



**Annual report and the consolidated and parent company
financial statements for the year ended 31 December 2024**

STRATEGIC REPORT

2024 highlights	4
About London Gatwick	6
Chair's statement	13
Our key performance indicators	13
Our strategy	14
Operating review	17
Decade of Change – our sustainability policy	23
Sustainable growth	27
Financial review	28
Our approach to risk management	36
Our principal risks	38
Climate-related Financial Disclosures	48
Section 172 (1) statement	56

CORPORATE GOVERNANCE

Group structure	61
Ownership	61
Board governance	63
Gatwick Airport Limited Board of Directors	64
Executive Management Board	68
Composition of Board and its committees	72
Audit, Risk and Finance Committee	73
Remuneration and People Committee	74
Operations and Health & Safety Committee	75
Capital, Environment and Sustainability Committee	75
Commercial Committee	76
Directors' Report	77
Statement of directors' responsibilities	79

FINANCIAL STATEMENTS

Independent auditor's report	81
Consolidated income statement	88
Consolidated statement of comprehensive income	89
Consolidated statement of changes in equity	89
Consolidated statement of financial position	90
Consolidated cash flow statement	91
Notes to the consolidated financial statements	92
Significant accounting policies	93
Significant accounting judgements and estimates	101
Company statement of financial position	134
Company statement of changes in equity	135
Notes to the financial statements	136
Summary of significant accounting policies	136
Alternative performance measures	143

STRATEGIC REPORT

2024 highlights

4

About London Gatwick

6

Chair's statement

13

Our key performance indicators

13

Our strategy

14

Operating review

17

Decade of Change – our sustainability
policy

23

Sustainable growth

27

Financial review

28

Our approach to risk management

36

Our principal risks

39

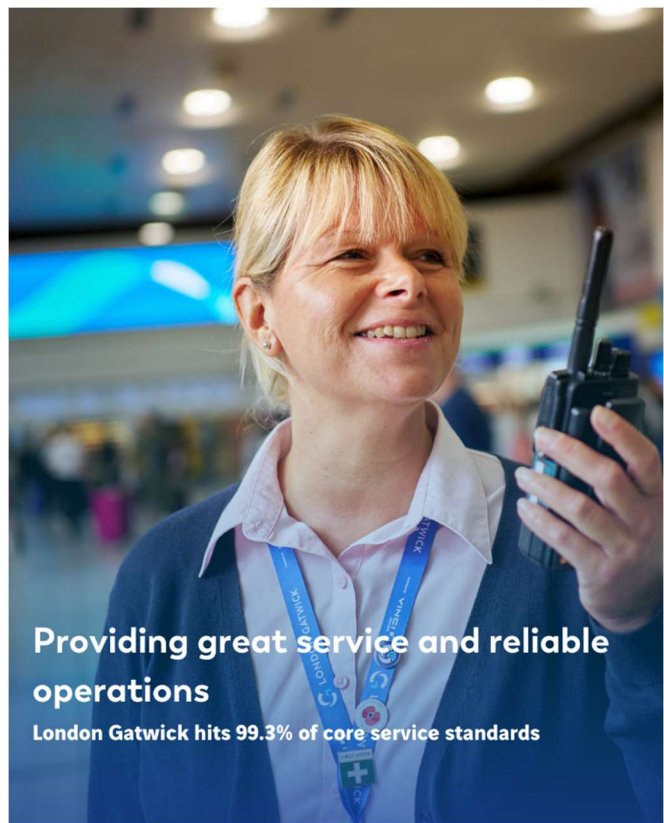
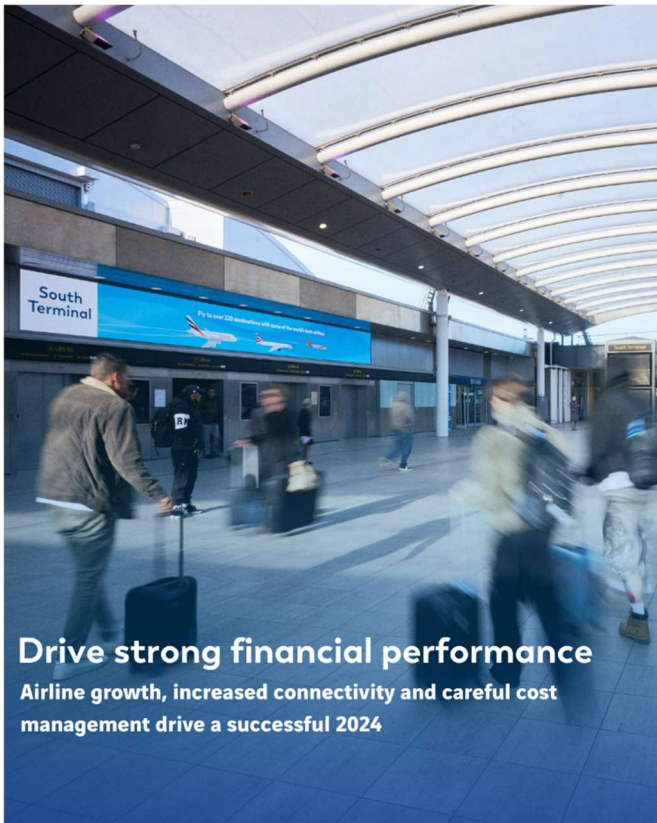
Climate-related Financial Disclosures

48

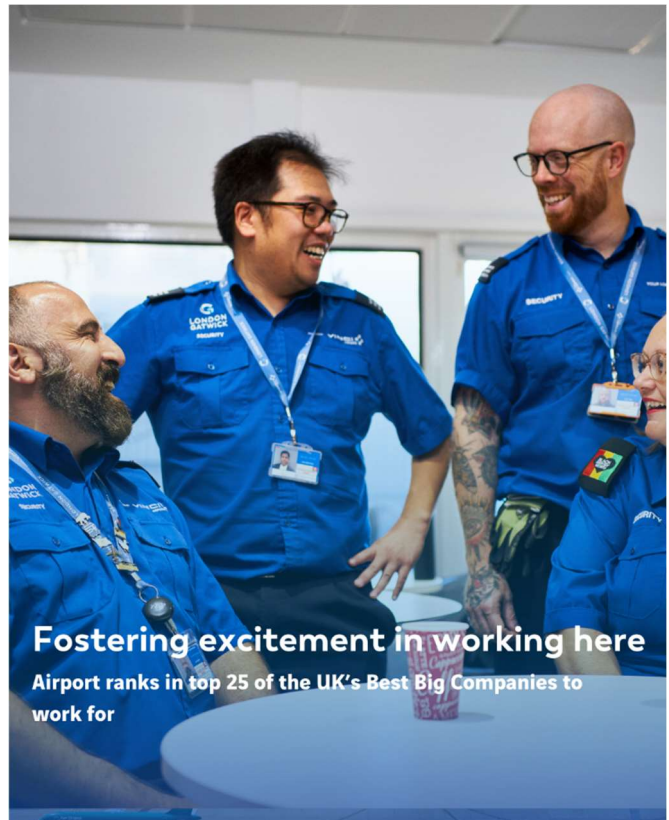
Section 172 (1) statement

56

2024 HIGHLIGHTS



2024 HIGHLIGHTS



ABOUT LONDON GATWICK

Our business

With 43.2m annual passengers, London Gatwick is the UK's second largest and one of Europe's top 10 airports. It is a vital piece of national infrastructure that drives the national and regional economies by generating £5.5bn Gross Value Added (GVA) and supporting more than 76,000 jobs (2023).

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

VINCI Airports owns a 50.01% stake in our airport, with Global Infrastructure Partners (GIP), part of BlackRock, 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 and rail from our airport, including the whole of London. In 2024, 6.6m flew on our airport's long-haul services.

Our broad variety of retail, food and beverage partners reflects our airport's diverse range of passengers, with 110 outlets currently operating across both terminals. The airport also offers 11 lounges including several premium products to suit the needs of all passengers.

Our people

Our vision is to be the airport for everyone. This vision helps ensure our people reflect the diversity of our passengers and society. It helps us to create an environment where everyone belongs, has a voice and feels valued for the significant role they play in our success. Supporting this, we have an ambition to become an employer of choice to help attract the very best candidates and develop our existing colleagues. We're also working hard to place Diversity, Equity and Inclusion (DE&I) at the very heart of our business.

Our commercial partners

We work with a wide portfolio of carriers including many of the world's largest airlines. Our airlines benefit from competitive costs and an ongoing programme of airport improvements. In 2024, passengers had a choice of 57 airlines, operating more than 261,000 aircraft movements, with 51m seats available. The average load factor on these flights was 84.7%.

Our infrastructure

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

Almost £2.8bn has been invested in the airport since 2010, with a further £2bn sustainable growth programme underway. This includes an ambitious plan to be a net zero airport by 2030 and to increase capacity by bringing our airport's existing Northern Runway into routine use, alongside its Main Runway.

A major redevelopment has doubled the concourse space at our airport's dedicated train station. The station offers passengers direct links to more than 120 destinations, including numerous central London locations within just 30 minutes.



New train station concourse

ABOUT LONDON GATWICK

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	To keep the operation running 24/7 we employ a large workforce.
	Maintenance and equipment costs	We're open 24 hours a day, with millions of passengers passing through our airport. 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, delivering improved outcomes for passengers. They're backed by a licence issued by the CAA.

All airport operators are also subject to aerodrome licensing under the Air Navigation Order 2009, which requires an airport operator to demonstrate its competence for conducting aerodrome operations safely. That licensing requirement is not affected by the Civil Aviation Act 2012.

The first generation of commitments expired on 31 March 2021. These commitments 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 to run from 1 April 2021 to 31 March 2025. The CAA confirmed the final licence conditions in a notice in May 2021 (CAP 2144).

Following extensive engagement with airlines and passenger representatives, we proposed an extension to the current commitments until 31 March 2029, while incorporating several important enhancements. This extension will deliver significant benefits for our passengers and airlines, as well as underpin investment in sustainable growth. Over this period, we will give confidence to both airlines and passengers by striving for outstanding service, continuing to invest in facilities, and providing this at a price to airlines which London Gatwick has committed to decline, on average, in real terms. We will actively strive to get consent to start the work needed to bring our Northern Runway into routine use, adding capacity and additional resilience to the airfield.

The proposal's 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 are engaging with the airline community as the package of Core Service Standards (CSS) is reviewed. We're also proposing to reintroduce a CSS metric focused on air traffic control (ATC) performance at our airport and strengthening the special assistance metric.
- **Investment:** Our Capital Investment Plan (CIP) reflects a substantially enhanced capital programme with over £80m added to deliver sustainability objectives, an additional £100m investment in the international departure lounges and nearly £600m to start the Northern Runway programme. Over the 10-year period from 2019, our planned investment is £2.6bn – substantially higher than the minimum investment commitment of £1.5bn and delivered under a lower price ceiling.
- **Price:** Recognising cost pressures and economic uncertainty and underlining our commitment to sharing commercial risk, we propose to switch to the Consumer Prices Index (CPI) and 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:** We published our vision, which is underpinned by the following statement: "To be the airport for everyone, whatever your journey". This vision 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 implementing 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 are also committed to delivering greater passenger choice with routes and airlines, as well as retail growth.

In February 2025, following analysis and stakeholder consultation, the CAA published its final proposals which accept our commitments as the basis of our economic regulation from 2025/6 to 2028/9. The CAA expects to set out its decision on modifications to our economic licence to reflect the new commitments in May or June 2025.

CAPITAL INVESTMENT AT LONDON GATWICK

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

Our 2024 CIP set out a £2bn, five-year plan taking us to March 2029. The programme includes a wide range of projects and initiatives to help us deliver great service, meet ambitious sustainability goals and grow our airport to meet future demand. Our seven key investment drivers are:

- Safety, security and compliance
- Asset stewardship and resilience
- Sustainability
- Capacity and service
- Cost efficiencies
- Commercial revenue
- 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 CAA and the Environment Agency.

Our single biggest investment in 2024 was the installation of next generation technology to screen passengers and their cabin baggage, as mandated by the DfT. The £58.9m project to install 19 new security lanes started in October 2023 and will be complete in H1 2025. As well as enhancing security-screening capability and efficiency, the new technology offers significant passenger benefits by permitting liquids and electrical items to be left in hand luggage.



Next generation security scanners

Other projects planned in 2025 include upgrades to lighting and emergency escape routes in the South Terminal baggage hall, the replacement of the North Terminal fire alarm system, and upgraded facilities providing potable water for aircraft.

ASSET STEWARDSHIP AND RESILIENCE

To ensure the continued smooth running of our airport and consistently high levels of operational performance, we've committed to invest £600m in asset stewardship and resilience projects by 2029. Major maintenance programmes to support this commitment include a rolling programme of

runway and taxiway rehabilitation, the replacement and upgrade of our Instrument Landing System (ILS), new facilities for the on-airport police service and replacement of components on the link bridge connecting Pier 3 to the South Terminal.

Core assets

The 2024 CIP includes a substantial Core Asset Stewardship Programme covering all day-to-day renewal projects. Many support our CSS measurements including the:

- replacement of mechanical assets such as boarding bridges, escalators, travelators and lifts
- renewal of IT assets supporting core operational systems such as flight information display systems (FIDS)
- upgrade of security e-gates and domestic reconciliation cameras
- replacement and upgrade of WI-FI access points
- replacement of the airfield lighting control system
- purchase of new snow clearance equipment; and
- upgrade of Supervisory Control and Data Acquisition systems controlling our high voltage electrical network

Where appropriate, instead of renewing assets on a like-for-like basis as they reach end of life, we upgrade them to deliver a higher-performing asset base over time. For example, we will replace life-expired gas boilers, chillers and vehicles with more sustainable alternatives.

Modern 'look and feel'

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. The centrepiece was a £9.8m refurbishment of the North Terminal departure lounge that completed this year. Numerous other assets upgraded in 2024 included two gate rooms and some aircraft boarding bridges, with over 4,000 seats also replaced across both terminals.

In 2025 our South Terminal departure lounge will also be refurbished and refreshed, as will many of our toilets, gate rooms, reclaim halls and bus-stops.

CAPITAL INVESTMENT AT LONDON GATWICK

Building resilience

Ensuring our airport has resilience is vital so we plan to invest in numerous measures to enhance our ability to recover from disruption and to improve On Time Performance. Forthcoming projects supporting these include:

- a new Airport Control Centre to improve situational awareness, communication and decision making
- airfield infrastructure enhancements including alternative taxiway routes to/from the runway
- enhanced 'push & hold' capability to free up stands and ground crew to deal with arriving aircraft
- additional aircraft parking stands to offset the impacts of airfield maintenance and project work; and
- following a successful proof-of-concept, Smart Stand technology will be deployed on all Pier 6 stands (see page 11)

We'll also invest in an extensive IT programme to continuously improve the resilience of our critical IT systems. This includes remaining vigilant and agile in our response to the constantly evolving risk of cyber-attack as aviation continues to be a high-profile target.

SUSTAINABILITY

Our [second Decade of Change sustainability policy](#) focuses on achieving 10 goals over 10 years.

This includes an ambitious target to reach net zero for our Scope 1 and 2 emissions by 2030. Supporting this goal, we've increased investment in our 2024 CIP to £180m. This includes a campus-wide programme to replace more than 100 gas boilers across 46 buildings. We're also exploring opportunities for on-site or near-site renewable energy generation, and off-site Power Purchase Agreements.

Almost all our vehicle fleet now runs on Hydrotreated Vegetable Oil (HVO), achieving a 90% reduction in emissions compared to diesel. This is an interim measure ahead of switching all 300 vehicles to electric or zero-emission alternatives by 2030 when they reach end of life.

Other projects supporting our Decade of Change goals include investment in the on-site treatment and re-use of rainwater (eg. to flush toilets) to reduce potable water consumption and improve water quality. We're also exploring enhancements to our award-winning biodiversity activities, for example, with a nature-based reed-bed treatment system to decontaminate water.

In addition, we're embedding sustainability throughout the project lifecycle of all our investments including design and construction. Our Pier 6 Western Extension project is an example of this.



Most of our vehicle fleet now runs on HVO

Partners and third parties

London Gatwick has [achieved Level 4+ 'Transition'](#) 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 their emissions. Accordingly, our CIP supports this objective by investing in:

- the CAA-led Airspace Modernisation programme to redesign airspace over Southern England to deliver "quicker, quieter and cleaner journeys"
- charging facilities for electric vehicles across the campus. We're also exploring common user equipment to support the transition and fuelling capability for hydrogen vehicles
- trials for the supply of pre-conditioned air to aircraft to reduce the use of auxiliary power units on the ground.
- measures to boost active travel, including cycle routes and facilities for colleagues living locally; and
- exploration of infrastructure requirements for new electric and hydrogen power technologies, including through the London Gatwick Hydrogen Hub partnership with Airbus, Air Products and easyJet

We're also committed to providing appropriate infrastructure to support decarbonisation and advance the Government's Jet Zero Strategy. This includes continued engagement with the industry's Sustainable Aviation coalition partners, including airlines, aircraft and engine manufacturers.

CAPITAL INVESTMENT AT LONDON GATWICK

COST EFFICIENCIES

Cost efficiency continues to be an important driver to improve our operational processes and reduce costs for our airline and ground handling partners.

For example, a proposed valet parking service that uses robots to park cars closer together would potentially create 2,000 additional spaces while reducing bussing and other costs. At the same time, it would provide passengers with a more convenient long-stay product close to the South Terminal via a short walk instead of a bus journey. Using technology to drive efficiency across airport activities is also included in our CIP. Reflecting the progress of ongoing trials, prioritisation and phasing are adjusted each year.

CAPACITY AND SERVICE

We expect to invest almost £600m in capacity and service projects. Considerations influencing these investments include:

- annual traffic projections and a range of 'busy day' scenarios that stress test the airfield and facilities
- the mix of traffic, including the 'up-gauging' of aircraft sizes, load factor changes, changes to our route network and greater slot utilisation; and
- the quality-of-service provision to help attract and retain customers and airlines in a competitive airport environment

Key capacity and service investments include:

- work is underway on a £140.6m project to extend Pier 6 to provide eight new aircraft stands; and
- expanded North and South Terminal departures lounges to optimise space and passenger flow

Wayfinding and accessibility improvements

Building on our consistently strong wayfinding scores, we'll make journeys through our airport even easier by providing information about walking distances, particularly to boarding gates. Initiatives to support passengers requiring assistance are also planned, including improvements to accessible toilets, a refresh of the 'call points' located around the terminal and, where possible, additional lifts on piers.

New technology

Technology plays an important role making our passengers' journeys easy and comfortable. That's why we're partnering with several airlines to upgrade passengers experience, including developing a self-service bag drop product for Wizz Air and an enhanced bag drop solution for Ryanair. Other uses of new technology include:

- initial roll out of 'Smart Stand' technology across Pier 6
- a new monitoring system to help passengers find vacant car parking spaces; and
- investment in queue monitoring technology to improve real-time information for passengers.

Pier 6 Western Extension

The £140.6m Pier 6 Western Extension will create eight full code C stands and provide pier service to more than one million passengers currently traveling to remote stands by bus each year. Construction started in 2020 but was paused during the pandemic.

During the hiatus – and in line with our second Decade of Change goals – we reviewed the design and took a more sustainable approach to its construction. Removing retail space reduced the width of the building and re-locating the service road facilitated a two-storey building, rather than three. These changes helped deliver an approximately 40% saving in embodied carbon.



By then moving the structure to a hybrid steel and timber frame structure, re-designing ventilation systems to use less ductwork and plant, and by changing finishes (removing suspended ceilings and simplifying the façade), a more than 20% additional embodied carbon saving is expected. In addition, we're targeting further savings in our approach to construction delivery.

The project is on track to achieve a BREEAM (Building Research Establishment Environmental Assessment Methodology) rating of 'Excellent' overall, with 'Outstanding' ratings for both energy and water criteria. Site clearance and groundworks started in summer 2024 and we expect the Pier to be operational for summer 2027.

CAPITAL INVESTMENT AT LONDON GATWICK

COMMERCIAL REVENUE

Maximising revenue through commercially returning projects benefits passengers by providing a wide choice of quality restaurants, shops, parking, car rental, and other service products. These not only enhance the passenger experience but enable us to maintain competitive airport charges, which in turn incentivises the growth of airline services.

Our plans also include continued improvement and updating of our catering and retail proposition, additional hotel room provision and an appropriate mix of office and other back of house accommodation to support our growing airline and ground handler community.

We support Crawley Borough Council's local plan policy (GAT 3) for all new car parking to be provided on-airport to avoid adverse impacts on the community. With this in mind, we will develop the robotic parking concept (above) and continue to provide the appropriate number of car park spaces and range of products at different price points to meet our passengers' needs.

Smart Stand innovation

Following a successful proof of concept, we're rolling out new Smart Stand technology across all stands on Pier 6 to test the innovation at scale.

The new technology allows a Turn Coordinator (TCO) to manage many aircraft turn operations from a single control room, without needing to attend every arriving aircraft. The proof of concept showed that operators could safely perform entry onto stand, jet bridge operations and door control from the control room. 'Turn events' were also recorded automatically and Artificial Intelligence (AI) predicted when the plane was ready to leave to a high degree of accuracy.

By allowing jet bridge operators to manage aircraft turns, the innovation – which is being trailed in partnership with easyJet – has the potential to enable consistently fast aircraft turn arounds and help improve punctuality.



GROWTH

In July 2023 we finalised our plans to bring the existing Northern Runway into routine use and submitted our Development Consent Order (DCO) application to the Planning Inspectorate. The Examination process ended in August 2024 and the Planning Inspectors submitted their recommendation to the Secretary of State at the end of November 2024. A final decision from the Secretary of State for Transport is expected in 2025.

We fully recognise the need to strike the right balance between the clear benefits of growth and the impact on our local communities and the environment. Further details on this are in our Sustainable Growth section on page 27.

CHAIR'S STATEMENT



"Throughout the year, I've been reminded of the crucial role London Gatwick plays in driving economic activity and its potential as a catalyst for growth.

Our airport currently supports more than 76,000 jobs and contributes £5.5bn annually to the economy through a diverse range of supply-chain, trade, tourism, and business activities. By enhancing this activity, our airport can help deliver important new growth and prosperity for UK Plc and future generations.

Together with our partners, we've already taken significant steps to unlock our airport's economic potential. After several years of preparation, we launched the Gatwick Region Airport Economic Zone (AEZ) to facilitate new trade, tourism, and business growth opportunities. Our initial priority is to establish a clear regional identity to help attract international investment into the region amidst fierce global competition.

