixed-rate proportion from 86.4% at 31 December 2024 to 78.8% at 31 December 2025. This reflects a lower than normal exposure of the existing debt portfolio to interest rate fluctuations. Debt of £300.0m originally due to mature in 2026 was refinanced through this debt issuance. Should the Group raise additional fixed-rate debt in 2026, it would be exposed to prevailing market interest rates at the time of issuance. In March 2025, the Group refinanced its revolving credit and liquidity facilities. The Group now has access to a £450.0m revolving credit facility (2024: £300.0m), maturing in 2030, and a £250.0m liquidity facility (2024: £150.0m). At 31 December 2025, the Group's interest rate and retail price index-linked swaps were out-of-the-money, reflecting that the present value of future floating-rate or index-linked payments exceeds the present value of fixed-rate receipts. The Group's cross-currency swaps were in-the-money. Overall counterparty credit risk in respect of derivative instruments remains low. As a result of the bond issuance and operating cash inflows during the year, the Group held increased cash balances on deposit with financial institutions at 31 December 2025 for operational and yield enhancement purposes. These cash balances give rise to counterparty credit risk, which is managed in accordance with the Group's treasury policies.
Risk impact
Increased interest rates would negatively impact the Group's profitability. The Group's liquidity could be impacted if debt is unable to be refinanced efficiently or at high market rates. The Group could be exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. The Group could be exposed to loss of cash deposits in the event of bank counterparties going into financial crises resulting in run on the banks and eventually not being able to redeem fully or partly the deposited cash.
Risk mitigations
The Board approves the Group's treasury policies and delegates day-to-day treasury operations to Senior Management. The treasury function is not permitted to speculate in financial instruments, focusing instead on identifying, mitigating and hedging financial risks arising from operations and funding. The Group's policy is to maintain a mix of fixed and floating-rate debt within Board-approved parameters, targeting a minimum of 75% of existing and forecast debt at fixed or retail price index-linked rates. Aeronautical revenues and index-linked swaps offset some of the exposure to changes in the retail price index. Interest rate swaps are used to manage the effective fixed/floating mix on long-term bonds. Currency risk on non-Sterling debt is fully hedged through cross-currency swaps. The Group has established a multicurrency programme for the issuances of bonds. Debt maturities are staggered to maintain funding continuity and flexibility, reducing exposure to concentrated refinancing risk in any single year. Covenants under financing arrangements are monitored and forecast regularly, with formal testing reported to the Board, Audit, Risk and Finance Committee, Executive Management Board and investors. A derivative portfolio, including interest rate, inflation-linked and cross-currency swaps, is maintained with 13 counterparties. The Group monitors credit ratings and does not transact with counterparties rated below BBB+ (S&P and Fitch). Cash deposits are diversified across institutions meeting minimum short-term ratings of S&P A-1 and Fitch F1, and long-term ratings of A or higher. Deposit maturities are staggered to ensure liquidity for operational requirements.

Taxation	
Taxation changes made by the UK Government such as further increases to business rates will inevitably lead to an increase in the cost of flying and impact our ability to increase our capital investment.	
Link to priorities	All
Change in 2025	New principal risk
Risk status	
There remains a continued risk that changes to taxation policies introduced by the UK Government, including adjustments to business rates, sector-specific taxes, or wider fiscal reforms, could materially affect the airport's cost base. Government led reviews of valuation methodologies, tax structures, or aviation related duties may result in increases that exceed current forecasts or introduce new areas of uncertainty. The evolving policy landscape means that future changes to business rates or other taxes could create volatility in operating costs, passenger costs and financial planning.	
Risk impact	
Significant changes in taxation from changes in methodology or increases in tax rates could impact our ability to deliver sustainable growth due to unpredictability in capital investment conditions.	
Risk mitigations	
We continue to engage with the UK government and relevant departments to promote the aviation industry and the contribution it makes to UK economic growth, alongside our position on specific taxation matters such as business rates. We have established an executive working group to report on matters of government policy including taxation to the Board.	

CAA economic regulation	
We are subject to economic regulation by the CAA as we met its market power test in January 2014. The contracts and commitments regulatory framework started in April 2014. London Gatwick makes 'commitments' including a ceiling on the average level of airport charges, a minimum level of investment and a system of rebates if we miss core service standards. The commitments are formalised in an economic licence from the CAA, which also monitors financial metrics, on-time performance and operational resilience.	
Having consulted extensively with stakeholders, in March 2023 we submitted a proposal to the CAA to extend our commitments framework to March 2029. In summer 2023 the CAA sought stakeholder views on our proposal and in August 2024 it issued a consultation on its assessment that the extension was likely to be in the interests of consumers. In February 2025 the CAA published its final proposals which accept our commitments as the basis for economic regulation until 31 March 2029. Following a consultation on the proposed modifications to our licence, the CAA issued our new economic licence which took effect from 7 July 2025 and applied from 1 April 2025.	
Link to priorities	All
Change in 2025	
Risk status	
In 2025 we secured the regulatory extension to 31 March 2029 without any amendment to the key terms submitted to the CAA in our March 2023 proposal. This removes a key risk relative to 2024. However, several risks remain: - The CAA's decision is subject to a further review if London Gatwick is 'unable or unwilling to make appropriate progress with the development of its northern runway'. - In 2026 we need to develop a new regulatory proposal to underpin investment in the NRP (to take effect from 1 April 2029). - The CAA is planning a review of the commitments framework in 2027/8.	

Risk impact	
The regulatory framework has a material impact on our business, with the CAA's decision on the price ceiling being significant for our profitability. Furthermore, if the CAA identifies passenger harm through its monitoring regime, then it may seek to amend our economic licence to introduce additional obligations. Non-compliance with licence conditions could result in substantial fines, enforcement orders and, in extreme cases, loss of economic licence (preventing us from levying airport charges).	
Risk mitigations	
Our regulatory structure encourages strong collaboration to provide outstanding service to passengers, airlines and other airport partners. Economic regulation is represented on the Executive Management Board by the Chief Financial Officer. A full-time senior leader heads economic regulation, focusing on regulatory strategy and compliance, including through regular internal discussions with the Regulatory Working Group and across the business, regular meetings with the CAA and presentations to the Board.	

Business ethics and compliance	
We're subject to laws, regulations and guidelines relating to business integrity and unethical conduct. There's a risk that non-compliant conduct by our employees or business partners may result in significant legal, financial and reputational consequences for our business.	
Link to priorities	All
Change in 2025	
Risk status	
Despite the implementation and continuous improvement of our procedures designed to prevent, detect and remediate any non-compliance with laws, regulations and guidelines, given the complexity of the regulatory and operational environment within which we operate, there's a risk that employees or partners don't comply or that the procedures in place don't entirely mitigate all instances of non-compliance.	
Risk impact	
Non-compliance with applicable laws and regulations could result in material legal and consequential penalties including substantial fines, reputational damage, loss of stakeholder confidence and the ability for London Gatwick to continue its activities without restriction.	
Risk mitigations	
Business integrity is represented on GAL's Risk and Compliance Board, which is chaired by the Chief Financial Officer. The risk of non-compliance is mitigated by a dedicated team, whose role is to implement a programme designed to prevent, detect and remediate non-compliance with laws and regulations, and advise London Gatwick's Management and Board of Directors on business integrity matters.	

Climate-related financial disclosures

Our commitment to a sustainable London Gatwick remains a key objective. As an airport, we're subject to increasing public scrutiny and we want to embed sustainability into the heart of our business and decision-making. Global awareness of climate change as a systemic issue continues to be prevalent and there is developing financial risk that has potentially significant repercussions on our industry. Therefore, investors and other stakeholders are seeking greater transparency on climate-related risks and opportunities to make more informed financial decisions.

In April 2022, the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amended the Companies Act 2006 to mandate that large UK companies include Climate-related Financial Disclosures (CFD) as a part of their strategic reporting.

The CFD requirements are closely aligned with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). In the table below, we've aligned the CFD's specific requirements with the TCFD pillars of Governance, Climate Strategy, Risk Management, and Metrics and Targets.

Our commitment remains to reach net zero by 2030 for Scope 1 and 2 emissions. The Decade of Change and Sustainability Steering Group ensures the integration of all of our second Decade of Change commitments, including climate-related risks into London Gatwick's business strategy, and identifies and manages risks and opportunities.

In this section we set out our latest views on material climate-related financial risks and how we're managing them. The table below references other sections of our report, which contain further information on our approach to climate change and the action we're taking to address climate-related risks.

The UK Government's approval during 2025 to bring the Northern Runway into routine use is a key development in the context of climate risks. The additional growth of the airport over the long-term heightens the potential impact of transitional and physical climate risks, as the volume of operations at Gatwick continues to increase.

In November 2024, the latest Climate Change Adaptations Progress Report was released, marking the fourth round of such reporting. This update was brought forward by two years at DEFRA's request to inform the upcoming UK Climate Change Risk Assessment, scheduled for publication in 2026. The report provides a detailed update on key physical and operational risks linked to climate change and remains aligned with the risk analysis outlined in this section.

Disclosure recommendation	Section reference	Page
Governance		
Description of the company's governance arrangements in relation to assessing and managing climate-related risks and opportunities.	Our approach to risk management	35
	Sustainable Growth	25
	Climate-related Financial Disclosures	49
Climate strategy		
Description of: - the principal climate-related risks and opportunities arising in connection with the Company's operations; and - the time periods by reference to which those risks and opportunities are assessed.	Climate-related Financial Disclosures	50-57
Description of the actual and potential impacts of the principal climate-related risks and opportunities on the Company's business model and strategy.	Climate-related Financial Disclosures	54-57
	Sustainable Growth	25
Analysis of the resilience of the Company's business model and strategy, taking into account consideration of different climate related scenarios.	Climate-related Financial Disclosures	58
Risk management		
Description of how the Company identifies, assesses and manages climate-related risks and opportunities.	Our approach to risk management	35
	Climate-related Financial Disclosures	51
Description of how processes for identifying, assessing and managing climate-related risks are integrated into the Company's overall risk management process	Our approach to risk management	35
	Climate-related Financial Disclosures	51
Metrics and targets		
Description of KPIs used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and a description of the calculations on which those key performance indicators are based.	Climate-related Financial Disclosures	58
	Decade of Change – Our Sustainability Policy	21,22
Description of the targets used by the Company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets	Climate-related Financial Disclosures	58
	Decade of Change – Our Sustainability Policy	21,22

Governance

The Board oversees, and the Executive Management Board has responsibility for sustainability matters, including climate-related issues. The Board reviews these issues at least once every two months through the Capital, Environment and Sustainability Committee (CESC). This allows for review and guidance on strategy, business plan and capital investment plans, as well as monitoring of implementation and performance against goals and targets, as set out in our Second Decade of Change sustainability policy and the KPIs set out in our Decade of Change Roadmaps 2023-2030, see page 22 for further details. In addition, members of the Executive Management Board have responsibility for reviewing and approving the annual Decade of Change Performance report. This includes the underlying objectives, performance data and sustainability roadmap.

The Board has been involved in shaping and reviewing our strategy and goals. It sets out our strategic response to sustainability matters. This includes climate-related risks facing our business and the need to both reduce our impact on climate change through mitigation, and to limit the physical effects of climate change on our operation through adaptation (as set out in the Climate Change Adaptations Progress Report 2024).

Sustainability and climate risks follow our ongoing risk-management process as outlined on page 35. The Risk and Compliance Board discusses the principal risks facing our business at least five times a year, including during the strategic planning and budgeting processes. Further support is provided by the Audit, Risk and Finance Committee, which maintains oversight of risk management, internal controls and the preparation and content of our climate-related financial disclosures.

In 2022, we created the Decade of Change and Sustainability Steering Group to specifically address sustainability matters, including climate-related issues. The Committee is chaired by our Head of Sustainability and comprises core members from all key functions across the business, including our Chief Financial Officer, Chief Operating Officer, Chief Technical Officer, Chief Planning Officer and a number of Executive Management and Senior Leaders. The Group's purpose is to provide leadership and direction for sustainability-related matters. The Committee meets at least monthly.

The Decade of Change and Sustainability Steering Group is responsible for:

- monitoring progress towards achieving our Second Decade of Change and broader sustainability goals,
- embedding sustainability into the culture of London Gatwick,
- developing appropriate sustainability key performance indicators (KPIs) to be monitored by Executive Management Board at regular intervals,
- promoting sustainability as a business priority to deliver economic and efficient operations, and
- promoting awareness, understanding and engagement on sustainability issues with internal and external stakeholders.

The Head of Sustainability reports to the Chief Technical Officer, providing reports and updates to the Executive Management Board, and informs the Board as needed. He is supported by a team of sustainability professionals.

To ensure focused implementation of London Gatwick's sustainability strategy, selected sustainability-related KPIs are included in the incentive plans of the Executive Management Board.

Risk management

Climate risks and opportunities are included in the scope of our overall risk-management framework, processes and reporting. The principal aim of our risk-management strategy is to embed the awareness of risk at all levels of the organisation, ensuring all significant business decisions are risk-informed.

Our risk management framework provides guidance on how risk should be identified, assessed, treated and reported across the business. Further details can be found on page 35 along with an organisation chart indicating flow of risk information.

The risk management framework is supported by:

- a top-down assessment, performed by the Board and Executive Management Board to create a good understanding of the organisation's key risks,
- a bottom-up assessment that occurs in parallel, collecting individual departmental risk assessments, and
- a specific climate change risk assessment to support the identification, assessment and management of climate-related risks and opportunities.

The Risk and Compliance Board (RCB) was established in 2023 to replace the Managing Corporate Risk and Responsibility Committee as the forum for overseeing our enterprise risk management system. It reports directly into the Audit, Risk and Finance Committee.

In addition, our leadership teams also have departmental risk forums that focus on key risks in their area and progress in implementing agreed mitigating actions. These teams are supported by the Senior Audit and Risk Manager and each department's Risk Champion, who is responsible for coordinating, formulating and reviewing the department's risk register.

Risks are escalated to the RCB through these departmental risk forums based on whether they have a corporate impact. The Audit, Risk and Finance Committee and our Executives receive regular detailed management information on our risk exposure. This highlights key corporate risks, material changes to the risk profile and risks outside of appetite, along with plans in place to mitigate the risk down to an acceptable level

Climate strategy

Our strategic priorities include sustainable growth and achieving our Second Decade of Change goals. Our first Decade of Change set out the airport's goals between 2010 and 2020. During that decade we met or exceeded our goals. Our commitment to a sustainable London Gatwick is stronger than ever, and in June 2021 we published our Second Decade of Change Sustainability Policy, which looks ahead to 2030.

Building on the success of our first 10-point plan, our new strategy contains 10 new goals to be met by 2030. In formulating these goals, we aligned with local and national priorities and with investors' sustainability and ESG requirements. Our climate-related goals include reducing emissions from our own operations to meet net zero by 2030, and to play our part in UK aviation and ground transportation achieving net zero emissions by 2050, which aligns to the Paris Agreement trajectory. Our goals align with several of the United Nations' Sustainable Development Goals, including Goal 13: Climate Action. Furthermore, they align with the UK Sustainable Aviation Coalition's aims, published as the Sustainable Aviation Decarbonisation Roadmap in 2020 and updated in 2023.

Our renewed goals are adopted by the Board, with strategic implementation and performance monitoring led by the Chief Executive Officer and the Chief Technical Officer.

Key developments during 2025 include the ongoing replacement of our vehicle fleet with electric vehicles and appointment of a decarbonization 'delivery partner'. See page 7 for further details.

During the year, London Gatwick issued its second Sustainability-Linked Bond (SLB), to support progress towards climate-related goals. This was executed in June 2025, and adopted largely the same structure as the inaugural SLB launched in October 2024. The 2025 bond has a 10-year tenor and matures in 2035.

Our climate-related risks

As part of the risk identification and assessment process, we considered our exposure to a varied range of risks, including physical risks in our own operations, the wider value chain, and flight destinations. Furthermore, we examined existing and emerging regulations across the aviation industries, changes to consumer preferences due to sustainable consumer behaviour, and technology changes to support the transition to a lower-carbon economy.

Due to the nature of our role in the wider aviation sector, some of the risks and opportunities identified are indirect in nature. This means that while they impact airlines or end customers directly, the Group would still experience some impacts. Both direct and indirect risks have been considered in our assessment.

To achieve risk mitigation, strong industry collaboration is needed, as well as engagement and alignment with other external stakeholders, such as Governments and leaders in other sectors (such as the energy sector). We also considered our reliance on future technological advancements, policies and regulations.

The tables below provide a description of the principal climate-related risks. Included are summaries of the potential financial impacts to the Group, as well as potential impact ratings, which include an indication of the time horizon in which the impact of each risk is expected to occur. In considering climate risks, we tested our current strategies against two scenarios:

- **Current Policies:** this represents an ambitious scenario aligned with the UK Government's Jet Zero Strategy 2022 that limits global warming to 1.5°C by 2100 as a result of climate policies and innovation.
- **No Further Action:** this assumes that only currently implemented policies are preserved, resulting in an acceleration of climate change driving warming of 3.5-4.5°C by 2100. It is linked to the IPCC aligned SSP4-8.5 (RCP8.5).

Various other well-known climate sources such as the International Energy Agency (IEA), Intergovernmental Panel on Climate Change (IPCC), Network for Greening the Financial System (NGFS), Bloomberg New Energy Finance (BNEF), and the Climate Change Committee (CCC) were explored to complement the data sets relating to these two scenarios.

The impact rating of the three transition risks was made with reference to the 'Current Policies' scenario and physical risks against the 'No Further Responses' scenario. This selection was made to test each risk category against the most relevant and stringent scenario in each instance. It is reasonable to state that the 'No Further Responses' scenario represents a severe climatic situation.

In determining the potential impact of climate change the risks have been assessed across the following time horizons:

- Short term (to 2030): aligned with our forecasting, budgeting and economic regulatory cycles within this period
- Medium term (to 2040): aligned with our asset management processes and a staging post as the industry works towards net zero aviation by 2050
- Long term (to 2050): aligned with our long-term growth plans

Undertaking this detailed climate risk assessment has enabled us to understand our exposure and to identify potential mitigation measures to climate-related risks and disclose these in a transparent manner to our stakeholders.

Changes to the global political and commercial focus on developing responses to climate change could impact the level of risk. A decrease could potentially lower transition risks but increase physical risks.

The impact of climate change and the Group's commitment to reach net zero by 2030 for Scope 1 and 2 emissions has been considered for any necessary asset replacement and the residual useful economic life of our existing property, plant and equipment. Also, the valuation approach of the Group's investment property has considered our assessment of the impact of climate change on forecasts, sustainability and environmental matters.

Transition risks

The transition risks identified as potentially impactful to our business and sector span the policy, legal and market categories, such as increasing regulations and restrictions targeting the aviation industry, the future cost and availability of sustainable aviation fuel (SAF) and changing consumer behaviours. These could have a direct financial impact to the Group based on new aviation standards, passenger forecasts and additional costs.

Climate related risk
Increasing regulations and restrictions such as ban of short haul flights targeting the aviation industry, leading to reduced revenue and/ or impaired assets
Risk description
If the UK Government imposed more stringent caps on Air Traffic Management (ATM) then demand could be reduced, fewer passengers would result in lower revenue for the Group.
New aircraft efficiency standards and regulations will be costly and may require some aircraft to be grounded from operations that would reduce the profitability for airlines. As a result, airlines may reduce operations or increase costs to align with new standards, the cost of which may be passed on to customers.
Jet Zero Strategy will be reviewed every five years, hence there may be risk of such action at these staging posts, depending on progress. The next update is due in 2027.
Potential financial impact
Decreased revenue as result of fewer passengers and ATMs and associated income
Potential impact rating
Low in the short-term, rising to Medium in the long-term
Mitigation plans and actions
As a Council Member of Sustainable Aviation, we are already taking steps to create a collective approach to decarbonise UK aviation. We will continue to work with Government, industry peers and bodies, think-tanks, research bodies, and other sectors such as energy, to help the aviation industry reach its decarbonisation targets.

Climate related risk
Costly and/or unavailable future supply of SAF in the UK to meet levels described in Jet Zero
Risk description
The Jet Zero High Ambition scenario foresees SAF representing 17% of the overall abatement solutions by 2050. Additionally, the UK government has mandated that 10% of aviation fuel supply must be SAF by 2030. The government also aims to introduce a Revenue Certainty Mechanism by the end of 2026, to support the economics of SAF production the UK. Securing SAF for airlines may come at a significant additional cost which may be passed onto passengers, disincentivising travel.
Potential financial impact
Decreased revenue as a result of fewer passengers due to higher SAF costs for airlines
Potential impact rating
Low in the short-term, rising to Medium in the mid-term
Mitigation plans and actions
We will drive change through relevant forums and track sectoral policy and relevant legislation through participation in international, national and regional collaborations.

Climate related risk
Future passenger decline driven by potential shifts in consumer preferences and behaviour, along with the possibility of increasingly negative public or business sentiment towards businesses in the aviation industry perceived as having misaligned decarbonisation goals, which could result in revenue loss.
Risk description
Consumers and businesses are becoming more aware of their carbon footprints and there is a growing demand for sustainable living. For example, some consumers are opting for more sustainable forms of transportation due to the 'flygskam'/flight shaming movement. Changes in customer behaviour could result in reduced passenger numbers.
Potential financial impact
Decreased revenue as result of fewer passengers and ATMs and associated income. Cost implications resulting from goal of attaining net zero by 2030.
Potential impact rating
Low in the short-term, rising to Medium in the long-term
Mitigation plans and actions
In 2021 we introduced a new carbon charge to incentivise airlines and airport operators to use more sustainable and cleaner fleets. From April 2025, a SAF usage incentive was introduced in the Conditions of Use. This can be claimed by airlines to reduce the carbon emissions component of our charges. In October 2024, we issued our inaugural SLB. This financing instrument includes commitments to emissions reductions in all Scopes 1-3. Failure to attain these targets in 2030 / 2032 would trigger financial penalties which would need to be paid to investors in the Bond. These commitments emphasise our commitment to achieving our sustainability goals, and thereby the concerns of our customers. This was followed by a second SLB issuance in June 2025.

Physical risks

The physical risks relevant to our business and sector include increases in temperature, acute climate events and extreme weather events, resulting in higher costs and loss of revenue due to increases in operational disruptions. Considering the airport's location at the confluence of several waterways, such climate events include pluvial and fluvial flooding. These risks were these risks were also detailed in the 2024 Climate Change Adaptations Progress Report.

Climate related risk
Increases in temperature impacting key assets
Risk description
Increases in temperatures may impact material durability at the airport including the runways that could be prone to cracking, which may need to be repaired, driving up costs and leading to delays.
Potential financial impact
Increased maintenance costs, potentially driven by higher frequency needs triggered by climate pressures.
Potential impact rating
Low in the short-term, rising to Medium in the mid-term and High in the long-term
Mitigation plans and actions
The ongoing runway monitoring and replacement programme will look to manage the effects on the runway of increased temperatures.
We have also created a low carbon cooling strategy for buildings, with a variety of actions such as reducing the temperature.
We consider BREEAM and factor sustainability into the design of our buildings.

Climate related risk
Acute climate events can cause an increase in disruption, delay minutes, and cancellations on runway operations
Risk description
Climatic events, such as low visibility, high wind speeds, frost and snowfall, disrupt and delay runway and airfield operations.
Climate change is also expected to have impacts on wind speed and direction. Changes in wind speed and direction can result in disruptions to airport and aircraft operations, and changes to jet streams can impact on flight time and fuel efficiency, increasing the take-off distance and/or reducing the maximum load that can be carried by aircraft (passengers and cargo).
This may result in an increase in disruptions, delays and cancellations, which will subsequently have a knock-on effect from the airlines onto the Group, resulting in a loss of revenue.
Potential financial impact
Decreased revenue as a result of fewer passengers and ATMs and associated income. Increased cost implications driven by greater staff requirement to manage and mitigate.
Potential impact rating
Low in the medium-term, rising to Medium in the long-term
Mitigation plans and actions
Additional support staff to manage this will further ensure that the runway remains at high capacity. Additionally, creating flood barriers and having good drainage systems will also minimise the impacts of floods. Open-ended flood mitigation improvements were presented to the Department for Transport in October 2024.
Time based separation was introduced in March 2025. Using time intervals instead of distance to separate aircraft during their final approach enabling performance to be maintained even under strong winds.

