

**Jet2<sup>®</sup> plc**

**Annual Report &  
Accounts 2025**



# Contents

## Strategic report

- Financial Highlights
- Our Philosophy
- Our Chairman’s Statement
- Jet2** at a Glance
- Business Model
- Our Destinations
- Our Awards
- Our Strategy
- CEO Review
- CFO Report
- Key Performance Indicators
- Risk Management
- Engaging with our Stakeholders
- Sustainability
- Task Force on Climate-Related Financial Disclosures
- Our People

## Governance

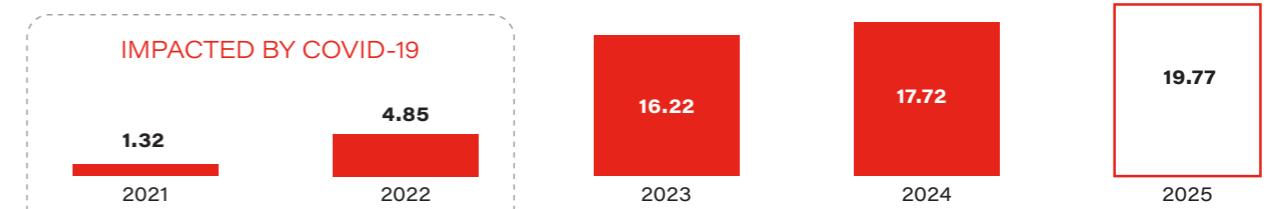
- Corporate Governance Statement
- Board of Directors
- Audit & Risk Committee Report
- Remuneration Committee Report
- Nomination Committee Report
- Directors’ Report
- Independent Auditor’s Report

## Financials

- 01 Consolidated Income Statement
- 02 Consolidated Statement of Comprehensive Income
- 04 Consolidated Statement of Financial Position
- 06 Consolidated Statement of Cash Flows
- 08 Consolidated Statement of Changes in Equity
- 13 Consolidated Statement of Changes in Equity
- 14 Notes to the Consolidated Financial Statements
- 18 Parent Company Balance Sheet
- 26 Parent Company Statement of Changes in Equity
- 31 Notes to the Parent Company Financial Statements
- 32
- 49
- 57
- 68
- Information**
- 80 Glossary of Terms
- Secretary and Advisers
- Financial Calendar

# Financial Highlights

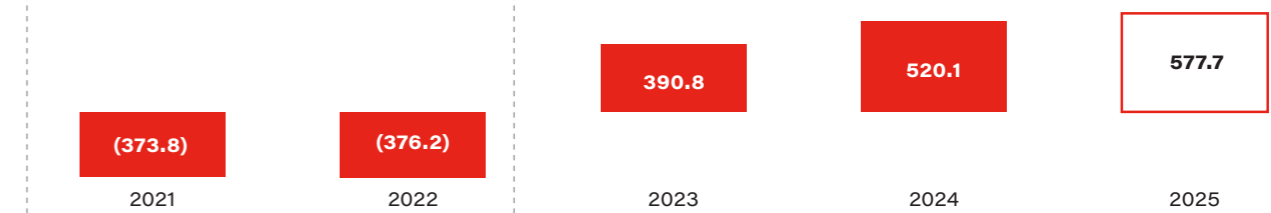
## Flown passengers (m)



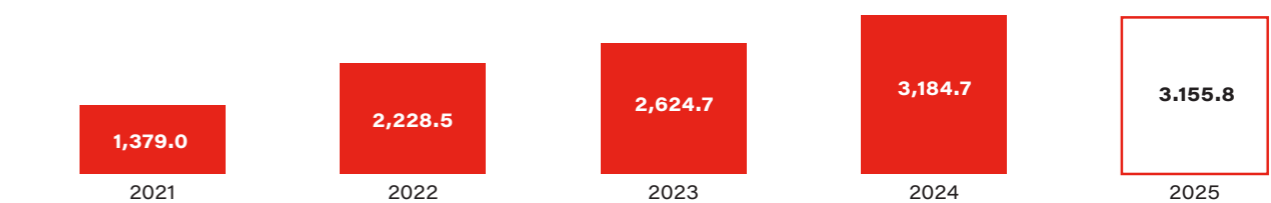
## Revenue (£m)



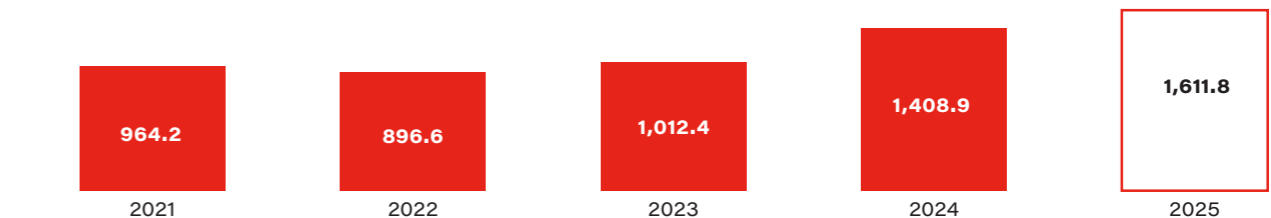
## Profit / (loss) before FX revaluation & taxation (£m)<sup>1</sup>



## Total cash (£m)<sup>2</sup>



## Net assets (£m)



<sup>1</sup> Further information on the calculation of this measure can be found in Note 5 of the financial statements.

<sup>2</sup> Total cash represents cash and cash equivalents and money market deposits.

# Our Philosophy

## People



**Our Most Valuable Asset**

## Service



**Award-Winning and Trusted**

## Profits



**Sustainable Growth**

# Our Chairman's Statement



## Another year of strategic growth and financial success

I am delighted to report that 2025 has been another year of record performance, underlining the popularity of our ATOL-protected package holidays and award-winning leisure flights which continue to resonate with our Customers.

This success highlights the strength of our distinctive, service-led, end-to-end product proposition and the breadth of our hotel portfolio across an extensive range of holiday destinations – a reflection of why customers continue to choose **Jet2**, underpinned by our unwavering *Customer First* ethos. Demand for our products remained strong during the year despite a trend toward later bookings, highlighting that, notwithstanding economic uncertainty, customers continue to prioritise the annual overseas holiday as an essential and eagerly anticipated experience.

Our Leisure Travel business is guided by a clear philosophy: *People, Service, Profits*. We believe our Colleagues are the cornerstone of our success, setting us apart through their unwavering dedication to delivering exceptional customer service which contributes significantly to our growth and long-term prosperity. On behalf of the Board, I would like to extend our sincere thanks to them all for their outstanding work and commitment. In addition, I would like to acknowledge my fellow

Board members for their invaluable guidance and considerable support, both of which are vital in such a complex and fast-moving industry.

## Operational and financial highlights

In early 2025, we celebrated the successful operational launch of two new bases at Bournemouth and London Luton airports, extending our reach further into the South of England, meaning we can now offer the **Jet2** holiday experience to 85% of the UK population who live within a 90-minute drive of our thirteen UK bases.