Continuing the global focus, our airport's long-haul network has grown and now reaches regions with little or no historic traffic from London Gatwick. By providing access to global markets, these vital trade corridors to China, Africa, and India are also clear pathways for growth.

Our airport, however, is operating close to capacity. Investment in new capacity is necessary to maximise its potential and deliver new global routes. The privately financed plan to bring our Northern Runway into routine use will provide significant new capacity, jobs and an economic boost while further enhancing the passenger experience.

Overall, London Gatwick had a very successful 2024 and has tremendous potential to drive growth in the years to come."

Baroness Margaret Ford of Cuninghame (OBE), Chair

OVERALL STRONG PERFORMANCE IN 2024

OPERATIONAL:

PASSENGERS **43.2m** ▲
FROM 40.9m IN 2023

AIR TRAFFIC MOVEMENTS **261,618** ▲
FROM 253,101 IN 2023



SERVICE:

59% ▲
ON TIME DEPARTURES
FROM 55% IN 2023

95% ▼
OF PASSENGERS PASSED THROUGH
SECURITY IN 5 MINUTES OR LESS
FROM 97% IN 2023

NET PROMOTER SCORE
37% ▼
FROM 41% 2023



SUSTAINABILITY:

0.60KG ▼
CARBON INTENSITY
(SCOPE 1 & 2) PER PASSENGER
FROM 0.67KG IN 2023

62% ▲
OF AIRPORT WASTE REUSED
OR RECYCLED
FROM 59% IN 2023

0.31 ▲
LOST TIME INJURIES PER
100K HOURS WORKED
FROM 0.28 IN 2023

33% ▼
WOMEN IN LEADERSHIP
(MANAGER AND ABOVE)
FROM 34% IN 2023



FINANCIAL:

3.94x ▲
SENIOR
ICR
FROM 3.48x IN 2023

£342.9m ▲
PROFIT FOR
THE YEAR
FROM £314.8m IN 2023

£679.6m ▲
EBITDA (EARNINGS BEFORE INTEREST,
TAXES, DEPRECIATION, AMORTISATION
AND EXCEPTIONAL COSTS)
FROM £617.7m IN 2023



0.49x ▲
SENIOR
RAR
FROM 0.45x IN 2023



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 who 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 set out our ambition to remain as one of Europe's best airports. Safety and security underpin everything we do.

Great service	
Give every passenger an enjoyable and effortless experience	
Progress in 2024	<ul style="list-style-type: none"> • Our 43m passengers received good levels of service as we hit 99.3% of our agreed service levels. • Our world-beating security processed more than 95% of passengers through in five minutes or less. • 95% of passengers rated their overall departure experience as good or excellent.
What's next?	We will complete the roll out of next generation security scanning technology across both terminals, improving efficiency and convenience for our passengers.

Be sustainable	
Continually drive greener and more sustainable solutions	
Progress in 2024	<ul style="list-style-type: none"> • Emissions from our vehicle fleet reduced by 90% after switching most vehicles to run off HVO, rather than diesel. • The London Gatwick Hydrogen Hub partnership with Airbus, Air Products and easyJet started exploring the introduction of hydrogen infrastructure including for, potentially, zero emission aircraft. • We provided £570,000 in grants to support 158 community projects that helped to address social issues, promote education, or encourage personal development.
What's next?	We will start rolling out 300 electric or zero emission vehicles across our fleet and continue to replace refrigerants and boilers across the campus to achieve net zero (Scope 1 and 2 emissions) by 2030.

OUR STRATEGY

Build and grow

Strengthen our airline, retail and commercial offer

Progress in 2024	<ul style="list-style-type: none"> Passengers benefitted from superb choice as more airlines operated from our airport than ever before and we opened 20 new retail outlets in our terminals. We secured significant growth in airline services to regions with little to no historic traffic from London Gatwick (China, Africa, India, Middle East). We secured an airport-wide advertising agreement with Uber.
What's next?	Work to refurbish our South Terminal departure lounge will begin. We'll also continue to give our passengers even greater choice by growing our short and long-haul networks.

Work smarter

Drive efficiency and resilience

Progress in 2024	<ul style="list-style-type: none"> We worked closely with NATS to improve staffing and resilience in our control tower, which helped deliver four extra aircraft movements in the vital first hour of the day, compared to 2023. Our £50m taxiway rehabilitation programme is strengthening resilience in this crucial asset. We improved our On Time Performance by 5% year on year.
What's next?	We will roll out our Smart Stand innovation to all stands on Pier 6. Our programme to rehabilitate our airport's taxiways and strengthen airfield resilience will also continue.

Engage our people

Foster excitement and pride in working here

Progress in 2024	<ul style="list-style-type: none"> A new Employee Value Proposition (EVP) was launched to help us attract the very best candidates and support the development of our existing colleagues. We rolled out DE&I Confident Managers training to 93% of managers across the business. Our Empowering Women development programme started to improve representation of underrepresented groups in leadership roles.
What's next?	We'll roll out a new online performance tool to help our managers get the best performance from their teams.

Keep our airport moving forward

Invest in projects that serve our customers and enable growth

Progress in 2024	<ul style="list-style-type: none"> We progressed and completed the Examination phase of our Northern Runway Project with the Planning Inspectorate A full £9.8m refurbishment of North Terminal departure lounge transformed passengers' experience with a completely new look and feel
What's next?	Subject to planning approval, we'll take forward our Northern Runway Project to grow capacity, improve resilience and support economic growth. We'll also progress our Pier 6 Western Extension project to build eight new aircraft stands close to our runways.

OPERATING REVIEW



“Significant airline growth, increased connectivity and careful cost management were the key drivers of our airport’s successful financial performance in 2024.

As evidenced by strong metrics, our 43.2m passengers received excellent service levels throughout the year. They also enjoyed fantastic new facilities as we completed major upgrades to our train station and North Terminal departure lounge.

This year we proudly welcomed more airlines operating from our airport than ever before and remain well positioned to grow these vital connections further as demand in our market remains strong. Capacity constraints, both in the UK and across Europe, continue to be a challenge, however, and are impacting our ability to realise our full growth potential.

Of particular concern are proposals to re-evaluate airport business rates and we are engaging with Government, both directly and via our industry association, to raise awareness of the issues.

Since coming into office, the new government has set out a clear agenda encouraging economic growth. Our £2bn privately financed Northern Runway Project is ideally placed to support this ambition and, once approved, will unlock thousands of new jobs and £1bn for the region’s economy each year, underpinned by ambitious sustainability commitments.

Getting our Northern Runway plans through the formal planning process has been a major focus in 2024. A final decision rests with government and I’m looking forward to a positive outcome for our airport, our region and the UK economy.”

Stewart Wingate, Chief Executive Officer

REVIEW OF THE YEAR

Reliable airfield operations

261,000 aircraft movements in 2024

Passengers passing through our airport experienced reliable service and minimal disruption across the year. This success was due to close, careful planning with our airlines, ground handlers and air traffic controllers, ensuring appropriate resource levels and robust processes were in place well before the start of a busy summer season.

Our close working with National Air Traffic Services (NATS) led to improved resilience in our control tower as more air traffic controllers joined the NATS team at our airport. This close partnership also helped deliver an average of four extra aircraft movements in the vital first core hour of the day, compared to 2023.

Furthermore, our new Rapid Exit Taxiway provides an additional route for aircraft to vacate our Main Runway. Across the year, this investment has reduced aircraft occupancy time on this vital asset and supported us in maintaining an efficient airfield operation. Meanwhile, a £50m programme to rehabilitate our taxiways and strengthen airfield resilience also commenced in 2024. This programme will continue in off-peak periods over the next two years.

Another success was On Time Performance (OTP) improving in 2024, compared to the previous year. However air traffic restrictions downstream in other parts of Europe continued to impact our airport. So, together with our airlines, we've put in place a robust plan – including the use of new technology – to improve OTP further in 2025.

To help improve aircraft turnaround times and OTP, we plan to roll out a Smart Stand innovation to select stands following a successful proof of concept trial. 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.

Great service

95% of passengers through security in five minutes or less

With the dedication and support of our frontline colleagues, passengers received great service in 2024 as we hit 99.3% of our service standard metrics.

Safety and security underpin everything we do and the passenger experience in our security areas was fast and efficient, with 95% of passengers passing through in five minutes or less.

Passenger experience was also enhanced with 12 out of 19 security lanes in our passenger search areas using next generation technology by the end of 2024. This investment will complete in H1 2025 and provides a better experience as soon passengers will no longer need to remove electrical items or liquids from their hand luggage. The new scanners also enhance passenger safety by providing high-quality X-ray images of cabin bag contents.

Meanwhile, two audits by the CAA showed that we have strong safety measures and procedures in place across both the airfield and our security areas. These comprise all core areas of our airport's operation.

Ensuring we provide reliable, high-quality services to passengers who require assistance is also an ongoing priority. These services were recognised this year when our airport became the first in the UK to receive Airports Council International's (ACI) Level 1 Accessibility Enhancement Accreditation. The accreditation helps airports measure, evaluate and continually improve their accessibility management and culture. In terms of our assisted service provision, we also hit all European Service Standard metrics (ECAC). While we were disappointed that the CAA rated our services as 'needs improvement' in 2024 due to some required enhancements to our data capture processes, the necessary changes have now been completed.

We prioritised passenger care, safety and welfare as our teams dealt with two significant incidents in 2024. Minimal impact was felt at London Gatwick, compared to many other airports, during a global IT outage in July as our airport's IT team got airport systems up and running quickly. A security incident in November had a much larger impact and resulted in the closure of the South Terminal and train station for several hours.

Passenger facilities

20 new retail outlets in 2024

2024 was the first full year of operations for our fully refurbished train station. This £250m investment doubled the available space and significantly improved the experience for our passengers. We also opened a £9.8m fully refurbished North Terminal departure lounge, providing new seating along with a new look and feel, plus we opened 20 new retail outlets for our passengers to enjoy. Furthermore, more than 51,000 electric car drivers used the airport's new Gridserve charging facility during its first full year of operation.

OUR AIRLINE NETWORK

Passenger traffic trends

Passenger numbers up 6% in 2024, to 43.2m .

January to March 2024

During the first quarter, traditionally the quietest period of the year, we saw passenger traffic increase by 12% compared to the same period in 2023. This was driven by the annualisation of new services launched last year, an early Easter and an additional day due to the leap year.

April to September 2024

Throughout the summer there were higher than normal levels of cancellations, particularly in June and July, due largely to adverse weather and congestion across parts of Europe. Despite the disruption, growth from existing carriers, alongside the debut of new short-haul and long-haul carriers, contributed to a strong summer season, with the number of movements up 3% on 2023. Load factors across the summer reached 87%, just 1% lower than the equivalent period in 2019.

October to December 2024

Passenger traffic in Q4 continued to show growth with a 5% increase versus the same period last year. Short-haul passengers increased 4% while growth in long-haul passengers reached 18%.

Traffic changes compared to 2019

The composition of airlines and destinations varies significantly compared to 2019.

Pre-pandemic, 16 airlines flew long haul services, however half withdrew these operations, including Norwegian, Virgin Atlantic and Thomas Cook. Around 15 additional airlines have however started new long-haul services since then, including Norse, Air India and Air Mauritius. The different operating models and destination mixes of these airlines have impacted on our airport's operations and passenger profiles.

Adjustments to short haul airlines includes a shift towards beach destinations and a reduction in business travel to city and domestic routes. These changed flying patterns have led to some short haul airlines operating fewer movements per day due to increased sector length including to destinations in Turkey, Greece and North Africa.



	Year ended 31 December		
	2024	2023	2019
	m	m	m
Short haul			
Europe (including UK and Channel Islands)	34.8	33.8	36.6
Northern Africa	1.7	1.3	1.0
Total short haul	36.5	35.1	37.6
Long haul			
North America	1.9	1.9	4.1
Caribbean and Central America	1.4	1.4	2.2
South America	0.1	0.1	0.3
Sub-Saharan Africa	0.8	0.4	0.5
Middle East and Central Asia	1.5	1.6	1.4
Far East and South Asia	1.0	0.4	0.5
Total long haul	6.7	5.8	9.0
Total passengers	43.2	40.9	46.6
Air traffic movements (ATMs)	261,618	253,101	280,660

OUR AIRLINE NETWORK

Airlines

57 airlines fly from our airport

In 2024, more airlines operated from our airport than ever before. During the year, several major new carriers launched services from our airport including Singapore Airlines, Azerbaijan Airlines, Turkmenistan Airlines, Uzbekistan Airways and ITA Airways. We also welcomed back several European carriers, including Azores Airlines operating flights to Ponta Delgada, and Atlantic Airlines launching services to the Faroe Islands.

Short haul traffic

172 short haul destinations from our airport

Our short-haul market saw traffic increase by 4% in 2024 compared to 2023.

Highlights included:

- easyJet carried 19m passengers, with 0.3% growth versus 2023 despite returning leased slots to British Airways. New seasonal leisure destinations to Skiathos, Greece and Salerno, Italy were launched during the summer months whilst the airline commenced three new services in Q4 to Luxor, Egypt, Strasbourg, France and Tromsø, Norway.
- British Airways subsidiary Euroflyer reported significant growth, transporting +0.5m passengers more than 2023, a year-on-year increase of 15%. The increase in fleet size and aircraft up-gauge allowed the carrier to add 18% additional seats in 2024 compared to the same period in 2023. In Q4, Euroflyer launched three new services to Madeira, Portugal, Larnaca, Cyprus and Ivalo, Finland.
- Wizz Air traffic reached 2.9m, growing by 13% compared to 2023. The airline increased frequencies to Istanbul, Rome and Budapest and added Varna to their network of destinations.
- Vueling delivered 2.9m passenger numbers in 2024, an increase of 7% across their network versus 2023.
- TUI short haul experienced similar growth levels with a 7% increase in passengers versus 2023. The airline launched a new destination to Luxor, Egypt in Q4.

Long haul traffic

53 long haul destinations from our airport

Long haul passenger numbers were up 18% in 2024, compared to the previous year. This represents 15% of our airport's total passenger volume.

Long haul's strong growth was driven by both new and existing airlines adding new services to their networks including to regions with little to no historic traffic. The Asian market experienced the strongest growth, including enhanced connectivity to India, Central and East Asia.

Highlights include:

- BA contributed a third of all long-haul passengers and added Bangkok, Thailand and Islamabad, Pakistan to their 23-strong long-haul network from our airport
- Chinese carriers continued to grow their operations, with all three major carriers represented at our airport for the first time. Air China started a daily service to Beijing, in addition to their Shanghai service. China Southern introduced a new route to Guangzhou to complement their existing operation to Zhengzhou.
- Singapore Airlines launched a five-weekly service to Singapore Changi airport. The timings of the flights allow passengers to seamlessly transfer onto flights to South-East Asia, Australia and New Zealand, including the fastest connecting service from the UK to Sydney, Australia.
- Norse significantly increased their presence at our airport as they flew 650k passengers in 2024, an increase of 31% versus 2023. Norse added two new destinations to their London Gatwick portfolio as operations to Las Vegas and Cape Town commenced in Q3 and Q4 respectively.
- WestJet added two destinations to Halifax and St. John's, Canada.
- Turkmenistan Airlines commenced a service to Ashgabat, while Uzbekistan Airways is now serving Tashkent, boosting connectivity between London and Central Asia.

2025 outlook

Airlines continue to invest in growing their networks at our airport, demonstrating confidence in London Gatwick, particularly given the current aircraft constraints across the industry. easyJet, British Airways and Norwegian have already announced new short haul routes for summer 2025. easyJet will connect with Dusseldorf, Germany, Rimini, Italy and Cape Verde. Norwegian will operate to Riga, Latvia and Alesund, Norway, while British Airways will add Salerno, Italy as a seasonal destination.

In addition, growth in the long-haul market is expected from the Chinese carriers in Q1 2025 as a result of the annualisation of routes commenced in summer 2024. The summer season will see the debut of new long haul services including Kenya Airways to Nairobi. Meanwhile, Singapore will increase operations to a daily service from summer 2025. Also, Wizz Air selected London Gatwick as the first base for their Airbus A321XLR and will commence their long-haul operations in summer 2025 with a daily service to Jeddah, Saudi Arabia.

OUR PEOPLE

OUR VISION IS TO BE THE AIRPORT FOR EVERYONE, WHATEVER YOUR JOURNEY

Supported by clear business priorities, our values framework and our Code of Ethics and Conduct, this vision guides our journey to become an employer of choice. It also helps ensure our people reflect the diversity of our passengers and society, supporting us to create an environment where everyone belongs, has a voice and feels valued for the significant role they play in our success.

As detailed below, we've taken considerable steps toward realising this vision. These were recognised in 2024 when London Gatwick ranked in the [UK Top 25 Best Big Companies to Work For](#). Our airport also made the Inclusive Top 50 UK Employer rankings, highlighting our considerable effort and investment to embed inclusivity across our business.



Recruitment

Our ambition is to become an employer of choice in our region

To help attract the best candidates, and support the development of existing staff, we launched a new EVP this year. Central to the EVP is a cohesive narrative that clearly promotes the wide range of benefits, rewards and opportunities we offer both job candidates and existing staff wishing to develop their career. Leading with the strapline 'Great journeys happen at London Gatwick... Where will your career take you', a new suite of freshly designed branded materials helps attract potential new employees, including through targeted social media advertising. The EVP was rolled out in what continues to be a tight labour market.

Meanwhile, in line with growing passenger numbers, we recruited an additional 417 colleagues in 2024. This helped maintain good levels of passenger and customer service, particularly over the busy summer period.

We also streamlined our offers and onboarding process for new employees. This makes it simpler to create, send and manage job offers.

Early careers programme

As part of this programme, four new engineering apprentices

and 13 new graduates joined our airport's workforce in September. Graduates are assigned a function relevant to their degree and take up rotational placements within each function. This year graduates joined our aerodrome, engineering, construction, corporate and sustainability functions. Local students also gained valuable work experience with summer intern placements across several airport departments.

Developing our people

Our people can thrive and achieve their career aspirations

This year we brought our senior leadership and executive teams together more regularly for an enhanced set of events designed for increased discussion and collaborative working. The successful events furthered the development of our strategic business aims and are scheduled to repeat in 2025.

In addition, we built on last year's roll out of bespoke training for all line managers. In 2024, we introduced new quarterly sessions to provide line managers with relevant updates and support, to help manage their teams more effectively.

We also launched a digital Career Pathways tool to showcase all 400+ career opportunities available at our airport. The new tool explores each potential career option in detail and will include further advice to support colleagues interested in developing their career with us.

Reward

We value our people and reward every colleague with a highly competitive package

We've made a step change in our approach to reward in recent years meaning a significant and fair compensation and benefits programme is now in place. This programme continues to position us as a market competitive employer.

Meanwhile, staff on negotiated salaries accepted a year-long pay agreement following close working with our airport's unions. The agreement takes us through to March 2025 and will help attract and retain core airport staff. Our salaried colleagues also received a pay award.

In March, all eligible staff also shared in the success of the business through our annual bonus scheme. The scheme aligns, motivates and rewards individual performance across a series of business performance measures.

OUR PEOPLE

Diversity, Equity & Inclusion (DE&I)

We're integrating DE&I throughout the business

Having a diverse group of colleagues means we better understand our customers' needs and improve decision making. Therefore, it's important we made good progress during the year against our DE&I strategy ambitions.

This included enhancing key policies and the amount of pay provided for maternity, adoption and paternity leave. This helps attract and retain staff who are, or who may wish to be, parents. We're also tracking our governance and performance in this area and benchmark against external accreditations.

In consolidating the importance of DE&I, our four Business Resource Groups (BRGs) continue to play a vital role. They provide essential input into our policy reviews and help raise awareness of the barriers faced by each group. This year, the groups analysed the language and the intent of our people policies and procedures to ensure they are inclusive, nongendered and accessible.

To improve representation of underrepresented groups, this year 20 female colleagues completed our Empowering Women development programme. Its effectiveness is proven by several attendees already going on to achieve promotion.

Furthermore, in 2024, we rolled out DE&I Confident Managers training to 93% of managers across the business in 2024. This well-received training has equipped these managers with the confidence and skills to commit to and support our DE&I strategy. Given its success, the training has now been extended to include all colleagues across the business.

This year we also made important improvements to our recruitment process to attract more diverse candidates. In addition, we also rolled out training to help those involved in our hiring processes understand their critical role and our expectations around inclusive hiring.

Our Code of Ethics and Conduct (Standards of Behaviour)

In 2024 we further advanced our ethics and integrity framework. Our efforts were focused on building capability to support a workplace where every colleague feels empowered to do the right thing and report their concerns, helping our business to learn, grow and improve. As part of our efforts, we successfully rolled-out our updated Code of Ethics and Conduct – our Standards of Behaviour – to all colleagues in October.

Key management changes

Mark Johnston started as our new Chief Operating Officer in March, having previously held the role at AGS Airports, owners of Aberdeen, Glasgow and Southampton airports.

Belén Llamas started as London Gatwick's new General Counsel and Company Secretary in May. Belén joined our airport from Cambodia Airports, which are also part of the VINCI Airports network.

Sam Fulton, joined as Director of Communications and External Affairs, having previously held roles in organisations including Apple, Unilever, McDonald's and Nestlé.

Sylvain Adoue joined London Gatwick in July 2024 as Deputy Chief Financial Officer. Prior to this role, he held various positions in finance across the VINCI Group including Deputy CFO for Cambodia Airports, overseeing the main airports of Phnom Penh, Siem Reap and Sihanoukville

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. 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.
- Work with airlines and fuel providers to implement the Sustainable Aviation decarbonisation roadmap and interim goals.
- 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.



DECADE OF CHANGE – OUR SUSTAINABILITY POLICY

OUR DECADE OF CHANGE ROADMAPS

In 2023 we strengthened our Decade of Change goals with [10 roadmaps](#). These set out quantitative and qualitative outcomes for each goal, clearly showing what we plan to achieve and when. Together, the Decade of Change policy and the roadmaps outline our approach to creating a sustainable airport for the future.

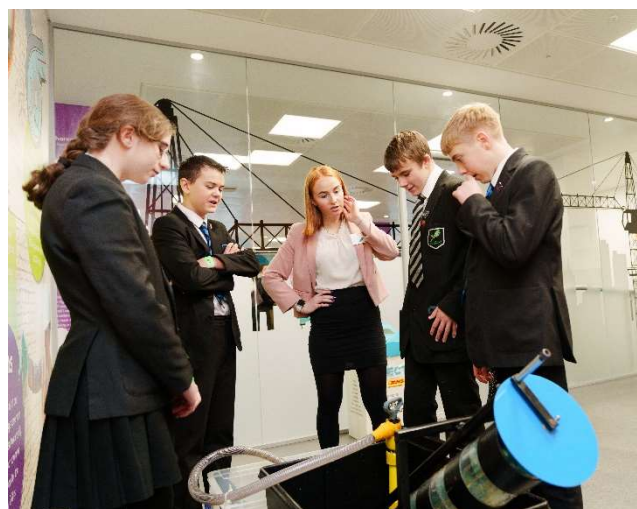
HOW ARE WE PERFORMING?