Climate related risk
London Gatwick's ability to operate at full capacity can be severely impacted by extreme weather conditions, leading to delays and cancellations due to damage and/or operational disruptions to airport assets and dependencies (e.g., accessibility)
Risk description
Extreme weather events, such as flooding, may cause the partial or complete closure of airport facilities, such as terminal buildings and towers, as well as loss in power or water. This would lead to flight delays and cancellations resulting in loss of revenue.
It may also damage critical infrastructure such as switch boards and sub-stations which will be costly to fix/replace/upgrade and reduce operational capacity, resulting in a loss of revenue.
Extreme climate events may also impact surface access, such as delays or closures on road or rail.
Potential financial impact
Decreased revenue as a result of fewer passengers and ATMs and associated income
Potential impact rating
Low in the medium-term, rising to Medium in the long-term
Mitigation plans and actions
We have outlined several mitigation actions (2024-2029) as part of our Climate Change Adaption Progress Report 2024.
We plan to continue implementing and monitoring the impact of such actions and will continue to conduct regular inspections of our infrastructure and take additional measures if necessary.

The climate scenario analysis undertaken has identified key areas that we can build on. We continue to take critical learnings from this exercise forward, and define future actions to enhance data quality, define and validate methodologies to enable more quantitative assessment. We review the outputs of the climate scenario analysis to understand how we can integrate them into the business decision making processes, and to fully understand the resilience of our business model and strategy, considering the two contrasting climate scenarios. We will continue to review the assessment on an annual basis, develop our scenarios, and update changes to our assessment as required.

Our strategic approach aligns with the sustainability agendas of our shareholders, VINCI and GIP. We regularly collaborate with shareholders on climate related initiatives and plans, leveraging the expertise of both organisations in this area.

Business resilience

The assessment exercises to determine climate-related risks under two scenarios support the resilience of the business model. This is the case within the short, medium and long-term horizons. Our focus on a robust sustainability strategy and the commitment to a net zero target by 2030 emphasise the importance of safeguarding the future operation of the airport, within the context of the risks presented by climate change. London Gatwick is an active participant in groups and forums that aim to ensure the aviation sector develops in a sustainable manner. This helps to safeguard the commercial longevity of the industry so that we can continue to facilitate the travel requirements of our customer base in a way that minimises any adverse impact on the environment. An example of this is the position of London Gatwick as a Council Member of Sustainable Aviation.

Climate risks form a central part of our overall risk management framework, and by doing so ensures that awareness of these risks contributes to the future growth and resilience of London Gatwick. The approach undertaken within the climate risk assessment, so as to consider transition and physical risks against the most challenging scenarios (1.5C for transition risks, and 3.5-4.5C for physical risks), underlines the stringency of the analysis in order to protect the organisation against these risks. Mitigating actions are set out within each climate risk to highlight the actions which are currently, and in future will be, undertaken to ensure that the resilience of the business model of London Gatwick is maintained in future years. It's our assessment that this framework will deliver future resilience for the airport, both operationally and commercially, under the climate scenarios set out.

Metrics and targets

London Gatwick set out an industry leading commitment to reach net zero for Scope 1 and 2 emissions by 2030, as the aviation sector works towards delivering net zero by 2050.

Our targets towards this goal are split into two components:

Airport emissions

- Achieve net zero for our Scope 1 and 2 greenhouse gas emissions by 2030.
- Source 50% of our network electricity and 50% of heat network from UK renewable sources by 2030. We will generate power onsite and buy renewable energy direct from suppliers.
- By 2030, all on-airport vehicles must meet zero or ultra-low emission standards. This includes ground support equipment and mobile construction equipment.

Aircraft and ground transport emissions

- Play our part in the UK aviation and ground transport transition to net zero carbon.
- Work with airlines and fuel providers to apply the Sustainable Aviation decarbonisation roadmap.
- Work with transport providers to increase airport passenger and staff use of public transport and zero and ultra-low emission journey modes to 60% by 2030.

Detailed definitions of our targets are included in our Decade of Change goals with 10 roadmaps, which can be found [here](#). These set out quantitative and qualitative outcomes for each goal, clearly showing what we plan to achieve.

Each year we publish our Decade of Change Performance Report, where we regularly measure and disclose our performance against all of our Second Decade of Change commitments and our annual Greenhouse Gas Assessment. In addition to our existing metrics and targets, we continue to look at how best to enhance disclosures. This includes improving our ability to identify and measure emissions, working with our suppliers, airlines and other airport operators, and exploring new ways of capturing data to enhance decision making and transparency.

On page 24 we report our energy and carbon footprint as required by the Streamlined Energy and Carbon Reporting (SECR) regime, including our Scope 1 and 2 energy usage and greenhouse gas emissions. We've also further increased the level of our reporting for Scope 3.

Non-financial and sustainability information statement

Pursuant to the provisions outlined in sections 414CA and 414CB of the Companies Act 2006, which specify the criteria for non-financial and sustainability reporting, the following table summarises our alignment with the required reporting:

Environmental matters	
• Sustainable growth	25
• Business resilience	58
• Corporate social responsibility	21
• Streamlined energy and carbon reporting	24
Climate-related financial disclosures	
• Climate-related Financial Disclosures	49
Colleagues	
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• Health and safety	41
Description of our principal risks	
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• Non-financial performance indicators	149

Section 172 (1) statement

Section 172 of the Companies Act 2006 requires the directors of the Group to act in the way they consider, in good faith, would most likely promote the success of the Group for the benefit of its members.

In doing so, section 172 requires a director to have regard (among other matters) to:

- a. The likely consequences of any decisions in the long term
- b. The interests of the Company's employees
- c. The need to foster the Company's business relationships with suppliers, customers and others
- d. The impact of the Company's operations on the community and environment
- e. The desirability of the Company to main a reputation for high standards of business conduct
- f. The need to act fairly as between members of the Company

The directors discharge their section 172 duty by having regard to the above factors along with other relevant factors. The directors will ensure key decisions are in line with the Group's vision, purpose and values.

As in any large organisation, the directors delegate authority for the day-to-day management of the Group to the EMB. They then engage Management in setting, approving and overseeing execution of the business strategy and related policies.

The Group's key stakeholders are its passengers, local communities and environment, colleagues, airlines, shareholders and investors, commercial partners and supplier and regulators. The impact of the Group's activities on these stakeholders is important when making relevant decisions.

The directors have set out below some examples of how we've actioned matters set out in Section 172 (1) (a)–(f) when discharging our section 172 duty.

Key decisions made by the Board

Capital allocation

The Board considers a number of factors when implementing levels of distributions (as defined under the CTA) to any shareholder affiliate companies outside of the Ivy Holdco Group. During the year, the Group declared and paid dividends of £750.1m.

In setting this level, the directors considered the following factors:

- the overall performance of the business and near-term market conditions
- the financial outlook for key airlines
- the likely views of rating agencies regarding these factors
- the forward view of the Ivy Holdco Group's debt and interest-cover credit ratios
- the extent of the pension fund deficit reduction
- the ability to maintain adequate liquidity
- the ability to allocate sufficient capital to reinvest in asset maintenance, airport resilience, capacity and service improvements; and
- the ability to allocate sufficient resources and capital to achieve stretching environmental goals, which ensure the long-term sustainability of the Group.

The directors of each of the companies within the Group consider the distributable reserves of each company before proposing dividends. Dividends are only paid when each company has sufficient distributable reserves.

During the year, the Company's subsidiary, Gatwick Airport Limited (GAL), received £140.0m of dividends from its subsidiary, Ivy Bidco Limited. This, in addition to GAL's existing retained earnings and profits generated during the year, provided GAL with sufficient reserves to pay £300.0m of dividends to the Company's subsidiary, Ivy Holdco Limited (IHL), in 2025. In 2025, IHL reduced its issued share capital by £300.0m. Retained earnings increased by the same amount. This provided IHL with sufficient reserves to pay dividends of £300.0m during the year to the Company's subsidiary, Ivy Super Holdco Limited (ISH). ISH had sufficient reserves to pay dividends of £750.1m to the Company in the year. This provided the Company with sufficient reserves to pay dividends of £750.1m during the year.

In summary, all the factors above are duly considered when setting dividend levels with significant weight attributed to the factors that safeguard the long-term interests of the Group.

The level of external financing and distributions reflects a balanced approach that considered all the factors above, but gave significant weight to the factors that safeguarded the long-term best interests of the Group.

The financial policy of the Group and the level of gearing also reflects a balanced approach that considers:

- an appropriate level of debt service for the Group given the principal risks of the business
- a desire to target strong investment grade status; and
- an appropriate overall weighted average cost of capital that ensures efficient funding costs

During the year ended 31 December 2025, the Group issued a €750.0m SLB.

Further details of the Group's financing arrangements and activities can be found on page 33.

Carbon strategy

We're committed to low-carbon growth. Our second Decade of Change Sustainability Policy, published in June 2021 and discussed in the Decade of Change section of this report (page 22), sets out our commitment to reducing carbon emissions. Our Decade of Change performance summary outlines the steps we've taken during 2025.

During 2025 we issued a second €750m Sustainability-Linked Bond (SLB) which shows our commitment to decarbonisation. This further aligns our financial strategy with our sustainability ambitions. Further details on the SLB can be found on page 131.

Sustainable growth

Our Masterplan was published in 2019 and presents low impact, sustainable ways of unlocking new capacity and increasing resilience by making best use of our airport's existing infrastructure. It states that we plan to use new technologies on our Main Runway and bring the existing Northern Runway into routine use. We will also continue to make representations to ensure that land south of London Gatwick is safeguarded in line with national aviation and planning policy. See further detail on page 25.

Appointment of Chief Executive

During the year, the Board appointed Pierre-Hugues Schmit as the Group's new Chief Executive Officer. Pierre-Hugues Schmit started in role in September having formerly been Chief Commercial and Operational Officer at VINCI Airports. Pierre-Hugues was also a London Gatwick board member for several years prior to this appointment and has deep experience in airports and the aviation sector.

Increase of declared capacity

Improved operational efficiency has allowed us to increase our declared capacity for summer 2026 from a maximum of 55 movements an hour to 57 and provide additional runway slots to our airline customers.

Stakeholder Engagement

The Executive Management Board, along with Senior Management, engages with key stakeholders. The output of this engagement informs business-level decisions. Below are examples of this engagement.

Passengers

London Gatwick engages with passengers through various channels to understand their needs and to help shape future plans.

We formally consult with the Passenger Advisory Group (PAG), a sub-group of the Gatwick Airport Consultative Committee (GATCOM), on capital investment plans. We listen to their views on our facilities and services and their recommendations for improving the passenger experience. In addition to this consultation with the PAG, we work with them through several other consultative work streams to hear about passengers' experiences and journey needs.

Furthermore, our comprehensive research strategy systematically collects and analyses passengers' views on all aspects of their journeys to and through our airport, at touchpoints where passengers interact with airport services and facilities. We also have an online feedback tool to make it simple for passengers to leave comments. Meanwhile, social-media channels such as X, Instagram and Facebook all give customers the opportunity to offer 'in the moment' opinions on their airport experiences, as well as providing important opportunities for communication.

Regulator

We are subject to an economic regulatory framework, based on commitments backed by a licence and supplemented by a monitoring regime by the Civil Aviation Authority (CAA). Management meet regularly with the CAA to discuss all issues relating to the regulation of London Gatwick. As part of this licence, we're required to provide various documents and information.

Airlines

We engage with our airline customers through a variety of established forums to understand their needs and deliver the right operating environment. At London Gatwick the airlines have established two consultative bodies:

- Airport Consultative Committee (ACC) which represent the airlines on strategic topics
- Airline Operators Committee (AOC) which focuses on day-to-day airport operations with membership including the ground handling community

The key forums used to engage with these consultative bodies are:

- Airport and Airlines Group (AAG) meet monthly with the ACC focusing on the strategic direction of our airport
- Joint Operations Group (JOG) meets monthly with the AOC to discuss operational issues, review the previous month's operational performance and collaborate on plans for summer and winter seasons
- Annual consultation with the ACC on London Gatwick's Capital Investment Programme including the creation of specific project working groups;
- Charges Group consults each autumn/winter directly with all airlines on the structure and level of airport charges to take effect from the following April

Colleagues

London Gatwick is a complex organisation employing more than 2,700 individuals directly. So, there are risks associated with all aspects of the employee experience including hiring, career development, training, reward, recognition and retention. Our HR approach is to deploy a range of policies and resources to engage, motivate and reward our employees appropriately. We also seek to ensure the retention of critical talent required for the future of the business.

In line with business needs, in 2025 we recruited more than 200 additional colleagues. Four new engineering apprentices and nine new graduates also joined our airport's workforce.

A significant and fair compensation and benefits programme is now in place, positioning us as a market competitive employer. Through close working with our unions, a new two-year pay agreement was agreed for staff on negotiated grades. Our salaried staff also received a pay award this year.

Suppliers and commercial partners

We work with suppliers and commercial partners to deliver the best passenger experience. Our procurement strategy is to use the services of local businesses where possible, supporting local people, making best use of local expertise, and reducing our environmental impact. The Gatwick Procurement team routinely invites local suppliers to be part of 'request for x' (RFXs), providing opportunities for consideration on a range of goods and services.

Local suppliers may also register interest in working with us via the registration portal.

In addition, we actively track spend with local suppliers and will continue to develop long-term sustainable procurement practices that benefit the local economy. We continue our commitment to pay SMEs within 30 days. In line with the Prompt Payment Code in 2025, we paid over 96% of invoices within 60 days, on average taking 28 days.

Investors

Understanding the needs of investors helps us to access a cost-effective financing base and maintain the investment grade-rating.

We provide regular financial updates to both shareholders. These shareholders are represented by our Board of Directors, made up of Executive and Non-executive Directors. To update our shareholders, we also publish annual and semi-annual reports and financial statements, which include enhanced disclosures. We perform investor roadshows to update current and potential investors on performance and management liaises with credit-rating agencies to ensure we understand the impact of our strategic decisions.

Local communities and economy

Our focus on stakeholder engagement continued throughout the year. This helps us respond to local priorities, through our community engagement programmes and economic partnership activity. This includes connecting with local community representatives and local councillors. See page 22 for further information.

The Strategic Report was approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Marten Soderbom', written in a cursive style.

Marten Soderbom

Director

9 March 2026

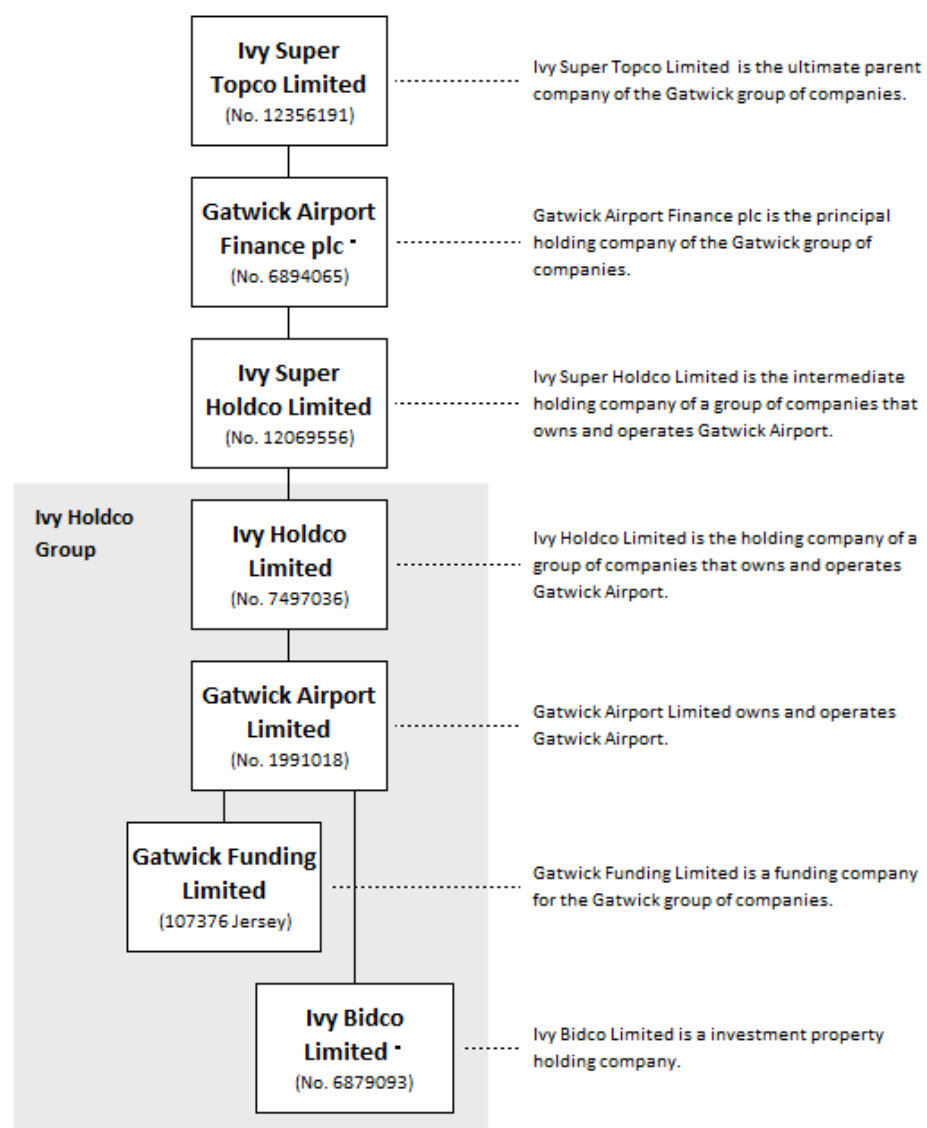
Corporate governance

Group structure

Gatwick Airport Finance plc (the Company) is a holding company of a group of companies (the 'Group') that owns London Gatwick (Gatwick). Gatwick accounts for the significant majority of the Group's operations. Ivy Holdco Limited along with Gatwick Airport Limited, Ivy Bidco Limited, Gatwick Airport Pension Trustees Limited and Gatwick Funding Limited are referred to collectively in this Strategic Report and these financial statements as 'the Ivy Holdco Group'.

The Board of Directors of Gatwick Airport Limited (the Board) determines the long-term strategy of the Gatwick Group, ensuring that it acts ethically, has the necessary resources to meet its objectives, monitors performance, and meet its responsibilities as a major UK infrastructure asset.

The ultimate parent company of the Gatwick Group is Ivy Super Topco Limited. A simplified structure of Ivy Super Topco Limited and its subsidiaries, along with their principal activities is illustrated in the diagram below.



* Structure has been simplified for ease of reference; company has dormant subsidiary.

Ownership

The Gatwick Group is ultimately owned by VINCI SA (VINCI) and a consortium of investors managed by Global Infrastructure Partners.

VINCI Airports, member of the VINCI Group, as the world's leading private airport operator in the world, manages the development and operation of more than 70 airports in 14 countries in Europe, Asia, Africa and the Americas. Served by more than 300 airlines, VINCI Airports' network handled 334m passengers in 2025. Through its expertise as a comprehensive integrator, VINCI Airports develops, finances, builds and operates airports, leveraging its investment capability and know-how in optimising operational performance, modernising infrastructure and steering environmental transition. VINCI Airports' annual revenue in 2025 was €4.8bn. For more information, visit www.vinci-airports.com.

Global Infrastructure Partners (GIP), a part of BlackRock, is a leading infrastructure investor that specialises in investing in, owning and operating some of the largest and most complex assets across the energy, transport, digital infrastructure and water and waste management sectors. GIP has approximately \$189bn in assets under management. GIP believes that its focus on real infrastructure assets, combined with its deep proprietary origination network and comprehensive operational expertise, enables it to be responsible stewards of investor capital and to create positive economic impact for communities. For more information, visit www.global-infra.com.

Governance arrangements resulting from the Group's secured financing structure

In 2011, a secured financing structure was put in place. As part of this arrangement, the Group entered into a Common Terms Agreement (CTA) with its debt investors. The CTA sets out the terms and conditions of the Group's borrowing and the ongoing management of its secured financing. The CTA also sets out the financial and non-financial covenants that must be complied with in relation to the financing.

Board governance

The Board of Directors is ultimately accountable to the Gatwick Group's shareholders and is responsible for ensuring that management actions are aligned with the interests of other stakeholders. The Board of Directors has approved a governance framework in order to effectively discharge its collective responsibility. This framework supports our directors' compliance and their duty to promote our success under section 172 of the Companies Act 2006.

The framework includes the delegation of specific authorities to the Board committees, the Audit, Risk and Finance Committee, the Remuneration and People Committee, the Operations and Health & Safety Committee, the Capital, Environment and Sustainability Committee, and the Commercial Committee.

BOARD OF DIRECTORS

The Board of Directors carries ultimate responsibility for the effective direction and control of the Group's business and is accountable to shareholders for the long-term success of the Group. This is achieved through:

- setting the strategic objectives
- approving strategic projects, Management business plans and budgets
- ensuring that the Group operates effective risk management
- reviewing trading performance against financial targets set at the start of the financial year
- ensuring the Group acts ethically and meets its legal and regulatory responsibilities.

Chairman	Chief Executive Officer	Non-Executive Directors	Company Secretary
Responsible for: • leading the Board of Directors as an effective decision-making body • setting the Board agenda and regularly reviewing strategic aims • modelling boardroom culture and promoting individual director engagement	Responsible for: • providing executive management and leading the Executive Management Board • setting, communicating and demonstrating the values and principles of the Group • promoting a clear vision and business plan, focusing on key strategic aims	Responsible for: • considering the performance of Management against agreed goals • providing constructive challenge and strategic guidance • oversight of succession planning	Responsible for: • advising the Board of Directors on governance matters • managing the meeting timetable in conjunction with the Chairperson • assisting the Chairperson to ensure the Board of Directors receives accurate, timely and clear information

Board Committees

Audit, Risk and Finance Committee	Remuneration and People Committee	Operations and Health & Safety Committee	Capital, Environment and Sustainability Committee	Commercial Committee
Responsible for: - ensuring the integrity of financial statements - overseeing the internal and external audit programmes - monitoring the financial control and risk management systems, and compliance with laws, regulations and ethical codes of practice.	Responsible for: - designing and determining the remuneration and associated benefits of the Executive Management Board and other Senior Managers - reviewing workforce remuneration and related policies for alignment with the Group's values and culture, and reflecting this when setting executive remuneration.	Responsible for: - reviewing the strategy and exposure to environmental risk, health and safety matters, operational performance and resilience and business continuity - monitoring performance against targets and driving management commitment and accountability with respect to managing risks.	Responsible for: - providing financial governance and performance oversight of Group's capital investment activity - providing oversight of policy on environment and sustainability - monitoring the strategic growth of our airport including performance of the Northern Runway DCO.	Responsible for: - agreeing the Group's commercial and contracting strategy with airlines - building and delivering the aeronautical and non-aeronautical commercial roadmap.

EXECUTIVE MANAGEMENT BOARD

Executive Management Sub-committees

Investment and Growth Board	People Committee	Risk and Compliance Board	Operations Resilience Board
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Gatwick Airport Limited Board of Directors

Chair and Executive Directors

Baroness Margaret Ford

Non-executive Chair

Baroness Ford is one of the most experienced chairs in the UK having chaired four public companies and acted as a senior director on a further four. In addition, she has chaired several privately owned businesses and National Government bodies, mainly in the infrastructure/regulated sector. She stepped down from Deloitte in November 2023, having served on the European and UK Boards and the Global Advisory board. She recently completed six years chairing the Challenge Board of the building renewal programme at Buckingham Palace. She is a trustee of the British Olympic Association and Honorary President of Epilepsy Action. She sits as a Crossbench Peer in the House of Lords.