We also delivered another year of impressive financial results - Group Revenue grew by 15% to £7,173.5m (2024: £6,255.3m), with Profit before taxation increasing by 12% to £593.2m (2024: £529.5m). As a result of this strong performance, the Board has resolved to pay a final dividend of 12.1p per share (2024: 10.7p) bringing the total dividend to 16.5p per share for the year (2024: 14.7p), an increase of 12%. This final dividend is subject to shareholders' approval at the Company's Annual General Meeting on 4 September 2025 and will be payable on 22 October 2025 to shareholders on the register at the close of business on 19 September 2025, with the ex-dividend date being 18 September 2025.

As at 31 March 2025, our cash and money market deposits totalled £3,155.8m (2024: £3,184.7m), of which our 'Own Cash'<sup>1</sup> amounted to £1,096.9m (2024: £1,331.4m).

Our carefully managed balance sheet enabled us to invest strategically in future growth, including adding a further seven new, more efficient Airbus A321neo aircraft to our fleet. In addition, we repurchased £384.5m in principal aggregate amount of existing convertible bonds ahead of their June 2026 maturity and acquired 11.3m shares, representing 5.3% of our issued share capital, for consideration of £158.5m through our

Employee Benefit Trust (EBT), both actions proactively avoiding future shareholder dilution.

## Looking ahead

Our strong financial foundation together with considered investments position us well for further growth and success. In Summer 2025, we expect to operate a fleet of 135 aircraft (Summer 2024: 126 aircraft), including 23 A321neo with a further pipeline of 132 delivering through to 2035.

In addition, we remain confident that our flexible and fully integrated business model continues to be valued by our Customers, whilst also providing the Group with the ability to optimise volumes, pricing and product mix, to maximise overall profitability and deliver sustained value.

With this in mind and demonstrating the Board's continued confidence in the prospects for the business, we recently announced the launch of a share buyback programme of up to £250m, with the first tranche of £125m commencing on 29 April 2025. This programme, aligned with our capital allocation framework, underscores our commitment to returning value to our supportive investors.

We believe we are poised for an exciting future and moving forward, we will remain true to our *People, Service, Profits* philosophy, which underpins every aspect of our business. The strength of our proposition, founded on the excellence of our Colleagues who are dedicated to delivering award-winning customer service, will enable us to fulfil our long-term strategy: **To be the UK's Leading and Best Leisure Travel business.**

**Robin Terrell**  
Non-Executive Chairman  
8 July 2025

<sup>1</sup> Further information on the calculation of these measures can be found in Note 5 of the financial statements.

## Jet2<sup>®</sup> at a Glance

**13**  
**UK BASES**



**OVER**  
**75**  
**DESTINATIONS**



**135 aircraft in  
Summer 2025**

**18.5 million  
seats on sale for  
Summer 2025**

**Over 11,400 customer  
facing colleagues  
providing end-to-end  
customer care**

**ATOL-licensed for  
7.0 million customers**

**Over 5,000 hotels  
rated 4-star plus  
on tripadvisor**

**Over 60% of  
Jet2holidays bookings  
are repeat customers**



**“ We believe our  
Colleagues are  
the cornerstone  
of our success ”**

# Business Model

## What we do - We take people on holiday!



### THE UK'S NUMBER 1 TOUR OPERATOR

Fully ATOL-protected holidays  
Which? Recommended Provider  
Over 700 fabulous beach resorts and cities



### THE UK'S 3RD LARGEST AIRLINE

Award-winning customer service  
Friendly low fares  
Over 75 sun, city and ski destinations

## How we do it

### Differentiated, service-led, end-to-end product proposition

- Full flexibility and control of our seat supply
- 13 UK bases covering 85% of the UK population within a 90-minute drive
- Over 5,100 UK and overseas ground operations colleagues.
- Ample standby aircraft for resilience
- Industry leading approach to flight cancellations
- Great value truly flexible duration holidays
- Choice of over 5,200 2 to 5 star hotels
- Over 1,300 **Jet2holidays** Customer Helpers in resort
- Dedicated 24/7 customer helpline
- Our famous Red Team happy to help at every stage of the customer journey!

## The value we create for our stakeholders

### Colleagues

- Colleagues' wellbeing and motivation is key to achieving our award-winning *Customer First* service.
- Secure and enjoyable place of work for over 17,900 Colleagues.
- 84% of our Colleagues told us they are proud to work for **Jet2**.

### Customers

- Providing outstanding, attentive service, where customer interactions exceed expectations every step of the way.
- Investment decisions focussed on how we can enrich our Customers' holiday experiences.

### Suppliers

- Stable supplier base with trusted partners.
- Suppliers supported through collaborative and constructive relationships.
- Strategic hotelier relationships cultivated over more than 15 years.
- Annual supplier conferences where we recognise service excellence.