Operating sustainably and being a responsible business is critical to our long-term success. Our full Decade of Change performance summary 2024 report is published [here](#). The report includes detailed results and examples of steps we've taken in 2024 towards achieving our 2030 goals.

2024 HIGHLIGHTS

People and communities

We aim to inform, inspire, and invest in young people, helping them to develop the right skills for the right job. To that goal, this year more than 190,000 students took part in our education programmes. Overall, we've generated more than 429,000 student encounters since 2021 and aim to involve 1m students in our programmes by 2030.



Local students in London Gatwick's on-site STEM centre

Our funding and grants aim to share the benefits of our airport with the communities most affected by our operations. In 2024, £570,000 in grant funding was made available to 158 community projects empowering local organisations to address social issues, promote education, and encourage personal development.

Net zero

This year we formed the London Gatwick Hydrogen Hub alongside Airbus, easyJet, and Air Products. This collaboration works to establish how infrastructure to supply hydrogen – including to fuel new types of aircraft – could be introduced across our airport as a first step toward possible zero-carbon flights.

In addition, we cut carbon emissions from our diesel vehicles by 90% by swapping the fuel to HVO. HVO is a low-carbon biofuel made from plant waste, oils and fats. All 300 diesel vehicles, comprising 85% of our fleet, are now powered by HVO and will then be replaced by electric vehicles when they reach end of life.

Local environment

In 2024, we achieved an average recycling/reuse rate of 62%, with zero untreated waste sent to landfill for the ninth consecutive year. This includes 15 tonnes of coffee cups sorted and sent for recycling and over four tonnes donated to local charities including over three tonnes of hygiene products donated to The Hygiene Bank.

We were also recognised by the Wildlife Trust for 10 years of outstanding commitment to protecting 75 hectares of woodlands, grasslands, and wetlands. We deliver our biodiversity work against the Trusts' Biodiversity Benchmark standard, a framework that provides external verification and recognition for our efforts.

DECADE OF CHANGE – OUR SUSTAINABILITY POLICY

A strong commitment to sustainability

Q&A with our Head of Strategic Finance, Steve Wirths



WHAT IS A SUSTAINABILITY-LINKED FINANCING FRAMEWORK AND A SUSTAINABILITY-LINKED BOND?

A Sustainability-Linked Financing Framework (SLFF) outlines the approach and criteria for structuring debt, such as loans or bonds, where the terms (e.g. interest rates) are tied to the borrower's performance on sustainability targets. These targets are usually measurable environmental, social, or governance (ESG) metrics. The Sustainability-Linked Bond (SLB) is the financing instrument created based on the context and parameters set out in the SLFF. In October 2024, London Gatwick issued an SLB to the value of €750m, with a tenor of nine years to reach maturity in 2033.

WHY IS LONDON GATWICK USING THIS APPROACH?

The framework aligns our financial strategy with our sustainability ambitions. It is also a clear statement of intent and demonstrates our commitment to achieve our climate-related goals. Frameworks such as these give investors in the capital markets the option to reward companies that demonstrate a strong commitment and leadership in sustainability – thereby providing London Gatwick with greater access to wider pools of liquidity.

WHAT ARE THE KEY TARGETS UNDERPINNING THE SLFF AND SLB?

There are two KPIs. The first KPI is aligned to our airport's commitment to reach net zero for its Scope 1 and 2 emissions by 2030. It sets an absolute cap for residual emissions, stating that Scope 1 and 2 greenhouse gas emissions should be below 1,500 tCO_{2e} by 2030. This is a 98% reduction compared to 1990 (the baseline in our Decade of Change policy).

The second KPI seeks to reduce emissions related to aircraft landing and take-off (LTO) cycles. The target is for LTO greenhouse gas emissions per passenger to be lower than 9.0 kgCO_{2e} (kilograms of carbon dioxide equivalent) per passenger by 2032. This represents a 25% reduction compared to the performance in 2019 – our busiest ever year in terms of passenger numbers. (Note that LTO phases include use of Auxiliary Power Unit, taxi-out, hold, take-off, climb from 0-3,000 feet, approach, landing roll, reverse thrust, taxi-in).

WHAT ARE THE IMPLICATIONS OF NOT ATTAINING THESE TARGETS?

Within the SLB, there are penalties if these targets are not achieved. Falling short of each KPI would involve further payments to investors in the bond of 0.50% in each instance. Should both targets be missed, this equates to a potential impact of more than £6m.

HOW CAN YOU CONTROL LTO EMISSIONS?

One of the reasons we have chosen LTO/pax as a KPI is the levers available to us, such as increased taxiing efficiency on the runway (minimisation of taxi-times and reduced engine taxiing), continuous climb and descent (reducing unnecessary use of thrust) and reduced aircraft power unit use (plugging aeroplanes into the mains).

All the levers we plan to use require close collaboration with stakeholders, such as airlines. More broadly, SAF uptake and fleet modernisation are certainly key levers in delivering a more carbon efficient LTO cycle. Jet Zero, the UK Government's strategy to decarbonise UK aviation, aims for SAF to make up 10% of the aviation fuel mix by 2030, and part of our target setting process considered this commitment.

DECADE OF CHANGE – OUR SUSTAINABILITY POLICY

OUR CARBON FOOTPRINT

We monitor our carbon footprint and report on our 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	
		2024	2023
	Energy & fuel consumption used to calculate emissions:		
	Natural gas (kWh)	35,454,207	35,816,364
	Electricity (kWh)	88,595,778	87,188,480
	Vehicle fuels (litres)	941,122	876,115
	Propane (tonnes)	17	7
	Refrigerants (kg)	439	221
	De-icer (kg)	3,945	8,300
	De-icer (litres)	129,607	111,321
	SCOPE 1 (tonnes CO₂e)	7,617	9,201
Company facilities	Combustion of natural gas	6,484	6,552
Company vehicles	Combustion of vehicle fuels	320	2,162
Company facilities	Propane and materials use in fire training and workshops	50	20
Company facilities	Use of refrigerants	615	337
Company facilities	Use of deicer	148	130
	SCOPE 2 (tonnes CO₂e)		
Purchased electricity for own use	Purchased electricity (location-based)	18,338	18,047
Purchased electricity for own use	Purchased electricity (market-based)	-	-
	SCOPE 1 and 2 (tonnes CO₂e)		
	Total gross location-based SCOPE 1 and 2	25,955	27,248
	Total gross market-based SCOPE 1 and 2	7,617	9,201
	SCOPE 1 and 2 carbon intensity		
	Intensity ratio: kgCO ₂ e/passenger	0.60	0.67
	Intensity metric: passenger numbers	43,248,384	40,899,064
	SCOPE 3 (tonnes CO₂e) (location-based)	4,379,250	3,828,764
Purchased goods and services	Purchased goods and services	44,113	23,171
Capital goods	Capital goods	32,506	30,271
Fuel and energy related activities	Fuel and energy well-to-tank	6,054	6,121
Fuel and energy related activities	Fuel and energy transmission and distribution	1,621	1,561
Waste generated in operations	Waste and wastewater	328	503
Business travel	Business travel	510	615
Employee commuting	Staff commuting and home office	46,366	43,373
Use of sold products	Aircraft landing and take-off (LTO)	413,487	400,109
Use of sold products	Aircraft climb, cruise and descent (CCD)	3,626,107	3,122,925
Use of sold products	Passenger surface access	192,564	182,773
Use of sold products	Aircraft engine testing	1,319	1,053
Use of sold products	De-icer	1,128	1,431
Use of sold products	Non-road construction machinery	551	797
Downstream leased assets	3 rd party consumption	12,596	14,061
	SCOPE 3 carbon intensity – (location-based)		
	Intensity ratio: kgCO ₂ e/passenger	101.3	93.6
	Intensity metric: passenger numbers	43,248,384	40,899,064
	SCOPE 1,2 and 3 (tonnes CO₂e)		
	Total gross location-based SCOPE 1, 2 and 3	4,405,205	3,856,712
	Total gross market-based SCOPE 1, 2 and 3	4,378,196	3,829,654

SUSTAINABLE GROWTH

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

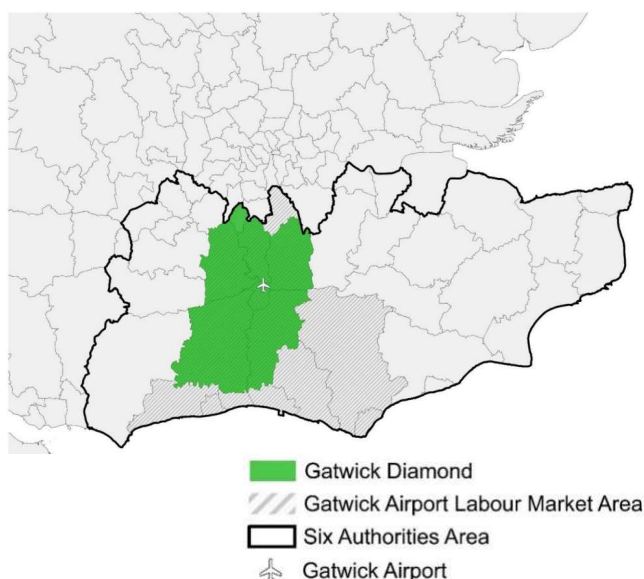
Our airport is an important driver of the region’s economy. Supply chain, tourism, trade and other business opportunities related to airport activity generate prosperity and support the livelihoods of thousands of families across the region. Growing our airport will maintain these vital benefits while also unlocking new economic and job opportunities for future generations.

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 impact of our operations. This includes protecting our local environment and supporting our communities and 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 [Economic Value report](#) produced by leading economists Oxera. The report states that we supported more than 56,000 jobs across the region and added more than £4bn of gross value in 2023. This economic contribution will also increase should our Northern Runway Project be approved.

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



AIRPORT ECONOMIC ZONE

The Airport Economic Zone (AEZ) initiative launched in November, aims to unlock new economic growth. The new AEZ brings together a taskforce of senior economic development, business leaders from across the region, and representatives from UK Government, to promote long-term sustainable economic growth and encourage new inward investment.

LIMITING AND REDUCING OUR IMPACTS

Our plans align with the UN SDGs

Recognising the climate emergency, we accelerated our commitment to reach net zero for emissions under our direct control (Scope 1 and 2 emissions) by 10 years to 2030. We will do this by [investing more than £250m to reduce carbon emissions](#), including by moving to an electric vehicle fleet and replacing gas boilers and refrigerants with low carbon alternatives.

We are a Council Member of the industry’s Sustainable Aviation coalition and fully support its updated Net Zero Carbon Roadmap. This Roadmap and the Government’s Jet Zero Strategy confirm that UK aviation can continue to grow while meeting its commitment to reach net-zero emissions by 2050. This will be achieved through a portfolio of initiatives including airspace modernisation, zero and low emission technology and carbon removals.

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



"In 2024 we saw strong financial performance with an increase in revenue driven by significant airline growth and improved terms with customers. We've continued to provide excellent levels of service, balancing operational requirements with tight cost management.

In October 2024 we established a sustainability-linked financing framework and issued a €750m sustainability-linked bond, showing our commitment to decarbonisation. We are one of only a handful of airports worldwide to set a Scope 3 aviation target under a financing framework. This, along with our strong financial performance driving strong cash from operations, resulted in a cash position of £388.0m at 31 December 2024. Our liquidity position has increased to £843.0m as of 31 December 2024.

We continued to grow our Capital Investment Programme during 2024 and invested £176.0m across our airport, initiating a wide range of new projects through the year.

In the year ended 31 December 2024, the Group's revenue increased to £1,130.3m with EBITDA and profit after tax of £679.6m and £342.9m respectively."

Jim Butler, Chief Financial Officer

FINANCIAL REVIEW

BASIS OF PREPARATION

Ivy Holdco Limited (the Company) is a holding company of a group of companies (the Group) that operates Gatwick Airport (London Gatwick). Ivy Holdco Limited's consolidated 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 79 and note 1 for further details.

REVIEW OF 2024

Financial performance in 2024 remained strong with revenues rising by £115.2m to £1,130.3m (compared to £1,015.1m in 2023). This growth of 11.3% exceeded the growth in passengers of 5.7%. Operating costs continued to face inflationary pressures, especially in the first half of the year when many of the pay awards and new contracts came into effect. These, together with greater numbers of passengers and staff, resulted in operating costs increasing by £56.8m (10.3%).

REVENUE

For the year ended 31 December 2024, total revenue was £1,130.3m. This was driven by:

- continued growth in passenger numbers;
- improved terms with the airlines and retail concessionaires; and
- a wider retail offering and an enhanced passenger experience following the refurbishment of the departure lounge in the North Terminal.

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

Airport and other traffic charges

Airport and other traffic charges income is driven by passenger and aircraft traffic volumes, the level of airport charges and the terms of bilateral contracts with airlines. Charges are set in line with our Contracts and Commitments Framework. This currently allows 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. This current arrangement runs until 31 March 2025.

For the year ended 31 December 2024, airport and other traffic charges income increased by £53.7m compared with the same period in 2023. This is an increase of 9.8%.

These results reflect a combination of factors, including:

- 2.3m more passengers in 2024 compared with 2023, an increase of 5.7%;
- 8,517 more aircraft movements (up 3.4%);
- increases to the planned gross yield in accordance with our Contracts and Commitments Framework; and
- impact of new bilateral contract terms for certain major airlines.

	Year ended 31 December	
	2024 £m	2023 £m
Airport and other traffic charges	599.4	545.7
Retail	241.3	207.7
Car parking	147.8	132.8
Property income	35.0	31.0
Operational facilities and utilities income	45.5	41.2
Other income	61.3	56.7
Total revenue	1,130.3	1,015.1

FINANCIAL REVIEW

Retail

In the year to 31 December 2024, net retail income reached £236.5m, an increase of £32.2m compared to the same period last year. This 15.8% increase exceeds the 5.7% increase in passengers and reflects our continued focus on improving the experience within our departure lounges. Additional new operators across both terminals have helped to enhance the passenger experience and positively impact retail revenue.

Within retail income, duty and tax-free remains our largest category (representing 37.9% of total retail revenue) and best performing in terms of year on year growth (30.0%). This category has benefitted from our increasingly diverse passenger mix (as our long haul offering expands), continued strong performance from the beauty sub-sector and new contract terms.

Catering also performed well, increasing by 10.4% in 2024 compared to 2023. This was driven by new openings (including airport firsts such as Pizza Express), refurbishments and more units open across both terminals compared to last year.

Specialist shops saw more modest growth reflecting that this category is typically a more discretionary spend.

Overall, net income per passenger increased from £5.00 in 2023 to £5.47 in 2024, an increase of 9.5%.

	Year ended 31 December	
	2024	2023
	£m	£m
Duty and tax-free	91.4	70.3
Specialist shops	43.6	42.3
Catering	65.0	58.9
Other retail	41.3	36.2
Retail revenue	241.3	207.7
Less: retail expenditure	(4.8)	(3.4)
Net retail income	236.5	204.3
Passengers (millions)	43.2	40.9
Net retail income per passenger ¹	£5.47	£5.00

1. APMs are defined on page 143.

Car parking

Car parking revenue comprises revenue from various parking products available across our airport (for example, short stay, long stay and valet operations) and revenue from forecourt charges for passenger drop-offs.

For the year ended 31 December 2024, car parking revenue was £147.8m, an increase of £15.0m (11.3%) compared to 2023. This was driven by a 5.7% increase in passengers and a different mix of parking products throughout the year. Valet performed particularly well.

Net car parking income per passenger for the year ended 31 December 2024 was £2.71, an increase of £0.08 compared to 2023. This reflects a combination of competitive pricing across the local market, greater pressure on a labour-intensive cost base and higher sales costs.

	Year ended 31 December	
	2024	2023
	£m	£m
Car parking revenue	147.8	132.8
Less: car parking expenditure	(30.5)	(25.3)
Net car parking income	117.3	107.5
Passengers (millions)	43.2	40.9
Net car parking income per passenger ¹	£2.71	£2.63

1. APMs are defined on page 143.

Other income

For the year ended 31 December 2024, total other income amounted to £141.8m, an increase of £12.9m compared to 2023.

Income from operational facilities and utilities was £4.3m (10.4%) higher than 2023. These categories include service charges and utility recharges as well as recharges to the airlines for check-in facilities. Other income includes recharges for Special Assistance Services, staff parking and logistics services. Overall, these categories grew by £4.6m in the year ended 31 December 2024, due to higher traffic and underlying cost increases.

	Year ended 31 December	
	2024	2023
	£m	£m
Property income	35.0	31.0
Operational facilities and utilities income	45.5	41.2
Other income	61.3	56.7
Other income	141.8	128.9

FINANCIAL REVIEW

OPERATING COSTS

Total operating costs (excluding depreciation) for the year ended 31 December 2024 increased by £53.3m (13.4%). We remain committed to balancing good passenger service and operational requirements alongside tight cost management. However, we acknowledge the pressure that an inflationary environment has on our cost base, particularly on labour costs. These include a full year impact from pay awards made part way through 2023, as well as from new awards across our key suppliers that came into effect during 2024.

Staff costs

Staff costs for the year ended 31 December 2024 were £19.3m higher than the previous year (11.4%). This reflects recruitment of additional security staff to operate the more labour-intensive UK Government-mandated Next Generation Security Screening process, together with a pay award (effective 1 April 2024), which was agreed with the relevant Trade Unions. The average number of full-time equivalent (FTE) employees in 2024 increased to 2,563 from 2,294 FTEs in 2023.

Retail and car parking expenditure

Both retail and car parking expenditure increased in the year ended 31 December 2024 compared to 2023, which follows growth in revenue for both of these areas. Most of the growth in retail expenditure related to e-commerce cost of sales. This covers services such as premium passport control and lounges which incur a running cost.

Car parking expenditure increased by £5.2m. This includes the costs of operating the car parks themselves, the forecourt and also sales costs from operating our website and booking engine, both of which have been enhanced.

Maintenance and IT expenditure

Maintenance and IT costs were £4.3m (9.1%) higher in 2024 compared to 2023. Higher traffic volumes and more FTEs leads to greater levels of activity. During 2024, we have invested in a number of IT projects, and we continue to note the trend towards more cloud-based IT solutions. This in turn means that more cost is treated as an operating expense, as opposed to capital expenditure.

Utility costs

Throughout 2024, we have focussed on improving energy efficiency as part of our second Decade of Change. Despite this, the unit price has increased in 2024, and as a result, utilities increased by £3.4m in 2024 compared to 2023. We take a long-term hedging approach to reduce the volatility of utility costs.

Rent and rates

The rateable value used to assess our business rate liability was increased by 24.8% with effect from April 2023. This impact fully annualised in 2024, with a further increase of 6.6% from 1 April 2024 reflecting an uplift in the Uniform Business Rate set by Government. This was partly offset by refunds relating to prior years which meant rent and rates costs for the year ended 31 December 2024 were £2.5m higher than 2023.

Other operating expenses

This category includes a range of costs that are largely fixed in nature (such as police, air traffic control and insurance) while other costs 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 further develop and embed our ESG agenda (including our second Decade of Change), are also included here. In line with prior years, we're focused on identifying areas to generate efficiencies, alongside delivering operational requirements and a good passenger experience.

Other operating costs increased by £17.2m (20.8%) compared with the same period in 2023. This is in part due to increasing numbers of special assistance passengers (a sign of confidence in our product and with some routes now seeing exceptionally high volumes per flight) and marketing as we continue to roll out the new brand launched in 2023. We also experienced a full year impact of pay awards for police, cleaning and other service contracts.

	Year ended 31 December	
	2024	2023
	£m	£m
Staff costs	188.8	169.5
Retail expenditure	4.8	3.4
Car parking expenditure	30.5	25.3
Maintenance and IT expenditure	51.4	47.1
Utility costs	36.4	33.0
Rent and rates	38.9	36.4
Other operating expenses	99.9	82.7
Depreciation and amortisation	157.6	154.1
Total operating costs (pre - exceptional items)	608.3	551.5

FINANCIAL REVIEW

EBITDA AND OPERATING PROFIT

For the year ended 31 December 2024, the Group recorded an operating profit of £522.0m compared to £463.6m in 2023. The increase in operating profit was mainly driven by revenue growth in 2024 while maintaining tight cost management.

EBITDA increased to £679.6m compared to £617.7m in 2023, resulting in an EBITDA margin of 60.1% compared to 60.9%.

	Year ended 31 December	
	2024	2023
	£m	£m
Operating profit	522.0	463.6
Depreciation and amortisation	157.6	154.1
EBITDA	679.6	617.7

PROFIT FOR YEAR

For the year ended 31 December 2024, the Group recorded a profit before tax of £456.4m (2023: £403.2m) and a profit after tax of £342.9m (2023: £314.8m).

Fair value of investment property increased in 2024 due to improved trading performance of our car park portfolio, which resulted in a non-cash fair value adjustment of £56.3m.

Net finance costs increased by £5.3m as a result of higher interest costs on our new fixed rate bonds and our swap portfolio, and lower capitalised borrowing costs offset by higher interest receivable.

Fair value loss on derivative financial instruments for the year ended 31 December 2024 was £1.8m (2023: £18.8m). Overall, positive fair value movements in our fixed to floating and variable rate to index-linked swap portfolios offset negative fair value movements in our fixed to index-linked swap portfolio offset.

	Year end 31 December	
	2024	2023
	£m	£m
Operating profit	522.0	463.6
Investment property revaluation gain	56.3	72.7
Loss on disposal of fixed assets	(1.5)	(1.0)
Net finance costs	(118.6)	(113.3)
Fair value loss on derivative financial instruments	(1.8)	(18.8)
Income tax charge	(113.5)	(88.4)
Profit for year	342.9	314.8

TAX

The tax charge for the year ended 31 December 2024 was £113.5m (2023: £88.4m). Based on a profit before tax of £456.4m (2023: £403.2m), this results in an effective tax rate of 24.9% (2023: 21.9%).

The effective tax charge for 2024 is lower than the statutory rate of 25.0% (2023: 23.5%) due to the effect of group relief offset by expenses not deductible for tax purposes (2023: primarily due to the effect of group relief).