Pierre-Hugues Schmit

Chief Executive Officer, non-voting Director

Pierre-Hugues Schmit joined London Gatwick as Chief Executive on 1 September 2025. Prior to joining London Gatwick, he was Chief Commercial and Operational Officer at VINCI Airports, a role he held since 2017. In this role, he oversaw operations across the entire VINCI Airports portfolio. From 2019 until his appointment as CEO, Pierre-Hugues was a non-executive director on the London Gatwick Board, where he chaired the airport's Operations Health and Safety Committee. A graduate of Ecole Polytechnique (Paris) in 2001 and the French National University of Civil Aviation (ENAC in Toulouse) in 2003, Pierre-Hugues also spent one year at UC Berkeley as graduate student in transportation engineering.

Jim Butler

Chief Financial Officer, non-voting Director

Jim was appointed London Gatwick's Chief Financial Officer in September 2021. Prior to that, Jim served in various roles at American Airlines since 1996, including Senior Vice President – Airport Operation and Cargo; President of the Cargo Division, and Managing Director of Commercial Planning and Performance. Jim has previously led airport operations and had oversight of strategic initiatives across American's global network throughout the United States, Latin America, the Caribbean, Europe and the Pacific. He has also served as a member of the Board of Directors of BAR UK; IATA Cargo Committee and the A4A Cargo Executive Council. Jim is also a licensed private pilot.

Non-executive Shareholder Directors

Michael McGhee

GIP representative, voting Director

Michael McGhee is GIP's Deputy Chairman and a Founding Partner, having joined the firm at its inception in 2006. Mr McGhee previously led GIP's transport sector industry investment teams including airports, ports and freight rail. He is based in London.

Prior to GIP, he was a Managing Director in the Investment Banking Division and Head of Global Transportation and Logistics at Credit Suisse from 1998 to 2006. He was previously Managing Director and Head of Transportation at BZW from 1990 to 1998.

He holds a BA in Government and Economics from the University of Manchester.

Lucy Chadwick

GIP representative, voting Director

Lucy joined GIP in 2019 and is a Partner and Head of ESG, based in London.

Lucy has over 30 years of transport and government experience. She is the Chair of GIP's ESG Committee and participates on the Investment Committee as an adviser, providing continuity and consistency when assessing key ESG considerations for new opportunities. She sits on the boards of London Gatwick, Edinburgh Airport and Naturgy Energy Group on behalf of GIP. Prior to joining GIP, Lucy was a Director General in the UK Department for Transport, and an adviser to Prime Minister Tony Blair on transport. Lucy was a member of Accenture's senior management team for 13 years. She has a BSc from the University of Exeter.

Sir David Higgins

GIP representative, voting Director

Sir David Higgins was appointed Non-executive Chairman in January 2017. As Chief Executive of Network Rail, Sir David initiated a major reform programme focusing on transparency, value for money and accountability. Sir David also served as Chief Executive of the organisation responsible for the delivery of the London 2012 Olympic Games, the Olympic Delivery Authority, establishing the organisation and negotiating the overall budget with HM Treasury, and led the commercial negotiations for Stratford City, London & Continental Railways and Westfield. Sir David holds a degree in Engineering from Sydney University and a Diploma from the Securities Institute. He is also a Fellow of both the Royal Academy of Engineering and the Institute of Civil Engineers.

David McMillan

CalPERS representative, voting Director

David has had a long career in the transport sector, with a focus on aviation. He is currently Chair of the Air Traffic Management Policy Institute. Previously he has held a number of key positions including Chair of the global Flight Safety Foundation and Director General of Eurocontrol, which coordinates air traffic across 40 European states. Before that he was UK Director General of Civil Aviation and spoke for Europe on environmental issues at ICAO. Earlier in his career, David led for the Government on the establishment of the NATS PPP and Network Rail, and was Secretary to the RUCATSE report on airport capacity in South East England. David started his career in the Diplomatic Service. He is a Vice President of the Académie de l'Air et de l'Espace and a Fellow of both the Royal Aeronautical Society and the Chartered Institute of Logistics and Transport.

Marten Soderbom

GIP representative, voting Director

Marten Soderbom is a Managing Director focusing on transport infrastructure investment and portfolio management. Prior to joining GIP in 2012, Marten spent 12 years at Credit Suisse, where he was a Director in the Transport team. His experience includes numerous airport, port and rail M&A transactions and privatisations. He also has M&A, capital raising and restructuring experience in other transport sub-sectors including airline, shipping and bus. At GIP Marten has worked on the 50.01% sale of London Gatwick to VINCI (2019), the sale of London City Airport (2016) and the acquisition of NTV Italo Rail in Italy (2018). Marten is also a Director of the Board of Directors of Gatwick, and a member of its Audit Committee, Remuneration Committee, Commercial Committee, and Regulatory Working Group.

Stewart Wingate

VINCI representative, voting Director

Stewart Wingate is the Managing Director for UK Airports in VINCI and Global Infrastructure Partners (GIP) networks, overseeing future development and strategic direction of London Gatwick, Edinburgh Airport and Belfast International. Before starting this new role in September 2025, he spent 15 years as CEO of London Gatwick, after working at BAA (British Airports Authority) in various roles. He started as the Customer Services Director at Glasgow Airport and later became the CEO of Budapest Airport. Previously he served as the Managing Director of Stansted Airport. He started his career at Black & Decker. Stewart holds a master's degree in business administration with distinction and a first-class honours degree in electrical and electronic engineering. He is also a Chartered Engineer and a Fellow of both the Institute of Engineering and Technology and the Chartered Institute of Marketing.

Nicolas Notebaert

VINCI representative, voting Director

Nicolas is a member of the VINCI Group Executive Committee and serves as CEO of VINCI Concessions, bringing together global market leaders VINCI Airports, VINCI Autoroutes, VINCI Highways, VINCI Railways and VINCI Stadium. Nicolas joined the VINCI Group in 2002 as Head of Operations for the French road concession Cofiroute, before being appointed Director of Business Development for VINCI Concessions France in 2004. In February 2008, he became President of VINCI Airports, and CEO of VINCI Concessions in 2016. Prior to joining the VINCI Group, he held various positions in the French Ministry of Public Works and served as a cabinet member of the French Minister for Transportation and Infrastructure. He started his career in 1994 as a consultant to the World Bank. Nicolas is a graduate of Ecole Polytechnique and Ecole Nationale des Ponts et Chaussées.

Olivier Mathieu

VINCI representative, voting Director

Olivier is an alumnus of the ESSEC business school (MBA). He began his career as an adviser to the Chief Financial Officer of VINCI in 1995. He then successively became Financial Controller at G+H Montage (VINCI Group – Germany), Chief Financial Officer of Sogea-Satom (Africa branch of VINCI Construction) and Chief Administrative and Financial Officer of VINCI Construction International Network (Africa, Overseas France, Germany, Central Europe). Olivier was then appointed Chief Financial and Asset Management Officer of VINCI Concessions in 2009. He was appointed Executive Vice-President of VINCI Concessions in 2012.

Rémi Maumon de Longevialle

VINCI representative, voting Director

Rémi graduated from Ecole Polytechnique and ENSAE in France and has a Master of Public Affairs from Sciences-Po Paris. He started his career at PwC where he was a member of the PPP/Project Finance team in Paris for two years. He joined VINCI in 2012 as Project Manager in the VINCI Concessions Structured Finance team where he took part in the financing of large infrastructure projects in Europe and Latin America. In 2014, he joined the Business Development team of VINCI Airports as Project Manager. He was notably in charge of the successful bid, closing and operational takeover of the Kansai Airports in Japan from 2015 to 2016. Rémi was then appointed as Project Director for the Middle East and Central Asia regions where he managed several airport acquisition projects before being named Chief Financial Officer of VINCI Airports in 2018. Rémi was appointed Chief Executive Officer of VINCI Airports in 2025.

Alvaro Leite

VINCI representative, non-voting Director

Alvaro holds an engineering degree from the Faculty of Engineering of the University of Porto and an International MBA from Universidade Católica Porto / ESADE Barcelona. He began his career at Porto Airport, contributing to the airport's strong and sustained passenger growth. With 20 years of solid experience in the airport industry, always in commercial and aviation development roles, he joined VINCI Airports in 2014 following the acquisition of ANA Airports in Portugal. Since then, he has held progressively senior roles within the group, including Aviation Development Director at the headquarters in Paris, and Chief Commercial Officer of Aerodom in the Dominican Republic, gaining extensive experience in commercial strategy, traffic development, and revenue management across multiple international airports. Since 2023, he has served as Chief Commercial Officer of OMA, a VINCI Airports subsidiary operating 13 airports in Mexico, where he oversaw all commercial activities and strategic development. In 2025, he was appointed Chief Commercial Officer of VINCI Airports.

Benoit Forest

VINCI representative, voting Director

Graduating with a DUT in Marketing and Management from the University of Angers, complemented by specialized training in Management Control at CNAM, Benoît Forest began his career in 2004 at Worldwide Flight Services, then a subsidiary of the VINCI Group. There, he held roles in management control and operational sizing analysis for ground handling operations at Orly and Roissy airports. In 2009, he joined VINCI Autoroutes, where he successively held positions as Financial Manager overseeing both operational and IT scopes. In 2015, he transitioned to VINCI Airports within the financial department, supervising the performance of several international airports. In 2019, Benoît was appointed Project Manager for Operations & Data, before becoming Head of Data in 2022. Since January 2025, he has served as Director of Operations & Data at VINCI Airports. In this capacity, he leads strategic initiatives aimed at optimizing the operational performance of the network and accelerating the group's transition to a data-driven organization leveraging innovative technologies. In September 2025, he joined the VINCI Airports Executive Committee.

Jérôme Havard

VINCI representative, non-voting Director

Jérôme, Chief Financial and Administrative Officer of VINCI Airports, has nearly 20 years of expertise in asset management, corporate finance, structured financing, and infrastructure management. He began his career as a Senior Consultant at Deloitte, specializing in public sector advisory, project financing, as well as infrastructure and energy projects. After a decade of experience at Deloitte and Mazars in auditing and consulting roles, Jérôme joined VINCI Concessions in 2016 as a Project Director within the Structured Financing Department. In 2021, he was appointed Managing Director of SMTPC and SPS, two subsidiary companies of VINCI Concessions responsible for operating the Prado tunnels in Marseille. In 2025, he assumed his current role as Chief Financial and Administrative Officer of VINCI Airports. Jérôme holds a Master's degree in Finance from Grenoble École de Management (France) and an MBA from Stellenbosch University (South Africa).

Executive Management Board

The Board of Directors delegates responsibility for the day-to-day operational management of the Group to the Chief Executive Officer, Pierre-Hugues Schmit, who is supported by the Executive Management Board.

See page 68 for biographical details for Pierre-Hugues Schmit (Chief Executive), Jim Butler (Chief Financial Officer) and page 20 for key management changes during the year.

Mark Johnson

Chief Operating Officer

Mark joined London Gatwick in March 2024 as Chief Operating Officer (COO). He joined us from AGS Airports, the owners of Aberdeen, Glasgow and Southampton airports, where he served for more than three years as the COO. Prior to joining London Gatwick, Mark gained two decades' worth of highly relevant technical and professional experience; having led security, technical, infrastructure and airport terminal departments. Mark holds a BEng in Electrical and Electronic Engineering and also an MBA from the University of Glasgow.

Jonathan Pollard

Chief Commercial Officer

Jonathan joined London Gatwick's executive team in September 2020. Before that, he worked as the Chief Commercial Officer at Luton Airport for three years, where he played a key role in increasing passenger volume and completing a major terminal transformation programme. He holds a BSc in Air Transport Management from Loughborough University and began his career at National Express Group in 2005, where he held various executive positions.

Mathieu Boutitie

Chief Technical Officer

Mathieu Boutitie joined London Gatwick in January 2026. Before that he was Chief Technical Officer at Kansai Airports with responsibility for infrastructure investment, facilities management and improving environmental performance at 3 Japanese airports (Kansai International Airport, Osaka International Airport, and Kobe Airport). He also served on the board of directors of Kansai Airports Kobe. A French engineer, he worked for the real estate department of the French Ministry of Foreign Affairs in Tokyo from 2006 – 2008 before joining Aéroports de Paris Ingénierie (the design branch of Aéroports de Paris) in 2008 as a project manager for airport projects worldwide. In 2012, he joined VINCI Airports as project manager for development projects and in 2014 became Deputy Director of Infrastructure for ANA Aeroportos de Portugal with responsibility for the design of infrastructure projects for the 10 airports until 2019. Mathieu has a Masters in Engineering from the Ecole Centrale de Lille. A native French speaker, he also speaks English, Portuguese and Japanese

Tim Norwood

Chief Planning Officer

Tim joined London Gatwick as Chief Planning Officer in February 2017 with responsibility for the development of the long-term Masterplan, and subsequently took on Corporate Affairs and Sustainability, creating a combined Directorate. He was previously Chief Planning Officer at EDF Energy, with responsibility for securing consent for the Hinkley Point C Project and progressing the planning and environmental assessment work for nuclear new build at Sizewell. Tim is a member of the Royal Town Planning Institute. He has a Masters in Town Planning from the University of Newcastle upon Tyne and a geography degree from the University of London.

Sam Fulton

Director of Communications and External Affairs

Sam joined London Gatwick in June 2024 in a new role in the executive team, Director of Communications and External Affairs. Sam brings a wide breadth of experience to the airport, across communications, sustainability and external affairs, from leading international organisations including Apple, Unilever, McDonald's and Nestlé. At London Gatwick, Sam is responsible for protecting and enhancing the airport's reputation and oversees strategic communications direction, community outreach, external affairs and overseeing our Noise and Airspace strategy team.

Belén Llamas

General Counsel and Company Secretary

Belén joined the London Gatwick executive team in May 2024. She joined from Cambodia Airports where she was Head of Legal and Company Secretary and brings over a decade of legal experience from across the aviation industry and in VINCI Concessions, as well as Crédit Industriel et Commercial in Paris. Belén is a professionally qualified lawyer and holds degrees in Law and Economics and a Masters in Competition and Market Regulation.

John Higgins

Business Improvement Director

John joined London Gatwick as Head of Airfield in 2012 and led the roll-out of our programme to improve runway efficiency. In October 2017 he was appointed to the role of Business Improvement Director, and in December 2022 John took on the role of Interim Chief Operating Officer. He began his career with General Electric as a graduate trainee and held a number of senior roles within the company, including Managing Director of its Industrial Diamond business in Ireland, latterly running the pipeline business for Europe and Asia.

Sylvain Adoue

Deputy Chief Financial Officer

Sylvain joined London Gatwick in July 2024 as Deputy Chief Financial Officer (CFO). Previously, he held various positions in finance across the VINCI group, including Deputy CFO for Cambodia Airports and Head of financing, management control and treasury at Santiago de Chile's airport. Earlier, he was a Project Director in the Structured Finance team of VINCI Concessions, focusing on infrastructure projects across Europe and Latin America. Sylvain graduated from Ecole Polytechnique and Ecole Nationale des Ponts et Chaussées and began his career at EY in 2010, in the Project Finance Advisory team in Paris.

Bronwen Jones

Development Director

Bronwen joined BAA in 1989 as a graduate trainee with a degree in business studies from Aston University. In 1995, she moved to Heathrow Airport and worked in a wide variety of operational roles before returning to London Gatwick in 2003 as Head of Customer Services. More recently, as Head of Development, Bronwen has played a central role in some of our largest transformational programmes, including self-service bag drop, the North Terminal development programme and the creation of Gatwick Connects.

Alasdair Scobie

Capital Programmes Director

Alasdair joined London Gatwick in 2014 as Head of Commercial Operations before moving, in 2017, to become Head of Capital Investment Delivery (Infrastructure), where he led the delivery of London Gatwick's infrastructure-focused Capital Investment Programmes across airfield, baggage and piers. He was appointed Capital Programmes Director in November 2019, with responsibility for the delivery of London Gatwick's Capital Investment Programme.

Simon Baker

Interim HR Director

Simon is the Interim HR Director of London Gatwick having joined the HR team in a senior role in March 2021. He has over 20 years' experience in the airline, travel and infrastructure sectors including with British Airways and Virgin. A chartered accountant by background, Simon has previously held senior finance roles at London Gatwick. Simon holds a First-Class dual honours degree in Business and French as well being a Chartered MCIPD.

Executive sub-committees

Investment and Growth Board

The Investment and Growth Board acts under authority delegated by the Executive Management Board as a single accountable forum on capital investment across London Gatwick. It's responsible for medium-term capital investment plans, capital investment appraisal and policy decisions including our Decade of Change Sustainability Strategy. It's chaired by the Chief Financial Officer. Most of the Executive Management Board are also members.

People Committee

This committee provides appropriate levels of governance with regards to 'people matters', focusing on developing and investing in high-performing people. On behalf of the Executive Management Board, it ensures policies and practices associated with the People Strategy are consistent with the Group's values and strategic priorities. It enables agile and transparent decision making, while assuring levels of consistency across the organisation. It is chaired by the Chief Executive Officer and the Executive Management Board are members.

Risk and Compliance Board

This Board is responsible for reviewing the effectiveness of the risk-management strategy and framework, and for reviewing the principal risks. It covers cyber, ethics and data risks. It is chaired by the Chief Financial Officer and the Executive Management Board are members.

Operations Resilience Board

The Operations Resilience Board ensures stable and resilient operations by assessing and validating the effectiveness of risk management within the operation and implementing wide ranging initiatives, policies and procedures covering airside safety, cyber security and the environment. It is chaired by the Chief Operating Officer. Other members include Heads of: Stable Operations, Airside Engineering and Security.

Composition of Board and its committees

The Board of Directors comprises the Chair, ten Non-executive Voting Directors, two Non-executive Non-voting directors and the Chief Executive Officer and Chief Financial Officer. The names and biographies of all Directors are published on pages 68 to 71. The Board of Directors has collective responsibility for the Group's strategy and performance. Each director has a clear understanding of their accountability and responsibilities.

The Non-executive Directors bring outside experience in areas such as aviation, transport, health and safety, sustainability, climate change, energy, government and finance, and provide constructive challenge and influence from outside the Group.

Board activities in 2025

The Board held four scheduled meetings during the year. Its main activities were:

- approval of annual report and financial statements for the year ending 31 December 2024 and interim Group financial statements for six months ended 30 June 2025
- setting strategic direction and oversight of the execution of strategy (providing approvals where appropriate in accordance with Delegated Financial Authority) in respect of:
 - aeronautical and non-aeronautical commercial strategy
 - regulatory and financial strategy
 - key capital investments at the airport including the decarbonisation of heat programme to replace gas boilers and progress to detailed design on an extension to the North Terminal International departures lounge
- taken forward sustainable growth plans with the progress of the DCO planning application to bring the existing Northern Runway into routine use
- oversight and review of operational performance across stable operations, EHS, and passenger service, as well as preparedness of upcoming peak periods
- review and approval of the Group's Modern Slavery Act Statement.

Audit, Risk and Finance Committee

Introduction

The Audit, Risk and Finance Committee members include a Chair appointed by the Board and three Shareholder Non-executive Directors. Together they have appropriate competence in audit, risk and financing. The current Audit, Risk and Finance Committee members are:

Olivier Mathieu (Chair)
Marten Soderbom
Jérôme Havard
Lucy Chadwick

During the year, the Committee continued to play a key role in assisting the Board to fulfil its oversight responsibility.

Roles and responsibilities

The Audit, Risk and Finance Committee is a committee of the Board and meets at least three times a year. Its responsibilities include:

- considering the appointment of the external auditor
- considering relevant ethical guidance and assessing the independence of the external auditor, and ensuring that key audit personnel are rotated at appropriate intervals (including overseeing the process for selecting the external auditor and making recommendations to the Board)
- recommending the audit fee to the Board for approval and pre-approving any fees in respect of non-audit services provided by the external auditor, and ensuring that the provision of non-audit services does not impair the external auditor's independence or objectivity
- discussing with the external auditor the nature and the scope of the audit and reviewing the auditor's quality-control procedures and steps taken by the auditor to respond to changes
- reviewing the effectiveness of systems for financial control, financial reporting and risk management
- monitoring the integrity of the financial statements of the Group
- challenging where necessary, the actions and judgements of Management in relation to the interim and annual financial statements, and any press releases related to those statements
- reviewing internal audit reports to the Audit, Risk and Finance Committee on the effectiveness of the Group's systems for internal control, financial reporting and risk management
- reviewing the external auditor's management letter and Management's responses
- considering Management's responses to any major external or internal audit recommendations
- reviewing Management's processes to identify, control and report risks in relation to fraud, bribery, modern slavery and money laundering
- reviewing London Gatwick's tax policy, insurance and long-term financing strategy and arrangements
- reviewing the results of the Data Protection and Compliance strategic programmes
- confirming that the financial statements are fair, balanced and understandable
- reviewing the annual operating budget and capital budget prepared by Management prior to approval by the Board
- review and confirmation of the going concern disclosure for the annual report and financial statements; and
- oversight of the Group's compliance with laws and regulations and review of the effectiveness of the risk management framework.

Activities in 2025

The Committee held five scheduled meetings during the year as well as a number of additional meetings to consider key financing decisions. The Committee's main activities were to:

Financial reporting:

- review and recommend approval of the interim annual report and financial statements and the associated going-concern statements
- challenge and endorse significant accounting judgements recommended by Management
- review accounting developments and their impact to the Group's financial statements

External audit:

- consider reports by the external auditor on its audit and its review of the annual and interim financial statements
- review the external audit strategy and assess effectiveness of the external audit
- review audit and non-audit fees incurred in 2025

Internal audit:

- review and approve the scope of the 2026 internal audit plan
- review the conclusions, key findings and remediation plans from internal audits completed during 2025
- monitor progress of the implementation of actions from internal audit activity

Risk management:

- review the effectiveness of risk management and internal governance for the Group, with particular focus on security, financial, climate and cyber risks

Ethics and integrity:

- review and monitor the ethics and integrity programme

Financing:

- consider the Group's long-term financing strategy with particular emphasis on ESG and sustainability-linked financing
- approve the distribution strategy for the Group.

Legal and regulatory compliance:

- review current material legal and regulatory compliance risks
- review the effectiveness of Group's legal and regulatory compliance risk management framework.

Remuneration and People Committee

Introduction

The Remuneration and People Committee members include a Chair appointed by the Board and five Shareholder Non-executive Directors. The current Remuneration and People Committee members are:

Nicolas Notebaert (Chair)
Michael McGhee
Olivier Mathieu
Marten Soderbom
Rémi Maumon de Longevialle
Stewart Wingate

Roles and responsibilities

The Remuneration and People Committee is a committee of the Board and is responsible for overseeing Executive Management Board and other Senior Management appointments, remuneration and succession planning, including:

- the compensation packages of the members of the Executive Management Board (including salary, bonus, pensions and other incentive compensation)
- the contractual terms for the members of the Executive Management Board and independent Non-executive Directors
- the design and terms of bonus plans including approval of off-cycle bonus payments including sign-on, retention and guaranteed bonuses
- the design and terms of long-term incentive plans
- succession planning for the members of the Executive Management Board
- approving the operating framework for remuneration delegated to the Company.

The Committee meets at least twice a year.

Activities in 2025

The Committee held two scheduled meetings during the year. Its main activities were:

- reviewed and approved employee remuneration strategy
- reviewed and approved the design of the 2025 annual bonus plan
- approved the long term incentive plan for the Executive Management Board
- reviewed forecast performance of short-term incentive plans.