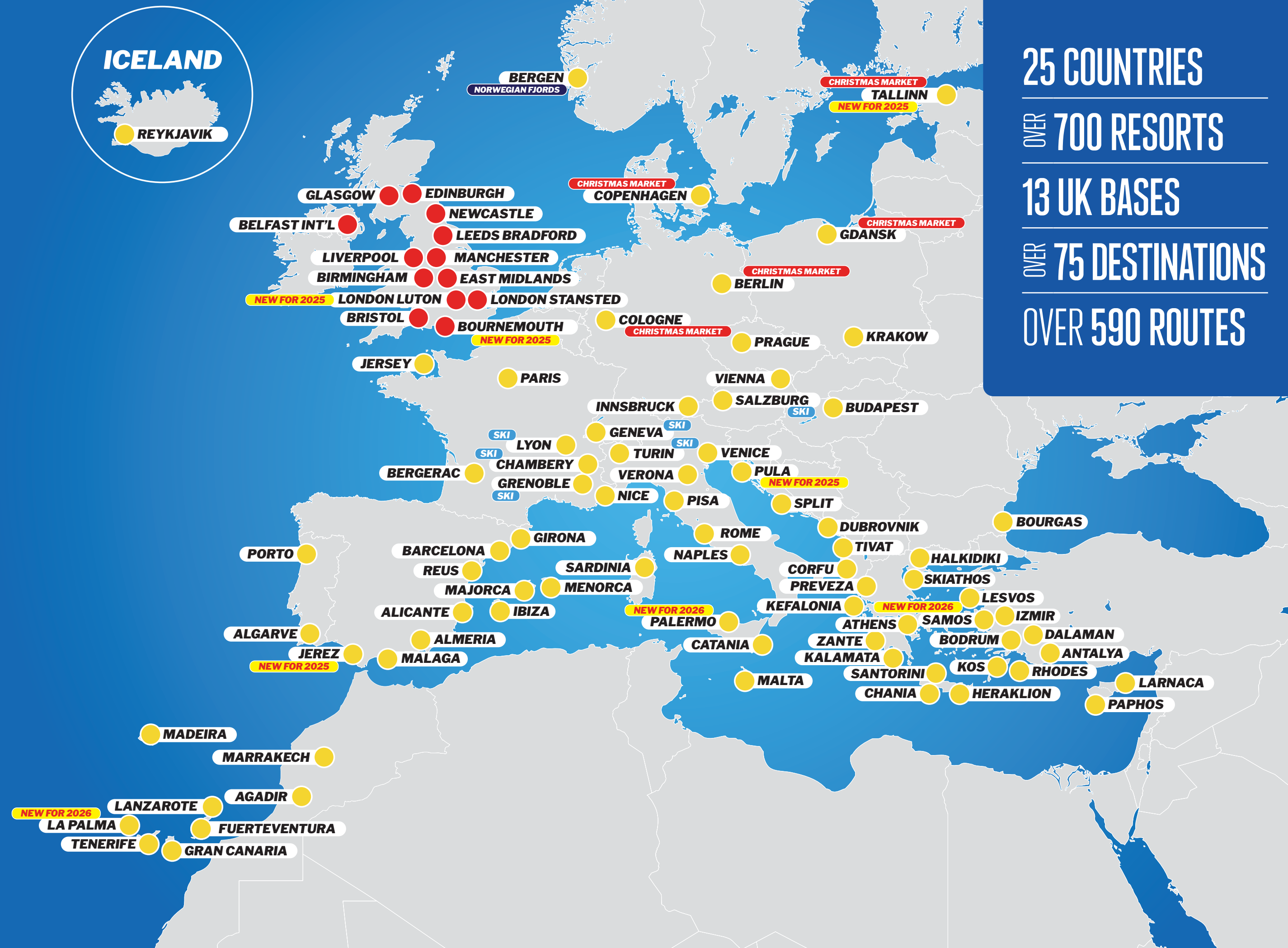
### Shareholders

- Free cash generation for further profitable investment.
- Strong balance sheet supports growth opportunities, whilst providing financial resilience.
- Long term value creation.
- Delivering on capital allocation framework.

### Communities and the Environment

- Employment opportunities in the local communities where we operate.
- Responsible ESG policies and practices.
- Growing and nurturing talent from within through wide-ranging apprenticeships.
- Proudly supporting local and national charities.

# Our Destinations



**25 COUNTRIES**

**OVER 700 RESORTS**

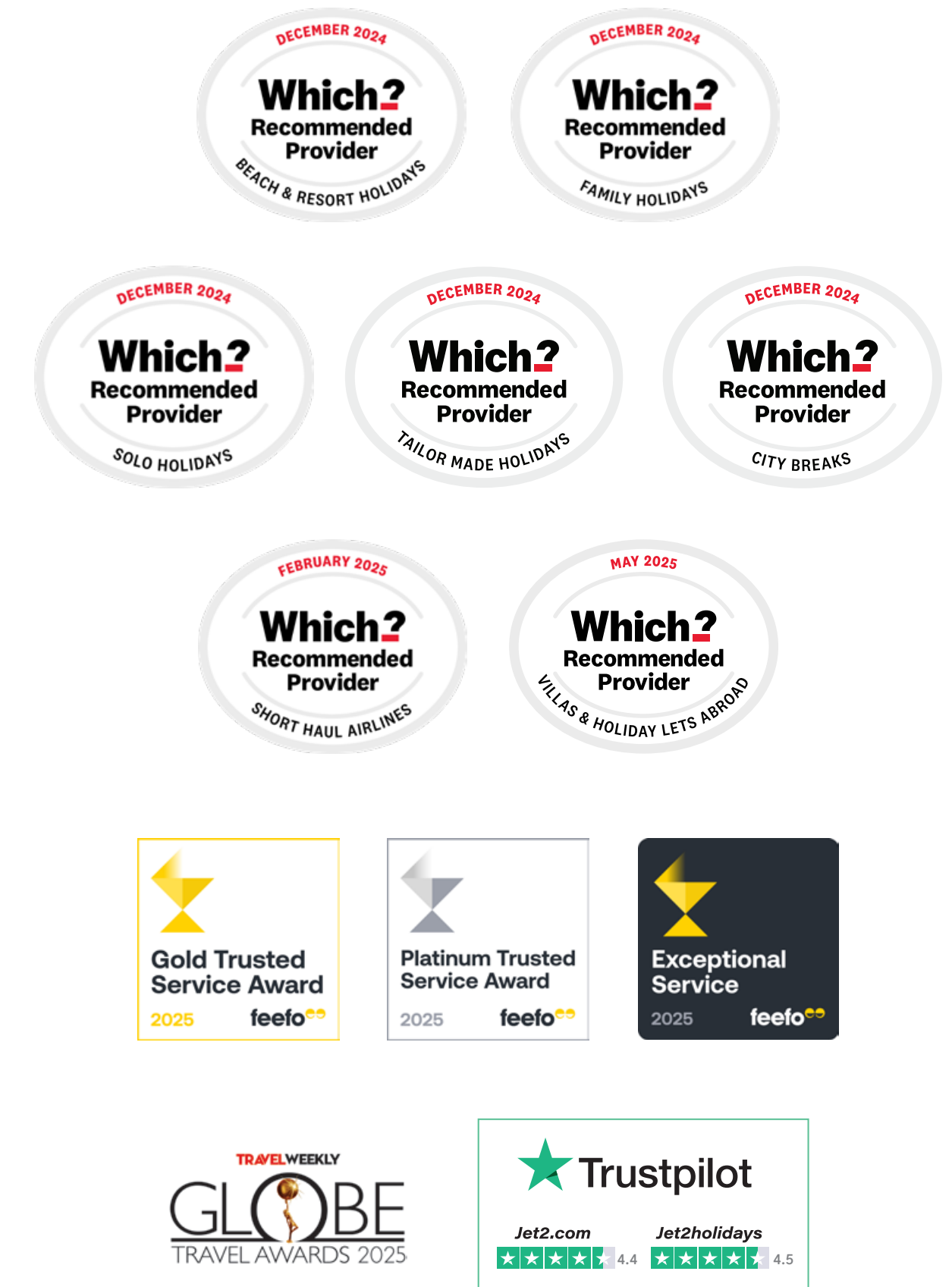
**13 UK BASES**

**OVER 75 DESTINATIONS**

**OVER 590 ROUTES**

**Agadir** Alicante Almeria Antalya Athens **Barcelona**  
 Bergen Bergerac **Berlin** Bodrum Bourgas **Budapest** Catania  
 Chambéry Chania **Cologne** Copenhagen **Corfu** Dalaman  
**Dubrovnik** Faro Fuerteventura **Gdansk** Geneva Girona  
**Gran Canaria** Grenoble Halkidiki Heraklion **Ibiza** Innsbruck  
 Izmir **Jerez** Jersey Kalamata Kefalonia **Kos** Krakow Lanzarote  
 La Palma Larnaca **Lesvos** Lyon Madeira Majorca **Malaga**  
 Malta **Marrakech** Menorca Naples Nice **Palermo**  
 Paphos Paris **Pisa** Porto Prague Preveza **Pula** Reus Reykjavik  
 Rhodes Rome Salzburg **Samos** Santorini Sardinia Skiathos  
 Split **Tallinn** Tenerife Tivat Turin Venice Verona Vienna **Zante**

## Our Awards



These are just the latest additions to our ever-growing awards cabinet. Check out the best of the rest on the [Jet2 plc](#) website.

# Our Strategy

## To be the UK's leading and best leisure travel business

### Our strategic pillars

### Our objectives

### Our performance during the year

### Our future plans



#### Growth of our Package Holiday & Flight-Only Products

- Customer-driven flight schedules to popular high volume holiday destinations in the Mediterranean, Canary Islands and European Leisure Cities.