During the year the Group paid corporation tax of £58.5m (2023: £38.7m).

CASH POSITION AND CASH FLOW

On 31 December 2024, the Group had £388.0m (31 December 2023: £259.9m) of cash and cash equivalents. In the 12 months ended 31 December 2024, there was an increase of £128.1m in cash and cash equivalents.

The increase in cash equivalents was driven by strong cash flow from operations, in excess of investing and financing cash flows.

In the 12 months ended 31 December 2024, net cash from operating activities increased to £624.0m (2023: £563.7m). The following table reconciles EBITDA to net cash from operating activities:

	Year ended 31 December	
	2024	2023
	£m	£m
EBITDA	679.6	617.7
Increase in inventories, trade and other receivables	3.4	(19.0)
Increase in trade and other payables	(5.7)	9.3
Difference between pension charge and cash contributions	(0.1)	(7.3)
Other non-cash movements	5.3	1.7
Corporation tax paid	(58.5)	(38.7)
Net cash from operating activities	624.0	563.7

FINANCIAL REVIEW

CAPITAL EXPENDITURE

We continued to grow our CIP during 2024. We invested £176.0m in the year ended 31 December 2024 compared with £154.7m in 2023. Key projects and areas of investment during the year were:

Asset stewardship and resilience

At the beginning of the year, we opened a new Rapid Exit Taxiway (RET). The RET provides a fast exit route off the runway for arriving aircraft, in a location optimised for Code C, narrow-bodied aircraft. This will improve the resilience of runway operations and aid on-time performance.

In addition, work on our airport's rolling programme of taxiway rehabilitation continued through the year with several taxiway 'blocks' rehabilitated ahead of the summer. Meanwhile, we also completed projects to replace the Pier 4 roof and upgrade the controls system for all the baggage belts in Zone J check-in.

Capacity and service

Ahead of the summer, we completed a £9.8m refurbishment of the North Terminal departure lounge. New flooring, wall finishes and refreshed wayfinding gives a brighter, lighter feeling to the space. Furthermore, a wider range of modern seating styles, with a convenient charge point at each seat, offers passengers more choice. Completing the transformation ahead of the busy summer season are reconfigured retail island units, a new airline information desk, additional flight information, and the incorporation of planters and green walls. In particular, the new 'quiet zone' is proving very popular with passengers looking for a more tranquil experience, away from the more vibrant, main lounge.

We also completed work on a £6.0m project to replace the triple height ceiling in South Terminal check-in Zone J and K. With the scaffolding now down, the zone feels modern, bright and spacious and provides a great welcome to our airport for the more than 40% of our passengers who arrive from the new rail station.

Following the launch of London Gatwick's revitalised brand in 2023, we've continued to replace all branded signage around our airport. We have replaced over 5,000 old passenger seating in the North and South Terminal departure lounges, baggage reclaim halls and gate-rooms with new, modern seats.

Following the design for a £140.6m project to extend Pier 6 in the North Terminal, groundworks commenced. See page 11 for further details.

Sustainability

We completed a programme of replacing conventional lighting with low-energy LEDs. This included our five multi-storey car parks, alongside replacing all the streetlamps across the landside campus. Meanwhile, following the successful transition from diesel to HVO to power our vehicle fleet, we've started a programme to replace these with electric vehicles as we work towards our commitment to reach net zero by 2030 for Scope 1 and 2 emissions. In addition, fulfilling passenger requests for more water bottle refill points to reduce single use plastic bottle usage, we completed work on the installation of 18 new units across both terminals ahead of the summer.

We also continued with design on a range of projects to decarbonise heat and replace chillers that have high fugitive emissions. Furthermore, design also continued on our proposed water treatment solution using reed bed technology to improve the quality of water discharged to our rivers. We'll also determine if this can be re-used for flushing toilets which would reduce our potable water consumption.

Safety, security and compliance

Having begun in October 2023, this year we continued installation of new security-screening technology, mandated by the Department for Transport (DfT), for passengers and their cabin baggage. By the end of 2024, 12 out of the 19 lanes have been upgraded and were operating. As well as enhancing security screening capability, the new technology will allow liquids and electrical items to be left in bags once the rollout is complete. Upgrades to the remaining lanes will complete in the first quarter of 2025.

Commercial revenue

Work on the construction of a new multi-storey car park in North Terminal continued in 2024. The car park will provide more than 3,200 extra mid-stay car parking spaces directly linked to this terminal.

We continued to enhance our retail and dining portfolios during 2024 with the opening of TAG Heuer and Tudor boutique watch stores along with Pizza Express, Big Smoke and Black Sheep Coffee. We also completed a £1.7m programme to replace a range of media screens with modern, higher specification models, aimed at driving advertising income as well as boosting the appearance of terminal spaces.

Growth

In July 2023 we finalised our plans to bring the existing Northern Runway into routine use and submitted our DCO application to the Planning Inspectorate.

Details about our Northern Runway plans are set out in the Sustainable Growth section on pages 12 and 27.

FINANCIAL REVIEW

FINANCING

Financing structure and activities in 2024

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.

During the year, the Group had a Revolving Credit Facility (RCF) under the ACF of £300.0m with a termination date of June 2025. The Group also had access to a committed £150.0m LF to ensure interest payment obligations can be kept current for over 12 months, providing additional assurance to Secured Creditors. The RCF and LF were fully undrawn as of 31 December 2024. The facilities were refinanced in March 2025 and the Group now has access to a RCF of £450.0m with a termination date in 2030 and LF of £250.0m.

To provide additional liquidity in February 2023, the Group entered into a new RCF under an ACF of £100.0m. This facility expired in July 2024.

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 January 2024 the Group repaid the £150.0m 5.25 per cent. Class A bond.

In April 2024 the Group issued a £250.0m 5.5 per cent. Class A bond with scheduled and legal maturities of 2040 and 2042 respectively.

In October 2024 the Group established a SLFF and issued a €750.0m SLB with scheduled and legal maturities of 2033 and 2035 respectively. 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. The framework aligns our financial strategy with our sustainability ambitions. See the Q&A with our Head of Strategic Finance on page 25 for further details.

See note 22 on page 125 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.

In 2024, the Group entered into cross-currency swaps to hedge against movements in foreign exchange rates associated with the SLB. The cross-currency swaps have total nominal value of €750m, of which €500m swap interest from a fixed-rate Euro coupon to a fixed-rate in Sterling, and the remaining €250m 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 2024, the Group's consolidated senior net debt was £3,147.9m. It comprised:

	Year ended 31 December	
	2024	2023
	£m	£m
Class A bonds	3,365.6	2,637.4
Index-linked derivative accretion	170.3	150.2
Cash and cash equivalents	(388.0)	(259.9)
Senior net debt ¹	3,147.9	2,527.7

1. APMs are defined on page 143.

For the year ended 31 December 2024, the average interest rate payable on borrowings was 5.45% pa (31 December 2023: 6.65% pa).

FINANCIAL REVIEW

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 under the ACF Agreement. The Group's financial covenants on 31 December 2023 and 2024 under the CTA are shown below.

Senior ICR in 2024 remains strong and provides significant headroom to the trigger and default levels.

	Year ended 31 December		Trigger	Default
	2024	2023		
Minimum interest cover ratio (Senior ICR) ¹	3.94	3.48	<1.50	<1.10
Maximum net indebtedness to the total regulatory asset base (Senior RAR) ¹	0.49	0.45	>0.70	>0.85

1. APMs are defined on page 143.

PENSION SCHEME

London Gatwick operates a defined benefit pension scheme, which closed to new members in June 2010. On 31 December 2024, the defined benefit pension scheme, as measured under IAS 19, was funded at 122% (31 December 2023: 119%). This translated into an accounting surplus of £70.5m (31 December 2023: £68.2m).

The Directors believe the scheme has no significant plan-specific or concentration risks. Further details can be found in Note 23.

DIVIDENDS

After considering the factors set out in the capital allocation section of the Section 172 (1) Statement on page 56, the directors have declared and paid dividends of £600.8m during the year ended 31 December 2024 (2023: £nil). The directors did not recommend the payment of a final dividend (2023: £nil). The dividends paid during the year are the first since 2019 and follow a £370.0m capital injection during that period.

Jim Butler

Chief Financial Officer

OUR APPROACH TO RISK MANAGEMENT

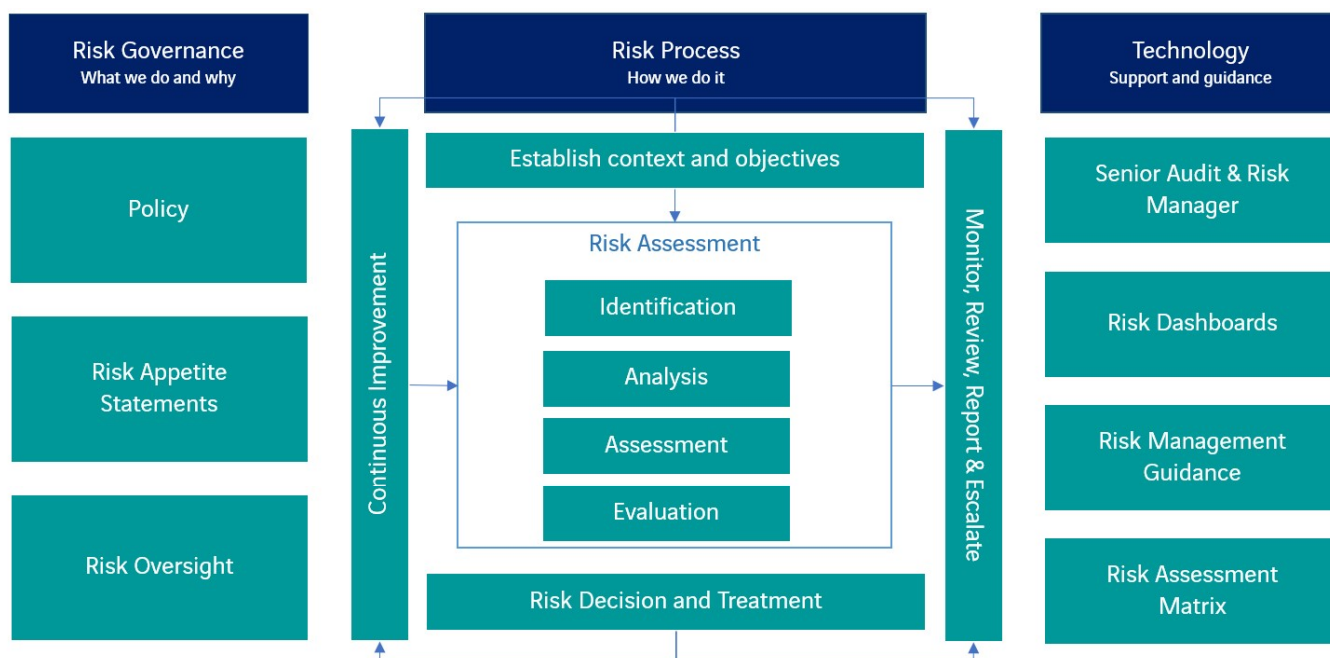
RISK MANAGEMENT FRAMEWORK

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 Management Culture
- Risk Capabilities and Training
- Risk Champions

OUR APPROACH TO RISK MANAGEMENT

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.

OUR APPROACH TO RISK MANAGEMENT

RISK GOVERNANCE

The risk management process is aimed at defining and implementing clear accountabilities, processes and reporting formats. This delivers efficient and effective management assurance to the Board of Directors to ensure statutory compliance, and protect and enhance our reputation, while supporting business units to successfully manage their operations and embed risk management.

During 2024, we continued to strengthen our enterprise risk management approach following establishment of a new executive committee, the Risk and Compliance Board (RCB) in 2023. The RCB oversees our enterprise risk management system, meeting five times in the year and reports directly on our risk management progress 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 department's risk register 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 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.

To ensure the consistent application of the risk management framework, a new risk system will be introduced in 2025. Once fully implemented the new system will help to improve internal control management by providing a comprehensive view of risks and controls, in one central accessible depository.



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; and
 - 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; and
- 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 below categories:

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


Principal risk	Link to strategic priorities	Change in 2024
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		
Cash flow interest rate risk	3	
Funding and liquidity risk	3	
Counterparty credit risk	3	
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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OUR PRINCIPAL RISKS

Demand	
While leisure demand has returned quickly, there's a risk that other segments such as some long-haul travel, some business traffic and city and domestic markets, have been slower to recover to pre-pandemic levels.	
Link to priorities	2
Change in 2024	
Risk status	
Reducing risk observed, reflecting strong recovery in demand segments across 2024, with a 94% recovery of 2019 realised. Several new long-haul carriers began operations in 2024, diversifying our carrier mix and leading to a strong long haul growth vs 2023 (+17.6%)	
Certain demand segments remain subdued, notably in quieter off-peak periods of the year, though the absolute impact in totality is less significant than in prior years and the trajectory is showing a positive ongoing improvement. Strong growth in the Middle East, China and Africa has offset some of the reductions in other long-haul markets.	
Risk impact	
This means the traffic mix at London Gatwick will continue to look different to pre-pandemic with a different number of carriers and traffic mix. As such, trajectory of passenger volume recovery could be impacted for longer.	
Risk mitigations	
We employ various mechanisms to mitigate and manage this risk, including implementing a strategy to diversify our network and carriers. We actively engage with the airline industry to target, attract and grow new carriers and new routes, and participate in industry events and conferences – critical for future growth.	
We also participate in the ACI Expert Group on Slots Board and continually engage with ACL, our slot coordinators, to optimise the slot portfolio at London Gatwick, maximising airport infrastructure use. Additionally, our pricing mechanism remains very competitive and attractive to airlines with bilateral contracts in place, which encourages committed passenger volumes and efficient use of slots. A strong focus on improving the passenger experience helps to secure market share capture.	


Growth	
Gatwick Airport Limited (GAL) 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 2024	
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. 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. A final decision is expected in 2025.	
A 'no objection' for the Pier 6 Extension was also received from Crawley Borough Council.	
Risk impact	
If permissions are not obtained 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 Plan, 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.	


OUR PRINCIPAL RISKS

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 2024	
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 as a result of extreme weather events. More detail regarding these risks is included in our climate disclosure on page 48.	
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 out of our direct control (including technical system failures, adverse weather events, pandemic, security incident, riot, political action or war). Certain events may lead to prolonged closure of airspace or pervasive travel restrictions. Enduring trends in the macroeconomic or physical environment could have 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 2024	
Risk status	
The risk profile evolved in 2024 with challenges impacting on-time performance, ongoing European air traffic restrictions and ATC staffing issues, alongside periods of industrial action by UK Border Force and train drivers. However, we worked with our partners and airlines, and deployed action plans to minimise disruptions and increase resilience going into 2025. The number of incidents requiring a command state activation has reduced significantly year on year despite the challenges outlined above and the increased traffic intensity. While the cyber threat described last year continues to evolve, particularly in the supply chain, the Cyber team continue to deliver a robust defence of our campus architecture.	
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 regulatory fines incurred through CSS failures. Any inability to effectively deliver a stable operation could also have repercussions on future growth aspirations.	
Risk mitigations	
We maintain detailed contingency plans to minimise disruption and passenger inconvenience, updated through routine testing, best practice and lessons learned from previous incidents.	
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).	

OUR PRINCIPAL RISKS

Health, safety and security	
Key risks relating to fire, health, safety and security	
Link to priorities	All
Change in 2024	
Risk status	
The March 2024 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 GAL as an organisation 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 policy.	
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 GAL's 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 co-chaired by our Head of Security and 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 facets 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	
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 in Critical National Infrastructure, London Gatwick continue to strengthen relations across the aviation community and with the National Cyber Security Centre, 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 2024	

OUR PRINCIPAL RISKS


Risk status	
Common attacks in 2024 saw; denial of service attacks on our website and affiliated websites, email bomb style phishing and targeted supply-chain attacks. The impact of global wars and other geo-political conflicts, and the fast-growing pace of technological changes with AI increasing threat actor capability, increases the likelihood of attacks. Regulatory regimes associated with cyber resilience, AI bill, data and infrastructure security are becoming more complex (GDPR/NIS). 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	
We run 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, of 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 across personal and technical measures.	
In 2024 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 and Board levels.	
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, compliance, sustainability, capacity and service, and commercial return.	
Link to priorities	All
Change in 2024	
Risk status	
During the COVID-19 pandemic, capital investment was severely curtailed. In 2022, we started to rebuild our investment pipeline and 2024 saw project spend totalling £176.0m. This included investment in Next Gen security across both terminals, significant refurbishment of North Terminal IDL, a New Rapid Exit Taxiway which optimised use of the Main Runway and improved resilience and a new 3,200 space multi-storey car park in the North Terminal. Ongoing capital investment projects include a £140m project to extend Pier 6 in the North Terminal to provide eight new pier-served stands and a £50m programme to rehabilitate the airport's Taxiways and strengthen airfield resilience.	
While investment was broadly on track for the year, we experienced challenges in recruiting GAL 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.	
Operational disruption during the peak summer months impacted airline schedules and also caused challenges for project delivery teams. Many project teams have limited working windows during the night and schedule disruption means these windows are further constrained.	
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.	


OUR PRINCIPAL RISKS

Risk mitigations
<p>Each year we consult with our airline community and PAG to publish a rolling five-year Capital Investment Programme.</p> <p>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.</p> <p>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.</p> <p>Clear 3–5 year pipeline planning aids us in building confidence in our supply chain and attracts and retains talent in our development and delivery teams. 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.</p>


People and industrial relations				
<p>Our people are central to everything that we do. GAL consists of a large operational and engineering workforce that is supported by a team of support functions. Within both these workforces there are inherent and distinctive risks such as talent development, employee engagement and reward. Addressing these risks is essential to sustaining a skilled, motivated, and safe workforce.</p>				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #cccccc; width: 25%;">Link to priorities</td> <td style="text-align: center;">All</td> </tr> <tr> <td style="background-color: #cccccc;">Change in 2024</td> <td style="text-align: center;"></td> </tr> </table>	Link to priorities	All	Change in 2024	
Link to priorities	All			
Change in 2024				
Risk status				
<p>The inherent risk remains stable this year. The organisation size has met the controlled organisation number agreed with the Board with an alleviation for an additional c.200 ASO's to meet the requirement of the Next Gen project. We've also continued with our successful engineering apprentice programme and hired our second cadre of graduates.</p> <p>We conduct our employee engagement survey using the Best Companies survey. This year we had a 63% response rate and increased our scores across all eight elements of the survey. We will continue with our focus on the three areas of Leadership, Personal Growth and Wellbeing.</p> <p>In our Talent Development space, we launched career pathways to enable our colleagues to identify future career paths within the Company.</p> <p>Our compensation and benefits programme for this year included a successful pay negotiation for our collective employees and a pay award for our global graded team. The MyReward programme continued to develop and maintain employee benefits, the employee recognition scheme, our career milestones programme and the provision of total reward statements. We also published our gender and ethnicity pay gaps and saw the trend of improvement continue this year.</p>				
Risk impact				
<p>A sustained period of inadequate employee capability impacts our ability to deliver on our commitments across a range of operational and support function activities, which in turn could create adverse headlines for our business. Maintaining our organisational health supports employee engagement and improves our ability to attract the best talent.</p>				
Risk mitigations				
<p>Our people plan deploys a range of policies, resources and activities to recruit, engage, develop and reward our employees appropriately, ensuring we retain the talent required for the future of our business. Our recruitment policy reflects 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.</p> <p>Working arrangements for most employees are covered by a collective bargaining agreement that recognises three trade unions (Unite, Prospect and PCS). 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.</p>				


OUR PRINCIPAL RISKS

Cash flow - interest rate and currency risk	
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.	
Link to priorities	3
Change in 2024	
Risk status	
The Group's existing hedging position (% fixed rate debt as a proportion of total debt) is currently at 86.4% (December 2024). We therefore have lower than normal exposure to interest rate fluctuations in our existing debt portfolio. However, we will raise new fixed rate debt in 2025 and will be exposed to the interest rate environment at the time of issuance. All debt capital market issuances in 2024 were in fixed format. The Euro-denominated issuance in October was partly swapped to floating-rate reducing our hedging position from 90% fixed at December 2023 to 86.4% at December 2024.	
Risk impact	
Increased interest rates would negatively impact the Group's profitability.	
Risk mitigations	
The Board approves prudent treasury policies for the Group and delegates certain responsibilities to Senior Management, who directly control day-to-day treasury operations. The treasury function is not permitted to speculate in financial instruments. Its purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the Group's business operations and funding. To achieve this, the Group enters into interest rate and index-linked swaps to protect against interest rate and inflation risks.	
The Group's policy is to maintain a mix of fixed and floating-rate debt within Board-approved parameters, such that a minimum of 75% of existing and forecast debt is at a fixed or retail price index-linked rate. The Group's aeronautical revenues and the use of index-linked swaps offset some of the exposure to changes in the retail price index. Interest rate swaps are also used to manage the effective level of fixed/floating rate debt on the long-term bonds.	
Currency movements on non-Sterling debt is fully mitigated by entering into cross currency swaps.	


Funding and liquidity risk	
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.	
Link to priorities	3
Change in 2024	
Risk status	
Over the next 24 months there are requirements to refinance the Revolving Credit Facility (currently £300.0m) and Liquidity Facility (currently £150.0m) both maturing in 2025, and debt (£300.0m) maturing in 2026. The facilities were refinanced in March 2025 and the Group now has access to a Revolving Credit Facility of £450.0m with a termination date in 2030 and Liquidity Facility of £250.0m.	
During 2024 the Group successfully issued in the debt capital markets (last issuance was in 2021) with a £250m Sterling Class A bond in April 2024 and a €750m SLB in October 2024.	
Risk impact	
The Group's liquidity could be impacted if debt is unable to be refinanced efficiently or at high market rates.	
Risk mitigations	
The Group has established a multicurrency programme for the issuance of bond debt in addition to bank debt and a liquidity facility. To ensure continuity of funding and flexibility, debt maturities are spread over a range of dates, so the Group is not exposed to excessive refinancing risk in any one year.	
Covenants under the financing arrangements are continuously monitored and forecast, with formal testing reported to the Board of Directors, Audit, Risk and Finance Committee, and Executive Management Board, along with all investors.	