Operations and Health & Safety Committee

Introduction

The Operations and Health & Safety Committee members include a Chair appointed by the Board and four Shareholder Non-executive Directors. The current Operations and Health & Safety Committee members are:

Benoît Forest (Chair)
Marten Soderbom
Lucy Chadwick
David Mcillan
Jérôme Havard

Roles and responsibilities

The Operations and Health & Safety Committee is a committee of the Board and is responsible for reviewing the Group's strategy and exposure to risk with respect to EHS matters, operational organisation, performance and resilience, business continuity and asset replacement. This includes Company-wide operational and EHS initiatives, policies and procedures. The Committee monitors the Group's performance against targets and drives management commitment and accountability with respect to managing risks.

The Committee meets at least six times per year.

Activities in 2025

The Committee held six scheduled meetings during the year. Its main activities were:

- operational performance review, across Stable Operations, EHS and Passenger Service
- key incident reviews for Silver and Gold command state
- oversight and review of key operational and HSE decisions, including:
 - summer readiness planning, including infrastructure capacity reviews and airline/handler readiness assessments
 - next generation security compliance roll out
 - CSS compliance review
- review and approval of key productivity initiatives across both 12-month and five-year plans
- oversight of capital investment to improve airfield resilience and performance of existing infrastructure
- review and approval of the IT service and consolidation programme
- oversight of NATS operational resilience
- review of health and safety risks for passengers and staff
- implementation of next generation security
- improvement of OTD

Capital, Environment and Sustainability Committee

Introduction

The Capital, Environment and Sustainability Committee members include a Chair appointed by the Board of Directors and two Shareholder Non-executive Directors. The current Capital, Environment and Sustainability Committee members are:

Lucy Chadwick (Chair)
Marten Soderbom
Jérôme Havard
Stewart Wingate

Roles and responsibilities

The Capital, Environment and Sustainability Committee is primarily responsible for discharging the Board's duties by providing financial governance and performance oversight in relation to the Capital Investment Programme, including reviewing all major capital investment proposals and providing related recommendations to the Board. It also has oversight of all environment and sustainability matters (including related policy and compliance) and the strategic growth of our airport.

The Committee meets at least six times a year.

Activities in 2025

The Committee held ten scheduled meetings during the year. Its main activities were:

- oversight and review of our long-term Capital Investment Programme and approval of the 2025 update to our Capital Investment Programme
- financial governance, performance oversight and review of capital investment activity, including strategic projects such as:
 - new multi-storey car park
 - Pier 6 Western Extension
 - Next-generation security systems
- review and challenge management on noise and noise envelope associated with growth plans
- oversight and review of environment and sustainability matters, the review of roadmaps including setting out detailed targets, trajectories and action plans to reduce emissions

Commercial committee

Introduction

The Commercial Committee members include a Chair appointed by the Board of Directors and two Shareholder Non-executive Directors.

Marten Soderbom (Chair)
Alvaro Leite
Jérôme Havard

Roles and responsibilities

The Commercial Committee is primarily responsible for agreeing London Gatwick's commercial strategy relating to our airport's primary revenue streams, and for oversight of key commercial initiatives across London Gatwick. The Committee meets a minimum of six times a year, though meeting frequency often increases aligned with peaks in commercial activity.

Activities in 2025

The Committee held eight scheduled meetings during the year. Its main activities were:

- oversight, evaluation and review of traffic and income components of the business plan
- oversight and endorsement of London Gatwick's prospect airline pipeline and planned business development activity
- evaluation and approval of London Gatwick's retail category strategy ensuring the right balance and choice for London Gatwick's passenger mix
- oversight and approval on key contract renewals and awards across both retail and property
- strategic oversight of commercially driven capital investment projects
- evaluation and oversight of London Gatwick's performance relative to relevant external benchmarks.

Directors' report

The directors present their report and audited consolidated financial statements for the year ended 31 December 2025.

Principal activities

The principal activity of the Company is a holding company of a group of companies that operate London Gatwick. A review of the progress of the Group's business during the year, the key performance indicators, internal controls, principal business risks and likely future developments are contained in the Strategic and Governance Reports.

Results and dividends

The profit after taxation for the financial year amounted to £334.7m (2024: £342.9m).

During the year, the Group declared and paid dividends of £300.0m (2024: £600.8m). The considerations made by the directors when considering the level of distributions are set out in the capital allocation section of the Section 172 (1) Statement on page 60.

The statutory results for the year are set out on page 92.

Company's Board of Directors

The directors who served during the year and since the year end, except where noted, were as follows:

Michael McGhee
Sir David Higgins
Olivier Mathieu
Nicolas Notebaert
Rémi Maumon de Longevialle
David McMillan
Lucy Chadwick
Marten Soderbom
Stewart Wingate (appointed 1 September 2025)
Jérôme Havard ⁽¹⁾ (appointed 1 September 2025)
Alvaro Leite ⁽¹⁾ (appointed 1 September 2025)
Benoit Forest (appointed 1 September 2025)
Pierre-Hugues Schmit (resigned 1 September 2025)
Guillaume Dubois (resigned 1 September 2025)

(1) Non-voting Director

Company Secretary

The Company Secretary is TMF Corporate Administration Services Limited.

Statement of engagement with employees

The directors have promoted the information in this statement to the Section 172 (1) statement shown on page 60.

Employment policies

The Group's aim is to ensure that all employees and job applicants are given equal opportunity and that we represent our passenger base. In accordance with our diversity and inclusion policy, candidates are selected for employment, promotion or training on the basis of their merit, regardless of age, gender, gender identity, race, religion, sexual orientation, disability, marital status or maternity and pregnancy. Disabled people are encouraged to apply and progress their career with us – we see people for their abilities, not their disabilities. Adjustments are made for job applicants and employees to guarantee we're removing or minimising any barriers to their development.

Our policies are continuously being reviewed to ensure we're an inclusive and accessible employer.

All employees will be given help and encouragement to develop their full potential and use their unique talents. Therefore, the skills and resources of the Group will be fully used to maximise the efficiency of the whole workforce.

All employees, no matter whether they are part-time, full-time, or temporary, will be treated fairly and with respect. This policy is adopted throughout the Group in relation to all recruitment and to succession planning, to support a diverse pipeline.

Statement on engagement with stakeholders

The directors have promoted the information in this statement to the Section 172(1) statement shown on page 60.

Statement of Corporate Governance Arrangements

For the year ended 31 December 2025, under the Companies (Miscellaneous Reporting) Regulations 2018, the Group has applied the Wates Corporate Governance Principles for Large Private Companies, published by the Financial Reporting Council (FRC) in December 2018.

The Wates Principles provide a framework for the Board of Directors to monitor corporate governance of the Group and see where governance standards can be raised to a higher level across the business.

The table below shows the six Wates Principles and indicates where more information can be found in the Strategic and the Governance Reports.

Principle	Page
Purpose and leadership	60, 68
Board composition	68, 75
Director responsibilities	84
Opportunity and risk	35, 75
Remuneration	78
Stakeholder relationships and engagement	60

As the Company has only debt securities listed on the London Stock Exchange, it has availed itself of an exemption from the Financial Conduct's Authority requirement to make UK Corporate Governance Code disclosures and from auditor review thereof.

Future developments

The directors have promoted the information on future development to the Strategic Report on page 25.

Streamlined Energy and Carbon Reporting

In accordance with the Streamlined Energy and Carbon Reporting requirements, the Group's energy usage has been reported in the Strategic Report on page 24.

Subsequent events

Subsequent events are disclosed in note 32.

Financial risk management

The directors have disclosed financial risk management in the Strategic Report on page 38.

Political donations

No political donations were made during the year.

Research and development

There was no research and development activity during the year.

Directors' indemnity

During the year ended 31 December 2025 and as at the date of approval of the financial statements, the Company's Articles of Association provide that, subject to the provisions of the Companies Act 2006, but without prejudice to any indemnity to which the person concerned might otherwise be entitled, every director of the Company shall be indemnified out of the assets of the Company against any liability incurred by them for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

The Directors' Report was approved by the Board and signed on its behalf by:



Marten Soderbom
Director
9 March 2026

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and they have elected to prepare the parent Company financial statements on the same basis.

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

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable, relevant and reliable
- state whether they have been prepared in accordance with UK-adopted international accounting standards
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

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

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

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

Directors' confirmations

Each of the directors confirm that, to the best of their knowledge:

- the Group and Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group and Company, and of the profit of the group
- the strategic 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 auditor is unaware
- 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 auditor is aware of that information.

On behalf of the Board



Marten Soderbom

Director

9 March 2026

Independent auditor’s report

to the members of Gatwick Airport Finance plc

1. Our opinion is unmodified

We have audited the financial statements of Gatwick Airport Finance plc (“the Company”) for the year ended 31 December 2025 which comprise the Consolidated and Company Statements of Financial Position, the Consolidated Income Statement and Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, and the Consolidated and Company Cash Flow Statements and the related notes, including the accounting policies in note 2.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the parent Company’s affairs as at 31 December 2025 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 19 April 2023. The period of total uninterrupted engagement is for the two financial years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£19.4m (2024: £17.5m)
Group financial statements as a whole	2.8% (2024: 2.6%) of Group EBITDA (earnings adjusted for interest, tax, depreciation and amortisation) pre- gain on derecognition of financial liabilities.

Key audit matters vs 2024

Recurring risks	Valuation of investment property (Group)	◀▶
	Uncertain tax position (Group)	◀▶
	Recoverability of investment in Ivy Super Holdco Limited (Company)	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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. We summarise below the key audit matters, (unchanged from 2024) in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Valuation of Investment Property (£1,319.7 million; 2024: £1,319.4m) Refer to page 32 (Strategic Report), consolidated note 2(d) and Note 3 (accounting policies) and note 14 (financial disclosures)	Subjective Valuation • The Group holds investment properties including Car Parks, Offices and Non-operational Land, which represents a significant proportion of the Group's total assets. • Investment Properties are held at fair value. The valuation of the Group's property portfolio is inherently subjective in nature. Key assumptions such as estimated rental income, revenue growth and rental yields, or forecast passenger numbers, are sensitive to change. • The effect of these matters is that, as part of our risk assessment, we determined that the valuation of investment properties has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 14) disclose the sensitivity estimated by the Group.	We performed the detailed tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: • Assessing valuer's credentials: assessing the competence, capability and objectivity of Group's valuer, the CBRE; • Methodology choice: with the assistance of our own valuation specialist, assessing if the valuation approach is in accordance with professional valuation standards, and has been appropriately applied; • Our sector experience: Evaluating significant assumptions used, in particular those relating to yield, revenue growth assumptions, and discount rate, aided by our own valuation specialist. • Tests of detail: Agreed a sample of leases to source documents to assess the accuracy of key data points used as a benchmark to the valuation (annual rent and lease term). • Assessing transparency: Assessing whether the Group's disclosures about the sensitivity of the outcome of the valuation assessment to changes in key assumptions reflect the risks inherent in the valuation of investment property. We also performed an assessment of whether an omission of certain sensitivity disclosure was material. Our results We found the group's valuation and related disclosures to be acceptable (2024:acceptable).

The risk		Our response
Uncertain Tax Position (Contingent Liability: £64m, excluding interest; 2024: £64m, excluding interest) Refer to consolidated note 3(b) (accounting policy) and note 10 (financial disclosures).	Accounting Treatment - The Group continues to be in discussion with HMRC regarding the utilisation of certain losses and Stamp Duty Land Tax (SDLT) associated with a group reorganisation in 2015. This impacts primarily Ivy Bidco Limited and Gatwick Airport Limited. - The amounts involved are potentially significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability, is inherently subjective. - The resolution of these matters are not entirely within the control of the Group and has been disclosed as a significant judgement and a contingent liability. The financial statements disclose the range of potential outcomes estimated by the Group in note 10. There is a risk that the final resolution of the matters could give rise to a material difference in the tax charge and related cashflows. - Given the judgement required in determining the appropriate accounting treatment, we have identified this as an area at high risk of fraud or error.	We performed the detailed tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: Our tax expertise: Use of our own tax specialists to assist us in assessing the likelihood of a liability arising as a result of the open inquiry with HMRC. We assessed the Group's tax position and supporting legal opinion provided by the company's lawyers, all correspondence with HMRC, and utilised our knowledge and experience of the application of relevant tax legislation and relevant developments in the current year and; Obtaining External Confirmation: We have obtained legal confirmation from company's lawyer to understand the interpretation and conclusion reached regarding this matter. Obtaining additional representations: Obtaining specific representations from the board, that the board has sufficient evidence to defend their position that no provision is required. Assessing transparency: Assessing the adequacy of the Group's disclosures in respect of the uncertain tax position. Our results We found the Group's treatment of uncertain tax as a contingent liability and the related disclosure to be acceptable (2024:acceptable).
Recoverability of Investment in Ivy Super Holdco (£1,052.1 million; 2024: £1,052.1 million) Refer company note 3 (accounting policy) and note 6 (financial disclosures).	Low risk, high value The carrying amount of the parent Company's investment in subsidiaries represents 97% (2024: 97%) of the Company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	We performed the tests below rather than seeking to rely on any of the Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included: Tests of detail: Comparing the carrying amount of investments with the relevant subsidiaries' financial statements to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether those subsidiaries have historically been profit-making. Assessing subsidiary audits: Considering the results of our work on subsidiaries' profits and net assets. Comparing valuations: For investments where the carrying amount exceeded the net asset value, we compared the carrying amount of the investment with the expected value of the investment determined based on discounted cash flow model. Our results: We found the Company's conclusion that there is no impairment of its investment in subsidiaries to be acceptable (2024: acceptable).

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £19.4m, determined with reference to a benchmark of Group EBITDA (earnings adjusted for interest, tax, depreciation, and amortisation) pre-gain on derecognition of financial liabilities, as disclosed on page 148, of which it represents 2.8% (2024: 2.6%).

Adjusted EBITDA is considered as the most appropriate benchmark for determining materiality for the group audit given it is the primary measure used in assessing performance of the group by the users of financial statements.

Materiality for the parent Company financial statements as a whole was set at £8.7m, determined with reference to a benchmark of Company total assets, of which it represents 0.81% (2024: 1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

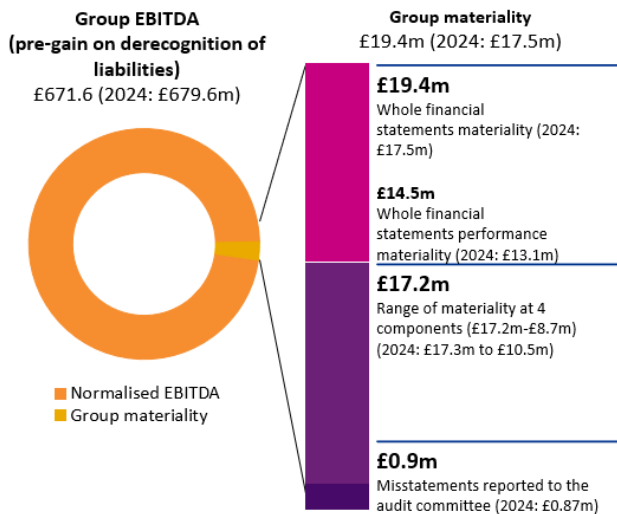
Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £14.5m (2024: £13.1m) for the Group and £6.5m (2024: £7.8m) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £ 0.9m (2024: £0.87m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Overview of the scope of our audit

We performed risk assessment procedures to determine which of the Group’s components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified 6 components (2024: 6 components), having considered our evaluation of the group’s legal structure and our ability to perform audit procedures centrally.



Overview of the scope of our audit (cont.)

Of those, we identified 2 quantitatively significant components (2024: 2 components) which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

Additionally, having considered qualitative and quantitative factors, we selected 1 component (2024: 1 component) with accounts contributing to the specific risks of the Group financial statements.

Accordingly, we performed audit procedures on 3 components (2024: 3 components) as well as the audit of the parent company.

Accordingly, we performed audit procedures on 4 components.

We did not involve any separate component auditors. The audits of all components were completed by the group audit team.

For the residual components, we performed specified risk-focused audit procedures over cash and cash equivalents, and an analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

We set the component materialities, ranging from £17.2m to £8.7m, having regard to the mix of size and risk profile of the Group across the components.

Our audit procedures covered 100% of Group revenue.

We performed audit procedures in relation to components that accounted for 100% of Group profit before tax and total assets

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group’s internal control over financial reporting.

4. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and metrics relevant to debt covenants over this period were lower than expected passenger volumes.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities (a reverse stress test).

We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the Directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period and;
- we found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for key management and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to manage the expectations of users, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the uncertain tax position. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue constitutes a high volume of individually low value items, the majority of which involve limited estimation, judgement or complexity. Where some estimation does arise in respect of discount rebates, opportunity is considered limited with estimates and judgements being immaterial.

We identified a fraud risk related to the treatment of the uncertain tax position, in response to possible pressures to manage the expectation of users. Further detail in response of these areas are set out in the key audit matter disclosures in section 2 of this report.

We also performed procedures including:

- Identifying journal entries to test for all quantitatively significant components based on risk criteria and comparing the identified entries to supporting documentation. These included entries posted to unusual account combinations for revenue, cash and loan and Property Plant and Equipment, and unusual journal combinations made between above EBITDA accounts to below EBITDA and vice versa.
- Assessing whether the judgements made in accounting estimates are indicative of a potential bias.

5. Fraud and breaches of laws and regulations – ability to detect (Continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect: compliance with its license obligations set by the Civil Aviation Authority (CAA), health and safety, data protection laws, anti-bribery, employment law and certain aspects of company legislation recognising the regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Further details in response of tax law compliance is set out in the key audit matter disclosures in section 2 of this report.

We discussed with the audit committee matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

6. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.



8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 84, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in purple ink that reads 'Julie Wheeldon'.

Julie Wheeldon
(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

9 March 2026

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2025

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Revenue	4	1,132.1	1,130.3
Operating costs	5	(610.8)	(608.3)
Operating profit		521.3	522.0
Investment property revaluation	14	(2.2)	56.3
Loss on disposal of fixed assets	6	(1.4)	(1.5)
Financing			
Fair value gain/(loss) on derivative financial instruments	7	22.7	(1.8)
Finance income	8	22.1	13.4
Finance costs	9	(224.7)	(173.7)
Profit before tax		337.8	414.7
Income tax charge	10	(88.2)	(109.0)
Profit for the year		249.6	305.7

The notes on pages 96 to 141 form an integral part of these financial statements.

All income and expenses recognised during the current and prior years are from continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2025

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Profit for the year		249.6	305.7
Other comprehensive income			
Items that will not be reclassified to the consolidated income statement			
Remeasurements of defined benefit asset net of tax	10	0.5	(0.2)
Items that may be reclassified to the consolidated income statement			
(Losses)/gains on cashflow hedges net of tax	10	(20.3)	9.7
Cost of hedging net of tax	10	5.3	(2.3)
Other comprehensive income for the year		(14.5)	7.2
Total comprehensive income for the year		235.1	312.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Share capital £m	Hedging Reserve £m	Retained earnings £m	Total £m
Balance at 1 January 2024	5.2	-	(362.1)	(356.9)
Total comprehensive income	-	7.4	305.5	312.9
Transactions with owners				
Dividends	-	-	(895.9)	(895.9)
Balance at 31 December 2024	5.2	7.4	(952.5)	(939.9)
Total comprehensive income	-	(15.0)	250.1	235.1
Transactions with owners				
Dividends	-	-	(750.1)	(750.1)
Balance at 31 December 2025	5.2	(7.6)	(1,452.5)	(1,454.9)

The notes on pages 96 to 141 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

		31 December 2025	31 December 2024
	Note	£m	£m
Assets			
Non-current assets			
Property, plant and equipment	13	2,100.7	2,053.7
Investment properties	14	1,319.7	1,319.4
Intangible assets	15	11.0	5.5
Goodwill	15	51.8	51.8
Finance lease receivables	20	16.8	16.8
Derivative financial instruments	18	18.2	-
Retirement benefit asset	24	74.2	70.5
		3,592.4	3517.7
Current assets			
Inventories		7.4	7.1
Trade and other receivables	16	116.1	84.2
Cash and cash equivalents	21	246.8	408.0
Term deposits		150.0	-
Current tax assets		4.6	9.1
		524.9	508.4
Total assets		4,117.3	4,026.1
Liabilities			
Non-current liabilities			
Non-current borrowings	23	(4,152.0)	(3,758.9)
Derivative financial instruments	18	(260.6)	(385.5)
Lease liabilities	20	(73.1)	(73.9)
Deferred tax liabilities	22	(484.1)	(434.9)
		(4,969.8)	(4,653.2)
Current liabilities			
Current borrowings	23	(299.7)	-
Derivative financial instruments	18	(1.7)	-
Lease liabilities	20	(2.9)	(3.8)
Trade and other payables	25	(279.5)	(289.1)
Deferred income		(18.6)	(19.9)
		(602.4)	(312.8)
Total liabilities		(5,572.2)	(4,966.0)
Net liabilities		(1,454.9)	(939.9)
Equity			
Share capital	26	5.2	5.2
Retained earnings		(1,452.5)	(952.5)
Hedging reserve		(7.6)	7.4
Total equity		(1,454.9)	(939.9)

The financial statements of Gatwick Airport Finance plc (company registration number 06894065) on pages 85 to 148 were approved by the Board of Directors on 9 March 2026 and signed on its behalf by:



Marten Soderbom
Director



Jérôme Havard
Director

CONSOLIDATED CASH FLOW STATEMENT
For year ended 31 December 2025

		Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
	Note		
Cash flows from operating activities			
Profit before tax		337.8	414.7
<i>Adjustments for:</i>			
Investment property revaluation	14	2.2	(56.3)
Loss on disposal of fixed assets		1.4	1.5
Fair value (gain)/loss on financial instruments	7	(22.7)	1.8
Finance income	8	(22.1)	(13.4)
Finance costs	9	224.7	173.7
Depreciation and amortisation		150.3	157.6
Impairment of fixed assets	5	0.8	5.3
(Increase)/decrease in inventories, trade and other receivables		(20.2)	3.2
Decrease in trade and other payables		(3.5)	(11.2)
Defined benefit pension contributions		(0.2)	(0.1)
Cash generated from operations		648.5	676.8
Corporation tax paid		(35.4)	(58.5)
Net cash from operating activities		613.1	618.3
Cash flows from investing activities			
Interest received		16.0	9.8
Increase in term deposits		(150.0)	-
Purchase of fixed assets		(198.0)	(155.2)
Net cash used in investing activities		(332.0)	(145.4)
Cash flows from financing activities			
Interest paid		(233.7)	(171.2)
Payment of lease liabilities	27	(2.7)	(2.3)
Increase in external borrowings		1,100.8	869.3
Repayment of fixed rate borrowings		(450.0)	(150.0)
Increases in revolving credit facility (RCF)		127.0	-
Repayment of RCF		(127.0)	-
Revolving credit facility issue costs		(3.1)	-
Settlement of cross currency swaps		-	1.0
Payment of inflation accretion		(103.5)	-
Equity dividend paid	11	(750.1)	(895.9)
Net cash used in financing activities		(442.3)	(349.1)
Net increase in cash and cash equivalents		(161.2)	123.8
Cash and cash equivalents at the beginning of the period		408.0	284.2
Cash and cash equivalents at the end of the period	21	246.8	408.0

The notes on pages 96 to 141 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. BASIS OF PREPARATION

Gatwick Airport Finance plc (the Company) is a public limited company, limited by shares, and is registered and incorporated in England, United Kingdom. The registered number is 06894065 and the registered address is 8th Floor, 20 Farringdon Street, London, EC4A 4AB.

These financial statements are the consolidated financial statements of the Company and its subsidiaries (the Group) for the year ended 31 December 2025. The comparative period is the year ended 31 December 2024. The financial statements of Gatwick Airport Finance plc have been prepared in accordance with UK-adopted International Accounting Standards (UK-adopted IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards and prepared under the historical cost convention, except for investment properties and derivative financial instruments. These exceptions to the historic cost convention have been measured at fair value in accordance with UK-adopted international accounting standards and in conformity with the requirements of the Companies Act 2006.

Changes in accounting policies

- Lack of exchangeability (amendments to IAS 21)

Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transactions gains or losses), arising from intra-group transactions, are eliminated.