#### Careful Control of our Product

- Full control of our aircraft seat supply.
- Nurture strategic relationships with hoteliers who align with our brand values.
- Retain and expand our loyal customer base, supported by our end-to-end consistent *Customer First* approach.



#### A Memorable Customer Experience

- Colleagues on hand and visible at every key moment of the customer journey.
- Continued technology investment to deliver seamless, standout customer experiences.



#### Continued investment supporting sustainable long-term growth

- Considered investment to ensure sustainable profit and cash flow growth.
- Ongoing capital investment to underpin our future growth trajectory.
- Attract, develop and retain top talent to deliver our award-winning customer service.



#### Execute our climate transition plan on our journey to net zero

- To achieve our sustainability targets **in the air; on the ground; and in resort**. Our detailed strategy can be found on our *Jet2 plc* website.

- Flown passengers grew 12% to 19.77m.
- Higher margin per passenger Package Holiday customers increased 8% and flight-only passengers were 18% higher.
- Successful first year at Liverpool airport with 0.64m flown passengers.

- Jet2.com** and **Jet2holidays** were named Which? Recommended Provider across a total of seven categories.
- Jet2holidays** retained its Feefo Platinum Trusted Service Award for the fourth consecutive year.
- Industry leading cancellation rate of only 0.05%.
- Encouraging uptake following the launch of holidays to Morocco in October 2024.

- Over 7.0m **myJet2** members.
- Net Promoter Scores remain in the mid 60's for both brands.
- 61% repeat booking rate for package holidays.
- Jet2holidays** placed amongst the highest rated brands in the UK Consumer Satisfaction Index.
- 13% increase in in-flight retail spend per passenger aided by a successful first year's performance by our unique Retail Operations Centre (ROC).

- Airbus A321neo fleet grew to 14 aircraft.
- Upgrading digital marketing infrastructure to improve efficiency and effectiveness of marketing campaigns.
- Apprenticeship scheme expanded to over 200 colleagues.
- Three ShareSave Schemes with over 7,800 participants.

- Final six Boeing 757-200 aircraft retired.
- Carbon emissions reduced to 65.7gCO<sub>2e</sub>/RPK.
- Now over 1,200 certified sustainable hotels.
- B rated in our first CDP submission.

- Summer 2025 flying programme growth of 8%, supported by 135 aircraft.
- 13 UK bases post Bournemouth and London Luton airport base launches.

- Differentiation through innovative product development.
- New for Summer 2025 - Jerez and Pula.
- Expanded **Jet2CityBreaks** programme - Murcia, Braga, Tallinn, Geneva and Salzburg.
- Additional 4,000 **Jet2Villas** available across more than 40 destinations.

- Leverage **myJet2** customer data and technology to enhance holiday experiences.
- Live status of return coach transfers being rolled out via mobile app.
- Maintain our industry leading NPS and customer satisfaction scores.

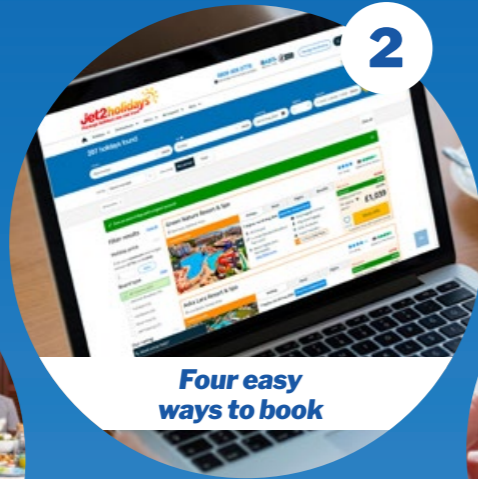
- Further 10 Airbus A321neo aircraft expected by 31 March 2026.
- Implementation of AI-led revenue management system to optimise real-time product pricing.
- Second aircraft maintenance facility at Manchester airport live in late Summer 2025 providing additional operational resilience.

- Increase SAF procurement in line with UK and EU Government mandates.
- Further improve our carbon emissions intensity ratio as fleet renewal impact increases.
- Progression of CDP grade in the next submission cycle.



1

Something for everyone



2

Four easy ways to book



3

Get holiday-ready through our app



4

13 UK bases for Summer 2025



5

Convenient Twilight Check-in®



6

Award-winning in-flight service

Booking made simple!



Friendly Low Fares

**Nothing Beats  
VIP Customer Service**

**a Jet2holiday!  
from Start to Finish**

Going home made easy



Have a Lovely Holiday!



12

Where to next...?



11

A friendly farewell



10

Reassuring 24/7 customer helpline



9

Exclusive experiences



8

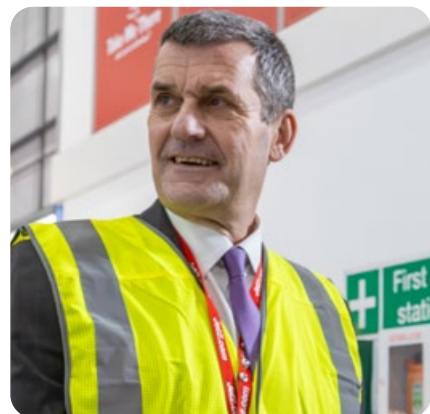
Carefully selected hotels



7

Welcoming in-resort transfers

# CEO Review



I am very pleased to report another record-breaking financial performance, as our Leisure Travel business delivered **Group Revenue growth of 15% to £7,173.5m (2024: £6,255.3m) and an increase in Group profit before foreign exchange revaluation & taxation of 11% to £577.7m<sup>1</sup> (2024: £520.1m).**

## Results for the financial year

Having increased seat capacity by 13% to 22.29m, we successfully adapted to the growing trend of customers booking closer to their departure date. Our higher absolute margin per passenger package holiday customers grew by 8% to 6.58m (2024: 6.08m) accounting for 66.5% of total passengers flown (2024: 68.3%). In addition, demand for our award-winning flight-only product increased significantly by 18% to 6.62m passengers, reaffirming the effectiveness of our fully integrated, flexible operating model which allowed us to capitalise on the later booking trend.

These results not only underline the enduring appeal, resilience and differentiation of our *Customer First* product offering, but also demonstrate that, despite pressures on household budgets, consumers continue to prioritise their hard-earned holidays over other areas of discretionary spend.

## Strategy and Operating Model

We understand the importance of holidays – those eagerly awaited moments to unwind with family and friends. Whether basking in the sun on white sandy beaches or exploring the sights and sounds of a new city, each holiday creates lifelong memories. This understanding fuels our firm commitment to deliver a VIP customer experience at every

opportunity and supports our long-term ambition: **To be the UK's Leading and Best Leisure Travel business.**

Our differentiated, end-to-end operating model is founded on quality, extensive product choice and exceptional customer service and is designed to deliver unforgettable holiday experiences. Customers have four means of booking: (Web; App; Contact Centre or via independent travel agent partners) and an unrivalled product choice from one of our thirteen UK bases to a portfolio of over 5,200 hotels spanning over 700 resorts across more than 75 fabulous destinations. Whether they wish to enjoy a sun-soaked beach, a charming city escape, a private villa retreat, magical Christmas markets, a romantic wedding, exhilarating cycling routes, or world-class golf experiences, we provide the opportunity to do them all!