OUR PRINCIPAL RISKS

Counterparty credit risk	
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 among various financial institutions.	
Link to priorities	3
Change in 2024	
Risk status	
<p>The existing financial position of London Gatwick's interest rate, and retail price index-linked, swaps are out-of-money. This means the present value of the floating-rate (or index-linked) payments exceeds the fixed-rate receipts to London Gatwick. The existing financial position of cross-currency swaps are in-the-money, overall counterparty risk remains low.</p> <p>With the cash flow and liquidity build-up due to the combination of bond issuance and operations during the course of this year the Group has substantial cash balances deposited with banks for operational and yield enhancement purposes. This results in counterparty risk.</p>	
Risk impact	
<p>The Group could be exposed to credit-related losses in the event of non-performance by counterparties to financial instruments.</p> <p>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.</p>	
Risk mitigations	
<p>The Group manages a portfolio of derivatives including interest rate and inflation linked swaps and cross currency swaps with 12 separate counterparties. The Group monitors the credit rating of derivative counterparties and ensures no positions are entered into with counterparties with long-term credit rating below BBB+ as rated by S&P and Fitch.</p> <p>The Group manages cash deposits by diversifying and depositing cash across multiple financial institutions with minimum single A credit rating. It also spreads deposits maturities over various tenors to ensure availability of liquidity to meet operational requirements on timely basis.</p>	

CAA economic regulation	
<p>We're subject to economic regulation by the CAA as we met its market power test in 2013 with the contracts and commitments regulatory framework started in 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.</p> <p>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 expects to publish our new economic licence in May or June 2025.</p>	
Link to priorities	All
Change in 2024	
Risk status	
Risk increased in 2024 as the current commitments expire in March 2025 and the CAA's review of the extension proposal remained ongoing at the end of 2024. However, the CAA's final proposals published in February 2025 propose to accept our commitments.	
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 GAL's 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 GAL 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.	

OUR PRINCIPAL RISKS

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 2024	
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 is stronger than ever. As an airport, we're susceptible 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 is rising and there is growing 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.

These CFD requirements closely align with the recommendations of the TCFD. Although the TCFD disbanded in October 2023, its recommendations continue to provide critical guidance within the context of climate-related disclosures. Therefore, we continue to align our climate risk analysis and disclosures to comply with the requirements in the current year. 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.

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	36
	Sustainable Growth	27
	Climate-related Financial Disclosures	48
Climate strategy		
Description of: <ul style="list-style-type: none"> 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	48-54
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	52-53
	Sustainable Growth	27
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	54
Risk management		
Description of how the Company identifies, assesses and manages climate-related risks and opportunities.	Our approach to risk management	36
	Climate-related Financial Disclosures	50
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	36
	Climate-related Financial Disclosures	50
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	54
	Decade of Change – Our Sustainability Policy	23,24
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	54
	Decade of Change – Our Sustainability Policy	23,24

CLIMATE-RELATED FINANCIAL DISCLOSURES

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 24 for further details. In addition, the Executive Management Board has 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.

Sustainability and climate risks follow our ongoing risk-management process as outlined on page 36. 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.

CLIMATE-RELATED FINANCIAL DISCLOSURES

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, so 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 36 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.

During 2024, there were some notable developments in relation to the progression of our climate strategy. These included the creation of the London Gatwick Hydrogen Hub, a collaboration with Airbus, easyJet and Air Products (one of the world's largest hydrogen producers) to establish how hydrogen infrastructure could be introduced at the airport. This initiative will assess how new types of aircraft may be fueled with hydrogen at London Gatwick, incorporating hydrogen supply and storage, along with refueling and ground handling implications. Additionally, our Scope 1 vehicle emissions were reduced by 90% early in 2024 as a result of the switch from diesel to Hydrotreated Vegetable Oil (HVO) in 300 airport vehicles.

CLIMATE-RELATED FINANCIAL DISCLOSURES

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.

This year's focus has been on refreshing and reconsidering our key risks within the climate context. These key risks include three transition risks and three physical risks.

The below tables 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 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, vulnerability and identify potential mitigation measures to climate-related risks and disclose these in a transparent manner to our stakeholders.

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.

CLIMATE-RELATED FINANCIAL DISCLOSURES

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 ATMs 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.
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. Securing SAF for airlines may come at a significant additional cost which may be passed onto passengers, disincentivising travel.
We need to consider our competitive position in terms of access to SAF, for example by forming SAF partnerships with suppliers.
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 national and regional collaborations.

Climate related risk
Decline of passengers due to shifts in consumer preferences and behaviour, and increasingly negative public/business sentiment towards air transportation entities with apparent misaligned decarbonisation goals, resulting in loss of revenue
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. We will look to further develop ways to incentivise airlines to use lower-carbon alternatives such as SAF and hydrogen-powered aircraft in due course.
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.

CLIMATE-RELATED FINANCIAL DISCLOSURES

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.

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
Deployment of 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, using time intervals instead of distance to separate aircraft during their final approach, enables 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.

CLIMATE-RELATED FINANCIAL DISCLOSURES

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 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 26 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	27
• Business resilience	54
• Corporate social responsibility	23
• Streamlined energy and carbon reporting	26
Climate-related financial disclosures	
• Climate-related Financial Disclosures	48
Colleagues	
• Colleague policies	6, 21, 77
• Health and safety	39
Description of our principal risks	
• Business	39 - 47
• Financial management	45 - 47
Other matters	
• Anti-corruption and bribery policy	72
• Social matters	24
• Security of our airport and passengers	39
• Leadership and governance	63
• Description of our business model	6
• Non-financial performance indicators	14, 143

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 £600.8m.

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. In April 2024, the Company's subsidiary, Gatwick Airport Limited (GAL), undertook a capital reduction of £345.0m increasing distributable reserves by the same amount. The capital reduction, in addition to GAL's existing retained earnings and profits generated during the year, provided GAL with sufficient reserves to pay £604.5m of dividends to the Company in 2024. This provided the Company with sufficient reserves to pay dividends of £600.8m 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. These are the first dividends paid since 2019 and follow a £370.0m capital injection during the pandemic.

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 2024, the Group issued a £250.0m 5.5 per cent. Class A bond and a €750.0m SLB.

Further details of the Group's financing arrangements and activities can be found on page 34.

SECTION 172 (1) STATEMENT

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, sets out our commitment to reducing carbon emissions. Recognising the urgent need to make net zero a reality, in 2023 we accelerated our commitment to be a net zero airport (Scope 1 and 2) by 2030, 10 years ahead of its previous target. The Second Decade of Change Sustainability Policy also set out our commitment to playing our part in the UK aviation and ground transport transition to net zero.

We also strengthened our 10 Decade of Change goals with 10 roadmaps. These clearly define our ambition and set out key performance indicators for each goal. Each year we'll track our progress against these KPIs. In 2030 they'll be used to determine whether we have met the goals set out in our second Decade of Change policy.

Our Decade of Change performance summary outlines the steps we've taken during 2024.

During 2024 we issued a €750m SLB which shows our commitment to decarbonisation. This aligns our financial strategy with our sustainability ambitions. Further details on the SLB can be found on page 125.

Sustainable growth

Our Masterplan was published in 2029 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'll also continue to make representations to ensure that land south of London Gatwick is safeguarded in line with national aviation and planning policy.

To bring the Northern Runway into routine use, we've undertaken detailed design work as well as environmental, highways and other studies over several years after the publication of the Masterplan. In July 2023 we finalised our plans and submitted our Development Consent Order (DCO) application to the Planning Inspectorate. The Examination process ended in August 2024 and the Planning Inspectors submitted their recommendation to the Secretary of State at the end of November 2024. A decision from the Secretary of State for Transport is expected in 2025.

Capital investment – Pier 6

Construction of the Pier 6 Western Extension started in 2020 but was paused due to the pandemic. In line with our second Decade of Change goals, we revised the design to a more sustainable construction approach.

In 2024, the Board approved the revised design, and the project moved into the next phase of delivery. We expect the pier to be operational for summer 2027. See the case study of the Pier 6 Western Extension on page 11 for further details.

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.

To supplement the feedback we routinely receive from passengers through the above research channels, every few years we commission an independent research agency to provide an in-depth view of what passengers expect when journeying through our airport and how this compares to other UK airports. During 2023, jointly with the PAG and the airline community, we commissioned Quadrangle to undertake this research. This involved six focus groups covering a mix of passenger types and an online survey during August, with 2,600 respondents who had flown from our airport during the past 12 months. We've used the results of this research to inform our future capital investment plans.

SECTION 172 (1) STATEMENT

Regulator

We're subject to an economic regulatory framework, based on commitments backed by a licence and supplemented by a monitoring regime by the 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) who represent the airlines on strategic topics
- Airline Operators Committee (AOC) whose focus is on day-to-day airport operations and membership includes the ground handling community

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

- Airport and Airlines Group (AAG) meets 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; and
- 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 business employing more than 2,500 individuals directly. So, there are risks associated with all aspects of the employee experience including hiring, career development, training, reward and 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 growing passenger numbers, we recruited over an additional 250 colleagues in 2024. Four new engineering apprentices and 13 new graduates also joined our airport's workforce. Furthermore, we launched a new EVP to help us attract the best candidates and support the development of existing staff.

We continue to make investing in leadership development a priority. This year we brought our senior leadership and executive teams together more regularly to facilitate increased discussion and collaborative working and new quarterly sessions support all our line managers.

A significant and fair compensation and benefits programme is now in place, positioning us as a market competitive employer. This includes a pay settlement for our negotiated colleagues, after close working with our unions, and a pay award for salaried staff. The next round of pay negotiations commenced early in 2025.

Suppliers and commercial partners

We work with suppliers and commercial partners to deliver the best passenger experience. To that end, we regularly attend events with the local business community and also hosted the second Gatwick Economic Forum, attended by over 150 local business advocates and economic partners.

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 2023, we paid over 99% of invoices within 60 days but on average taking 29 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.

SECTION 172 (1) STATEMENT

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, inviting them to our airport for airfield tours and to learn more about our business, in a programme known as “Discover Gatwick”. We held seven tours for local community representatives and local councillors in 2024.

We provided £570,000 in grants to support 158 community projects that help to address social issues, promote education, or encourage personal development. More than 180,000 students also benefitted from our education programmes, including at the London Gatwick STEM Centre - a dedicated space designed to help us inspire and educate local students in Science, Technology, Engineering and Maths (STEM).

Our engagement with a wide range of economic stakeholders continued throughout the year. Significantly, we launched the Airport Economic Zone (AEZ) at our third annual Economic Summit. An independent taskforce is now developing the Gatwick Region AEZ to help us promote long-term sustainable economic growth and inward investment. The taskforce includes 13 economic and business stakeholders, including four local authorities.

The Gatwick Airport Consultative Committee has also continued to be a central point for engagement. Its members actively represent a wide range of interests. These include local authorities, business, tourism and community and environmental groups.

Finally, engagement with national government continued as a priority. This occurs through engagement with local Members of Parliament, as well as a wide range of government officials and ministers.

CORPORATE GOVERNANCE

Group structure	61
Ownership	62
Board governance	63
Gatwick Airport Limited Board of Directors	64
Executive Management Board	68
Composition of Board and its committees	72
Audit, Risk and Finance Committee	73
Remuneration and People Committee	74
Operations and Health & Safety Committee	75
Capital, Environment and Sustainability Committee	75
Commercial Committee	76
Directors' Report	77
Statement of directors' responsibilities	79

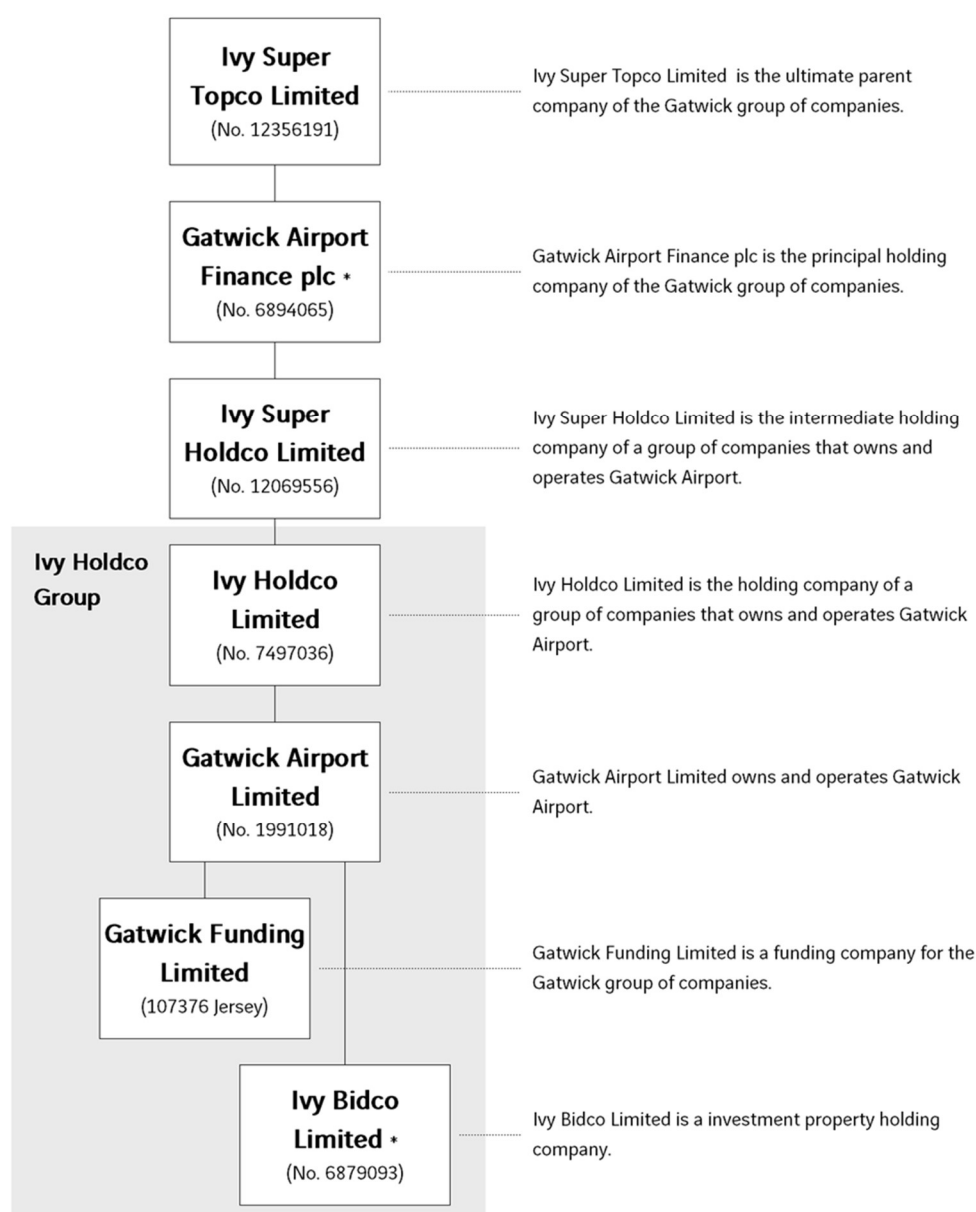
GROUP STRUCTURE

The Company is a holding company of a group of companies (the Ivy Holdco Group or the Group) that operates London Gatwick (Gatwick). The Company's subsidiary, Gatwick Airport Limited, accounts for the significant majority of the Ivy Holdco Group's operations.

The Ivy Holdco Group is an integral part of the Gatwick Group, which includes IVY Super Holdco Limited, Gatwick Airport Finance and Ivy Super Topco Limited (Gatwick 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, monitor 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 318m passengers in 2024, ahead of 2019 levels. 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 2024 was €4.5bn, ahead of 2019. For more information, visit www.vinci-airports.com.

Global Infrastructure Partners (GIP), a part of BlackRock, is a leading infrastructure investor that specializes 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 \$170bn 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 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. 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
<p>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:</p> <ul style="list-style-type: none"> • 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; and • ensuring the Group acts ethically and meets its legal and regulatory responsibilities.

Chairman	Chief Executive Officer	Non-Executive Shareholder Directors	Company Secretary
<p>Responsible for:</p> <ul style="list-style-type: none"> • leading the Board of Directors as an effective decision-making body; • setting the Board agenda and regularly reviewing strategic aims; and • modelling boardroom culture and promoting individual director engagement. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • providing executive management and leading the Executive Management Board; • setting, communicating and demonstrating the values and principles of the Group; and • promoting a clear vision and business plan, focusing on key strategic aims. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • considering the performance of Management against agreed goals; • providing constructive challenge and strategic guidance; • determining appropriate levels of remuneration for the Executive Management Board and other Senior Managers; and • oversight of succession planning. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • advising the Board of Directors on governance matters; • managing the meeting timetable in conjunction with the Chairman; and • assisting the Chairman 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
<p>Responsible for:</p> <ul style="list-style-type: none"> • ensuring the integrity of financial statements; • overseeing the internal and external audit programmes; and • monitoring the financial control and risk management systems, and compliance with laws, regulations and ethical codes of practice. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • designing and determining the remuneration and associated benefits of the Executive Management Board and other Senior Managers; and • reviewing workforce remuneration and related policies for alignment with the Group’s values and culture, and reflecting this when setting executive remuneration. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • reviewing the strategy and exposure to environmental risk, health and safety matters, operational performance and resilience and business continuity; and • monitoring performance against targets and driving management commitment and accountability with respect to managing risks. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • providing financial governance and performance oversight of Group’s capital investment activity; • providing oversight of policy on environment and sustainability; and • monitoring the strategic growth of our airport including performance of the Northern Runway DCO. 	<p>Responsible for:</p> <ul style="list-style-type: none"> • agreeing the Group’s commercial and contracting strategy with airlines; and • building and delivering the non-aeronautical commercial roadmap.

EXECUTIVE MANAGEMENT BOARD

Executive Management Sub-committees

Investment and Growth Board	People Committee	Risk and Compliance Board	Security Executive Group
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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's a trustee of the British Olympic Association and Honorary President of Epilepsy Action. She sits as a Crossbench Peer in the House of Lords.



Stewart Wingate

Chief Executive Officer

Stewart has served as the Chief Executive Officer since 2009. Stewart was with BAA from 2004 until September 2009, first as Customer Services Director of Glasgow Airport, then as Chief Executive Officer of Budapest Airport, and then as Managing Director of Stansted Airport. He is a Chartered Engineer and a Fellow of the Institute of Engineering and Technology. Stewart has a Master's in business administration with Distinction, and a first-class honours degree in Electrical and Electronic Engineering.



Jim Butler

Chief Financial Officer

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.

Committee key



Committee chair



Remuneration and People Committee



Operations and Health & Safety Committee



Audit, Risk and Finance Committee



Capital, Environment and Sustainability Committee



Commercial Committee

GATWICK AIRPORT LIMITED BOARD OF DIRECTORS

Non-executive Shareholder Directors



Michael McGhee

(R)

GIP representative

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, Mr. McGhee 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.

Mr. McGhee holds a B.A. in Government and Economics from the University of Manchester.



Lucy Chadwick

(C) (A)

GIP representative

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

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's also a Fellow of both the Royal Academy of Engineering and the Institute of Civil Engineers.



David McMillan

CalPERS representative

David has had a long career in the transport sector, with a focus on aviation. He's 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.

GATWICK AIRPORT LIMITED BOARD OF DIRECTORS



Marten Soderbom

Co A R O C

GIP representative

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 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.



Nicolas Notebaert

R

VINCI representative

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

A R

VINCI representative

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

A R C

VINCI representative

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 (motorways, railways and stadiums). 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.

GATWICK AIRPORT LIMITED BOARD OF DIRECTORS



Pierre-Hugues Schmit

Co

VINCI representative

Pierre-Hugues is a graduate of Ecole Polytechnique (Paris) in 2001 and the French National University of Civil Aviation (ENAC in Toulouse) in 2003. He has also spent one year in UC Berkeley as graduate student in transportation engineering. Pierre-Hugues worked at the French CAA for seven years, three of which as the head of the French Airlines Department (2006–09). From 2010 to 2012, Pierre-Hugues worked as an adviser to the French Transportation Minister. He then joined Aéroports de Paris as deputy director of the Le Bourget division. In 2014, along with three partners, he founded La compagnie, a scheduled airline based in Paris delivering pure business class service to New York. Pierre-Hugues joined VINCI Airports in June 2017 where he supervises the airport business expertise on air service development, extra aeronautical and cargo activities and airport operations.



Guillaume Dubois

C

VINCI representative

Guillaume is a graduate of Ecole Nationale des Ponts et Chaussées in 1999. In 2015, Guillaume joined the VINCI Group and settled in Canada as CEO of the Regina Bypass project, the largest transportation infrastructure project in Saskatchewan. Building on this experience, Guillaume was subsequently appointed Director of Asset Management in North America for VINCI Concessions. In October 2020, Guillaume was appointed Technical and Operations Director of VINCI Highways and joined its Executive Committee. In 2023, he was nominated Chief Technical Officer of VINCI Airports, joined its Management Committee and is also in charge of VINCI Concessions' Hydrogen competence centre.

EXECUTIVE MANAGEMENT BOARD

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

See page 64 for biographical details for Stewart Wingate (Chief Executive Officer), Jim Butler (Chief Financial Officer).



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.



Cédric Laurier

Chief Technical Officer

A graduate of the Ecole Nationale des Ponts et Chaussées and the Institut Français d'Urbanisme, Cédric began his career in 1996 at the Paris Chamber of Commerce and Industry. He joined the VINCI Group's Cofiroute subsidiary in 2003. He worked for five years as Special Advisor and subsequently Project Manager of the Duplex 86. In 2008, Cédric joined Aéroports de Paris, where he worked for four years as Project Director before becoming Director of the Project Management Division in 2012. He was appointed as Technical Director of VINCI Airports in 2018 and subsequently appointed Chief Technical Officer of London Gatwick in May 2019.



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.

EXECUTIVE MANAGEMENT BOARD



David Conway

HR Director

David was appointed as HR Director in January 2021 and has over 30 years' experience in the oil and energy, aviation and retail industries for brand leaders including BP, British Airways and Safeway.

He joined London Gatwick from BP where he worked for over 13 years. His last role was HR Vice President for BP's Alaska business, which operated the Prudhoe Bay oil field and the trans-Alaska pipeline. David previously worked for British Airways in Operations and HR and started his career with Safeway in Customer Service and Operations.



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, at 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.

John handed over the Chief Operating Officer responsibilities to Mark Johnston who joined the team in March 2024.



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.

EXECUTIVE MANAGEMENT BOARD



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.



Nick Batchelor

IT Director

Nick was appointed IT Director in November 2019. He has worked in mission-critical IT environments for nearly 30 years with a specific background in IT Operations, Infrastructure and Enterprise Architecture. Nick has worked in a number of business domains, including financial services and manufacturing, as well as transportation, with nearly 10 years at Network Rail prior to joining London Gatwick. In his current role at London Gatwick, Nick is responsible for the evolution and performance of IT Business Services and Infrastructure, as well as the delivery of technology projects that form part of London Gatwick's Capital Investment Programme.