Going concern

The Directors have prepared the Group and Company financial statements on a going concern basis. In assessing the going concern position of the Group and Company, the Directors have considered the potential impact of ongoing political and economic situations on the cash flow and liquidity of the Group over the next 12 months, and the corresponding impact on the covenants associated with the Group's financing arrangements.

In forming this view, the directors have noted that given the current economic environment, there is short-term uncertainty in passenger forecasts.

The Group's financing arrangements are cross-guaranteed by each company within the Ivy Holdco Group. This results in each company being interdependent on the overall results and cash flows of the Group as a whole. This arrangement is further disclosed within note 23.

As at 31 December 2025 the Group had net current liabilities of £77.5 million (2024: £195.6 million net current assets). As at 31 December 2025, the Group held cash of £217.6 million and term deposits of £150.0 million, and the £450.0 million Revolving Credit Facility was undrawn. The Group had access to a committed £250.0 million Liquidity Facility to ensure interest payment obligations can be kept current for over 12 months. The Group does not currently expect to utilise the Liquidity Facility. The Group's forecasts demonstrate that the Group continues to have liquidity headroom for at least the next 12 months.

In the year ended 31 December 2025, 42.8m passengers used the airport, which is slightly below last year. The Group's most recent forecast shows passenger numbers in 2026 above 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

The Directors have considered this, in addition to a number of severe but plausible downside scenarios, including the impact of the current economic environment and ongoing political situations on passenger numbers. The Directors consider that the Group can maintain sufficient liquidity over a period of at least 12 months from the date of the approval of the financial statements and do not currently expect to utilise the Authorised Credit Facility or Liquidity Facility. The Group anticipates compliance with all covenant tests at the relevant calculation dates over a period of at least 12 months from the date of the approval of the financial statements. Accordingly, the Directors have a reasonable expectation that the Group and Company will continue as a going concern for a period of at least 12 months from the date of the approval of the financial statements, and the financial statements have been prepared on that basis.

The financial statements were approved by the Directors on 9 March 2026.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue

Revenue is recognised when the Group satisfies performance obligations by transferring control of goods or services to its customers. Revenue is measured at the fair value of the consideration receivable net of rebates, discounts and VAT. Note 4 provides further details.

(b) Exceptional Items

Exceptional items are material items of income or expense that, because of the unusual nature or frequency of the events giving rise to them, merit separate presentation to allow an understanding of the Group's financial performance. Such items may include gains or losses on disposal of assets or financial liabilities, impairment of assets, major reorganisation of business, closure or mothballing of terminals and those costs incurred in bringing new airport terminal complexes and airfields to operational readiness that are not able to be capitalised as part of the project.

(c) Property, Plant and Equipment

Property, plant and equipment constitutes the Group's operational asset base including terminal complexes, airfield assets, plant, equipment, Group occupied properties and right to use assets recognised under IFRS 16. The Group has elected to use the cost model under IAS 16 Property, Plant and Equipment as modified by the transitional exemption to account for assets at deemed cost that were fair valued upon transition to IFRS at 1 April 2014 in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards*. Consequently, property, plant and equipment is stated at cost or deemed cost less accumulated depreciation.

Assets in the course of construction are stated at cost less provision for impairment (if any). Assets in the course of construction are transferred to completed assets when substantially all the activities necessary to get the asset ready for use are complete. Where appropriate, cost includes relevant borrowing costs, own labour costs of construction and related project management costs, and directly attributable overheads. Costs associated with projects that are in the early stages of planning are capitalised where the Directors are satisfied that it is probable the necessary consents will be received and the resources will be available to achieve a successful delivery of an asset such that future commercial returns will flow to the Group.

The Group reviews these projects on a regular basis, and at least every six months, to determine whether events or circumstances have arisen that may indicate that the carrying amount of the asset may not be recoverable, at which point the asset would be assessed for impairment.

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Depreciation is provided on operational assets, other than land, and assets in the course of construction, on a straight-line basis over their expected useful life as follows:

Terminal building, pier and satellite structures	20 - 60 years
Terminal fixtures and fittings	5 - 20 years
Airport plant and equipment:	
- baggage systems	15 years
- screening equipment	7 years
- lifts, escalators, travellers	20 years
- other plant and equipment including runway lighting and building plant	5 - 20 years
Airport tunnels, bridges and subways	50 - 100 years
Runway surfaces	10 - 15 years
Runway bases	100 years
Taxiways and aprons	50 years
Motor vehicles	4 - 8 years
Office equipment	5 - 10 years
Computer equipment	4 - 8 years
Right of use assets	over period of lease

The Group assesses at each financial position date, whether there is an indication that an asset's residual value and/or useful life may not be appropriate. If such indication exists, the useful lives and residual values are reviewed, and adjusted if appropriate. The Group's commitment to reach net zero by 2030 for Scope 1 and 2 emissions and any necessary asset replacement has been considered in assessing the residual useful economic life of assets.

Interest payable resulting from financing property, plant and equipment whilst in the course of construction is capitalised. Capitalisation of interest ceases once the asset is complete and ready for use.

(d) Investment Properties

The Group recognises investment property in accordance with IAS 40 *Investment Properties*. An investment property is one held to either earn rental income or for capital growth. The Group has elected to use the fair value model and therefore investment properties are initially recognised at cost then revalued to fair value at the reporting date by an Independent Property Valuer. Gains or losses in fair value of investment properties are recognised in the Income Statement in the period in which they arise. Gains or losses on disposal of investment property are recognised in the Income Statement on completion.

If an investment property becomes Group occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its deemed cost.

Properties that comprise a portion that is held to either earn rental income or for capital growth and a portion that is Group occupied are accounted for as investment property only if an insignificant portion is Group occupied.

(e) Goodwill

Goodwill arising on acquisitions of subsidiary undertakings or business assets represents a difference between the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ('CGU'). CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Positive goodwill is capitalised as an asset in the Group's Consolidated Statement of Financial Position and is subject to annual impairment reviews. An impairment loss is recognised in the Group's Consolidated Statement of Comprehensive Income if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

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(f) Intangible Assets

Intangible assets relate to computer software costs and are measured at cost less accumulated amortisation. Amortisation is recognised in the Income Statement on a straight-line basis over the expected useful economic life (4 – 10 years), from the date that the assets are available for use. Amortisation methods and useful lives are reviewed annually and adjusted if appropriate. Software costs within intangible assets are all acquired.

(g) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. Where the asset does not generate cash flows that are independent of other assets, the recoverable amount of the income-generating unit to which the asset belongs is estimated. Recoverable amount is the higher of an asset's net realisable value and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the Income Statement in those expense categories consistent with the function of the impaired asset. The Group has carried out sensitivity analyses on the reasonably possible changes in key assumptions in the impairment tests. In all cases tested, there is sufficient headroom and no indication of a material impairment of assets.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount less any residual value, on a straight-line basis over its remaining useful life.

(h) Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at a cost which comprises the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate to dismantle and remove the underlying asset, less any incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset can be reduced by impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability for the Group comprise of fixed payments and any amounts expected to be payable under a residual value guarantee.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments, resulting in an adjustment made to the carrying value of the right-of-use asset.

The Group presents right-of-use assets in 'property, plant and equipment', and lease liabilities in 'lease liabilities' in the statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases for low value assets. The Group recognises the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

Leases where the Group transfers substantially all the risks and rewards of ownership are classified as a finance lease. Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Leases where the Group retains substantially all the risks and benefits of ownership are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying value of the leased asset and recognised over the lease term on the same basis as the income. The Revenue accounting policy note provides further details.

(i) Inventories

Inventories consist of engineering spares and other consumable stores and are recorded at the lower of cost and net realisable value.

(j) Cash and Cash Equivalents

Cash, for the purpose of the statement of financial position, comprises cash in hand and deposits repayable on demand with an original maturity of three months or less. For the purpose of the cash flow statement, cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand. Cash that can only be used for a specific purpose or where access is restricted, is classified as restricted cash.

Term deposits have an original maturity over three months and are shown separately on the statement of financial position and cash flow statement.

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(k) Financial Instruments

Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

Classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

1. Amortised cost

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as amortised cost. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not they are presented as non-current assets.

2. Impairment of financial assets

The Group applies a provision matrix using historical loss experience, adjusting for current conditions and reasonable forecasts. The Group uses three years of historical data to establish an average default rate. This probability is applied to current information, taking into account adjustments for current external conditions and reasonable forecasts.

The Group's adjustment of current external conditions and reasonable forecasts extend to assessing individual financial assets for indicators of impairment, where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the assets have been affected. Objective evidence of impairment could include:

- significant financial difficulty of the counterparty; or
- default or delinquency in payments; or
- it becoming probable that the counterparty will enter administration/bankruptcy or financial re-organisation.

The Group's definition of default is based on the ageing of debts and will also consider the financial status of the customer. The Group considers any debts over 180 days overdue, or any customer that falls into receivership, in default.

Trade receivables are assessed monthly for any impairments. For trade receivables and other assets that are in scope of the IFRS 9 impairment model, an expected credit loss model has been applied, taking into account current conditions and reasonable forecasts.

Financial Liabilities

Financial liabilities, other than those designated as hedging instruments, are classified as either:

- financial liabilities at fair value through profit or loss (FVTPL); or
- other financial liabilities (e.g. borrowings, trade and other payables, etc.)

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of a business after deducting all of its liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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1. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and subsequently stated at amortised cost. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

2. Debt issue costs and arrangement fees

Issue costs are those that are incurred directly in connection with the issue of a financial instrument, that would not have been incurred had the instrument not been issued. These are accounted for as a deduction from the amount of consideration received and amortised under the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Facility and arrangement fees resulting from the negotiation of finance that do not qualify as issue costs are written off to the Income Statement as incurred. Debt issue costs on refinanced instruments are written off directly to the Income Statement when the liability is derecognised.

3. Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are non-interest bearing and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4. Derivative financial instruments and hedge accounting

The Group has a number of derivative financial instruments used to manage its exposure to inflation and interest rate risk. The derivative financial instruments utilised by the Group are interest rate and index-linked swaps.

The purpose of the interest rate swaps is to hedge the cash interest rate risk that arises on borrowings with variable interest rates. Interest receivable on the swaps matches the benchmark interest rate payable on the borrowings, and interest payable is at a fixed rate.

The purpose of the index-linked swaps is to hedge the inflation risk arising on inflation related income, particularly RPI linked airport and other traffic charges. Interest receivable on the swaps matches the benchmark interest rate payable on the borrowings, and interest payable on the swaps is based on a fixed real interest rate (excluding inflation) plus a periodic inflation adjustment amount based on the cumulative movement in the RPI inflation index. On each five-year anniversary date of the index-linked swaps, a further payment is made based on the cumulative movement in the RPI index applied to the notional principal value of the swaps.

The purpose of the cross-currency swaps is to hedge the foreign exchange risk arising on interest and principal payments on its foreign currency-denominated bond issues. The amounts receivable on the swaps matches the interest and principal payments. The amounts payable are at a fixed or variable rate.

Derivative financial instruments are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each financial position date. All derivative financial instruments are accounted for at FVTPL except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

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The Group's interest rate and index-linked swaps do not qualify for hedge accounting. Changes in the fair value of these derivative instruments and the periodic change in the accrued amount of inflation accretion on the notional principal value of the index-linked swaps are recognised immediately in the Income Statement, along with the reduction to reflect the credit risk of the Group on its swap position at the reporting date, in accordance with IFRS 9. All presented as fair value gain or loss on derivative financial instruments.

The periodic amounts of net interest payable or receivable on interest rate and index-linked swaps are taken to the Income Statement; presented as finance cost or finance income. The Directors believe this provides a fair representation of the Group's total interest cost and is linked to the Group's financial covenants.

Net accrued interest payable or receivable is included in current liabilities or current asset, and the inflation accretion accrual is included in non-current debt in the Statement of Financial Position.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- The hedging relationship consists only of eligible hedging instruments and eligible hedged items. There is a formal designation and documentation of the hedging relationship, risk management objective and strategy at inception of the hedge.
- The hedge relationship meets the hedge effectiveness requirements.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- Fair value hedges, where they hedge exposure to changes in the fair value of the hedged asset or liability; or
- Cash flow hedges, where they hedge exposure to variability in cash flows that are attributable to a particular risk associated with any changes in the fair value of the hedged asset, liability or forecast transaction.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents, both at hedge inception and on an ongoing basis, its assessment of whether the derivatives used in hedging transactions are effective in offsetting changes in fair values or cash flows of the hedged item.

Cost of hedging

The Group applies cost of hedging principles for the fair value movement of all hedging instruments whereby the movements are excluded from the hedge designation and recognised in other comprehensive income to the extent that they relate to the hedged item.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the income statement. The carrying value of the hedged item is also adjusted for changes in fair value for the hedged risk. Credit adjustments are the main source of hedge ineffectiveness.

If a hedge relationship no longer meets the criteria for hedge accounting, the adjustments to the carrying amount of the hedged item that is still in place is amortised over the tenor of the original hedged item.

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Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity. The amount recognised in the separate component of equity is the lower of:

- The cumulative gain or loss on the hedging instrument from the inception of the hedge.
- The cumulative change in fair value (present value) of the expected cash flows on the hedged item from the inception of the hedge.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. If the cumulative change in the hedging instrument exceeds the change in the hedged item (sometimes referred to as an 'over-hedge'), ineffectiveness will be recognised in the profit and loss for the excess. If the cumulative change in the hedging instrument is less than the change in the hedged item (sometimes referred to as an 'under-hedge'), no ineffectiveness will be recognised. Credit adjustments are the main source of hedge ineffectiveness.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When or if a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(l) Retirement Benefit Obligations

The Group operates a self-administered defined benefit plan. The defined benefit obligation is calculated each reporting date by independent actuaries using the projected unit method. The difference between the market value of the assets of the scheme and the present value of accrued pension liabilities is shown as an asset or liability on the Statement of Financial Position.

Current service costs, past service costs, net interest on the defined benefit liability (assets) and plan administration expenses are recognised within the Income Statement as they are incurred. Re-measurements on retirement benefit obligations and the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset) are recognised in Other Comprehensive Income under IAS 19 Employee Benefits.

The Group also operates a defined contribution scheme. The pension costs of this scheme are charged to the Income Statement in the period in which they are incurred.

(m) Current and Deferred Taxation

The tax expense for the period comprises current and deferred taxation. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised directly in equity.

Current tax assets or liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Deferred tax is provided on temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, for instance, deferred tax is recognised on temporary differences arising from the revaluation of investment properties.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

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Deferred taxation is determined using the tax rates and laws that have been enacted, or substantively enacted, by the financial position date and are expected to apply in the periods in which the timing differences are expected to reverse.

(n) Share Capital

Ordinary shares are classified as equity and are recorded at the par value of proceeds received, net of direct issue costs. Where shares are issued above par value, the proceeds in excess of par value are recorded in the share premium account.

(o) Dividend Distribution

A dividend distribution to the Group's shareholders is recognised in the Group's financial statements in the period in which the shareholders' right to receive payment of the dividend is established by approval of the dividend at the Annual General Meeting, or board meeting for interim dividends.

(p) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(q) Finance income and finance costs

Finance costs include interest payable, finance charges on lease liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Finance income comprises interest receivable on funds invested, interest income on lease receivables and net foreign exchange gains. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In applying the Group's accounting policies, management have made estimates and judgements. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to changes in estimates and assumptions. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

a) Estimates

Investment Properties

Investment properties were valued at fair value at 31 December 2025 by CBRE Limited (2024: CBRE Limited). The valuations were prepared in accordance with IFRS and the appraisal and valuation manual issued by the Royal Institution of Chartered Surveyors. Valuations were carried out having regard to comparable market evidence. Each property was valued individually.

Car parks are valued primarily on a profits method of valuation which uses an estimate of the maintainable level of trade and future profitability that a competent operator of the business would be expected to achieve. This considers income and operating costs from previous years together with estimated forecasts, assumptions around future growth rates and varying discount rates depending on the attributes of each individual car park. Further details are available in note 14.

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For the year ended 31 December 2025

Other properties are valued using current and potential future income (after deduction of non-recoverable outgoings), capitalised using yields derived from market evidence.

The Group has carried out sensitivity analyses on the reasonably possible changes in key assumptions and any material changes in the inputs could lead to a material change in the valuation.

Fair Value of Derivative Financial Instruments

The fair value of derivative financial instruments is determined by using valuation techniques. These techniques require judgement and make assumptions that are mainly based on market conditions existing at each reporting date. The valuation technique used is a discounted cash flow methodology. Sensitivity analysis over the key inputs which create estimate uncertainty has been performed to assess the impact of changes in market conditions (note 18).

Retirement Benefit Obligations

Certain assumptions have been adopted for factors that determine the valuation of the Group's liability for pension obligations at period end and future returns on pension scheme assets and charges to the Income Statement. The factors have been determined in consultation with the Group's actuary taking into account market and economic conditions. Changes in assumptions can vary from period-to-period as a result of changing conditions and other determinants which may cause increases or decreases in the valuation of the Group's liability for pension obligations. The objective of setting pension scheme assumptions for future years is to reflect the expected actual outcomes. The impact of the change in assumptions on the valuation of the net financial position for pension schemes is reflected in the Statement of Comprehensive Income. Further details are available in note 24.

b) Judgements

Capitalisation

Management are required to make judgements in relation to the capitalisation of costs within fixed assets. This relates to when amounts may begin to be capitalised, the asset class, the useful economic life applied, and where there may be doubt about the ultimate completion of the asset, for example with the Northern Runway project where there will be regulatory requirements such as planning consents. The Capital Investment Programme tollgate governance process dictates when amounts are capitalised and this also requires endorsement from the directors that they support the project business case and this investment is part of the strategic Capital Investment Plan. The carrying value of assets in the course of construction is disclosed in note 13.

Investment Properties

Investment property classification and valuation are areas of judgement. The directors define investment property as land that is held by the Group for long term and strategic purposes and is not held for resale. Investment properties are land and buildings where the building is built to maximise the return on land and buildings which are held for long-term rental yield and are not occupied by the Group. Properties leased to third parties under operating leases are generally classified as investment property. The directors consider car park assets to meet this classification criteria therefore hold them as investment property. Under IAS 40 Investment Properties, an entity treats a property as investment property if the ancillary services it provides are insignificant to the arrangement as a whole. Gatwick provides insignificant ancillary services as the operation of the car park is outsourced to an external provider. The revenue represents rental income for the use of the space.

Income tax

The calculation of the Group's total tax charge necessarily involves a degree of judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with HMRC or, as appropriate, through a formal legal process. Further details are available in note 10.

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4. REVENUE

The Directors consider the business to have only one segment (defined as the Airport due to the nature of its regulatory environment, type of operation, geographic location, and internal management reporting framework). All of the Group's revenue arises in the United Kingdom and is from continuing operations. Additional details of the revenue generated by each of the Group's key activities are given below.

Nature of services

The Group's main revenue streams are:

- Airport and other traffic charges
- Retail income
- Car parking income
- Property income
- Operational facilities, utilities and other income

- Airport and other traffic charges: there are four distinct performance obligations, these are landing, parking, departing and other charges (i.e. noise and fixed electrical ground power). The revenue from these charges is recognised on the day the movement takes place or services are rendered.

There are a number of airline contracts in place with discounts which vary by season (Summer/Winter). The Group recognises the discount over the period during which it is earned. Discounts are typically focussed on the Winter season.

- Retail income: the Group deems that the performance obligation is the provision of retail space in return for a fee. The fee is either a fixed rental fee or a concession fee based on the concessionaire's turnover. The performance obligation is satisfied over time by the customer occupying the retail space.
- Car parking income: car parking revenue is recognised either
 - a) on the date of arrival at the car parking in the case of pre-booked reservation; or
 - b) on the date of departure from the car park in the case of pay-on-exit (roll up) and forecourt charges.

The performance obligation is the provision of a car parking space in return for a fee.

- Property income: the performance obligation is the provision of office space or land in return for a fee. The fee is either a fixed rental fee or a fee based on the tenant's turnover in the case of the hotel and petrol stations. The Group considers the performance obligation is satisfied by the customer occupying the office space or land. Income is recognised in accordance with IFRS 16.
- Operational facilities, utilities and other income: this revenue is derived from the recovery of certain costs incurred by the Group. The Group considers the performance obligation is satisfied when the customers make use of the facilities and utilities provided by the Group.

Several of the Group's revenue streams comprise of variable consideration. Variable consideration is typically based on either:

- passenger numbers primarily for airport and other traffic charge; or
- concessionaires' or tenants' turnover primarily for retail income and property income

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Disaggregation of revenue

In the following table, revenue is disaggregated by the Group's primary service lines:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Airport and other traffic charges	607.4	599.4
Retail		
- Duty and tax-free	85.3	91.4
- Specialist shops	44.4	43.6
- Catering	67.2	65.0
- Other retail	41.9	41.3
	238.8	241.3
Car parking	148.1	147.8
Property income	36.8	35.0
Operational facilities and utilities income	44.1	45.5
Other	56.9	61.3
	1,132.1	1,130.3

More than 10% of the Group's total revenue is derived from easyJet in the current and prior year.

Contract balances

	31 December 2025 £m	31 December 2024 £m
Net trade receivables (note 16)	65.2	32.6
Contract assets	32.1	29.6
Contract liabilities	(16.9)	(19.9)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights to receive consideration become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised when the Group's performance obligations have been satisfied (deferred income).

The amount of revenue recognised in the period to 31 December 2025 from performance obligations satisfied in previous periods is £2.9 million (2024: £11.5 million). This is due to a revision in estimated passenger numbers in respect to the annual assessment of various aeronautical and retail contracts.

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Significant changes in the contract assets and the contract liabilities balances during the period are as follows:

	31 December 2025		31 December 2024	
	£m		£m	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Revenue recognised that was included in contract liability balance at the beginning of the period	-	14.9	-	8.1
Increases due to cash received (excluding amounts recognised as revenue in the period)	-	(11.9)	-	(12.7)
Transfers from contract assets recognised at the beginning of the period to receivables	(29.6)	-	(23.2)	-
Increases as a result of changes in the measure of progress	31.7	-	29.6	-

Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about the remaining performance obligations that have original expected durations of one year or less.

5. OPERATING COSTS

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Wages and salaries	167.8	154.4
Social security costs	21.5	16.9
Pension costs	9.9	9.1
Share-based payments	2.6	1.7
Other staff related costs	8.1	6.7
Staff costs	209.9	188.8
Retail expenditure	5.1	4.8
Car parking expenditure	29.6	30.5
Depreciation and amortisation	150.3	157.6
Maintenance and IT expenditure	52.2	51.4
Rent and rates	40.6	38.9
Utility costs	36.7	36.4
Police costs	15.2	14.1
Other operating expenses ^(a)	53.5	67.7
Aerodrome navigation service costs	17.7	18.1
	610.8	608.3

(a) Other operating expenses includes the reversal of impairment amounting to £0.2 million in the year (2024: £3.0 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Average employees

	Year ended 31 December 2025	Year ended 31 December 2024
Average operation employees	2,281	2,219
Average non-operational employees	498	462
Average employees	2,779	2,681

Audit services

Fees payable to the company's auditor for the audit of consolidated financial statements totalled £0.7 million in the period (2024: £0.7 million). Fees payable to the company's auditor for audit-related assurance services totalled £0.1 million in the period (2024: £0.1 million). The allocation to the Company is £157,000 (2024: £5,000).

6. LOSS ON DISPOSAL OF FIXED ASSETS

Loss on disposal of fixed assets relate to assets no longer in use by the Group.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Loss on disposal of fixed assets	(1.4)	(1.5)

7. FAIR VALUE MOVEMENT ON DERIVATIVE FINANCIAL INSTRUMENTS

Fair value gain/(loss) on derivative financial instruments represents the movement in the period of the present value of expected net cash outflows in interest rate and index- linked derivative contracts (refer to note 18).