## Growth

### Our Airbus delivery pipeline

In June 2024, the Group exercised its remaining 36 A321neo aircraft purchase rights meaning we are now committed to 146 owned and 9 leased Airbus A321neo aircraft through to 2035, of which 14 had been received by the end of the financial year. We expect to take delivery of a further 10 aircraft over the forthcoming year, although the delivery profile remains under continuous review given aircraft and

engine manufacturer supply chain constraints.

### Base footprint

We were very pleased to expand our footprint further with two new bases at Bournemouth and London Luton airports, bringing our total UK bases to thirteen. These additions mean even more consumers across the London region and South of England can now access our award-winning **Real Package Holidays from Jet2holidays<sup>®</sup>** and leisure flights with **Jet2.com**. With over 710,000 seats on sale from these bases for Summer 2025, early signs are encouraging.

Furthermore, following the successful launch of Liverpool John Lennon Airport in March 2024, we have added a fifth aircraft for Summer 2025 to meet strong demand across this region. We believe many growth opportunities remain across our existing bases as we continue to attract customers from other operators and strategically expand our route network.

### New destinations

While customer preferences remained consistent – with 95% of **Jet2holidays** customers choosing beach resorts and 5% opting for **Jet2CityBreaks** – we continue to introduce exciting new destinations to satisfy emerging trends and to broaden our appeal.

“Our Customer First approach focuses on award-winning levels of service, where everybody is treated as a VIP”



<sup>1</sup> Further information on the calculation of this measure can be found in Note 5 of the financial statements.

# CEO Review *continued*

Our first flights to Morocco launched in October 2024 to great acclaim and with encouraging uptake. We flew 65,000 holidaymakers during winter, allowing them to experience the vibrant culture of Marrakech or simply relax on one of Agadir's stunning golden-sand beaches. Given the positive customer feedback, we have increased capacity to both destinations for future seasons.

Additionally, we commenced flights and package holidays to Jerez for Summer 2025, giving our Customers the opportunity to explore the delights of Seville, Cadiz and the wider Costa de la Luz region. We also unveiled Samos for Summer 2026, a destination which will allow customers to immerse themselves in the charm and beautiful landscapes that the island has to offer.

Finally, we have continued to expand our **Jet2CityBreaks** programme, with the addition of Murcia and Braga for summer sun exploration and Tallinn, Geneva and Salzburg from Winter 2025/26, allowing customers to visit new and exciting Christmas markets or hit the snowy slopes this winter.

## Operational highlights

### Award-winning customer service

**Jet2holidays** is the UK's largest tour operator and is ATOL-licensed for over 7 million customers, representing over 21% of total licences issued at 1 April 2025.

We consider it a top priority that our Customers reach their intended destination in good time to enjoy their well-deserved holidays meaning our flight cancellations are limited to very rare circumstances only. We are pleased that this approach resulted in a cancellation rate of only 0.05% during the year, materially lower than our peers, across our operation of over 116,000 flights.

We are incredibly proud that our brands continue to be recognised by leading independent consumer focused organisations including Which?, TripAdvisor, Trustpilot and Feefo. **Jet2.com** was named a Which? Recommended Provider for the 10th year running, whilst Feefo awarded us its exclusive Exceptional Service Award – the only airline to have been recognised in this category. Furthermore, **Jet2holidays** was named a Which? Recommended Provider across

a total of six categories, whilst retaining its Feefo Platinum Trusted Service Award for the fourth consecutive year having been rated as 4.8 out of 5.0 from over 7,000 reviews.

We know that when we provide great service, our Customers return time after time, as demonstrated through our 61% repeat booking rate for package holidays. Net promoter scores (NPS) are a real-time measure of customer service, gauging whether respondents would recommend a product to a friend or colleague. Given its importance, we are extremely proud to maintain an NPS in the mid-60s for both **Jet2.com** and **Jet2holidays** which is significantly higher than industry norms. Furthermore, our ranking on the UK Consumer Satisfaction Index published by the Institute of Customer Service places us amongst the highest rated brands in the consumer sector and the highest rated airline and tour operator.

Collectively, these metrics are the clearest indication that our Customers truly appreciate the quality of our product and give us belief that the **strength of our brands is unparalleled in the UK Leisure Travel industry.**

## What our Colleagues love most about working at Jet2

"Being a **Jet2.com** Cabin Crew member is my dream job. Each day kicks off with a briefing, covering flight details, safety, and sales goals with my Cabin Crew colleagues. Our main focus is ensuring the safety and comfort of all passengers, creating unforgettable experiences. Being a part of **Jet2.com** fills me with pride for its friendly and reliable service. As a child, I often flew with **Jet2.com** to visit my grandparents in Rhodes and always admired the Crew. Now, almost a decade later, I'm living my dream and cherishing every moment. The opportunities at **Jet2.com** and **Jet2holidays** are endless and I'm eager to see what lies ahead!"

**Georgio Michalakis**  
Senior Cabin Crew based at Edinburgh airport



## Our People

Our guiding principles of *People, Service, Profits* continue to influence the way we engage and motivate our Colleagues - we firmly believe this underpins our *Customer First* ethos.

Providing outstanding, attentive service remains our ultimate goal, ensuring customer interactions exceed expectations every step of the way. Consequently, the ongoing commitment of our Colleagues to embody the Company's **'Take Me There'** values (**Be Present; Create Memories; Take Responsibility;** and **Work As One Team**) is absolutely essential. This dedication has distinguished us in the industry, earning consistent recognition as a leader in exceptional customer service.

To acknowledge our Colleagues' tremendous efforts, we were pleased to announce a pay increase of 3.0% for the year ending 31 March 2026, preceded by a pay award of 5.5% for the year ended 31 March 2025, taking our

compounded salary increase over the last four years to over 28%. We firmly believe that happy and well-paid colleagues are fundamental to our success.

In recognition of their contribution to the successful operational and financial performance of the Group for the year ended 31 March 2025, we are very pleased to once again be able to award both our **Discretionary Colleague Profit Share Scheme** for non-management colleagues and our **Discretionary Bonus Scheme** for management colleagues. The latter scheme was relaunched during the year alongside a new performance management framework which in part is intrinsically linked to the **'Take Me There'** values, reinforcing their cultural importance.

There are three ShareSave schemes in operation and we have been delighted with the uptake, with over 7,800 colleagues participating. These schemes allow colleagues to purchase shares at a 20% discount

to the prevailing share price at inception. We believe that providing colleagues with the opportunity to invest and share in the Company's success, not only strengthens their connection to the business but also positively influences engagement and performance across our brands.

In November 2024, we launched our first company-wide **Jet2** Colleague survey to assess views on pay and benefits, communication, development and work-life balance as well as thoughts on our leadership. The survey provided invaluable feedback which we have been assessing to guide our future engagement. The overall scores were very positive, and we were extremely pleased that 84% of Colleagues felt proud to work for **Jet2**. In addition, 94% have a good understanding of our **'Take Me There'** values; 88% recognise the contribution their roles play towards the success of **Jet2**; and 82% feel their job makes good use of their skills.



# CEO Review *continued*



## Digital and technology developments

The Group is committed to making strategic investments which enrich our Customers' holiday experiences.