Alasdair Scobie

Capital Programmes Director

Alasdair was appointed Capital Programmes Director in November 2019, with responsibility for the delivery of London Gatwick's Capital Investment Programme. He 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.

EXECUTIVE MANAGEMENT BOARD

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; other members include the Chief Financial Officer, HR Director, General Counsel and Company Secretary, as well as representatives from the Commercial and Operations teams.

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 and data risks and all aspects of safety, including fire, physical health and safety, airside safety and psychological and environmental safety. It's chaired by the Chief Financial Officer and the Executive Management Board are members.

Security Executive Group

The Security Executive Group is responsible for agreeing, reviewing and delivering effective airport security through collaboration by security stakeholders at our airport to effectively mitigate threats from crime, including terrorism and serious and organised crime. It's chaired by the Chief Operating Officer. Other members include senior representatives of the local police force, airlines and other operators at our airport.

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's 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, 10 Non-executive Shareholder Directors and two Executive Directors, the Chief Executive Officer and Chief Financial Officer. The names and biographies of all Directors are published on pages 64 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.

The directors are required to comply with the Group's policies, including policies on professional conduct, health and safety, conflicts of interest and anti-bribery, gifts and hospitality.

BOARD ACTIVITIES IN 2024

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

- approval of annual report and financial statements for the year ending 31 December 2023 and interim Group financial statements for six months ended 30 June 2024;
- approval of the 2024 budget;
- setting strategic direction and oversight of executive execution of strategy (providing approvals where appropriate in accordance with Delegated Financial Authority) in respect of:
 - commercial strategy in respect of four commercial revenue pillars such as aeronautical, retail, car parks and real estate; and
 - key capital investments at the airport including the North Terminal departure lounge refurbishment and the Pier 6 Western Extension
- taken forward sustainable growth plans with the progress of the DCO planning application to bring the existing Northern Runway into routine use;
- recognising the urgent need to make net zero a reality, we accelerated our commitment to be a net zero airport (Scope 1 and 2) by 2030, 10 years ahead of its previous target;
- oversight and review of operational performance across stable operations, EHS, and passenger service, as well as preparedness of upcoming peak periods; and
- 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 two Shareholder Non-executive Directors who are also Board Members. Together they have appropriate competence in audit, risk and financing. The current Audit, Risk and Finance Committee members are:

Olivier Mathieu (Chair)
Marten Soderbom
Rémi Maumon de Longevialle
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 sub-committee of the Board and meets at least three times per annum. 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 Officer's Data Privacy Compliance Monitoring Programme and ensuring the Data Protection Office is adequately resourced to carry out its tasks;
- 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 compliance risk management framework.

ACTIVITIES IN 2024

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; and
- 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; and
- review audit and non-audit fees incurred in 2024;

Internal audit:

- review and approve the scope of the 2025 internal audit plan;
- review the conclusions, key findings and remediation plans from internal audits completed during 2024; and
- monitor progress of the implementation of actions from internal audit activity.

AUDIT, RISK AND FINANCE COMMITTEE

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 implementation of the ethics and integrity program, and training program and policies

Financing:

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

Legal and regulatory compliance:

- review current material legal and regulatory compliance risks; and
- 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 four Shareholder Non-executive Directors who are also Board members. The current Remuneration and People Committee members are:

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

ROLES AND RESPONSIBILITIES

The Remuneration and People Committee is a sub-committee of the Board and is responsible for overseeing Board, 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; and
- approving the operating framework for remuneration delegated to the Chief Executive Officer.

The Committee meets at least twice per annum.

ACTIVITIES IN 2024

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

- reviewed and approved employee remuneration strategy;
- reviewed and approved the design of the 2024 annual bonus plan;
- reviewed the Diversity and Inclusion Strategy and release of the 2023 Gatwick Airport Limited Gender Pay Gap Report
- approved the compensation package for new members appointed to the Executive Management Board; and
- reviewed forecast performance of all active short- and long-term incentive plans.

OPERATIONS AND HEALTH & SAFETY COMMITTEE

INTRODUCTION

The Operations and Health & Safety Committee members include a Chair appointed by the Board and one Shareholder Non-executive Director who's also a Board member. The current Operations and Health & Safety Committee members are:

Pierre-Hugues Schmit (Chair)
Marten Soderbom

ROLES AND RESPONSIBILITIES

The Operations and Health & Safety Committee is a sub-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 annum.

ACTIVITIES IN 2024

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 2024 readiness planning, including infrastructure capacity reviews and airline/handler readiness assessments
 - next generation security compliance roll out
 - PRM service review and strategy development
- 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;
- oversight of NATS operational resilience
- review of health and safety risks for passengers and staff.

CAPITAL, ENVIRONMENT AND SUSTAINABILITY COMMITTEE

INTRODUCTION

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

Lucy Chadwick (Chair)
Marten Soderbom
Rémi Maumon de Longevialle
Guillaume Dubois

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 per annum.

ACTIVITIES IN 2024

The Committee held 11 scheduled meetings during the year. Its main activities were:

- oversight and review of the capital investment capability to rapidly build back Capital Investment Programme;
- review of our long-term Capital Investment Programme covering March 2023 through to March 2029;
- financial governance, performance oversight and review of capital investment activity, including strategic projects such as:
 - new Rapid Exit Taxiway;
 - new multi-storey car park; and
 - next-generation security systems;
- challenge management on design of Pier 6 Western Extension with a focus on sustainability through construction phase and operational life;
- review and challenge management on noise and noise envelope associated with growth plans; and
- 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 one Shareholder Non-executive Director who's also a Board member.

Marten Soderbom (Chair)
Pierre-Hugues Schmit

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 per annum, though meeting frequency often increases aligned with peaks in commercial activity.

ACTIVITIES IN 2024

The Committee held 12 scheduled meetings during the year. Its main activities were:

- oversight, evaluation and review of traffic forecasts;
- 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, including refurbishment of the North Terminal international departure lounge and development of the new multistorey car park;
- evaluation and oversight of London Gatwick's performance relative to relevant external benchmarks; and
- evaluation and approval of London Gatwick's traffic and income components of the business plan.

DIRECTORS' REPORT

The directors present their report and audited consolidated financial statements for the year ended 31 December 2024.

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 £342.9m (2023: £314.8m).

During the year, the Group declared and paid dividends of £600.8m (2023: £nil). 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 56.

The statutory results for the year are set out on page 88.

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
 Pierre-Hugues Paul Schmit
 David McMillan
 Lucy Chadwick
 Guillaume Dubois
 Marten Soderbom

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 56.

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 breaking 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 56.

Statement of Corporate Governance Arrangements

For the year ended 31 December 2024, 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	14, 56, 64
Board composition	64, 72
Director responsibilities	79
Opportunity and risk	36, 73
Remuneration	74
Stakeholder relationships and engagement	14, 56

DIRECTORS' REPORT

Future developments

The directors have promoted the information on future development to the Strategic Report on page 27.

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 26.

Subsequent events

There are no subsequent events to disclose.

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 2024 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 Strategic Report and Directors' Report were approved by the Board and signed on its behalf by:



Marten Soderbom

Director

19 March 2025

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 the 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; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

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

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; and
- 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; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditor is aware of that information.

On behalf of the Board



Marten Soderbom
Director
19 March 2025

FINANCIAL STATEMENTS

Independent auditor's report	81
Consolidated income statement	88
Consolidated statement of comprehensive income	89
Consolidated statement of changes in equity	89
Consolidated statement of financial position	90
Consolidated cash flow statement	91
Notes to the consolidated financial statements	92
Significant accounting policies	93
Significant accounting judgements and estimates	101
Company statement of financial position	134
Company statement of changes in equity	135
Notes to the financial statements	136
Summary of significant accounting policies	136
Alternative performance measures	143

Independent auditor's report

to the members of Ivy Holdco Limited

1. Our opinion is unmodified

We have audited the financial statements of Ivy Holdco Limited ("the Company") for the year ended 31 December 2024 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 2024 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 have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard.

We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality:	£17.5m (2023:£15.2m)
Group financial statements as a whole	2.6% (2023: 2.5%) of Group EBITDA (earnings adjusted for interest, tax, depreciation and amortisation) pre-exceptional items and gain on derecognition of financial liabilities.

Key audit matters vs 2023

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2023):

	The risk	Our response
<p>Valuation of Investment Property</p> <p>(£1,319.4m; 2023: £1,201.3m)</p> <p><i>Refer to page 36 (Strategic Report), consolidated note 2(d) and Note 3 (a) (accounting policies) and note 14 (financial disclosures).</i></p>	<p>Subjective Valuation</p> <ul style="list-style-type: none"> 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 yield, revenue growth and discount rate, 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. 	<p>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.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> Assessing valuer's credentials: assessing the competence, capability and objectivity of the Group's valuer, 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.

The risk	Our response
<p>Uncertain Tax Position</p> <p>(Contingent Liability: £64m; 2022: £64m)</p> <p><i>Refer to consolidated note 3(b) (accounting policy) and note 12 (financial disclosures).</i></p>	<p>Accounting Treatment</p> <ul style="list-style-type: none"> The Group continues to be in discussion with HMRC regarding the utilisation of certain corporation tax losses and Stamp Duty Land Tax (SDLT) associated with a group reorganisation in 2015. 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 11. 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.
<p>Recoverability of Investment in Gatwick Airport Limited</p> <p>(£949.9m; 2023: £949.9m)</p> <p><i>Refer company note 3 (accounting policy) and note 6 (financial disclosures).</i></p>	<p>Low risk, high value</p> <ul style="list-style-type: none"> The carrying amount of the parent Company's investment in subsidiary represents 99% (2023: 99%) of the Company's total assets. Its recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to its 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.

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 £17.5m (2023: 15.2m), determined with reference to a benchmark of Group EBITDA (earnings adjusted for interest, tax, depreciation, and amortisation) pre-exceptional items and gain on derecognition of financial liabilities, as disclosed on page 143, of which it represents 2.6% (2023: 2.5%).

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 £10.5m, determined with reference to a benchmark of Company total assets, of which it represents 1% (2023: 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% (2023: 75%) of materiality for the financial statements as a whole, which equates to £13.1m (2023: £11.4m) for the Group and £7.8m (2023: £7.1m) 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.

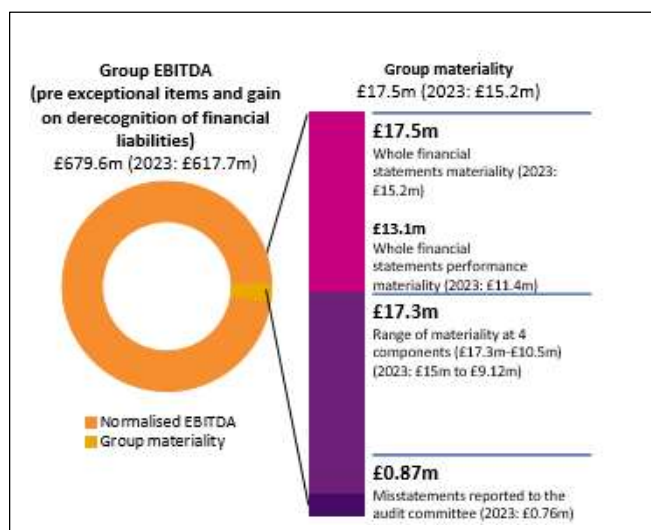
We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.87m (2023: £0.76m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Overview of the scope of our audit

This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components.

In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement ("RMMs"). Similarly, the group auditor has an increased role in designing the audit procedures as well as making decisions on where these procedures are performed (centrally and/or at component level) and how these procedures are executed and supervised.

As a result, we assess scoping and coverage in a different way and comparisons to prior period coverage figures are not meaningful. In this report we provide an indication of scope coverage on the new basis.



Overview of the scope of our audit (cont.)

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 4 components, having considered our evaluation of the group's legal structure and our ability to perform audit procedures centrally.

Of those, we identified 2 quantitatively significant 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 with accounts contributing to the specific RMMs of the Group financial statements.

Accordingly, we performed audit procedures on 3 components as well as the audit of the parent Company. 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 £17.3m to £10.5m, 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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

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; and
- 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.

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 related to 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.

We assessed the legality of the distributions in the period based on assessing the dividend payments made against the distributable reserves in the relevant accounts.

For the issue with the May distribution discussed in note 9 (company) we assessed disclosures against our understanding from legal correspondence.

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 fraud 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 79, 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 and the terms of our engagement by the Company. 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 the further matters we are required to state to them in accordance with the terms agreed with the Company, 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.



Julie Wheeldon

(Senior Statutory Auditor)

**for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants**

Global House

Crawley

RH10 1DQ

19 March 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Revenue	4	1,130.3	1,015.1
Operating costs	5	(608.3)	(551.5)
Operating profit		522.0	463.6
Investment property revaluation	14	56.3	72.7
Loss on disposal of fixed assets	7	(1.5)	(1.0)
Financing			
Fair value loss on derivative financial instruments	8	(1.8)	(18.8)
Finance income	9	33.7	25.9
Finance costs	10	(152.3)	(139.2)
Profit before tax		456.4	403.2
Income tax charge	11	(113.5)	(88.4)
Profit for the year		342.9	314.8

The notes on pages 92 to 133 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 2024

		Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit for the year		342.9	314.8
Other comprehensive income			
Items that will not be reclassified to the consolidated income statement			
Remeasurements of defined benefit asset net of tax	11	(0.2)	(20.9)
Items that may be reclassified to the consolidated income statement			
Gains on cash flow hedges net of tax	11	9.7	-
Cost of hedging net of tax	11	(2.3)	-
Other comprehensive income/(expense) for the year		7.2	(20.9)
Total comprehensive income for the year		350.1	293.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital £m	Merger Reserve £m	Hedging Reserve £m	Retained earnings £m	Total £m
Balance at 1 January 2023	599.4	(260.8)	-	(272.9)	65.7
Total comprehensive income	-	-	-	293.9	293.9
Balance at 31 December 2023	599.4	(260.8)	-	21.0	359.6
Total comprehensive income	-	-	7.4	342.7	350.1
Transactions with owners					
Dividends	-	-	-	(600.8)	(600.8)
Balance at 31 December 2024	599.4	(260.8)	7.4	(237.1)	108.9

The notes on pages 92 to 133 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	31 December 2024 £m	31 December 2023 £m
Non-current assets			
Property, plant and equipment	13	2,053.7	2,086.8
Investment properties	14	1,319.4	1,201.3
Intangible assets	15	5.5	10.0
Finance lease receivables	19	16.8	16.8
Other non-current assets	20	609.9	300.1
Retirement benefit asset	23	70.5	68.2
		4,075.8	3,683.2
Current assets			
Inventories		7.1	7.5
Trade and other receivables	16	154.6	130.0
Current tax assets		9.3	1.2
Cash and cash equivalents		388.0	259.9
		559.0	398.6
Total assets		4,634.8	4,081.8
Liabilities			
Non-current liabilities			
Non-current borrowings	22	(3,310.5)	(2,450.4)
Derivative financial liabilities	17	(385.5)	(385.9)
Lease liabilities	19	(73.9)	(75.3)
Deferred tax	21	(452.4)	(387.0)
		(4,222.3)	(3,298.6)
Current liabilities			
Current borrowings	22	-	(149.8)
Lease liabilities	19	(3.8)	(3.1)
Trade and other payables	24	(279.9)	(255.3)
Deferred income		(19.9)	(15.4)
		(303.6)	(423.6)
Total liabilities		(4,525.9)	(3,722.2)
Net assets		108.9	359.6
Equity			
Share capital	25	599.4	599.4
Retained earnings		(237.1)	21.0
Merger reserve		(260.8)	(260.8)
Hedging reserve		7.4	-
Total equity		108.9	359.6

The financial statements of Ivy Holdco Limited (company registration number 07497036) on pages 88 to 133 were approved by the Board of Directors on 19 March 2025 and signed on its behalf by:



Marten Soderbom
Director



Olivier Mathieu
Director

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash flows from operating activities			
Profit before tax		456.4	403.2
<i>Adjustments for:</i>			
Investment property revaluation	14	(56.3)	(72.7)
Loss on disposal of fixed assets	7	1.5	1.0
Fair value loss on financial instruments	8	1.8	18.8
Finance income	9	(33.7)	(25.9)
Finance costs	10	152.3	139.2
Depreciation and amortisation	13	157.6	154.1
Impairment of fixed assets	13	5.3	1.7
Increase in inventories, trade and other receivables		3.4	(19.0)
Increase in trade and other payables		(5.7)	9.3
Defined benefit pension contributions		(0.1)	(7.3)
Cash generated from operations		682.5	602.4
Corporation tax paid		(58.5)	(38.7)
Net cash from operating activities		624.0	563.7
Cash flows from investing activities			
Interest received		9.2	3.9
Purchase of fixed assets		(155.2)	(130.7)
Sale of tangible fixed assets		-	0.9
Net cash used in investing activities		(146.0)	(125.9)
Cash flows from financing activities			
Interest paid		(151.5)	(149.6)
Payment of lease liabilities	26	(2.3)	(1.6)
Increase in external borrowings		863.5	-
Repayment of Revolving Credit Facility (RCF)		-	(60.0)
Repayment of external borrowings		(150.0)	-
RCF issue costs		-	(0.7)
Settlement of cross currency swaps		1.0	-
Increase in related party receivables		(309.8)	-
Equity dividend paid		(600.8)	-
Net cash used in financing activities		(349.9)	(211.9)
Net increase in cash and cash equivalents		128.1	225.9
Cash and cash equivalents at the beginning of the period		259.9	34.0
Cash and cash equivalents at the end of the year		388.0	259.9

The notes on pages 92 to 133 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. BASIS OF PREPARATION

Ivy Holdco Limited (the Company) is a private company, limited by shares, and is registered and incorporated in England, United Kingdom. The registered number is 07497036 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 2024. The comparative period is the year ended 31 December 2023. The financial statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards and prepared under the historical cost convention, except for investment properties, derivative financial instruments and financial liabilities that qualify as hedged items under fair value hedge accounting. These exceptions to the historic cost convention have been measured at fair value in accordance with IFRS in conformity with the requirements of the Companies Act 2006.

Changes in accounting policies

The following accounting standards have been adopted by the Group to comply with amendments to UK-adopted IFRS. Their adoption has not had a material effect on the financial statements:

- Lease liability in a sale and leaseback (amendments to IFRS 16)
- Classification of liabilities as current or non-current and non-current liabilities with covenants (amendments to IAS 1 Presentation of Financial Statements)
- Supplier finance arrangements (amendments to IAS 7 and IFRS 7)
- Lack of exchangeability (amendments to IAS 21)
- UK legislation on international tax system reform (BEPS)

There are no new accounting standards that are not yet effective that are expected to have a material impact on the financial statements.

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 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 22.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

As at 31 December 2024 the Group had net current assets of £255.4m (2023: net current liabilities of £25.0m). As at 31 December 2024, the Group held cash of £388.0m and the £300.0m RCF was undrawn. The Group had access to a committed £150.0m Liquidity Facility (LF) to ensure interest payment obligations can be kept current for over 12 months. The facilities were refinanced in March 2025 and the Group now has access to a RCF of £450.0m with a termination date in 2030 and LF of £250.0m. The Group does not currently expect to utilise the LF. 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 2024, passenger numbers increased by 5.7%, from 40.9m in 2023 to 43.2m. Airline growth and increased connectivity were the key drivers behind this increase and demand in the market remains strong. The Group's most recent forecast shows an increase in passenger numbers in 2025 compared to 2024.

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 LF. 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 19 March 2025.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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.

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) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(f) 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.

(g) 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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.

(h) Inventories

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

(i) Cash and Cash Equivalents

Cash, for the purpose of the statement of financial position, comprises cash in and hand and deposits repayable on demand. 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.

(j) 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.

The Group's financial assets are measured at amortised cost. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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.

1. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and subsequently stated at amortised cost unless part of a fair value hedge relationship. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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, interest rate risk and foreign exchange risk. The derivative financial instruments utilised by the Group are interest rate, index-linked and cross-currency 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 less 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 future expected cash flows 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 performs, both at hedge inception and 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.

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 cash flow hedge reserve is the lower of:

- The cumulative gain or loss on the designated components of 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 associated with the hedged risk 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(k) 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.

(l) Current and Deferred Taxation

The tax expense for the year 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.

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.

(m) 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.

(n) 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 board meeting for interim dividends.

(o) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(p) 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 2024 by CBRE Limited (2023: Jones Lang LaSalle Limited and 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.

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 23.

Taxation

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The recognition of a deferred tax asset in the financial statements is therefore based on management's estimates of forecast profits in future years. Further details are available in note 11 and note 21.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(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 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 11.

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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

- **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

Disaggregation of revenue

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

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Airport and other traffic charges	599.4	545.7
Retail		
- Duty and tax-free	91.4	70.3
- Specialist shops	43.6	42.3
- Catering	65.0	58.9
- Other retail	41.3	36.2
	241.3	207.7
Car parking	147.8	132.8
Property income	35.0	31.0
Operational facilities and utilities income	45.5	41.2
Other	61.3	56.7
	1,130.3	1,015.1

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

Contract balances

	31 December 2024 £m	31 December 2023 £m
Net trade receivables (note 16)	32.6	33.9
Contract assets	29.6	23.2
Contract liabilities	(19.9)	(15.4)

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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

The amount of revenue recognised in the period to 31 December 2024 from performance obligations satisfied in previous periods is £11.5m (2023: £9.0m). This is due to a revision in estimated passenger numbers in respect to the annual assessment of various aeronautical and retail contracts.

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

	31 December 2024		31 December 2023	
	£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	-	8.1	-	9.2
Increases due to cash received (excluding amounts recognised as revenue in the period)	-	(12.7)	-	(13.1)
Transfers from contract assets recognised at the beginning of the period to receivables	(23.2)	-	(22.4)	-
Increases as a result of changes in the measure of progress	29.6	-	23.2	-

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	Year ended
	31 December	31 December
	2024	2023
	£m	£m
Wages and salaries	154.4	137.3
Social security costs	16.9	15.5
Pension costs	9.1	6.8
Share-based payments	1.7	2.1
Other staff related costs	6.7	7.8
Staff costs	188.8	169.5
Retail expenditure	4.8	3.4
Car parking expenditure	30.5	25.3
Depreciation and amortisation	157.6	154.1
Maintenance and IT expenditure	51.4	47.1
Rent and rates	38.9	36.4
Utility costs	36.4	33.0
Police costs	14.1	12.7
Other operating expenses ^(a)	67.7	54.3
Aerodrome navigation service costs	18.1	15.7
	608.3	551.5

(a) Other operating expenses includes the reversal of impairment of trade receivables amount to £3.0m in the year (2023: impairment of trade receivables amounting to £1.9m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

Average employees

	Year ended 31 December 2024	Year ended 31 December 2023
Average operational employees	2,219	1,986
Average non-operational employees	462	405
Average employees	2,681	2,391

Audit services

Fees payable to the company's auditor for the audit of consolidated financial statements totalled £0.6m in the period (2023: £0.5m). Fees payable to the company's auditor for audit-related assurance services totalled £0.1m in the period (2023: £0.1m). The allocation to the Company is £10,000 (2023: £10,000).

6. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Directors' emoluments		
Aggregate emoluments	0.2	0.2

An amount of £nil (31 December 2023: £nil) was paid into money purchase schemes in respect of the Directors. Aggregate amounts receivable under long-term incentive schemes were £nil (2023: £nil).

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Highest paid Director		
Aggregate emoluments and benefits	0.2	0.1

Nine Directors (2023: nine) were not remunerated by the Company but the Directors estimate £0.2m (2023: £0.2m) is attributable for services provided to the Company by Non-executive shareholder directors. No Directors exercised share options during the year (2023: nil). No Directors are members of the Gatwick Airport Limited defined benefit pension plan (2023: nil).

No compensation was received by former Directors for loss of office during the year (2023: nil). No Directors had awards receivable in the form of shares under the Company's LTIP (2023: nil).

7. 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 2024 £m	Year ended 31 December 2023 £m
Loss on disposal of fixed assets	(1.5)	(1.0)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

8. FAIR VALUE MOVEMENT ON DERIVATIVE FINANCIAL INSTRUMENTS

Fair value loss on derivative financial instruments represents the movement in the year of the present value of expected net cash outflows in the Group's contracts (refer to note 17).

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Fair value loss on derivative financial instruments	(1.8)	(18.8)

9. FINANCE INCOME

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest receivable from other group undertakings	20.7	16.2
Interest receivable on money markets and bank deposits	8.7	4.3
Finance lease income	0.9	0.9
Finance return on pension schemes	3.3	4.5
Foreign exchange gain	0.1	-
	33.7	25.9

10. FINANCE COSTS

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest on fixed rate bonds	122.3	114.8
Interest on bank borrowings ^(a)	0.4	1.8
Net interest payable on derivative financial instruments ^(b)	22.9	19.7
Amortisation of debt costs	3.3	3.5
Non-utilisation fees on bank facilities	1.6	1.6
Interest on lease liabilities	14.4	14.1
Capitalised borrowing costs ^(c)	(12.6)	(16.3)
	152.3	139.2

(a) These amounts mainly relate to interest payable on loans drawn under the £300.0m Authorised Credit Facilities Agreement.

(b) These amounts relate to net interest payable on £396.0m interest to index-linked derivatives and £289.0m fixed to floating interest-linked derivatives. Refer to note 17 for detail on the nominal value of the Group's swaps.

(c) Borrowing costs have been capitalised using a rate of 5.69% (2023: 7.51%), 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

11. INCOME TAX

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Current tax		
Total current tax charge	(50.4)	(33.8)
Adjustment in respect of prior years	-	(3.0)
Total current tax charge	(50.4)	(36.8)
Deferred tax		
Current year	(64.0)	(53.7)
Adjustment in respect of prior years	0.9	4.1
Effect of change in tax rate	-	(2.0)
Total deferred tax charge	(63.1)	(51.6)
Income tax charge	(113.5)	(88.4)

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% (2023: 23.5%). The actual tax charge for the current and prior years differs from the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit before tax	456.4	403.2
Tax on profit at 25.0% (2023: 23.5%)	(114.1)	(94.8)
Effect of:		
Adjustment in respect of prior years	0.9	1.1
Expenses not deductible for tax purposes ^(a)	(11.1)	(1.5)
Revaluation	0.4	-
Tax rate changes	-	(2.0)
Group relief	10.4	8.8
Total tax charge	(113.5)	(88.4)

(a) Expenses not deductible for tax purposes is primarily due to capital expenditure which does not qualify for tax relief amounting to £10.4m (2023: £0.7m).

An increase in the UK corporation tax rate from 19.0% to 25.0% (effective 1 April 2023) was substantively enacted on 24 May 2021.

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 £64m (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 2024

Tax relating to components of other comprehensive income

	31 December 2024			31 December 2023		
	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	(0.3)	0.1	(0.2)	(27.9)	7.0	(20.9)
Cash flow hedge reserve						
Effective portion of changes in fair value	6.0	(1.5)	4.5	-	-	-
Amount reclassified to profit or loss	6.9	(1.7)	5.2	-	-	-
Total cash flow hedge reserve	12.9	(3.2)	9.7	-	-	-
Cost of hedging						
Effective portion of changes in fair value relating to cash flow hedges	(3.6)	0.9	(2.7)	-	-	-
Effective portion of changes in fair value relating to fair value hedges	0.5	(0.1)	0.4	-	-	-
Total cost of hedging	(3.1)	0.8	(2.3)	-	-	-
Total other comprehensive income/(expense)	9.5	(2.3)	7.2	(27.9)	7.0	(20.9)

12. DIVIDENDS

On 2 May 2024, the Directors declared and subsequently paid dividends of 50.19p per share amounting to £300.8m. On 20 August 2024, the Directors declared and subsequently paid dividends of 50.05p per share amounting to £300.0m, totalling £600.8m during the year (2023: £nil). The Directors did not recommend the payment of a final dividend (2023: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2023	1,649.2	563.2	196.0	707.0	194.5	3,309.9
Additions at cost	-	-	-	-	154.7	154.7
Impairment	-	-	-	-	(1.7)	(1.7)
Interest capitalised	-	-	-	-	16.3	16.3
Transfers from AICC ^(a)	10.5	18.9	56.4	23.9	(113.0)	(3.3)
Reclassification between categories ^(b)	1.1	2.8	3.8	1.4	-	9.1
Disposals	(6.8)	(2.9)	(0.1)	(6.1)	-	(15.9)
31 December 2023	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
Accumulated Depreciation						
1 January 2023	(643.0)	(227.9)	(51.8)	(326.0)	-	(1,248.7)
Charge for the year	(70.4)	(26.9)	(9.1)	(41.5)	-	(147.9)
Disposals	5.7	2.5	0.1	6.0	-	14.3
31 December 2023	(707.7)	(252.3)	(60.8)	(361.5)	-	(1,382.3)
Charge for the year	(72.7)	(26.1)	(10.1)	(43.3)	-	(152.2)
Reclassification of completed assets	0.1	(1.1)	1.2	(0.8)	-	(0.6)
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)
Net book value						
31 December 2024	881.0	349.8	185.6	390.3	247.0	2,053.7
31 December 2023	946.3	329.7	195.3	364.7	250.8	2,086.8
1 January 2023	1,006.2	335.3	144.2	381.0	194.5	2,061.2

(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 2024

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 £12.6m (2023: £16.3m) have been capitalised in the year at a capitalisation rate of 5.69% (2023: 7.51%) based on a weighted average cost of borrowings.

Security

As part of the financing agreements outlined in note 22, 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 2023	1,134.7
Transfers from AICC ^(a)	0.5
Reclassification between categories ^(b)	(6.1)
Disposals	(0.5)
Revaluation gain	72.7
31 December 2023	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
Net book value	
31 December 2024	1,319.4
31 December 2023	1,201.3
1 January 2023	1,134.7

(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 £1.2m (2023: £nil) 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 2024

Valuation

Investment properties and land held for development were valued at open market value at 31 December 2024 by CBRE Limited at £1,319.4m (2023: £1,201.3m valued by Jones Lang LaSalle Limited and 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 gain of £56.3m is recognised in the income statement (2023: £72.7m).

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 18). 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 (2023: no transfers in either direction), and no transfers in either direction with Level 3 (2023: 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 2024, each 0.5% change in yield would have resulted in the following increase/(decrease) in the fair value of investment properties:

	31 December 2024	31 December 2023
	£m	£m
0.5% increase in yield	(86.3)	(79.2)
0.5% decrease in yield	99.2	90.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

15. INTANGIBLE ASSETS

Cost	Intangible assets £m
1 January 2023	91.7
Transfers from AICC ^(a)	2.8
Reclassification between categories ^(b)	(3.0)
Disposals	(1.7)
31 December 2023	89.8
Transfers from AICC ^(a)	3.6
Reclassification between categories ^(b)	(3.3)
Disposals	(0.2)
31 December 202 4	89.9
Accumulated Amortisation	
1 January 2023	(75.3)
Charge for the year	(6.2)
Disposals	1.7
31 December 2023	(79.8)
Charge for the year	(5.4)
Reclassification of completed assets	0.6
Disposals	0.2
31 December 202 4	(84.4)
Net book value	
31 December 202 4	5.5
31 December 2023	10.0
1 January 2023	16.4

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

16. TRADE AND OTHER RECEIVABLES

	31 December 2024 £m	31 December 2023 £m
Trade receivables	38.0	42.3
Less: loss allowance	(5.4)	(8.4)
Net trade receivables	32.6	33.9
Accrued interest receivable	10.6	13.0
Other receivables	1.6	0.6
Prepayments and accrued income ^(a)	40.9	34.3
Amounts owed by group undertakings – interest free	0.6	0.6
Amounts owed by group undertakings – interest bearing	68.3	47.6
	154.6	130.0

(a) Includes contract assets of £29.6m (2023: £23.2m).

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 18.

17. DERIVATIVE FINANCIAL LIABILITIES

	31 December 2024 Notional £m	31 December 2024 Fair value £m	31 December 2023 Notional £m	31 December 2023 Fair value £m
Variable rate to index-linked swaps	40.0	29.1	40.0	31.5
Fixed rate to index-linked swaps	356.0	309.5	356.0	293.2
Fixed rate to floating-linked swaps	289.0	49.1	289.0	61.2
Fixed rate to fixed rate cross-currency swaps	418.8	(3.8)	-	-
Fixed rate to floating rate cross-currency swaps	209.4	1.6	-	-
	1,313.2	385.5	685.0	385.9

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 86%.

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 £1.8m loss in financial derivatives through the income statement for the year ended 31 December 2024 (2023: £18.8m loss).

The Group has recognised a total cumulative gain of £17.4m at 31 December 2024 (2023: £29.9m) to reflect the credit risk on the Group's external swap position.

18. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's principal financial instruments (other than derivatives) comprise bank borrowings, cash and short term deposits. The main purpose of these instruments is to raise finance for the Group's operations.

The Group also enters into derivative transactions, principally interest rate, 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, credit, liquidity 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 (such as RPI) 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. These swaps may be designated to hedge underlying debt obligations. The Group also uses floating rate interest bearing financial assets as a natural hedge of the exposure to fair value interest rate risk. These instruments do not qualify for hedge accounting.

As at 31 December 2024, the Group's fixed: floating interest rate profile, after hedging, on gross debt was 86:14 (2023: 91:9).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

As at 31 December 2024, each 0.5% change in interest rates would have resulted in the following gain/(loss) to pre-tax profit and equity, due to movement in the finance income, finance cost and mark-to-market valuation of derivatives. There would be no change to other comprehensive income.

	31 December 2024	31 December 2023
	£m	£m
0.5% increase in interest rates	1.3	(3.3)
0.5% decrease in interest rates	(1.3)	3.3
0.5% increase in inflation indices	(40.1)	(39.1)
0.5% decrease in inflation indices	38.5	37.5

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.

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 £5.4m as at 31 December 2024 (2023: £8.4m).

	Year ended 31 December 2024	Year ended 31 December 2023
	£m	£m
At 1 January	8.4	6.5
Increase during the year	1.4	3.1
Reversal of amounts previously impaired	(4.4)	(1.2)
As at 31 December	5.4	8.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2024 %	Year ended 31 December 2023 %
Retail	-	0.5
Property	-	0.5
Other	-	0.1

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 marketplace. 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 minimise any financial loss.

The Group apply the same policies and procedures to amounts owed by group undertakings. As at 31 December 2024 no provision was required (31 December 2023: nil) for amounts owed by group undertakings.

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.

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 2024, 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 (2023: nil).

The carrying amount of financial assets represents the maximum credit exposure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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

The Group's financial assets can be analysed under the following categories:

	31 December	31 December
	2024	2023
	£m	£m
Lease receivables	16.8	16.8
Net trade receivables	32.6	33.9
Other receivables	1.6	0.6
Cash and cash equivalents	388.0	259.9
Amounts owed by group undertakings	678.8	348.3
Accrued interest receivable	10.6	13.0
Total financial assets	1,128.4	672.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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	Liabilities at fair value through income statement	Derivatives qualifying for hedge accounting	Total
	£m	£m	£m	£m
31 December 2024				
Borrowings	3,310.5	-	-	3,310.5
Derivative financial liabilities	-	387.7	(2.2)	385.5
Lease liabilities	77.7	-	-	77.7
Trade payables and accruals	84.5	-	-	84.5
Other payables	49.7	-	-	49.7
Capital creditors	52.8	-	-	52.8
Accrued interest payable	92.9	-	-	92.9
Total financial liabilities	3,668.1	387.7	(2.2)	4,053.6
31 December 2023				
Borrowings	2,600.2	-	-	2,600.2
Derivative financial liabilities	-	385.9	-	385.9
Lease liabilities	78.4	-	-	78.4
Trade payables and accruals	96.2	-	-	96.2
Other payables	36.9	-	-	36.9
Capital creditors	36.7	-	-	36.7
Accrued interest payable	85.4	-	-	85.4
Total financial liabilities	2,933.8	385.9	-	3,319.7

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 £1.8m loss (2023: £18.8m loss) in financial derivatives through the income statement for the year ended 31 December 2024.

At 31 December 2024, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2024 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 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
Derivative financial instruments	135.1	107.0	49.0	270.4
	278.6	550.5	424.3	4,608.0
31 December 2023				
Class A Bonds – Principal payments	150.0	-	300.0	2,187.4
Class A Bonds – Interest payments	114.8	107.0	284.1	981.6
Derivative financial instruments	22.2	128.3	116.7	234.2
	287.0	235.3	700.8	3,403.2

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 11 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 and interest rate 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 2024 £m
Fixed rate to floating rate cross-currency swaps €250.0m	1.19	SONIA + 1.43%	209.4	2033	(1.6)

The hedge ratio of the fair value hedge relationship is 1:1. There is an economic relationship between the hedged item and the hedging instrument. 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 (2023: £nil) from derivatives in a fair value hedge relationship.

No derivative financial liabilities were designed as hedging instruments in the prior year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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	Carrying amount	Accumulated fair value adjustments
	£m	£m	£m
As at 31 December 2024			
Class A SLB 3.625 per cent €250.0m	209.4	204.8	(1.8)

The £1.8m (2023: £nil) change in fair value during the year of the hedged item differs from the change in fair value of the hedging instrument as a result of the fair value 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.

No borrowings were designed as hedged items in the prior year.

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	Weighted average interest rate after swaps	Notional hedged	Swap maturity	Carrying value as at 31 December 2024
			£m		£m
Fixed rate to fixed rate cross-currency swaps €500.0m	1.19	5.20%	418.8	2033	3.8

The hedge ratio of the cash flow hedge relationship is 1:1. There is an economic relationship between the hedged item and the hedging instrument. 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 £3.8m (2023: £nil) 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.

No derivative financial liabilities were designed as hedging instruments in the prior year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2024 £m	31 December 2023 £m
Bonds		
Book value	3,310.5	2,600.2
Fair value	3,105.6	2,452.5

The fair values of listed borrowings are based on quoted prices.

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.

19. LEASES

As a lessee

'Property, plant and equipment' comprise owned and leased assets.

	31 December 2024 £m	31 December 2023 £m
	Note	
Property, plant and equipment owned	1,880.1	1,909.3
Right-of-use assets	173.6	177.5
	13	
	2,053.7	2,086.8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2023	34.0	181.0	215.0
Additions in the Year	1.9	0.2	2.1
Disposals in the year	-	(0.1)	(0.1)
31 December 2023	35.9	181.1	217.0
Additions in the year	-	1.6	1.6
31 December 202 4	35.9	182.7	218.6

Accumulated depreciation

1 January 2023	(6.8)	(26.9)	(33.7)
Charge in the Year	(2.3)	(3.6)	(5.9)
Disposals in the Year	-	0.1	0.1
31 December 2023	(9.1)	(30.4)	(39.5)
Charge in the Year	(2.0)	(3.5)	(5.5)
31 December 202 4	(11.1)	(33.9)	(45.0)

Net Book value

31 December 202 4	24.8	148.8	173.6
31 December 2023	26.8	150.7	177.5
1 January 2023	27.2	154.1	181.3

Lease liabilities included in the statement of financial position

	31 December 2024 £m	31 December 2023 £m
Current	3.8	3.1
Non-current	73.9	75.3
Total lease liabilities	77.7	78.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

The following table sets out the maturity analysis of lease liabilities, showing the undiscounted lease payments payable after the reporting date. The significant difference between total lease liabilities and total undiscounted lease payments payable is primarily due to the discounting of lease payments on long term lease liabilities.

	31 December	31 December
	2024	2023
	£m	£m
Less than one year	17.0	12.2
Between one and five years	66.6	50.9
More than five years	767.9	714.4
Total undiscounted lease payments payable	851.5	777.5

A significant proportion of the undiscounted lease payments payable in more than five year relates to one lease with 58 years (2023: 59 years) remaining on the lease.

Amounts recognised in Income statement

	31 December	31 December
	2024	2023
	£m	£m
Interest on lease liabilities	14.4	14.1
Depreciation expense on right-of-use assets	5.5	5.9
Expenses relating to short term leases	0.1	0.1
	20.0	20.1

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 9 for the Group's finance lease income for the year.

Leases included in the statement of financial position

	31 December	31 December
	2024	2023
	£m	£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	31 December
	2024	2023
	£m	£m
Less than one year	0.9	0.9
Between one and five years	3.6	2.7
More than five years	72.5	74.2
Total undiscounted lease payments receivable	77.0	77.8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 £35.0m (2023: £31.0m) of which £1.9m (2023: £1.6m) is variable consideration linked to the tenant's turnover. Note 4 provides details on income that is recognised in accordance with IFRS 16.

20. OTHER NON-CURRENT ASSETS

	31 December 2024 £m	31 December 2023 £m
Amounts due from Ivy Super Holdco Limited	609.8	300.0
Amounts due from Gatwick Airport Finance plc	0.1	0.1
	609.9	300.1

Other non-current assets relate to amounts due from parent undertakings. The amounts due from Ivy Super Holdco Limited relate to a £300.0m intercompany loan and a £309.8m intercompany loan (2023: £300.0m intercompany loan).

21. DEFERRED TAX

The following are the deferred tax assets and (liabilities) recognized by the Group and associated movements during the Year:

	Losses £m	Fixed assets £m	Retirement benefit obligations £m	Short term timing differences £m	Total £m
1 January 2023	125.3	(449.6)	(20.8)	2.7	(342.4)
(Charge)/credit to income	(31.2)	(18.6)	(2.9)	1.1	(51.6)
Credit to equity	-	-	7.0	-	7.0
31 December 2023	94.1	(468.2)	(16.7)	3.8	(387.0)
Charge to income	(46.4)	(16.0)	(0.7)	-	(63.1)
Credit/(charge) to equity	-	-	0.1	(2.4)	(2.3)
31 December 2024	47.7	(484.2)	(17.3)	1.4	(452.4)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

22. BORROWINGS

	31 December 2024 £m	31 December 2023 £m
Fixed rate borrowings	3,310.5	2,600.2
	3,310.5	2,600.2
Maturity Profile:		
Repayable in less than 1 year	-	149.8
Repayable between 1 and 2 years	299.1	-
Repayable between 2 and 5 years	-	298.5
Repayable in more than 5 years	3,011.4	2,151.9
	3,310.5	2,600.2

At the balance sheet date, the Group recognised unamortised capitalised coupon discount and debt issuance costs of £47.4m (2023: £37.2m).

All the above borrowings are carried at amortised cost. The fixed rate borrowings are secured.

Ivy Holdco Group Facilities

The 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 (GAL) and Ivy Holdco Limited (IHL) 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 borrower loan agreements.

The ACF Agreement entered into on 21 June 2018 has a RCF of £300.0m with a termination date of 21 June 2025. There are no drawings outstanding on the RCF at 31 December 2024 (2023: £nil). The Group also had access to a committed £150.0m LF to ensure interest payment obligations can be kept current for over 12 months, providing additional assurance to Secured Creditors. The facilities were refinanced in March 2025 and the Group now has access to a RCF of £450.0m with a termination date in 2030 and LF of £250.0m.

To provide additional liquidity in February 2023, the Group entered into a new RCF under an Authorised Credit facility of £100.0m. This facility expired on 25 July 2024.

In April 2024 the Group issued a £250.0m 5.5. per cent Class A bond with scheduled and legal maturities of 2040 and 2042 respectively.

In October 2024, the Group issued a €750.0m Sustainability-Linked Bond (SLB), following publication of the inaugural Sustainability-Linked Financing Framework (SLFF). 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 Sustainability-Linked Financing Framework Progress Report 2024.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2024 £m	As at 31 December 2023 £m	Borrower
Class A 5.25 per cent	2024	2026	20 Jan 2012	-	150.0	GAL
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	-	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	-	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
				3,364.6	2,637.4	

(a) Nominal based on initial designation foreign exchange rates.

The proceeds of all bond issuances by Gatwick Funding Limited (together "the Bonds") are lent to either GAL or IHL under borrower loan agreements, the terms of which are "back-to-back" with those of the Bonds.

The Class A 5.25 per cent. bond of £150.0m was repaid on 23 January 2024.

At 31 December 2024, the average interest rate payable on borrowings was 5.45% p.a. (2023: 6.65% p.a.).

At 31 December 2024, the Group had £300.0m (2023: £300.0m) of undrawn committed borrowing facilities available in respect of which all conditions precedent had been met at that date.

Impact of fair value hedge adjustments

The nominal value of debt designated in fair value hedge relationships was €250.0m. Where debt qualified for fair value hedge accounting, hedged item adjustments have been applied as follows:

	As at 31 December 2024		As at 31 December 2023	
	Nominal £m	Fair value adjustment £m	Nominal £m	Fair value adjustment £m
Euro denominated debt ^(a)	209.1	(1.8)	-	-
	209.1	(1.8)	-	-

(a) Nominal based on initial designation foreign exchange rates.