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Fair value gain/(loss) on derivative financial instruments	22.7	(1.8)

8. FINANCE INCOME

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest receivable on money markets and bank deposits	17.3	9.2
Foreign exchange revaluation gain	-	0.1
Net finance return on pension schemes	3.9	3.2
Finance lease income	0.9	0.9
	22.1	13.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

9. FINANCE COSTS

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest on fixed rate bonds	178.8	142.0
Interest on bank borrowings ^(a)	0.8	0.4
Interest payable on derivative financial instruments ^(b)	36.3	22.9
Amortisation of debt costs	7.2	5.0
Non-utilisation fees on bank facilities	1.5	1.6
Interest on lease liabilities	15.0	14.4
Capitalised borrowing costs ^(c)	(14.9)	(12.6)
	224.7	173.7

(a) These amounts mainly relate to interest payable on loans drawn under the £450.0 million Authorised Credit Facilities Agreement.

(b) These amounts relate to net interest payable on £396.0 million interest to index-linked derivatives and £289.0 million fixed to floating interest-linked derivatives. Refer to note 18 for detail on the nominal value of the Group's swaps.

(c) Borrowing costs have been capitalised using a rate of 5.17% (2024: 5.69%), which is the weighted average of rates applicable to the Group's overall borrowings outstanding during the year. The capitalised interest amount is calculated by applying the capitalisation rate to the average monthly balance of assets in the course of construction, after deducting the value of construction work undertaken but not paid for and included in the value of such assets.

10. INCOME TAX

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Current tax		
Total current tax charge	(39.0)	(50.4)
Adjustment in respect of prior years	4.8	-
Paid for group relief	-	(5.8)
Total current tax charge	(34.2)	(56.2)
Deferred tax		
Current period	(52.1)	(64.0)
Adjustment in respect of prior years	(1.9)	11.2
Effect of change in tax rate	-	-
Total deferred tax charge	(54.0)	(52.8)
Income tax charge	(88.2)	(109.0)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Reconciliation of effective tax rate

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 25.0% (2024: 25.0%). The actual tax charge for the current and prior periods differs from the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Profit before tax	337.8	414.7
Tax on profit at 25.0% (2024: 25.0%)	(84.5)	(103.7)
Effect of:		
Adjustment in respect of prior years	2.9	11.2
Expenses not deductible for tax purposes ^(a)	(6.8)	(11.2)
Revaluation on investment property	0.2	0.5
Paid for group relief	-	(5.8)
Total tax charge	(88.2)	(109.0)

(a) Expenses not deductible for tax purposes is primarily due to capital expenditure which does not qualify for tax relief amounting to £5.9 million (2024: £10.4 million).

The calculation of the Group's total tax charge necessarily involves judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with HMRC or, as appropriate, through a formal legal process. The Group is cooperating with HMRC on the use of certain existing corporation tax losses and stamp duty land tax associated with a Group reorganisation in 2015. After assessing the risk based on external legal and tax advice, alongside the directors' judgement of the robustness of the evidence available to defend the dispute, we believe the Group has a strong position. However, due to the inherent uncertainty surrounding matters of this nature the final resolution could give rise to material difference in the tax charge and related cash flows. The directors do not consider it probable that a financial outflow will be required to settle the case and no provision has been made on the balance sheet. However, if unsuccessful, the financial outflow could be up to a maximum of £64 million (excluding interest). The resolution of matters of this nature is not always within the control of the Group and it is often dependent on the efficacy of the legal processes in the UK.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Tax relating to components of other comprehensive income

	31 December 2025			31 December 2024		
	Before tax	Tax (charge) /credit	After tax	Before tax	Tax (charge) /credit	After tax
	£m	£m	£m	£m	£m	£m
Remeasurements of defined benefit asset						
Remeasurements of defined benefit asset	0.6	(0.1)	0.5	(0.3)	0.1	(0.2)
Cash flow hedge reserve						
Effective portion of changes in fair value	(16.2)	4.1	(12.1)	6.0	(1.5)	4.5
Amount reclassified to profit or loss	(10.9)	2.7	(8.2)	6.9	(1.7)	5.2
Total cash flow hedge reserve	(27.1)	6.8	(20.3)	12.9	(3.2)	9.7
Cost of hedging						
Effective portion of changes in fair value relating to cash flow hedges	5.4	(1.4)	4.0	(3.6)	0.9	(2.7)
Effective portion of changes in fair value relating to fair value hedges	1.8	(0.5)	1.3	0.5	(0.1)	0.4
Total cost of hedging	7.2	(1.9)	5.3	(3.1)	0.8	(2.3)
Total other comprehensive income/(expense)	(19.3)	4.8	(14.5)	9.5	(2.3)	7.2

11. DIVIDENDS

On 23 April and 19 August, the Directors declared and paid dividends of £58.3 per share amounting to £600.1 million. On 5 November the Directors declared and paid dividends of £29.1 per share amounting to £150.0 million, totalling £750.1 million during the year (2024: £859.9 million). The Directors did not recommend the payment of a final dividend (2024: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

12. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Directors' emoluments		
Aggregate emoluments	0.2	0.2

An amount of £nil (31 December 2024: £nil) was paid into money purchase schemes in respect of the Directors. Aggregate amounts receivable under long-term incentive schemes were £nil (2024: £nil).

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Highest paid Director		
Aggregate emoluments and benefits	-	0.2

12 Directors (2024: nine) were not remunerated by the Company but the Directors estimate £0.3 million (2024: £0.2 million) is attributable for services provided to the Company by Non-executive shareholder directors. No Directors exercised share options during the year (2024: nil). No Directors are members of the Gatwick Airport Limited defined benefit pension plan (2024: nil).

No compensation was received by former Directors for loss of office during the year (2024: nil). No Directors had awards receivable in the form of shares under the Company's LTIP (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

13. PROPERTY, PLANT AND EQUIPMENT

Cost	Terminal complexes	Airfield assets	Group occupied properties	Plant, equipment & other assets	Assets in the course of construction (AICC)	Total
	£m	£m	£m	£m	£m	£m
1 January 2024	1,654.0	582.0	256.1	726.2	250.8	3,469.1
Additions at cost	-	-	-	-	176.0	176.0
Impairment	-	-	-	-	(5.3)	(5.3)
Interest capitalised	-	-	-	-	12.6	12.6
Transfers from AICC ^(a)	13.0	41.3	3.3	62.0	(187.1)	(67.5)
Reclassification between categories ^(b)	(5.4)	6.8	(4.1)	7.9	-	5.2
Disposals	(26.2)	(7.9)	(0.4)	(14.8)	-	(49.3)
31 December 2024	1,635.4	622.2	254.9	781.3	247.0	3,540.8
Additions at cost	-	-	-	-	192.7	192.7
Impairment	-	-	-	-	(0.9)	(0.9)
Interest capitalised	-	-	-	-	14.9	14.9
Transfers from AICC ^(a)	3.6	13.6	2.3	90.9	(122.3)	(11.9)
Reclassification between categories ^(a)	1.3	(0.1)	2.3	(1.5)	(2.0)	-
Disposals	(12.0)	(20.0)	(1.5)	(28.0)	-	(61.5)
31 December 2025	1,628.3	615.7	258.0	842.7	329.4	3,674.1
Accumulated Depreciation						
1 January 2024	(707.7)	(252.3)	(60.8)	(361.5)	-	(1,382.3)
Charge for the year	(72.6)	(26.1)	(10.1)	(43.3)	-	(152.1)
Reclassification of completed assets	-	(1.1)	1.2	(0.8)	-	(0.7)
Disposals	25.9	7.1	0.4	14.6	-	48.0
31 December 2024	(754.4)	(272.4)	(69.3)	(391.0)	-	(1,487.1)
Charge for the year	(65.9)	(27.5)	(10.2)	(43.6)	-	(147.2)
Reclassification of completed assets	(0.6)	0.1	-	0.5	-	-
Disposals	11.6	19.9	1.4	28.0	-	60.9
31 December 2025	(809.3)	(279.9)	(78.1)	(406.1)	-	(1,573.4)
Net book value						
31 December 2025	819.0	335.8	179.9	436.6	329.4	2,100.7
31 December 2024	881.0	349.8	185.6	390.3	247.0	2,053.7
1 January 2024	946.3	329.7	195.3	364.7	250.8	2,086.8

(a) Transfer of completed assets from AICC to other asset classes and intangible assets (note 15) and from AICC to investment property (note 14)

(b) Reclassification between asset classes, investment property (note 14) and intangible assets (note 15).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

Valuation

Terminal complexes, airfield assets, Group occupied properties, plant and equipment and other assets are shown at historical cost or deemed cost following fair value revaluation upon the Group's transition to IFRS at 1 April 2014 or following reclassification from investment property. The Group reviews its asset base on a regular basis to determine whether events or circumstances have arisen that may indicate that the carrying amount of the asset may not be recoverable, at which point the asset would be assessed for impairment. This review includes consideration of the Group's assessment of the impact of climate change and commitments made under the Decade of Change.

Capitalised interest

Interest costs of £14.9 million (2024: £12.6 million) have been capitalised in the year at a capitalisation rate of 5.17% (2024: 5.69%) based on a weighted average cost of borrowings.

Security

As part of the financing agreements outlined in note 23, the Group have granted security over its assets and share capital to the Group's secured creditors via a Security Agreement, with Deutsche Trustee Company Limited acting as the Borrower Security Trustee.

14. INVESTMENT PROPERTIES

Valuation	Investment properties £m
1 January 2024	1,201.3
Transfers from AICC ^(a)	63.9
Revaluation gain	56.3
Reclassification between categories ^(b)	(1.9)
Disposals	(0.2)
31 December 2024	1,319.4
Transfers from AICC ^(a)	3.3
Revaluation gain	(2.2)
Reclassification between categories ^(b)	-
Disposals	(0.8)
31 December 2025	1,319.7
Net book value	
31 December 2025	1,319.7
31 December 2024	1,319.4
1 January 2024	1,201.3

a) Transfer of completed assets from AICC to other asset classes (note 13) and intangible assets (note 15) and from AICC to investment property.

b) Reclassification between asset classes (note 13), investment property and intangible assets (note 15). During the year investment property with a value of £2.2 million (2024: £1.2 million) was transferred to property, plant and equipment due to a change in use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

Valuation

Investment properties and land held for development were valued at open market value at 31 December 2025 by CBRE Limited at £1,319.7 million (2024: £1,319.4 million valued by CBRE Limited). These valuations were prepared in accordance with the Appraisal and Valuation Manual issued by The Royal Institution of Chartered Surveyors taking account, *inter alia*, of planning constraints and reflecting the demand for airport related uses. As a result of the valuation, a loss of £2.2 million is recognised in the income statement (2024: £56.3 million gain).

The Group's car parking assets are held as investment properties.

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value (refer to note 19). Valuations were carried out having regard to comparable market evidence. In assessing fair value, current and potential future income (after deduction of non-recoverable outgoings) has been capitalised using yields derived from market evidence. When considering future income, the valuations have had regard to the Group's assessment of the impact of climate change on forecasts; sustainability and environmental matters have been considered as part of the valuation approach. There have been no transfers in either direction between Level 2 and Level 1 in the period (2024: no transfers in either direction), and no transfers in either direction with Level 3 (2024: no transfers in either direction).

The fair valuation of the Group's investment property includes a number of unobservable assumptions. The sensitivities analysis below covers the Group's entire investment property portfolio including car parks. Therefore, the valuation has been determined based on reasonably possible changes to the respective assumptions. The methodology used in arriving at the incremental changes shown is consistent with that used for the valuation at the year end.

The significant unobservable input used in the fair value measurement of investment properties categorised as a Level 3 fair value is yield. As at 31 December 2025, each 0.5% change in yield would have resulted in the following increase/(decrease) in the fair value of investment properties:

	31 December 2025 £m	31 December 2024 £m
0.5% increase in yield	(88.0)	(86.3)
0.5% decrease in yield	101.8	99.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

15. INTANGIBLE ASSETS AND GOODWILL

Cost	Other intangible assets £m	Goodwill £m	Total £m
1 January 2024	89.8	51.8	141.6
Transfers from AICC ^(a)	3.6	-	3.6
Reclassification between categories ^(b)	(3.3)	-	(3.3)
Disposals	(0.2)	-	(0.2)
31 December 2024	89.9	51.8	141.7
Transfers from AICC ^(a)	8.6	-	8.6
Disposals	(11.9)	-	(11.9)
31 December 2025	86.6	51.8	138.4
Accumulated Amortisation			
1 January 2024	(79.8)	-	(79.8)
Charge for the year	(5.4)	-	(5.4)
Reclassification of completed assets	0.6	-	0.6
Disposals	0.2	-	0.2
31 December 2024	(84.4)	-	(84.4)
Charge for the year	(3.1)	-	(5.4)
Disposals	11.9	-	0.2
31 December 2025	(75.6)	-	(89.6)
Net book value			
31 December 2025	11.0	51.8	48.8
31 December 2024	5.5	51.8	57.3
1 January 2024	10.0	51.8	61.8

a) Transfer of completed assets from AICC to other asset classes (note 13) and intangible assets and from AICC to investment property (note 14).

b) Reclassification between asset classes (note 13), investment property (note 14) and intangible assets.

Goodwill has been tested for impairment at the reporting date. All goodwill relates to a single CGU and its recoverable amount has been determined based on its value in use, calculated using the present value of the future cash flows expected to be derived from the CGU. Cash flows have been estimated using the most recent forecast with growth assumptions, including passenger growth rate and price inflation, applied over a five year period. The estimated recoverable amount exceeds the carrying amount and therefore no impairment loss has been recognised. Management have performed sensitivities, including applying a range of discount rates, and, given the level of headroom, no reasonably possible change in assumptions would result in an impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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16. TRADE AND OTHER RECEIVABLES

	31 December 2025 £m	31 December 2024 £m
Trade receivables	38.3	38.0
Accrued income	32.1	29.6
Less: loss allowance	(5.2)	(5.4)
Net trade receivables and accrued income	65.2	62.2
Accrued interest receivable	26.0	10.6
Other receivables	12.7	0.1
Prepayments	12.2	11.3
	116.1	84.2

The carrying value of trade and other receivables is classified at amortised cost.

Trade receivables are assessed monthly for any impairments. For trade receivables and other assets that are in scope of the IFRS 9 impairment model, an expected credit loss model has been applied, taking into account current conditions and reasonable forecasts.

Trade receivables are non-interest bearing and are generally on 14-day payment terms.

For further information about the Group's exposure to credit and market risks, and impairment losses for trade receivables, refer to note 19.

17. CASH AND CASH EQUIVALENTS AND TERM DEPOSITS

	31 December 2025 £m	31 December 2024 £m
Cash and cash equivalents	246.8	408.0
Term deposits	150.0	-
Cash and cash equivalents, and term deposits	396.8	408.0

Term deposits have an original maturity over three months and are shown separately on the statement of financial position and cash flow statement.

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For the year ended 31 December 2025

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional £m	Assets £m	Liabilities £m	Fair value £m
31 December 2025				
Non-current				
Variable rate to index-linked swaps	40.0	-	(14.3)	(14.3)
Fixed rate to index-linked swaps	356.0	-	(219.6)	(219.6)
Fixed rate to floating-linked swaps	169.0	-	(25.8)	(25.8)
Fixed to fixed cross currency swaps	668.8	11.8	(0.9)	10.9
Fixed to floating cross currency swaps	599.1	6.4	-	6.4
	1,832.9	18.2	(260.6)	(242.4)
Current				
Fixed rate to floating-linked swaps	120.0	-	(1.7)	(1.7)
	120.0	-	(1.7)	(1.7)
	1,952.9	18.2	(262.3)	(244.1)

31 December 2024

Non-current				
Variable rate to index-linked swaps	40.0	-	(29.1)	(29.1)
Fixed rate to index-linked swaps	356.0	-	(309.5)	(309.5)
Fixed rate to floating-linked swaps	289.0	-	(49.1)	(49.1)
Fixed to fixed cross currency swaps	418.8	-	3.8	3.8
Fixed to floating cross currency swaps	209.4	-	(1.6)	(1.6)
	1,313.2	-	(385.5)	(385.5)

All derivative financial instruments are accounted for at FVTPL except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Changes in the fair value of these derivative instruments are recognised immediately in the Income Statement, along with the reduction to reflect the credit risk of the Group on its swap position at the reporting date, in accordance with IFRS 9.

Variable rate to index-linked swaps

Variable rate to index-linked swaps have been entered into to economically hedge borrowings and inflation-linked revenue.

Fixed rate to index-linked swaps

Fixed rate to index-linked swaps have been entered into to economically hedge borrowings and inflation-linked revenue.

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Fixed rate to floating-linked swaps

Fixed rate to floating rate swaps have been entered into to reduce the proportion of fixed rate debt held, which has reduced the Group's position to 81%.

Cross-currency swaps

Cross-currency swaps have been entered into to hedge currency risk on interest and principal payments on the Group's foreign currency-denominated bond issues. The gains and losses deferred in equity on certain swaps in cash flow hedge relationships will be continuously release to the income statement over the period to maturity of the hedged bonds.

The Group has recognised a £22.7 million gain in financial derivatives through the income statement for the year ended 31 December 2025 (2024: £1.8 million loss).

The Group has recognised a total cumulative gain of £7.9 million at 31 December 2025 (2024: £17.4 million) to reflect the credit risk on the Group's external swap position.

19. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's principal financial instruments (other than derivatives) comprise bank borrowings, cash, short term deposits, and trade and contract receivables.

The Group also enters into derivative transactions, principally interest rate swaps, index-linked swaps and cross-currency swaps. The purpose of these transactions is to manage the interest rate, inflation and foreign exchange risks arising from the Group's operations and its sources of finance.

The Group does not use financial instruments for speculative purposes. The treasury function operates on a centralised non-speculative risk basis. Its purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the Group's business operations and funding.

The main risks arising from the Group's financial instruments are market risk, credit risk, liquidity risk and foreign exchange risks. The Board of Directors approves prudent treasury policies for managing each of the risks which are summarised below:

Market risk

Market risk is the risk that changes in market prices, such as interest rates and inflation indices will affect the Group's income and expenditure or the value of its holdings of financial instruments.

The Group's interest rate risk arises primarily from its borrowings. Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's policy is to maintain a mix of fixed to floating rate debt within Board approved parameters such that a minimum of 75% of existing and forecast debt is at a fixed rate. To manage this mix, the Group enters into interest rate swaps and cross-currency swaps. The Group also uses floating rate interest bearing financial assets as a natural hedge of the exposure to fair value interest rate risk. The Group is exposed to inflation risk arising from inflation related revenue, particularly inflation-linked airport and other traffic charges. The Group enters into inflation linked swaps to mitigate the inflation risk.

As at 31 December 2025, the Group's fixed: floating interest rate profile, after hedging, on gross debt was 81:19 (2024: 88:12).

Sensitivity analysis

The following table shows the impact of changes to significant market variables. This shows the effect that movements in interest rates (SONIA) and inflation indices (RPI) would have on pre-tax profit and equity through changes in the finance income, finance costs and mark-to-market valuation of the derivative portfolio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

A change in the interest rate or inflation curves at the reporting date is applied to the relevant instruments. The impact is measured using the present value of expected future cash flows at the reporting date.

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions and may not be representative of the actual change.

	31 December 2025 £m	31 December 2024 £m
0.5% increase in interest rates	(23.6)	(8.1)
0.5% decrease in interest rates	23.6	8.1
0.5% increase in inflation indices	(26.4)	(29.6)
0.5% decrease in inflation indices	25.6	(28.6)

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet their contractual obligations. Credit risk arises from cash and cash equivalents, derivative financial instruments, and accounts receivable. The Group has no significant concentrations of credit risk. The Group's exposure to credit related losses, in the event of non-performance by counterparties to financial instruments, is mitigated by limiting exposure to any one party or instrument and ensuring only counterparties within defined credit risk parameters are used.

a) Financial assets

For the financial assets that are in scope of the IFRS 9 impairment model, the Group applies a provision matrix using historical loss experience, adjusting for current conditions and reasonable forecasts. The assets assessed by the Group are the receivables, and the Group uses three years of historical data to establish an average default rate.

The Group's adjustment for current external conditions and reasonable forecasts extend to assessing individual financial assets for indicators of impairment, where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected. Objective evidence of impairment could include:

- significant financial difficulty of the counterparty; or
- default or delinquency in payments; or
- it becoming probable that the counterparty will enter administration/bankruptcy or financial re-organisation.

The Group's definition of default is based on the ageing of debts and will also consider the financial status of the customer. The Group considers any debts over 180 days overdue, or any customer that falls into receivership, in default.

The Group has recognised a provision based on current external factors of £5.2 million as at 31 December 2025 (2024: £5.4 million).

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
At 1 January	5.4	8.4
Increase during the year	1.2	1.4
Reversal of amounts previously impaired	(1.4)	(4.4)
As at 31 December	5.2	5.4

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Credit risk exposure

The table below summarises the Group's exposure to credit risk by customer group calculated as a portion of impairment of trade receivables over the annual revenue. Nil percentages are due to the reversal of amounts previously impaired.

	Year ended 31 December 2025 %	Year ended 31 December 2024 %
Retail	-	-
Property	-	-
Other	0.5	-

As the Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer group, the Group analyses each customer for creditworthiness by using external ratings. The Group can also adjust payment terms to mitigate its exposure to credit risk.

The airport charges and payment terms for airlines are published in the Conditions of Use. As the charges are significantly based on the number of departing passengers, the outstanding debt can escalate quickly. Therefore financial security is requested from all new customers, invoices are raised on a five day cycle and where credit is granted, it is on 14 day payment terms or less. Airline credit exposure is monitored on a daily basis and payment terms and financial security requirements amended as appropriate.

Many of the retail concessionaires have a significant high street presence and are affected by the changes in their market place. The performance of their contracts at the Airport are constantly monitored and the broader impact of their overall business is considered. Additional financial security is requested where there is an indication of increased credit risk.

Passenger car parking charges are either paid in advance or paid prior to exit from the car park. Parking charges for contractors and service providers are billed on a monthly cycle and where credit is granted, it is on 14 day payment terms.

Certain customers and suppliers are critical to the operation of the Airport, such as ground handling agents and failure of such companies can have a significant impact on the operation of the Airport. The credit risk of these companies is constantly monitored and where an increase in credit risk is identified an appropriate action plan is agreed with that company in order to ensure a stable operation of the Airport and to minimize any financial loss.

The Group apply the same policies and procedures to amounts owed by group undertakings. As at 31 December 2025 no provision was required (31 December 2024: nil) for amounts owed by group undertakings.

b) Cash and Cash equivalents

The Group maintains a prudent split of cash and cash equivalents across a range of market counterparties in order to mitigate counterparty credit risk.

c) Debt securities

Board approved investment policies and relevant debt facility agreements provide counterparty investment limits, based on short- and long-term credit ratings. Investment activity is reviewed on a regular basis and no cash or cash equivalents are placed with counterparties with short-term credit ratings lower than A-3/F3. The Group monitors the credit rating of derivative counterparties regularly and ensures no positions are entered into with counterparties with a long-term credit rating below BBB+(S&P), BBB+(Fitch) or Baa1 (Moody's).

As at 31 December 2025, the Group had no credit risk exposure with derivative counterparties of its interest rate swaps and index-linked swaps due to a liability position on the mark to market (2024: nil).

The carrying amount of financial assets represents the maximum credit exposure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Although there can be no certainty that financing markets will remain open for issuance at all times, debt maturities are spread over a range of dates, thereby ensuring that the Group is not exposed to excessive refinancing risk in any one year.

Financial assets by category

The Group's financial assets can be analysed under the following categories:

	31 December 2025 £m	31 December 2024 £m
Lease receivables	16.8	16.8
Net trade receivables	65.2	62.2
Other receivables	12.7	0.1
Cash and cash equivalents	246.8	408.0
Term deposits	150.0	-
Accrued interest receivable	26.0	10.6
Derivative financial instruments	18.2	-
Total financial assets	535.7	497.7

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. The Group regularly reviews and maintains or adjusts the capital structure as appropriate in order to achieve these objectives.