We have continued our investment in big data, cloud architecture and carefully governed Artificial Intelligence (AI) during the year. In addition to speed and productivity benefits, this will provide better-quality intelligence on customer behaviour, ensuring the business remains agile and efficient in its customer acquisition strategy.

We are upgrading our digital marketing infrastructure to a cloud-based platform which will support the delivery of a more personalised marketing experience across our web and app channels.

This increasingly customer data-driven approach, together with new content management and digital asset management platforms will improve the efficiency and effectiveness of our marketing campaigns and increase conversion rates thereby reducing the cost of acquiring customers.

Our **myJet2** membership programme now has over 7.0m active subscribers with more than 90% of mobile app bookers being members. The programme complements our customer retention strategy and is designed to encourage more users to book through either web or app channels by providing: tailored browsing; exclusive discounts and rewards; a streamlined booking process; enhanced pre-travel support; and

in-resort experiences. In addition, our two-fold investment in the mobile app and **myJet2** should also reduce reliance on more expensive third-party marketing tools.

We are also progressing the upgrade of our revenue management system by harnessing the power of AI led machine learning to optimise real-time product pricing. A proof of concept is scheduled to commence later in 2025, and we look forward to exploring the capabilities and potential of this advanced pricing model.

Several core operational systems were upgraded in the year to leverage more efficient technology. A state-of-the-art, digital crew management system will equip us



## Case study

### Jet2 takes Pride

Along with adding red to the rainbow at Birmingham and Manchester Pride events, **Jet2** was proud to sponsor the Leeds celebration in July 2024. Our fabulously colourful float was accompanied by enthusiastic colleagues from across our business and a special guest, Charity Shop Sue. We are delighted to continue our sponsorship of these important events in the coming year:

Gavin Forth, Chief Customer Officer, said: *"Jet2holidays is very proud to support Leeds Pride 2025 as headline sponsor for the second year running. It was fantastic to celebrate the diversity in our amazing city at last year's event, and as a major employer across the region, as well as a company that takes so many local people on their well-deserved holidays, we cannot wait for this year's celebrations."*

for more effective crew resource planning, rostering, and tracking. A new load control system implementing 'dynamic loading' procedures is helping our ground operations team optimise hold baggage distribution contributing to improved fuel efficiency across our operations. Finally, **Jet2.com** upgraded its safety management system to an industry-leading solution that further supports and evolves our safety culture and compliance through more advanced risk mitigation processes.

### Investing in infrastructure to improve performance and resilience

We have made excellent progress on the construction of our second maintenance hangar at Manchester Airport, which will become fully operational in late Summer 2025. Located adjacent to our existing facility, this new hangar will enhance our in-house aircraft maintenance capabilities, provide increased resilience against the availability of third-party hangar slots and support

the growth of our aircraft fleet over the coming decade.

In addition, our second flight training centre at Cheadle, Manchester, now houses two full flight simulators and two fixed base simulators, together with a full complement of cabin crew training equipment, ensuring further resilience to support our growth aspirations.

Finally, we have installed leading-edge automation and cart scanning security equipment at our Retail Operations Centre (ROC) in-flight retail distribution facility. Commissioning of the equipment is ongoing and will support our increasingly personalised in-flight retail offer to customers over the coming years.

### Our sustainability commitment

We believe that travel is a force for good, fostering economic growth, cultural exchange, social development and providing mental health benefits and we are proud of the positive impact we make within

the UK and across Europe and beyond.

Nonetheless we acknowledge, and are committed to, addressing the environmental challenges associated with travel.

Consequently, in May 2024, we refreshed our Sustainability Strategy reaffirming our commitment to reaching net zero by 2050 through a series of targets **in the air; on the ground; and in resort.**

However, it is important to highlight that a number of these targets will require further collaborative efforts in order to be achieved. It is essential that the UK Government supports the technologies, innovation and policies required to achieve net zero, such as sufficient SAF production and airspace modernisation, whilst also ensuring that flights and holidays remain accessible to all.

# CEO Review *continued*

In January 2025, we retired the final six of our more fuel intensive Boeing 757-200 aircraft replacing them with A321neo aircraft, which provide a 20% reduction in fuel and carbon emissions per seat versus our fleet average. In addition, we have installed aerodynamic split scimitar winglets which reduce average fuel burn by up to 1.5% on over 60% of our Boeing 737-800NG aircraft, with the remainder being completed this summer. These actions, plus the integration of 14 A321neo aircraft into the fleet, resulted in our carbon emissions intensity reducing to 65.7gCO<sub>2e</sub>/RPK (2024: 66.4 gCO<sub>2e</sub>/RPK) as we made positive progress towards our 2035 goal of 43.55gCO<sub>2e</sub>/RPK.

We believe that Sustainable Aviation Fuel (SAF) remains one of the most effective solutions to lower carbon emissions and will play a vital role in achieving net-zero status by 2050. Ahead of the UK's SAF mandate, which came into effect in January 2025, **Jet2.com** purchased over 1,000 tonnes of SAF for its operations at London Stansted, Bristol and Malaga airports during 2024.

During the year, we were awarded a B rating following our first submission to CDP, formerly the Carbon Disclosure Project – an international non-profit organisation that helps companies disclose their environmental impact. We are looking forward to progressively improving our rating as we continue to implement our Sustainability Strategy.

Finally, **Jet2holidays** has added over 1,200 hotel partners to its Certified Sustainable Hotels collection, giving our Customers the ability to make more sustainable accommodation choices.

More detailed information on the Group's Sustainability Strategy can be found on the **Jet2 plc** website and in the *Sustainability* section on pages 57 to 66.

## Promoting our interests at home and abroad

The Group represents the interests of the airline industry and hence passengers by actively lobbying the UK Government and EU Commission independently and through trade organisations of which it is a member, including Airlines UK, Airlines for Europe (A4E) and ABTA. Furthermore, **Jet2** is a member of the Jet Zero Taskforce, and I attend these meetings.

Consistent with our Sustainability Strategy, priorities have focused on securing increased supply of SAF, the introduction of a Revenue Certainty Mechanism in the UK to support the development of a viable SAF market and advocating for airspace modernisation. In September 2024, we hosted an event at the Labour Party Conference and regularly meet with Department for Transport Ministers and officials in order to highlight the economic and societal importance of aviation in the UK. We also have regular dialogue on matters of importance with Governments, both national and regional, in key destination countries including Spain, Greece, Portugal and Türkiye.

In addition, our Group Chief Financial Officer meets monthly with the UK Civil Aviation Authority on the financial performance of the Group and our Accountable Manager, the Chief Operations Officer of **Jet2.com**, meets with his respective safety counterparts as a matter of course.

## Engagement with trade agents, tourism bodies and our suppliers

Our annual independent travel agent conferences are unique events that bring together over 350 of **Jet2holidays** top-selling travel agents, Directors and senior management, alongside members of the trade media. We have hosted these four-day conferences for the past ten years,

with structured business sessions, supplier showcases and purposeful networking opportunities. The objective of the event is to gain valuable exposure, raise product awareness, boost sales and build lasting relationships with our much-valued independent travel agent partners.