Financial covenants

During 2020 and 2021 the Group was granted covenant waivers and an amendment of certain terms under the financing documents, from Qualifying Borrower Secured Creditors. This includes: a) that any Default relating to Senior ICR and Senior RAR levels are waived in respect of the calculation dates falling on December 2020, June 2021, December 2021 and June 2022; and b) a temporary amendment (until June 2024) to the calculation of the Senior RAR to replace both the April 2020 to March 2021 EBITDA and the April 2021 to March 2022 EBITDA in such calculation with the average of the 2017, 2018 and 2019 financial years corresponding to each relevant calendar quarter, to prevent results in this exceptional period continuing to impact the Senior RAR.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

The following table summarises the Group's financial covenants as at 31 December 2024 under the CTA, and lists the trigger and default levels:

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

23. 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 £8.3m (2023: £6.5m) represents contributions payable to this scheme by the Group at rates specified in the rules of the plans. As at 31 December 2024, £1.4m of contributions (2023: £1.3m) 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 £31.5m. As a result, the Group's deficit contributions of £1.3m per month ceased with effect from July 2023.

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 Group has considered the High Court's June 2023 judgment in the case of Virgin Media Limited vs NTL Pension Trustees II Limited relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law as well as the outcome of the Court of Appeal's dismissal of the appeal brought by Virgin Media Ltd against aspects of the June 2023 decision. 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 considered this matter with their legal adviser and 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 17.5% of the assets in return seeking investments, 37.5% in credit investments and 45% in a liability hedging portfolio, which together with the credit investment aims to hedge interest rate and inflation risk relative to 100% 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.

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. The investment strategy is set by the Trustee of the plan in consultation with the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

Results from the actuarial valuation as at 30 September 2022 were projected to 31 December 2024 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 2024	31 December 2023
	%	%
Rate of increase in salaries	1.5	1.5
Rate of increase in pensions in payment (RPI)	3.0	2.9
Rate of increase in pensions in payment (5% LPI)	3.0	2.9
Discount rate	5.6	4.6
Retail Prices Index inflation	3.1	3.0
Consumer Prices Index inflation	2.5	2.3

In the plan, pensions in payment are generally increased in line with inflation and benefit payments have an average duration of 15 years (2023: 16 years).

The mortality assumptions used were as follows:

	31 December 2024	31 December 2023
	Years	Years
Life expectancy of male aged 60 at the Statement of Financial Position date	25.7	25.7
Life expectancy of male aged 60 in 20 years' time	27.1	27.1
Life expectancy of female aged 60 at the Statement of Financial Position date	28.1	28.0
Life expectancy of female aged 60 in 20 years' time	29.4	29.3

The mortality assumptions are based on standard actuarial mortality tables with an allow for future improvements in mortality.

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 2024 £m
Discount rate	-0.5%	24.3
Inflation	+0.5%	18.0
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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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	31 December
	2024	2023
	£m	£m
Present value of plan liabilities	(318.1)	(361.8)
Fair value of plan assets	388.6	430.0
Surplus	70.5	68.2

Reconciliation of present value of plan liabilities

	31 December	31 December
	2024	2023
	£m	£m
Opening present value of plan liabilities	(361.8)	(331.5)
Current service cost	(0.1)	(0.1)
Interest cost	(16.3)	(15.6)
Contributions from plan members ^(a)	(0.1)	(0.1)
Benefits paid	13.2	10.9
Actuarial (loss)/gain	47.0	(25.4)
Closing present value of plan liabilities	(318.1)	(361.8)

(a) Contributions from plan members include contributions paid by the Group on behalf of plan members via salary sacrifice.

Reconciliation of fair value of plan assets:

	31 December	31 December
	2024	2023
	£m	£m
Opening fair value of plan assets	430.0	415.9
Interest on plan assets	19.4	20.0
Return on plan assets	(47.2)	-
Actuarial loss	-	(2.5)
Benefits paid	(13.2)	(10.9)
Contributions paid by employer	0.1	7.7
Contributions paid by members	0.1	0.1
Running costs	(0.6)	(0.3)
Closing fair value of plan assets	388.6	430.0

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

The current allocation of the plan's assets is as follows:

	31 December 2024	31 December 2023
Private credit	7%	-
Private equity funds	-	6%
Asset backed securities	22%	18%
Diversified growth funds	8%	9%
Liability driven investment funds	42%	25%
Money market cash	-	40%
Corporate bonds	20%	-
Cash held at bank	1%	2%
	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 2024 £m	Year ended 31 December 2023 £m
Employer's part of current service cost	(0.1)	(0.1)
Running costs	(0.6)	(0.3)
Net interest	3.2	4.4
	2.5	4.0

Remeasurements of defined benefit asset

The amount recognised in other comprehensive income are as follows:

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Changes in financial assumptions	47.4	(7.3)
Changes in demographic assumptions	0.4	4.0
Experience adjustments on benefit obligations	(0.8)	(22.1)
Return on plan assets less interest	(47.2)	(2.5)
Loss recognised in other comprehensive income	(0.2)	(27.9)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

24. TRADE AND OTHER PAYABLES

	31 December 2024 £m	31 December 2023 £m
Trade payables	11.7	23.3
Accruals	72.8	72.9
Capital payables ^(a)	52.8	36.7
Accrued interest payable	92.9	85.4
Accrued financing charges	-	0.1
Other payables	49.7	36.9
	279.9	255.3

(a) Trade and other payables relating to capital expenditure.

25. EQUITY

	31 December 2024 £m	31 December 2023 £m
Called up, allotted and fully paid		
599,418,486 (2023: 599,418,486) ordinary shares of £1.00 each	599.4	599.4

26. RECONCILIATION IN NET DEBT

Net debt comprised the Company's borrowings net of cash and cash equivalents excluding interest accruals.

	As at 1 January 2024 £m	Cash flow £m	Other non-cash changes £m	As at 31 December 2024 £m
Borrowings	(2,600.2)	(713.5)	3.2	(3,310.5)
Derivative financial liabilities	(385.9)	-	0.4	(385.5)
Lease liabilities	(78.4)	2.3	(1.6)	(77.7)
Total financing liabilities	(3,064.5)	(711.2)	2.0	(3,773.7)
Cash and cash equivalents	259.9	128.1	-	388.0
Net debt	(2,804.6)	(583.1)	2.0	(3,385.7)

	As at 1 January 2023 £m	Cash flow £m	Other non-cash changes £m	As at 31 December 2023 £m
Borrowings	(2,657.3)	60.7	(3.6)	(2,600.2)
Derivative financial liabilities	(367.1)	-	(18.8)	(385.9)
Lease liabilities	(78.0)	1.6	(2.0)	(78.4)
Total financing liabilities	(3,102.4)	62.3	(24.4)	(3,064.5)
Cash and cash equivalents	34.0	225.9	-	259.9
Net debt	(3,068.4)	288.2	(24.4)	(2,804.6)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

27. RELATED PARTY TRANSACTIONS

During the year the Group entered into transactions with related parties resulting in the following payments or amounts owed:

	Income/(Expense) to related party		Amounts owed from/(due to) related party	
	Year ended 31 December 2024	Year ended 31 December 2023	As at 31 December 2024	As at 31 December 2023
	£m	£m	£m	£m
Gatwick Airport Finance plc ^(a)	0.1	0.1	1.1	1.0
Ivy Super Holdco Limited ^(a)	20.6	16.1	677.7	347.2
VINCI Airports SAS ^(b)	(7.6)	(7.2)	(7.8)	(6.5)
Global Infrastructure Partners ^(b)	(5.5)	(4.5)	(6.6)	(6.8)

(a) Amounts receivable from related party relate to interest income and intercompany loan agreements (note 20).

(b) Amounts payable to related party relate to royalties and service fees.

Ivy Super Holdco Limited is the Group's immediate parent entity in the UK. Gatwick Airport Finance plc is the parent entity of Ivy Super Holdco Limited.

Capital commitments with related parties included within the total contract commitments for capital expenditure in note 28 are as follows:

	31 December 2024	31 December 2023
	£m	£m
VINCI Construction UK Limited	0.3	-

Key management personnel compensation

	31 December 2024	31 December 2023
	£m	£m
Aggregate emoluments	9.1	12.4

The executive management board consisting of 16 members (2023: 15) are considered key management personnel. The aggregate emoluments cover short- and long-term compensation. As the business began its in 2022, the shareholders established a new LTIP for certain executive board members. This incentive plan measured the evolution of a broad range of metrics from 2020 to 2024.

No key management personnel exercised share options during the year (2023: nil). No key management personnel are members of the Gatwick Airport Limited defined benefit pension plan (2023: nil). Ten key management personnel are members of the Gatwick Airport Limited defined contribution pension plan (2023: 10), accruing benefits of £0.2m (2023: £0.2m). No compensation was received by former key management personnel for loss of office during the year (2023: nil). No key management personnel had awards receivable in the form of shares under the Company's LTIP (2023: nil). 16 (2023: 15) key management personnel accrued benefits under the Group's other LTIP schemes (non-share based) of £1.7m (2023: £4.0m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

28. COMMITMENTS

Capital commitments

Contracted commitments for capital expenditure amount to £140.0m (2023: £68.2m).

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 £3.0m.

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.

29. CLAIMS AND CONTINGENT LIABILITIES

As part of the refinancing agreements outlined in note 22, 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 22, 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 2024 (2023: nil).

30. ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

At 31 December 2024 the Group's ultimate parent and controlling party is VINCI SA, a company incorporated in France.

The Group's results are included in the audited consolidated financial statements of VINCI SA for the year ended 31 December 2024, 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

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	31 December 2024 £m	31 December 2023 £m
Assets			
Non-current assets			
Investment in subsidiaries	6	949.9	949.9
		949.9	949.9
Current assets			
Cash and cash equivalents		0.1	0.7
Total assets		950.0	950.6
Liabilities			
Non-current liabilities			
Borrowings	7	(199.2)	(199.1)
Current liabilities			
Trade and other payables	8	(153.5)	(151.2)
Total liabilities		(352.7)	(350.3)
Net assets		597.3	600.3
Equity			
Share capital	9	599.4	599.4
Retained earnings		(2.1)	0.9
Total equity		597.3	600.3

The profit for the year ended 31 December 2024 was £597.8m (2023: £11.7m loss).

These parent company financial statements on pages 134 to 142 were approved by the Board of Directors on 19 March 2025 and signed on its behalf by:



Marten Soderbom
Director



Olivier Mathieu
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Note	Share capital £m	Retained earnings £m	Total £m
Balance at 1 January 2023		599.4	12.6	612.0
Total comprehensive expense	4	-	(11.7)	(11.7)
Balance at 31 December 2023		599.4	0.9	600.3
Total comprehensive income	4	-	597.8	597.8
Dividends		-	(600.8)	(600.8)
Balance at 31 December 2024		599.4	(2.1)	597.3

The notes on pages 136 to 142 form an integral part of these parent company financial statements.

COMPANY CASH FLOW STATEMENT

For the year ended 31 December 2024

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash flows from operating activities		
Profit/(loss) before tax	597.8	(6.7)
<i>Adjustments for:</i>		
Finance expense	6.7	6.7
Dividend income	(604.5)	-
Net cash from operating activities	-	-
Cash flows from investing activities		
Dividend received	604.5	-
Net cash from investing activities	604.5	-
Cash flows from financing activities		
Repayment of related party borrowings	(4.3)	-
Equity dividends paid	(600.8)	-
Net cash from financing activities	(605.1)	-
Net decrease in cash and cash equivalents	(0.6)	-
Cash and cash equivalents at the beginning of the year	0.7	0.7
Cash and cash equivalents at the end of the year	0.1	0.7

The notes on pages 136 to 142 form an integral part of these parent company financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. BASIS OF PREPARATION

Ivy Holdco Limited (the Company) is a private company, limited by shares, and is registered and incorporated in England, United Kingdom. The registered number is 07497036 and the registered address is 8th Floor, 20 Farringdon Street, London, EC4A 4AB.

These financial statements are the financial statements of the Company for the year ended 31 December 2024. The comparative period is the year ended 31 December 2023. They have been prepared applying the recognition and measurement requirements of UK-adopted international accounting standards and in conformity with the requirements of the Companies Act 2006 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 IFRS in conformity with the requirements of the Companies Act 2006.

The financial statements were approved by the Directors on 19 March 2025.

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) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment.

(c) 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 Years in which the temporary differences are expected to reverse.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

(d) 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.

(e) 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.

(f) 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.

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 in subsidiaries (see note 6) 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.

4. COMPANY RESULT FOR THE YEAR

The profit for the year ended 31 December 2024 was £597.8m (2023: £11.7m loss).

As permitted by Section 408 of the Companies Act 2006, no separate Income Statement is presented in respect of the Company.

Audit fees of £10,000 (2023: £10,000) are borne by Gatwick Airport Limited.

Employee information

The Company had no employees during the year. All staff costs are borne by Gatwick Airport Limited, the Company's subsidiary.

No Directors received remuneration for services to the company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

5. DIVIDENDS

The Directors declared paid dividends of £600.8m during the year (2023: £nil).

The Company received dividends of £604.5m from its wholly owned subsidiary, Gatwick Airport Limited, during the year (2023: £nil).

6. INVESTMENT IN SUBSIDIARIES

	31 December 2024 £m	31 December 2023 £m
Investment in subsidiaries	949.9	949.9

The Company has investments in the following subsidiary undertakings:

Subsidiary Undertakings	Principal activity	Holding	%
Gatwick Airport Limited	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%

(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 Bidco Limited has 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.

7. BORROWINGS

	31 December 2024 £m	31 December 2023 £m
Fixed rate borrowings	199.2	199.1
Maturity Profile:		
Repayable in more than 5 years	199.2	199.1
	199.2	199.1

All the above borrowings are secured and carried at amortised cost.

At the balance sheet date, the Company recognised unamortised capitalised coupon discount and debt issuance costs of £4.1m (2023: £4.2m).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Ivy Holdco Group Facilities

Gatwick Airport Limited and the Company are 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 borrower loan agreements.

Between 2011 and 2019, the Company's subsidiary, Gatwick Funding Limited, issued £3,100.0m of publicly listed fixed-rate secured bonds with scheduled and legal maturities ranging from 2024 and 2026 to 2049 and 2051 respectively.

In April 2024 the Group issued a £250.0m 5.5. per cent Class A bond with scheduled and legal maturities of 2040 and 2042 respectively.

In October 2024 the Group established a SLFF and issued a €750m SLB with scheduled and legal maturities of 2033 and 2035 respectively.

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 2024 £m	As at 31 December 2023 £m	Borrower
Class A 5.25 per cent	2024	2026	20 Jan 2012	-	150.0	Gatwick Airport Ltd
Class A 6.125 per cent	2026	2028	2 Mar 2011	300.0	300.0	Gatwick Airport Ltd
Class A 2.5 per cent	2030	2032	15 Apr 2021	300.0	300.0	Gatwick Airport Ltd
Class A SLB 3.625 per cent	2033	2035	16 Oct 2024	627.2	-	Gatwick Airport Ltd
Class A 4.625 per cent	2034	2036	27 Mar 2014	350.0	350.0	Gatwick Airport Ltd
Class A 5.75 per cent	2037	2039	20 Jan 2012	300.0	300.0	Gatwick Airport Ltd
Class A 3.125 per cent	2039	2041	28 Sep 2017	350.0	350.0	Gatwick Airport Ltd
Class A 5.5 per cent	2040	2042	4 April 2024	250.0	-	Gatwick Airport Ltd
Class A 6.5 per cent	2041	2043	2 Mar 2011	300.0	300.0	Gatwick Airport Ltd
Class A 2.625 per cent	2046	2048	7 Oct 2016	180.1	180.1	Gatwick Airport Ltd
Class A 3.25 per cent	2048	2050	26 Feb 2018	203.3	203.3	Ivy Holdco Ltd
Class A 2.875 per cent	2049	2051	5 Jul 2019	204.0	204.0	Gatwick Airport Ltd
				3,364.6	2,637.4	

The proceeds of all bond issuances by Gatwick Funding Limited (together "the Bonds") are lent to either Gatwick Airport Limited or the Company under borrower loan agreements, the terms of which are "back-to-back" with those of the Bonds.

The Class A 5.25 per cent. bond was repaid on 23 January 2024 funded by liquidity generated by the Group.

At 31 December 2024, the average interest rate payable on borrowings was 5.45% (2023: 6.65% p.a.).

At 31 December 2024, the Group had £300.0m (2023: £300.0m) undrawn committed borrowing facilities available in respect of which all conditions precedent had been met at that date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Financial covenants

During 2020 and 2021 the Group was granted covenant waivers and an amendment of certain terms under the financing documents, from Qualifying Borrower Secured Creditors. This includes: a) that any Default relating to Senior ICR and Senior RAR levels are waived in respect of the calculation dates falling on December 2020, June 2021, December 2021 and June 2022; and b) a temporary amendment (until June 2024) to the calculation of the Senior RAR to replace both the April 2020 to March 2021 EBITDA and the April 2021 to March 2022 EBITDA in such calculation with the average of the 2017, 2018 and 2019 financial years corresponding to each relevant calendar quarter, to prevent results in this exceptional period continuing to impact the Senior RAR.

The following table summarises the Group's financial covenants as at 31 December 2024 under the CTA, and lists the trigger and default levels:

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

8. TRADE AND OTHER PAYABLES

	31 December 2024	31 December 2023
	£m	£m
Accruals	(0.1)	(0.1)
Amounts owed to group undertakings – interest free	148.0	145.7
Accrued interest payable to other group undertakings	5.6	5.6
	153.5	151.2

9. EQUITY

	31 December 2024	31 December 2023
	£m	£m
Called up, allotted and fully paid		
599,418,486 (2023: 599,418,486) ordinary shares of £1.00 each	599.4	599.4

In May 2024, the Company declared and paid a distribution to its sole shareholder. At the time this payment was approved, the Company had sufficient distributable reserves to approve, declare and pay the distribution. The payment of the distribution took a slight delay following the approval, resulting in a very de minimis amount, 0.1% of this distribution exceeding the Company's distributable reserves available as of the payment date.

The Company shortly thereafter had distributable reserves available and, accordingly, steps to ratify the apportionment of available reserves towards the de minimis portion in excess of the reserves from May took place before the 31 December 2024 financial statements were approved, which included mitigating any potential liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

10. RELATED PARTY TRANSACTIONS

During the year the Company entered transactions with related parties resulting in the following payments or amounts owed:

	Interest payable with related party		Amounts owed to related party	
	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m	As at 31 December 2024 £m	As at 31 December 2023 £m
Gatwick Airport Limited	-	-	(148.0)	(145.7)
Gatwick Funding Limited	(6.7)	(6.7)	(204.8)	(204.7)
	(6.7)	(6.7)	(352.8)	(350.4)

Gatwick Airport Limited is a subsidiary of the Company (refer to note 6). Gatwick Funding Limited is a subsidiary of Gatwick Airport Limited.

11. 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 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

12. RECONCILIATION IN NET DEBT

Net debt comprised the Company's borrowings net of cash and cash equivalents excluding interest accruals.

	As at 1 January 2024 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2024 £m
Cash and cash equivalents	0.7	(0.6)	-	0.1
Borrowings	(199.1)	-	(0.1)	(199.2)
	(198.4)	(0.6)	(0.1)	(199.1)

	As at 1 January 2023 £m	Cash flow £m	Other non- cash changes £m	As at 31 December 2023 £m
Cash and cash equivalents	0.7	-	-	0.7
Borrowings	(198.9)	-	(0.2)	(199.1)
	(198.2)	-	(0.2)	(198.4)

The other non-cash changes in the prior year primarily relate to the exceptional gain on derecognition of financial liabilities offset by amortisation of debt costs.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

At 31 December 2024, VINCI SA, a company incorporated in France, is the ultimate parent and ultimate controlling party of the Company.

The Company's results are included in the audited consolidated financial statements of VINCI SA for the year ended 31 December 2024, the largest group to consolidate these financial statements. The company financial statements of VINCI SA can be obtained from the Company Secretary, VINCI, 1973 boulevard de La Défense, 92757 Nanterre Cedex, France.

ALTERNATIVE PERFORMANCE MEASURES

The Group presents its results in according 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.

	2024	2023
	£m	£m
Profit for the year	342.9	314.8
Investment property revaluation	(56.3)	(72.7)
Loss on disposal of fixed assets	1.5	1.0
Fair value loss on derivative financial instruments	1.8	18.8
Finance income	(33.7)	(25.9)
Finance costs	152.3	139.2
Income tax charge	113.5	88.4
Operating profit	522.0	463.6
Depreciation and amortisation	157.6	154.1
EBITDA	679.6	617.7

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.

	2024	2023
	£m	£m
Duty and tax-free	91.4	70.3
Specialist shops	43.6	42.3
Catering	65.0	58.9
Other retail	41.3	36.2
Retail revenue	241.3	207.7
Less: retail expenditure	(4.8)	(3.4)
Net retail income	236.5	204.3
Passengers (millions)	43.2	40.9
Net retail income per passenger	£5.47	£5.00

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.

	2024	2023
	£m	£m
Car parking revenue	147.8	132.8
Less: car parking expenditure	(30.5)	(25.3)
Net car parking income	117.3	107.5
Passengers (millions)	43.2	40.9
Net car parking income per passenger	£2.71	£2.63

ALTERNATIVE PERFORMANCE MEASURES

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.

The Senior ICR and Senior RAR are calculated based on the consolidated results of Ivy Holdco Limited and therefore the inputs are different to those disclosed in this Annual Report and align with the published Compliance Certificates under the CTA.

Senior ICR

	2024	2023
	£m	£m
Cash generated from operations	682.5	602.4
Less: UK corporation tax paid	(58.5)	(38.7)
Less: 2% of Total RAB	(120.3)	(106.7)
Cash Flow (A)	503.7	457.0
Net Interest and equivalent charges paid on Senior Debt ^(a)	127.9	131.5
Total Interest (B)	127.9	131.5
Senior ICR (A/B)	3.94	3.48

(a) '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.

ALTERNATIVE PERFORMANCE MEASURES

Senior RAR

	2024 £m	2023 £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 5.25 per cent. Bonds	-	150.0
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	-
Class A SLB 3.625 per cent. Bonds ^(a)	628.2	-
Accretion on inflation-linked Treasury Transactions	170.3	150.2
Senior Debt	3,535.9	2,787.6
Less: Cash	(388.0)	(259.9)
Senior Debt net of cash (X)	3,147.9	2,527.7
RAB (Y)	6,457.6	5,664.5
Senior RAR (X/Y)	0.49	0.45

(a) Recognised at notional hedged amount.