	Other financial liabilities at amortised cost £m	Liabilities at fair value through income statement £m	Derivatives qualifying for hedge accounting £m	Total £m
31 December 2025				
Borrowings	4,451.7	-	-	4,451.7
Derivative financial instruments	-	261.4	0.9	262.3
Lease liabilities	76.0	-	-	76.0
Trade payables and accruals	77.1	-	-	77.1
Other payables	43.3	-	-	43.3
Capital creditors	49.4	-	-	49.4
Accrued interest payable	109.6	-	-	109.6
Total financial liabilities	4,807.1	261.4	0.9	5,069.4

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For the year ended 31 December 2025

	Other financial liabilities at amortised cost	Liabilities at fair value through income statement	Derivatives qualifying for hedge accounting	Total
	£m	£m	£m	£m
31 December 2024				
Borrowings	3,758.9	-	-	3,758.9
Derivative financial liabilities	-	387.7	(2.2)	385.5
Lease liabilities	77.7	-	-	77.7
Trade payables and accruals	84.9	-	-	84.9
Other payables	54.1	-	-	54.1
Capital creditors	52.8	-	-	52.8
Accrued interest payable	97.6	-	-	97.6
Total financial liabilities	4,126.0	387.7	(2.2)	4,511.5

Changes in the fair value of derivative financial instruments are recognised immediately in the Income Statement, along with the reduction to reflect the credit risk of the Group on its swap position at the reporting date, in accordance with IFRS 9.

The Group has recognised a £22.7 million gain (2024: £1.8 million loss) in financial derivatives through the income statement for the year ended 31 December 2025.

At 31 December 2025, the Group has not designated any financial liabilities at fair value through the Income Statement, other than its derivative financial liabilities which do not qualify for hedge accounting.

The tables below analyse the gross undiscounted contractual cash outflows/(inflows) on the Group's financial liabilities and net settled derivative financial instruments as at 31 December 2025 to the contract maturity date. Other non-interest-bearing financial liabilities have been excluded. All current liabilities have varying maturity dates within the next 12 months.

	Less than one year £m	One to two years £m	Two to five years £m	Greater than five years £m
31 December 2025				
Class A Bonds – Principal payments	300.0	-	300.0	3,405.3
Class A Bonds – Interest payments	168.3	149.9	449.7	1,134.2
Senior Secured Notes – Principal payments	-	-	475.0	-
Senior Secured Notes – Interest payments	28.5	28.5	85.5	-
Derivative financial instruments	106.4	19.6	105.0	148.6
	603.2	198.0	1,415.2	4,688.1

31 December 2024				
Class A Bonds – Principal payments	-	300.0	-	3,065.6
Class A Bonds – Interest payments	143.5	143.5	375.3	1,272.0
Senior Secured Notes – Principal payments	-	450.0	-	-
Senior Secured Notes – Interest payments	19.7	19.7	-	-
Derivative financial instruments	135.1	107.0	49.0	270.4
	298.3	1,020.2	424.3	4,608.0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Foreign exchange risk

The Group's foreign exchange risk arises primarily from its Euro denominated borrowings which exposes the Group to changes in interest and principal payments. To manage this risk, the Group has entered into cross-currency swaps which are accounted for as either fair value hedges or cash flow hedges as set out below. See note 10 for a reconciliation of components of other comprehensive income, net of tax, resulting from hedge accounting.

Cross-currency swaps designed in fair value hedges

To hedge against the foreign exchange risk associated with the interest and principal payments, the Group has entered into swaps which swap interest from a fixed-rate Euro coupon into Sterling SONIA floating rates.

The amounts relating to derivative financial liabilities designated as hedging instruments in a fair value hedge relationship are as follows:

Hedging Instrument	Hedged foreign exchange rate	Interest rate after swaps	Notional hedged £m	Swap maturity	Carrying value as at 31 December 2025 £m	Carrying value as at 31 December 2024 £m
Fixed rate to floating rate cross-currency swaps €250.0m	1.19	SONIA + 1.43%	209.4	2033	5.5	(1.6)
Fixed rate to floating rate cross-currency swaps €456.9m	1.17	SONIA + 1.58%	389.7	2035	0.9	-

The hedge ratio of the fair value hedge relationships is 1:1. There is an economic relationship between the hedged items and the hedging instruments. As the critical terms of the derivative and the hedged debt match, the change in value of the derivative, excluding any basis risk, offsets the change in fair value of the hedge item.

Any ineffectiveness on the fair value hedge is taken directly to finance costs. During the year, no ineffectiveness was identified (2024: £nil) from derivatives in a fair value hedge relationship.

The amounts relating to borrowings designated as hedged items in a fair value hedge relationship are as follows:

Borrowings in a fair value hedge relationship	Notional hedged £m	Carrying amount £m	Accumulated fair value adjustments £m
As at 31 December 2025			
Class A SLB 3.625 per cent €250.0m	209.4	212.3	5.2
Class A SLB 3.875 per cent €456.9m	389.7	384.8	(1.1)
As at 31 December 2024			
Class A SLB 3.625 per cent €250.0m	209.4	204.8	(1.8)

The £4.1 million gain (2024: £1.8 million loss) in fair value during the year of the hedged items differs from the change in fair value of the hedging instruments as a result of the fair value hedge relationship due to the impact of the currency basis which is excluded from the hedging relationships. This amount is recognised in other comprehensive income and recorded in the cost of hedging reserve in equity.

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Cross-currency swaps designed in cash flow hedges

To hedge against the foreign exchange risk associated with the interest and principal payments, the Group has entered into swaps which swap interest from a fixed-rate Euro coupon into a Sterling debt notional with fixed rates. Cash flow hedge accounting has been applied to these relationships.

The amounts relating to derivative financial assets designated as hedging instruments in a cash flow hedge relationship are as follows:

Hedging Instrument	Hedged foreign exchange rate	Interest rate after swaps	Notional hedged £m	Swap maturity	Carrying value as at 31 December 2025 £m	Carrying value as at 31 December 2024 £m
Fixed rate to fixed rate cross-currency swaps €500.0m	1.19	5.20%	418.8	2033	11.8	3.8
Fixed rate to fixed rate cross-currency swaps €293.1m	1.17	5.59%	250.0	2045	(0.9)	-

The hedge ratio of the cash flow hedge relationships is 1:1. There is an economic relationship between the hedged items and the hedging instruments. As the critical terms of the derivative and the hedged debt match, the change in value of the derivative, excluding any basis risk, offsets the change in the hedged cash flow.

The £10.8 million (2024: £3.8million) change in fair value of the hedging instrument differs from amount recognised in other comprehensive income through the cash flow hedge reserve as a result of the cash flow hedge relationship due to the impact of the currency basis which is excluded from the hedging relationship. This amount is recognised in other comprehensive income and recorded in the cost of hedging reserve in equity.

Fair value estimation

The Group considers that the carrying amount of the following financial assets and financial liabilities are a reasonable approximation of their fair value:

- Trade receivables
- Trade payables
- Cash and cash equivalents
- Amounts due to/from group undertakings

	31 December 2025 £m	31 December 2024 £m
Bonds		
Book value	4,451.7	3,758.9
Fair value	4,263.8	3,544.8

The fair values of listed borrowings are based on quoted prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

Assets and liabilities that are measured in the Statement of Financial Position at fair value are classified by the following fair value measurement hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of the Group's derivative financial instruments is determined using the present value of the estimated future cash flows based on observable yield curves. As at 31 December 2024, all of the resulting fair value estimates in the Group are included at Level 2 except for Bonds which are valued at Level 1 and Investment Properties which are valued at Level 3, consistent with the prior year.

20. LEASES

As a lessee

'Property, plant and equipment' comprise owned and leased assets.

		31 December 2025 £m	31 December 2024 £m
	Note		
Property, plant and equipment owned		1,931.6	1,880.1
Right-of-use assets		169.1	173.6
	13	2,100.7	2,053.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

The Group's leased assets include group occupied property, vehicles and machinery. Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Cost

	Group occupied properties £m	Plant and equipment £m	Total £m
1 January 2024	35.9	181.1	217.0
Additions in the year	-	1.6	1.6
31 December 2024	35.9	182.7	218.6
Additions in the year	-	0.6	0.6
31 December 2025	35.9	183.3	219.2

Accumulated depreciation

1 January 2024	(9.1)	(30.4)	(39.5)
Charge in the year	(2.0)	(3.5)	(5.5)
31 December 2024	(11.1)	(33.9)	(45.0)
Charge in the year	(2.0)	(3.1)	(5.1)
31 December 2025	(13.1)	(37.0)	(50.1)

Net Book value

31 December 2025	22.8	146.3	169.1
31 December 2024	24.8	148.8	173.6
1 January 2024	26.8	150.7	177.5

Lease liabilities included in the statement of financial position

	31 December 2025 £m	31 December 2024 £m
Current	2.9	3.8
Non-current	73.1	73.9
Total lease liabilities	76.0	77.7

The following table sets out the maturity analysis of lease liabilities, showing the undiscounted lease payments payable after the reporting date.

	31 December 2025 £m	31 December 2024 £m
Less than one year	17.9	17.0
Between one and five years	67.1	66.6
More than five years	785.1	767.9
Total undiscounted lease payments payable	870.1	851.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Significant proportion of the undiscounted lease payments payable more than five year relate to one lease with 57 years (2024: 58 years) remaining on the lease.

Amounts recognised in Income statement

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest on lease liabilities	15.0	14.4
Depreciation expense on right-of-use assets	5.1	5.5
Expenses relating to short-term leases	0.1	0.1
	20.2	20.0

As a Lessor

Leases where the Group transfers substantially all the risks and rewards of ownership are classified as a finance lease. Please see note 8 for the Group's finance lease income for the year.

Leases included in the statement of financial position

	31 December 2025 £m	31 December 2024 £m
Non-current assets	16.8	16.8
Total lease asset	16.8	16.8

The following table sets out the maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	31 December 2025 £m	31 December 2024 £m
Less than one year	0.9	0.9
Between one and five years	3.6	3.6
More than five years	71.5	72.5
Total undiscounted lease payments receivable	76.0	77.0

The difference between the total undiscounted lease payments receivable and the total lease assets included in the statement of financial position is due to unearned finance income.

The Group has classified leases that do not transfer substantially all the risks and rewards incidental to the ownership of the assets as operating leases. Lease income from operating leases for the year is £36.8 million (2024: £35.0 million) of which £1.4 million (2024: £1.9 million) is variable consideration linked to the tenant's turnover. Note 4 provides details on income that is recognised in accordance with IFRS 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

21. CASH AND CASH EQUIVALENTS, AND TERM DEPOSITS

	31 December 2025 £m	31 December 2024 £m
Cash at bank and in hand	246.8	406.9
Cash held in debt service reserve deposit	-	1.1
Cash and cash equivalents	246.8	408.0
Term deposits	150.0	-
	396.8	408.0

As at 31 December 2025 the Group had £nil (2024: £1.1 million) in a Debt Service Reserve Account in compliance with the terms of the Trust Deed relating to the bond issuance by Gatwick Airport Finance plc. Amounts may only be withdrawn from the Debt Service Reserve Account in order to make payments of interest on the Notes.

The Group holds investments in term deposits which have an original maturity of more than three months.

22. DEFERRED TAX

The following are the deferred tax assets and (liabilities) recognised by the Group and associated movements during the period:

	Losses £m	Fixed assets £m	Retirement benefit obligations £m	Short term timing differences £m	Total £m
1 January 2024	101.1	(467.9)	(16.7)	3.7	(379.8)
Charge to income	(36.1)	(16.0)	(0.7)	-	(52.8)
Credit/(charge) to equity	-	-	0.1	(2.4)	(2.3)
31 December 2024	65.0	(483.9)	(17.3)	1.3	(434.9)
Charge to income	(40.6)	(9.9)	(0.4)	(3.1)	(54.0)
(Charge)/credit to equity	-	-	(0.1)	4.9	4.8
31 December 2025	24.4	(493.8)	(17.8)	3.1	(484.1)

23. BORROWINGS

	31 December 2025 £m	31 December 2024 £m
Fixed rate borrowings	4,451.7	3,758.9
	4,451.7	3,758.9
 Maturity Profile:		
Repayable in less than 1 year	299.7	-
Repayable between 1 and 2 years	-	747.5
Repayable between 2 and 5 years	295.2	-
Repayable in more than 5 years	3,856.8	3,011.4
	4,451.7	3,758.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

At the balance sheet date, the Group recognised unamortised capitalised coupon discount and debt issuance costs of £50.9 million (2024: £49.3 million).

All the above borrowings are carried at amortised cost. The fixed rate borrowings, Authorised Credit Facility and Term Loan are secured.

At 31 December 2025 the average interest rate payable on borrowings was 5.17% p.a. (2024: 5.69% p.a).

At 31 December 2025, the Group had £450.0 million (2024: £300.0 million) of undrawn committed borrowing facilities available in respect of which all conditions precedent had been met at that date.

Ivy Holdco Group Facilities

The Ivy Holdco Group is party to a Common Terms Agreement (CTA) with, inter alia, the National Westminster Bank as Authorised Credit Facility (ACF) agent and previously the Initial Authorised Credit Facility (Initial ACF) agent. Gatwick Airport Limited and Ivy Holdco Limited have Borrower Loan Agreements with Gatwick Funding Limited (as Issuer), and Deutsche Trustee Company Limited (as Borrower Security Trustee). The CTA together with a Master Definitions Agreement covers, inter alia, the Initial ACF Agreement, the ACF Agreement and the Borrower Loan Agreements.

The ACF Agreement has a RCF of £450.0m with a termination date of 2031. There are £nil drawings outstanding on the RCF at 31 December 2025 (31 December 2024: £nil). The Group also has access to a committed £250.0m Liquidity Facility to ensure interest payment obligations can be kept current for over 12 months, providing additional assurance to bondholders and banks.

In June 2025, the Group issued a second €750m Sustainability-Linked Bond (SLB) under its Sustainability-Linked Financing Framework (SLFF), following the inaugural €750m SLB issued in October 2024. The SLFF and SLB are based on two key carbon reduction KPIs and associated Sustainability Performance Targets (SPTs). The structure of these targets was reviewed and rated via a Second Party Opinion (SPO), delivered by Standard & Poor Global Ratings (S&P). Failure to achieve these targets will result in financial penalties, in the form of additional interest charges and premium payments related to the SLB. The proceeds of the SLB, which has a nine-year tenor, are intended to be used for general corporate purposes. Further details regarding the composition of the KPIs and SPTs can be found in the latest Sustainability-Linked Financing Framework Progress Report.

SPT	Description	Target	Potential financial penalty
SPT 1	Net Zero Scope 1 & 2 (tonnes CO ₂ e)	1,500 (in 2030)	50 bps (25bps payable in each of 2032 & 2033)
SPT 2	LTO emissions (kgCO ₂ e/pax	<9.0 (in 2032)	50 bps payable in 2033

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Following repayments, the outstanding publicly listed fixed-rate secured bonds issued by the Company's subsidiary, Gatwick Funding Limited, is detailed below:

	Scheduled maturity	Legal maturity	Issue date	As at 31 December 2025 £m	As at 31 December 2024 £m	Borrower
Class A 6.125 per cent	2026	2028	2 Mar 2011	300.0	300.0	GAL
Class A 2.5 per cent	2030	2032	15 Apr 2021	300.0	300.0	GAL
Class A SLB 3.625 per cent ^(a)	2033	2035	16 Oct 2024	627.2	627.2	GAL
Class A SLB 3.875 per cent ^(a)	2035	2037	24 Jun 2025	639.7	-	GAL
Class A 4.625 per cent	2034	2036	27 Mar 2014	350.0	350.0	GAL
Class A 5.75 per cent	2037	2039	20 Jan 2012	300.0	300.0	GAL
Class A 3.125 per cent	2039	2041	28 Sep 2017	350.0	350.0	GAL
Class A 5.5 per cent	2040	2042	4 April 2024	250.0	250.0	GAL
Class A 6.5 per cent	2041	2043	2 Mar 2011	300.0	300.0	GAL
Class A 2.625 per cent	2046	2048	7 Oct 2016	180.1	180.1	GAL
Class A 3.25 per cent	2048	2050	26 Feb 2018	203.3	203.3	IHL
Class A 2.875 per cent	2049	2051	5 Jul 2019	204.0	204.0	GAL
				4,004.3	3,364.6	

The proceeds of all bond issuances by Gatwick Funding Limited (together the Bonds) are lent to either Gatwick Airport Limited or Ivy Holdco Limited under the Borrower Loan Agreement, the terms of which are "back-to-back" with those of the Bonds.

Gatwick Airport Finance borrowings

In November 2025, the Group issued £475.0m of Senior Secured Notes (due 2030) and repaid £450.0m of Senior Secured notes (due 2026).

	Maturity	Issue date	As at 31 December 2025 £m	As at 31 December 2024 £m
Senior Secured Notes 6.0 per cent.	2030	21 Nov 2025	475.0	-
Senior Secured Notes 4.375 per cent.	2026	7 Apr 2021	-	450.0

Financial covenants under CTA

The following table summarises the Group's financial covenants as at 31 December 2025 under the CTA, and lists the trigger and default levels:

Covenant	31 December 2025	Trigger	Default
Minimum interest cover ratio (Senior ICR)	2.64	< 1.50	< 1.10
Maximum net indebtedness to the total regulatory asset base (Senior RAR)	0.51	> 0.70	> 0.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Group RAR

The financial covenants set out in paragraph (a) of Condition 4.1 (Financial Covenants) under the Trust Deed relating to the bond issuance by Gatwick Airport Finance plc apply in respect of each Calculation Date. The Group RAR financial covenant as at 31 December 2025 is set out below:

	31 December 2025	Default
Group RAR	57%	> 95.0%

24. RETIREMENT BENEFIT ASSET

Defined contribution plan

The Group operates a defined contribution scheme for all qualifying employees.

The total cost charged to the Income Statement of £9.1 million (2024: £8.4 million) represents contributions payable to this scheme by the Group at rates specified in the rules of the plans. As at 31 December 2025, £1.5 million of contributions (2024: £1.4 million) due in respect of the current reporting year remain unpaid to the scheme.

Defined benefit pension plan

For some employees, the Group operates a funded pension plan providing benefits for its employees based on their pensionable service and final pensionable pay. The assets of the Plan are held in a separate trustee administered fund.

Cash contributions to the plan are reviewed at funding valuations carried out every three years. If there is a shortfall against this target, then the Group and trustees will agree on deficit contributions to meet this.

At the previous actuarial valuation at 30 September 2022 there was a surplus in the plan of £31.5 million. As a result, the Company's deficit contributions of £1.3 million per month ceased with effect from July 2023.

There is a risk to the Company that adverse experience could lead to a requirement for the Company to make additional contributions to recover any future deficit that arises in the plan.

There is a risk to the Group that adverse experience could lead to a requirement for the Group to make additional contributions to recover any future deficit that arises in the plan. The plan is also subject to legal and regulatory risk. In June 2023, the UK High Court in *Virgin Media Limited v NTL Pension Trustees II Limited* ruled that amendments to contracted-out defined benefit schemes in the period from 6 April 1997 to 5 April 2016 were invalid if they lacked a confirmation under section 37 of the Pension Schemes Act 1993 from the scheme's actuary. This decision was upheld on appeal in July 2024. A legislative solution has been proposed but is not yet law. The Group has discussed this matter with the Trustee of the Group's pension plan and its potential implications for the pension plan. The Trustee has no reason to believe that actuarial confirmations were not obtained for any relevant historical benefit changes. The judgment is therefore not expected to have an impact on the value of the Group's pension plan. The matter will be kept under review by the Trustees.

The plan's current investment strategy targets holding 40% of the assets in return seeking investments and 60% in a liability hedging portfolio, which aims to hedge interest rate and inflation risk relative to 80% of the total asset value. This is designed to mitigate these risks relative to the plan's cash funding position, which is calculated by reference to gilt yields, and therefore may not provide the same hedging to the accounting position which is heavily based on corporate bond yields.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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The majority of the plan's assets are held within instruments with quoted market prices in an active market. Whilst the majority of the plan's holdings are regarded as being readily marketable, the plan has an allocation to private credit where the assets are subject to a maximum 9 year lockup period from September 2017. The plan does not invest directly in property occupied by the Company or in financial securities issued by the Company. Approximately 1% of the assets held in the corporate bond fund at the reporting date (i.e. 0.3% of the Plan's total assets) were invested in financial securities issued by the Company. The investment strategy is set by the Trustee of the plan in consultation with the Company. The investment strategy is set by the Trustee of the plan in consultation with the Company.

Results from the actuarial valuation as at 30 September 2022 were projected to 31 December 2023 by an independent qualified actuary in accordance with IAS 19 for the purpose of these pension disclosures.

The following table sets out the key IAS 19 assumptions used for the plan:

	31 December 2025	31 December 2024
	%	%
Rate of increase in salaries	1.5	1.5
Rate of increase in pensions in payment (RPI, max 5.0%)	2.7	3.0
Rate of increase in pensions in payment (CPI, max 2.5%)	1.8	1.9
Discount rate	5.6	5.6
Retail Prices Index inflation	2.8	3.1
Consumer Prices Index inflation	2.3	2.5

In the plan, pensions in payment are generally increased in line with inflation and benefit payments have an average duration of 15 years (2024: 16 years).

The mortality assumptions used were as follows:

	31 December 2025	31 December 2024
	Years	Years
Life expectancy of male aged 60 at the Statement of Financial Position date	25.8	25.7
Life expectancy of male aged 60 in 20 years' time	27.2	27.1
Life expectancy of female aged 60 at the Statement of Financial Position date	28.0	28.1
Life expectancy of female aged 60 in 20 years' time	29.2	29.4

The mortality base tables are 105% of S3PMA tables / 104% of S3PFA_M tables for non-pensioners and 103% of S3PMA tables / 101% of S3PFA_M tables for pensioners.

The mortality assumptions are based on CMI 2024 projections projected from 2013 based on each member's year of birth, with a long-term improvement rate of 1.25% pa, a smoothing parameter of 7, an initial adjustment parameter ("A factor") of 0% pa, a half-life ("H factor") of 1, and age-Period and Cohort convergence periods equal to the core values, except increased to 20 years for ages from 80 to 100, and then tapering down to nil by age 120.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

The sensitivities regarding the principal assumptions used to measure the plan liabilities are set out below:

Assumptions	Change in assumption	Impact on plan liabilities at 31 December 2025 £m
Discount rate	-0.5%	22.9
Inflation	+0.5%	18.3
Life expectancy	+ 1 year	7.1

The sensitivity analyses above have been calculated to show the movement in the defined benefit obligation at the end of the reporting year in isolation and may not be representative of the actual change. Each change is based on a change in the key assumption shown while holding all other assumptions constant and assuming no change in the corresponding asset value for the Plan. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to the previous year.

The amount included in the Statement of Financial Position arising from the Group's obligations in respect of its defined benefit plan is as follows:

	31 December 2025 £m	31 December 2024 £m
Present value of plan liabilities	(315.6)	(318.1)
Fair value of plan assets	389.8	388.6
Surplus	74.2	70.5

Reconciliation of present value of plan liabilities

	31 December 2025 £m	31 December 2024 £m
Opening present value of plan liabilities	(318.1)	(361.8)
Current service cost	(0.1)	(0.1)
Interest cost	(17.4)	(16.3)
Contributions from plan members ^(a)	(0.1)	(0.1)
Benefits paid	11.6	13.2
Actuarial gain/(loss)	8.5	47.0
Closing present value of plan liabilities	(315.6)	(318.1)

(a) Contributions from plan members include contributions paid by the Group on behalf of plan members via salary sacrifice.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Reconciliation of fair value of plan assets

	31 December 2025 £m	31 December 2024 £m
Opening fair value of plan assets	388.6	430.0
Interest on plan assets	21.3	19.4
Return on plan assets	(8.0)	(47.2)
Benefits paid	(11.6)	(13.2)
Contributions paid by employer	0.2	0.1
Contributions paid by members	0.1	0.1
Running costs	(0.8)	(0.6)
Closing fair value of plan asset	389.8	388.6

The Group has the ability to recognise the surplus in the pension plan in full, based on legal advice and review of the scheme rules the Group has an unconditional right to a refund of surplus upon the conclusion of the winding up of the pension plan.