Each year, we work closely with over 5,200 hotels offering a comprehensive range of board basis and holiday duration options, catering for all customer budgets. We directly contract with 85% of our hoteliers and have placed advance deposits guaranteeing approximately 11% of our expected total room requirement for the Summer 2025 season to ensure we have stock at the most in-demand properties in the lates market.

For the eleventh time, we hosted an exclusive **Jet2holidays** Gala Dinner at the December 2024 travel industry World Travel Market event in London. The dinner provided an excellent opportunity to update key tourism partners on our strategic objectives ahead of Summer 2025, to network, build relationships and celebrate our many combined successes.

In January 2025, we welcomed 200 of our strategic supplier partners to our annual supplier conference held in Manchester. The event included a behind the scenes tour of our ROC facility; informative presentations by **Jet2** operational Directors; and the distribution of awards recognising those suppliers who had demonstrated service excellence.

## Outlook

Summer 2025 on sale seat capacity at 18.5m seats is currently 8.0% higher than Summer 2024.

Bookings for Summer 2025 continue to be made closer to departure, as previously announced, but it is clear that customers' eagerness to get away from it all and enjoy a relaxing overseas holiday in the sun remains strong, provided pricing is attractive.



## Case study

### Annual Supplier Conference

Forging strong relationships with our partners is key and our supplier conferences are the perfect way to reinforce these connections!

The day kicked off with short tours to the ROC and our Manchester Training Centre offering suppliers a rare and exciting opportunity for a behind the scenes look inside our successful airline operations.

Our **Jet2** operational Directors then took centre stage, sharing updates from across the business. These included highlights from our latest financial results; tackling challenges faced by the airline and holidays operations during Summer 2024; developments at the ROC; and our exciting plans for the future.

We also held a lively 'fireside chat' between our Director of IT Services and the event sponsor, Akamai Technologies, highlighting the power of collaboration and the mutual rewards of working together.

We wrapped up the event with the **Jet2** Supplier Awards celebrating outstanding third-party suppliers across various business areas for their exceptional service.

We are currently trading in line with market expectations supported by our flexible and fully integrated business model which provides the Group with the ability to balance average load factor, pricing and product mix, in order to maximise overall profitability.

We are fully hedged for fuel and foreign exchange for the season and over 90% for the full financial year and our carbon emissions are also fully hedged, providing important cost certainty.

We are satisfied with our progress for FY26 to date, although we remain mindful of the late booking profile which limits forward visibility and the evolving geo-political and economic landscapes. With the peak summer months of July, August and September not yet complete, plus the majority of Winter 2025/2026 seat capacity of 5.8m still to sell, it remains premature, as is always the case at this time of year, to provide definitive guidance as to Group profitability for the financial year ending 31 March 2026.

A further update on peak summer trading will be provided at our AGM on 4 September 2025.

**Steve Heapy**  
Chief Executive Officer  
8 July 2025

# CFO Report



We are very pleased to report another year of record financial performance as our Leisure Travel business once again proved that its unique, fully integrated approach is adaptable to changing trading environments, enabling it to maximise overall operating profitability.

## Customer demand & revenue

Total seat capacity increased by 13% to 22.29m (2024: 19.73m) with flown passengers growing by 12% to 19.77m (2024: 17.72m) at an average load factor of 88.7% (2024: 89.8%).

The Group experienced a later booking profile throughout the year resulting in strong demand for our more price sensitive, shorter lead time flight-only product which increased by 18% to 6.62m (2024: 5.61m) passengers. Meanwhile, higher absolute margin per

passenger package holidays, remained very popular with customers growing 8% to 6.58m (2024: 6.08m), representing 66.5% (2024: 68.3%) of the passenger mix.

Average package holiday pricing was resilient rising 5% to £873 (2024: £830) as supplier-led cost increases were passed through to customers. Flight-only ticket yield per passenger sector softened by 2% to £118.81 (2024: £121.26<sup>1</sup>) reflecting promotional pricing which helped to support the average load factor and overall profitability.

Non-ticket revenue per passenger sector increased by 6% to £25.56 (2024: £24.12<sup>1</sup>), which included a very pleasing 13% rise in in-flight retail spend per passenger due to improved product mix and on-board stock availability, supported by the first full year of ROC operations. Additionally, hold baggage income benefitted from the higher mix of flight-only passengers.

As a result, overall **Group Revenue increased by 15% to £7,173.5m (2024: £6,255.3m).**

Summary Income Statement	2025 £m	2024 £m	Change
Revenue	<b>7,173.5</b>	6,255.3	15%
Operating expenses	<b>(6,727.0)</b>	(5,827.1)	(15%)
<b>Operating profit</b>	<b>446.5</b>	428.2	4%
Net financing income (excluding Net FX revaluation gains)	<b>120.9</b>	88.6	36%
Profit on disposal of property, plant and equipment	<b>10.3</b>	3.3	212%
<b>Profit before FX revaluation and taxation</b>	<b>577.7</b>	520.1	11%
Net FX revaluation gains	<b>15.5</b>	9.4	65%
<b>Profit before taxation</b>	<b>593.2</b>	529.5	12%
Net financing income (including Net FX revaluation gains)	<b>(136.4)</b>	(98.0)	39%
Depreciation	<b>282.1</b>	248.8	(13%)
<b>EBITDA*</b>	<b>738.9</b>	680.3	9%

The Group's financial performance for the year ended 31 March 2025 is reported in accordance with UK-adopted international accounting standards and applicable law.

<sup>1</sup> The prior year Flight-only ticket yield per passenger sector and Non-ticket revenue per passenger sector have been restated. Further information on this can be found in Note 6 of the financial statements.

\* EBITDA is included as an alternative performance measure in order to aid users in understanding the underlying operating performance of the Group. Further information can be found in Note 5 of the financial statements.



## Operating expenses

Total Operating expenses increased in line with revenue growth, rising by 15% to £6,727.0m (2024: £5,827.1m), primarily a result of a combined 10% increase in volume and activity, plus inflationary rate increases of 5%.

Hotel accommodation costs increased 21% to £2,971.6m (2024: £2,465.0m) driven by the 8% growth in package holiday customers plus supply-led inflation, particularly in the areas of wages, food and energy, alongside an increased mix of customers choosing higher star rated hotels.

Fuel costs increased 6% to £739.0m (2024: £697.4m), as a 14% increase in flying hours was offset by reductions in average hedged rates, together with incremental benefits from our growing fleet of more fuel-efficient A321neo aircraft.

Landing, navigation and third-party handling increased 16% to £552.7m (2024: £474.9m) reflecting the 12% increase in flown passengers and rate increases across both airport charges and Eurocontrol flying fees.

Travel agent commission increased by 11% to £184.5m (2024: £166.9m) due to increases in the average package holiday price and higher independent travel agent booking volumes.

Maintenance costs rose by 16% to £175.8m (2024: £152.0m) primarily due to increased aircraft rotations and changes to the mix of fleet - in Summer 2024 we operated 37 leased aircraft (Summer 2023: 30), which attract a higher average maintenance rate than owned aircraft. Together with inflationary growth in the cost of servicing existing aircraft, this resulted in a combined 5% average rate increase.

Transfer costs increased by 19% to £119.8m (2024: £100.6m) due to **Jet2holidays** customer growth together with inflationary increases in driver salaries and fuel costs.