The current allocation of the plan's assets is as follows:

	31 December 2025	31 December 2024
Private credit	6%	7%
Hedge funds	10%	-
Asset backed securities	17%	22%
Diversified growth funds	-	8%
Liability driven investment funds	44%	42%
Corporate bonds	21%	20%
Cash and cash equivalents	2%	1%
	100%	100%

Plan assets do not include any of the Group's own financial instruments, or any property occupied by Group. Re-measurements under IAS 19 are determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on index-linked investments are based on relevant indices as at the financial position date. Expected returns on equity investments and diversified growth funds reflect long-term real rates of return expected in the respective markets.

The amounts recognised in the income statement are as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Employer's part of current service cost	(0.1)	(0.1)
Running costs	(0.8)	(0.6)
Net interest credit	3.9	3.2
	3.0	2.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

Remeasurements of defined benefit asset

The amount recognised in other comprehensive income are as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Changes in financial assumptions	11.4	47.4
Changes in demographic assumptions	0.1	0.4
Experience adjustments on benefit obligations	(2.9)	(0.8)
Return on plan assets less interest on plan assets	(8.0)	(47.2)
(Loss)/gain recognised in other comprehensive income	0.6	(0.2)

The Group operates the schemes under the UK regulatory framework. Benefits are paid to members from trustee-administered funds, and the trustees of each scheme are responsible for ensuring that each representative scheme is sufficiently funded to meet current and future benefit payments. Scheme assets are held in trusts separate to the Group. If investment experience is worse than expected the Group's obligations increase.

25. TRADE AND OTHER PAYABLES

	31 December 2025 £m	31 December 2024 £m
Trade payables	13.7	11.7
Accruals	63.4	72.9
Capital payables ^(a)	49.4	52.8
Accrued interest payable	109.6	97.6
Accrued financing charges	0.1	-
Other payables	43.3	54.1
	279.5	289.1

(a) Trade and other payables relating to capital expenditure.

26. EQUITY

	31 December 2025 £m	31 December 2024 £m
Called up, allotted and fully paid		
5,150,000 (2024: 5,150,000) Ordinary shares of £1.00 each	5.2	5.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2025

27. RECONCILIATION IN NET DEBT

Net debt comprised the Group's borrowings net of cash and cash equivalents excluding interest accruals.

	As at 1 January 2025 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2025 £m
Borrowings	(3,758.9)	(650.8)	(42.0)	(4,451.7)
Derivative financial liabilities	(385.5)	103.5	37.9	(244.1)
Lease liabilities	(77.7)	2.7	(1.0)	(76.0)
Total financing liabilities	(4,222.1)	(544.6)	(5.1)	(4,771.8)
Cash and cash equivalents	408.0	(161.2)	-	246.8
Term deposits	-	150.0	-	150.0
Net debt	(3,814.1)	(555.8)	(5.1)	(4,375.0)

	As at 1 January 2024 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2024 £m
Borrowings	(3,046.9)	(719.3)	7.3	(3,758.9)
Derivative financial liabilities	(385.9)	-	0.4	(385.5)
Lease liabilities	(78.4)	(2.3)	3.0	(77.7)
Total financing liabilities	(3,511.2)	(721.6)	10.7	(4,222.1)
Cash and cash equivalents	284.2	123.8	-	408.0
Net debt	(3,227.0)	(597.8)	10.7	(3,814.1)

28. RELATED PARTY TRANSACTIONS

During the period the Group had the following transactions with related parties as follows:

	Expense to related party Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Amounts due to related party As at 31 December 2025 £m	As at 31 December 2024 £m
VINCI Airports SAS ^(a)	(9.1)	(7.5)	(8.5)	(7.8)
Global Infrastructure Partners ^(a)	(1.7)	(5.6)	(5.4)	(6.6)

(a) Amounts payable to related party relate to royalties and service fees.

Key management personnel compensation

	31 December 2025 £m	31 December 2024 £m
Aggregate emoluments	10.9	9.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

The executive management board consisting of 15 members (2024: 16) are considered key management personnel, the aggregate emoluments cover short- and long-term compensation. The shareholders established a new LTIP for certain executive board members. This incentive plan will measure the evolution of a broad range of metrics from 2025 to 2029.

No key management personnel exercised share options during the year (2024: nil). No key management personnel are members of the Gatwick Airport Limited defined benefit pension plan (2024: nil). Nine key management personnel are members of the Gatwick Airport Limited defined contribution pension plan (2024: 10), accruing benefits of £0.2m (2024: £0.2m). No compensation was received by former key management personnel for loss of office during the year (2024: nil). No key management personnel had awards receivable in the form of shares under the Company's LTIP (2024: nil). 13 (2024: 16) key management personnel accrued benefits under the Group's other LTIP schemes (non-share based) of £4.1m (2024: £1.7m).

29. COMMITMENTS

Capital commitments

Contracted commitments for capital expenditure amount to £138.2 million (2024: £140.0 million).

Other commitments

During the year ended 31 March 2014, the Group reviewed its current policy around noise alleviation. In April 2014 Gatwick launched a new revised domestic noise insulation scheme for local communities affected by noise around the Airport. The scheme is one of the most innovative in Europe and covers an additional 1,000 homes and increases the area eligible by 17km². Estimated payments under this scheme will total £3.0 million.

In addition, there are live blight schemes to support the market for housing in areas identified for a potential future full length additional runway at Gatwick. Obligation under these schemes will only crystallise once the Group announces its intention to pursue a planning application for a new additional runway. At this time, no decisions have been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

30. CLAIMS AND CONTINGENT LIABILITIES

As part of the refinancing agreements outlined in note 23, the Group have granted security over their assets and share capital to the Group's secured creditors via a Security Agreement, with Deutsche Trustee Company Limited acting as the Borrower Security Trustee.

Other than the above and the disclosures in note 10, the Group has no contingent liabilities, comprising letters of credit, performance/surety bonds, performance guarantees and no other material items arising in the normal course of business at 31 December 2025 (2024: nil).

31. ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

At 31 December 2025, VINCI SA, a company incorporated in France, is the ultimate parent and ultimate controlling party of Gatwick Airport Finance plc, a United Kingdom (UK) incorporated and domiciled company.

The Group's results are included in the audited consolidated financial statements of VINCI SA for the year ended 31 December 2025, the largest group to consolidate these financial statements. The consolidated financial statements of VINCI SA can be obtained from the Company Secretary, VINCI, 1973 boulevard de La Défense, 92757 Nanterre Cedex, France.

The immediate parent company of Gatwick Airport Finance plc is Ivy Super Topco Limited, a UK incorporated and domiciled company.

32. SUBSEQUENT EVENTS

After the reporting date, the Group issued a £300.0m bond in February 2026 with scheduled and legal maturities of 2036 and 2038 respectively. This is a non-adjusting event after the reporting period. No adjustment has been made to the financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Note	31 December 2025 £m	31 December 2024 £m
Assets			
Non-current assets			
Investment in subsidiaries	6	1,053.1	1,053.1
Deferred tax asset		3.9	3.9
		1,057.0	1,057.0
Current assets			
Cash and cash equivalents		29.2	19.9
Trade and other receivables		0.2	-
		29.4	19.9
Total assets		1,086.4	1,076.9
Liabilities			
Non-current liabilities			
Borrowings	7	(471.5)	(448.2)
Other non-current liabilities	8	(0.6)	(0.6)
		(472.1)	(448.8)
Current liabilities			
Trade and other payables		(4.0)	(11.2)
Total liabilities		(476.1)	(460.0)
Net assets		610.3	616.9
Equity			
Share capital	9	5.2	5.2
Retained earnings	9	605.1	611.7
Total equity		610.3	616.9

The profit for the year ended 31 December 2025 was £743.5 million (2024: £883.9 million).

These parent company financial statements on pages 144 to 152 were approved by the Board of Directors on 9 March 2026 and signed on its behalf by:



Marten Soderbom
Director



Jérôme Havard
Director

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Share capital	Retained earnings	Total
	£m	£m	£m
Balance at 1 January 2024	5.2	623.7	628.9
Total comprehensive income	-	883.9	883.9
Transactions with owners			
Equity dividends paid	-	(895.9)	(895.9)
Balance at 31 December 2024	5.2	611.7	616.9
Total comprehensive income	-	743.5	743.5
Transactions with owners			
Equity dividends paid	-	(750.1)	(750.1)
Balance at 31 December 2025	5.2	605.1	610.3

The notes on pages 144 to 152 form an integral part of these financial statements.

COMPANY CASH FLOW STATEMENT
For the year ended 31 December 2025

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash flows from operating activities		
Profit before tax	743.5	889.8
<i>Adjustments for:</i>		
Finance expense	22.6	21.3
Finance income	(0.6)	(0.5)
Decrease in trade and other receivables	(0.2)	-
Dividend income	(765.6)	(910.7)
Corporation tax paid	(5.9)	-
Net cash from operating activities	(6.2)	(0.1)
Cash flows from investing activities		
Interest received	0.6	0.5
Dividends received	765.6	910.7
Net cash from investing activities	766.2	911.2
Cash flows from financing activities		
Interest paid	(22.0)	(19.7)
Equity dividends paid	(750.1)	(895.9)
Increase in long term external borrowings	471.4	-
Repayment of external borrowings	(450.0)	-
Net cash from financing activities	(750.7)	(915.6)
Net increase in cash and cash equivalents	9.3	(4.5)
Cash and cash equivalents at the beginning of the period	19.9	24.4
Cash and cash equivalents at the end of the period	29.2	19.9

The notes on pages 144 to 152 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. BASIS OF PREPARATION

Gatwick Airport Finance plc (the Company) is a public limited company, limited by shares, and is registered and incorporated in England, United Kingdom. The registered number is 06894065 and the registered address is 8th Floor, 20 Farringdon Street, London, EC4A 4AB.

These financial statements are the financial statements of Gatwick Airport Finance plc (the Company) for the year ended 31 December 2025. The comparative period is the period ended 31 December 2024. They have been prepared applying the recognition and measurement requirements of UK-adopted IFRS in conformity with the requirements of the Companies Act 2006 and prepared under the historical cost convention.

The Directors have prepared the financial statements on a going concern basis which requires the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The financial statements were approved by the Directors on 9 March 2026.

The principal accounting policies, which have been applied consistently throughout the period, are set out below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Investments in subsidiaries

Investments are held as fixed assets and are stated at cost and reviewed for impairment if there are indications that the carrying value may not be recoverable.

(b) Current and deferred taxation

The tax expense for the year comprises current and deferred income tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised directly in equity.

Current tax assets or liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Deferred tax is provided on temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred taxation is determined using the tax rates and laws that have been enacted, or substantively enacted, by the financial position date and are expected to apply in the periods in which the temporary differences are expected to reverse.

(c) Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Payables excluding borrowings are non-interest bearing and are stated at their fair value and subsequently measured at amortised cost using the effective interest method.

(d) Share Capital

Ordinary shares are classified as equity and are recorded at the par value of proceeds received, net of direct issue costs. Where shares are issued above par value, the proceeds in excess of par value are recorded in the share premium account.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(e) Cash and cash equivalents

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

(f) Finance income and finance costs

Finance costs include interest payable, finance charges on lease liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Finance income comprises interest receivable on funds invested, interest income on lease receivables and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

3. ACCOUNTING JUDGEMENTS AND ESTIMATES

In applying the Company's accounting policies management have made estimates and judgements. Actual results may, however, differ from the estimates calculated and management believe that the following presents the greatest level of uncertainty.

Investments in subsidiaries – Estimate

Management assesses at each reporting date, whether there is an indication that the investment subsidiaries may be impaired. If any such indication exists, or when annual impairment testing for an investment is required, the Company makes an estimate of the investment's recoverable amount.

Recoverable amount is the higher of an investment's net realisable value and its value in use. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment. Impairment losses of continuing operations are recognised in the Income Statement in those expense categories consistent with the function of the impaired asset. The Company then carries out sensitivity analyses on the reasonably possible changes in key assumptions in the impairment tests.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

4. COMPANY RESULT FOR THE YEAR

The profit for the year ended 31 December 2025 was £743.5 million (2024: £883.9 million). As permitted by Section 408 of the Companies Act 2006, no separate income statement is presented in respect of the Company.

Operating costs

Audit fees of £10,000 (2024: £10,000) are borne by Gatwick Airport Limited.

Employee information

The Company had no employees during the current or prior period. All staff costs are borne by Gatwick Airport Limited, the Company's subsidiary.

No Directors received remuneration for services to the company.

5. DIVIDENDS

On 23 April and 19 August, the Directors declared and paid dividends of £58.3 per share amounting to £600.1 million. On 5 November the Directors declared and paid dividends of £29.1 per share amounting to £150.0 million, totalling £750.1 million during the year (2024: £859.9 million). The Directors did not recommend the payment of a final dividend (2024: £nil).

6. INVESTMENT IN SUBSIDIARIES

	31 December 2025 £m	31 December 2024 £m
Investment in subsidiaries	1,053.1	1,053.1

The Company has investments in the following subsidiary undertakings:

Subsidiary Undertakings	Principal Activity	Holding	%
Ivy Super Holdco Limited	Holding company	Ordinary Shares	100%
Ivy Holdco Limited ^(a)	Holding company	Ordinary Shares	100%
Gatwick Airport Limited ^(a)	Airport owner and operator	Ordinary Shares	100%
Gatwick Funding Limited ^(a)	Financing company	Ordinary Shares	100%
Ivy Bidco Limited ^(a)	Property company	Ordinary Shares	100%
Gatwick Airport Pension Trustees Limited ^(a)	Dormant company	Ordinary Shares	100%
Ivy Property Holdings Limited	Dormant company	Ordinary Shares	100%

(a) Held by a subsidiary undertaking

All subsidiaries (except for Gatwick Funding Limited (GFL)) are incorporated and operate in England, United Kingdom. Gatwick Airport Limited and Gatwick Airport Pension Trustees Limited have registered office 5th Floor Destinations Place, Gatwick Airport, West Sussex, RH6 0NP. Ivy Super Holdco Limited, Ivy Holdco Limited, Ivy Property Holdings Limited and Ivy Bidco Limited have registered office 8th Floor, 20 Farringdon Street, London, United Kingdom, EC4A 4AB. GFL is incorporated in Jersey and has registered office 44 Esplanade, St Helier, Jersey, JE4 9WG.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

7. BORROWINGS

	31 December 2025 £m	31 December 2024 £m
Fixed rate borrowings	471.5	448.2
	471.5	448.2

At the balance sheet date, the Company recognised unamortised capitalised coupon discount and debt issuance costs of £1.1 million (2024: £1.8 million).

The Company has issued £475.0 million of Senior Secured Notes:

	Maturity	Issue date	As at 31 December 2025 £m	As at 31 December 2024 £m
Senior Secured Notes 6.0 per cent.	2030	21 Nov 2025	475.0	-
Senior Secured Notes 4.375 per cent.	2026	7 Apr 2021	-	450.0
			475.0	450.0

8. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities relate to amounts due to group undertakings.

	31 December 2025 £m	31 December 2024 £m
Other non-current liabilities	0.6	0.6
	0.6	0.6

9. EQUITY

	31 December 2025 £m	31 December 2024 £m
Called up, allotted and fully paid		
5,150,000 (2024: 5,150,000) Ordinary shares of £1.00 each	5.2	5.2

At 31 December 2025, the total retained earnings of £605.1m (2024: £611.7m) were distributable

10. CLAIMS AND CONTINGENT LIABILITIES

As part of the Group's financing agreements, the Company has granted security over their assets and share capital to the Group's secured creditors via a Security Agreement, with Deutsche Trustee Company Limited acting as the Borrower Security Trustee.

Other than the above, the Company has no contingent liabilities, comprising letters of credit, performance/surety bonds, performance guarantees and no other items arising in the normal course of business at 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

11. RECONCILIATION IN NET DEBT

Net debt comprised the Company's borrowings net of cash and cash equivalents excluding interest accruals.

	As at 1 January 2025 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2025 £m
Cash and cash equivalents	19.9	9.3	-	29.2
Borrowings	(448.2)	(21.4)	(1.9)	(471.5)
	(428.3)	(12.1)	(1.9)	(442.3)

	As at 1 January 2024 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2024 £m
Cash and cash equivalents	24.4	(4.5)	-	19.9
Borrowings	(446.7)	-	(1.5)	(448.2)
	(422.3)	(4.5)	(1.5)	(428.3)

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

At 31 December 2025 the Company's ultimate parent and ultimate controlling party is VINCI SA, a company incorporated in France.

The Company's results are included in the audited consolidated financial statements of VINCI SA for the year ended 31 December 2025, the largest group to consolidate these financial statements. The consolidated financial statements of VINCI SA can be obtained from the Company Secretary, VINCI, 1 Cours Ferdinand-de-Lesseps, 92851 Rueil-Malmaison, Cedex, France.

13. RELATED PARTY TRANSACTIONS

During the period the Company entered into the following transactions with related parties as follows:

	Interest payable to related party		Amounts owed to related party	
	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	As at 31 December 2025 £m	As at 31 December 2024 £m
Gatwick Airport Limited	0.1	0.1	1.1	1.2

ALTERNATIVE PERFORMANCE MEASURES

The Group presents its results in accordance with IFRS and also uses other financial measures not defined by IFRS as Alternative Performance Measures (APMs). The APMs are measures of the Group's performance and are useful for management, investors, and other stakeholders. The APMs are non-IFRS measures and are not uniformly or legally defined financial measures. These are not substitutes for IFRS measures in assessing our overall financial performance. An explanation of each APM is provided below.

EBITDA

The Group defines EBITDA as profit for the year before depreciation, amortisation, profit/(loss) on disposal of fixed assets, investment property revaluations, exceptional items, net finance costs, and tax.

EBITDA is included in this Annual Report because it is a measure of the Group's operating performance and the Group believes that EBITDA is useful to investors as it is frequently used by securities analysts, investors and other stakeholders. EBITDA is useful to management and investors as a measure of comparative operating performance from year to year as it is reflective of changes in pricing decisions, cost controls and other factors that affect operating performance, and it removes the effect of the Group's asset base (primarily depreciation and amortisation), capital structure (primarily finance costs), and items outside the control of management (primarily taxes).

EBITDA is used as a financial metric when assessing the credit worthiness of the Group by credit rating analysts and utilised to calculate the Group's debt leverage position and interest coverage under the financial covenants as defined within the Common Terms Agreement.

The Group separately presents certain items on the income statement as exceptional as it believes it assists investors to understand underlying performance and aids comparability of the Group's result between periods. Exceptional items are material items of expense that are considered to merit separate presentation because of their size or incidence. They are not expected to be incurred on a recurring basis.

	2025	2024
	£m	£m
Profit for the year	249.6	305.7
Investment property revaluation	2.2	(56.3)
Loss on disposal of fixed assets	1.4	1.5
Fair value (gain)/loss on derivative financial instruments	(22.7)	1.8
Finance income	(22.1)	(13.4)
Finance costs	224.7	173.7
Income tax charge	88.2	109.0
Operating profit	521.3	522.0
Depreciation and amortisation	150.3	157.6
EBITDA	671.6	679.6

ALTERNATIVE PERFORMANCE MEASURES

Net retail income per passenger

The Group defines net retail income per passenger as total retail revenue less retail expenditure divided by the number of passengers in the year.

Net retail income is included in this Annual Report because it is a measure of the operating performance of the Group relating to retail income used by management and investors. Considering net income on a per passenger basis provides a comparison between periods and eliminates the impact of passenger growth.

	2025 £m	2024 £m
Duty and tax-free	85.3	91.4
Specialist shops	44.4	43.6
Catering	67.2	65.0
Other retail	41.9	41.3
Retail revenue	238.8	241.3
Less: retail expenditure	(5.1)	(4.8)
Net retail income	233.7	236.5
Passengers (millions)	42.8	43.2
Net retail income per passenger	£5.46	£5.47

Net car parking income per passenger

The Group defines net car parking income per passenger as total car parking revenue less car parking expenditure divided by the number of passengers in the year.

Net car parking income is included in this Annual Report because it is a measure of the operating performance of the Group relating to car parking income used by management and investors. Considering net income on a per passenger basis provides a comparison between periods and eliminates the impact of passenger growth.

	2025 £m	2024 £m
Car parking revenue	148.1	147.8
Less: car parking expenditure	(29.6)	(30.5)
Net car parking income	118.5	117.3
Passengers (millions)	42.8	43.2
Net car parking income per passenger	£2.77	£2.71

Senior ICR, Senior RAR and Senior Debt net of cash

Senior interest cover ratio (Senior ICR), and Senior Regulatory Asset Ratio (Senior RAR) and Senior Debt net of cash (Senior net debt) are defined in the CTA and calculated as shown in the tables below. These APMs are included in the Annual Report as they are used to assess covenant compliance for the group.

These APMs are calculated based on the consolidated results of Ivy Holdco Limited and therefore the inputs may be different to those disclosed in this Annual Report.

ALTERNATIVE PERFORMANCE MEASURES

Senior ICR

	2025	2024
	£m	£m
Cash generated from operations ^(a)	645.8	682.5
Less: UK corporation tax paid ^(a)	(29.6)	(58.5)
Less: 2% of Total RAB	(137.5)	(120.3)
Cash Flow (A)	478.7	503.7
Net Interest and equivalent charges paid on Senior Debt ^(b)	181.2	127.9
Total Interest (B)	181.2	127.9
Senior ICR (A/B)	2.64	3.94

(a) Figure from the consolidated results of Ivy Holdco Limited.

(b) 'Interest and equivalent charges paid on Senior Debt' comprises all interest paid, including interest paid which is capitalised into the cost of tangible fixed assets.

Senior RAR

	2025	2024
	£m	£m
Class A 6.125 per cent. Bonds	300.0	300.0
Class A 6.5 per cent. Bonds	300.0	300.0
Class A 5.75 per cent. Bonds	300.0	300.0
Class A 4.625 per cent. Bonds	350.0	350.0
Class A 2.625 per cent. Bonds	180.1	180.1
Class A 3.125 per cent. Bonds	350.0	350.0
Class A 3.25 per cent. Bonds	203.3	203.3
Class A 2.875 per cent. Bonds	204.0	204.0
Class A 2.5 per cent. Bonds	300.0	300.0
Class A 5.5 per cent. Bonds	250.0	250.0
Class A SLB 3.625 per cent. Bonds ^(a)	628.2	628.2
Class A SLB 3.875 per cent. Bonds ^(a)	639.7	-
Accretion on inflation-linked Treasury Transactions	96.7	170.3
Senior Debt	4,102.0	3,535.9
Less: Cash ^(b)	(367.6)	(388.0)
Senior Debt net of cash (X)	3,734.4	3,147.9
RAB (Y)	7,291.6	6,457.6
Senior RAR (X/Y)	0.51	0.49

(a) Recognised at notional hedged amount.

(b) Figure from the consolidated results of Ivy Holdco Limited.

ALTERNATIVE PERFORMANCE MEASURES

Group RAR

Group RAR is defined under the Trust Deed relating to the bond issuance by Gatwick Airport Finance plc and is calculated as shown in the table below.

The financial covenants set out in paragraph (a) of Condition 4.1 (Financial Covenants) apply in respect of each Calculation Date.

	2025 £m	2024 £m
Senior Debt net of cash	3,734.4	3,147.9
Issuer Net Debt	445.8	430.0
Group Net Debt (X)	4,180.2	3,577.9
RAB (Y)	7,291.6	6,457.6
Group RAR (X/Y)	57%	55%