Carbon costs increased by 9% to £115.9m (2024: £106.3m). The expansion of the EU Emissions Trading Scheme (ETS) from 1 January 2024 to include flights from the Canaries and Madeira to the UK, combined with increased flying activity, led to a 31% increase in the required UK and EU ETS carbon allowances. However, this increase was largely offset as we took advantage of weaker ETS markets when purchasing carbon allowances and also benefitted from a rebasing of EU ETS free allowances.

In-flight cost of sales increased by 26% to £117.1m (2024: £92.6m) which included flown passenger growth,

cost growth driven by the 13% increase in spend per head, together with the associated cabin crew commission on the increased sales.

Staff costs of £841.8m (2024: £744.1m) increased as a result of a 5.5% pay award to support the retention of motivated colleagues who continue to excel in providing our renowned *Customer First* service. In addition, costs increased as: incremental headcount supported the 13% Summer 2024 seat capacity growth; the ROC completed its first full year of operations; investment was made to support our Summer 2025 flying programme growth of 8.0% including two new bases; and pilot recruitment was undertaken earlier to support our expanding Airbus A321neo fleet.

Marketing costs were 8% higher than the previous year at £286.0m (2024: £264.2m) as bookings through our website and app represented a greater portion of the booking mix with resultant marketing activity increasing by 10% in these channels. This was partially offset by a higher mix of flight-only bookings at a lower average marketing cost per acquisition. We will continue to commit investment to our digital marketing technology infrastructure to reduce our cost per acquisition over the coming years.

# CFO Report *continued*

## Operating profit

Overall Group operating profit increased 4% to £446.5m (2024: £428.2m). Operating profit per sector seat was 9% lower at £20 (2024: £22) and operating profit margin declined by 0.6ppts to 6.2% (2024: 6.8%). However, given the additional costs associated with our strategic investment in new bases at Bournemouth and London Luton, the inflationary increases within our cost base and the later customer booking profile which led to reduced forward visibility, we were pleased with the overall result.

## Net financing income

Net financing income (excluding Net FX revaluation gains) increased by £32.3m to £120.9m (2024: £88.6m), primarily due to £178.9m (2024: £159.5m) of finance income, driven by higher average cash deposits combined with increased bank interest rates as compared to the prior year.

Finance expenses decreased to £58.0m (2024: £70.9m) following a reduction in total debt of 22% to

## Cash flows

The following table sets out condensed cash flow data and the movement in Cash and cash equivalents and money market deposits:

Summary of Cash Flows	2025 £m	2024 £m	Change
EBITDA	738.9	680.3	9%
Other Income Statement adjustments	2.9	11.4	(75%)
<b>Operating cash flows before movements in working capital</b>	<b>741.8</b>	<b>691.7</b>	<b>7%</b>
Movements in working capital	235.4	362.8	(35%)
Interest and taxes	80.5	39.0	106%
<b>Net cash generated from operating activities</b>	<b>1,057.7</b>	<b>1,093.5</b>	<b>(3%)</b>
Purchase of property, plant and equipment, right-of-use assets and equity investments	(398.6)	(410.0)	3%
Movement on borrowings	(371.9)	17.7	(2,201%)
Movement on lease liabilities	(134.6)	(116.5)	(16%)
Dividends paid in the year	(31.6)	(25.8)	(22%)
Purchase of own shares	(158.5)	–	(100%)
Other items	8.6	1.1	682%
<b>Net (decrease) / increase in cash and money market deposits<sup>(a)</sup></b>	<b>(28.9)</b>	<b>560.0</b>	<b>(105%)</b>

<sup>a</sup> Cash flows are reported including the movement on money market deposits (cash deposits with maturity of more than three months from point of placement) to give readers an understanding of total cash generation. The Consolidated Statement of Cash Flows reports net cash flow excluding these movements. Further information on these balances as at the year-end can be found in Note 5 of the financial statements.

£1,137.9m (2024: £1,455.4m) which included the prepayment of certain higher margin aircraft loan balances and the repurchase of the majority of the convertible bond in the second half of the year.

In addition, a net FX revaluation gain of £15.5m (2024: £9.4m) resulted from the year end revaluation of US dollar denominated Lease liabilities and Borrowings with Sterling strengthening by 2% over the year.

## Profit on disposal of property, plant and equipment

Profit on sale of assets increased by £7.0m to £10.3m (2024: £3.3m) including airframes, engines and APUs, primarily from the retirement of Boeing 757-200 aircraft during the year.

## Statutory profit for the year

As a result, **Group statutory profit before taxation increased 12% to £593.2m (2024: £529.5m)**, with profit per sector seat maintained at £27 (2024: £27).

Overall profit before taxation margin declined slightly to 8.3% (2024: 8.5%).

## Taxation

The Group tax charge of £146.4m (2024: £130.3m) reflects an effective tax rate of 25% (2024: 25%).

## Statutory net profit for the year and Earnings per share

**Group statutory profit after taxation increased 12% to £446.8m** (2024: £399.2m) and basic earnings per share improved by 15% to 213.1p (2024: 185.9p). Diluted earnings per share increased 22% to 207.2p (2024: 170.4p) as the potential dilutive impact of the convertible bond was eliminated.

## Other comprehensive income and expense

The Group had Other comprehensive expense of £27.0m (2024: £2.7m income) primarily due to adverse fair value movements in both currency and fuel derivatives at the balance sheet date.



## Net cash generated from operating activities

Following the strong trading performance, Group EBITDA improved by 9% to £738.9m (2024: £680.3m), which combined with adjustments for profit on sale of assets and share-based payment charges, resulted in an operating cashflow before movements in working capital of £741.8m (2024: £691.7m).

Movements in working capital, in particular on advance customer cash receipts and supplier payments, resulted in cash inflows of £235.4m (2024: £362.8m). Net finance income cashflows increased to £124.1m (2024: £84.2m) owing to higher average cash balances and interest rates. Corporation tax payments were £43.6m (2024: £45.2m) as deferred tax assets in respect of losses incurred during the Covid pandemic continued to be utilised.

Overall, net cash generated from operating activities was slightly lower than the prior year at £1,057.7m (2024: £1,093.5m).

## Net cash used in investing activities

Total capital expenditure of £398.6m (2024: £410.0m) primarily represented balance payments for Airbus A321neo aircraft delivered during the year, together with pre-delivery payments for future deliveries and for the exercise of 36 purchase rights.

Additionally, we invested in the construction of a second engineering hangar at Manchester airport and the installation of leading-edge automation equipment at the ROC.

## Net cash used in financing activities

Net cash used in financing activities amounted to £696.6m (2024: £124.6m) including the early repurchase of the convertible bond (£398.8m) and further repayments of aircraft borrowings and lease liabilities of £254.2m (2024: £289.5m). Loans advanced of £146.5m (2024: £190.7m) related to Jolco financing for aircraft deliveries in the period.

Dividend payments were £31.6m (2024: £25.8m) reflecting the positive financial performance.

In addition, we repurchased 11.3m shares for consideration of £158.5m through our newly established EBT, to proactively avoid shareholder dilution from satisfying share award schemes.

Other items included proceeds from the sale of retired aircraft and engines of £10.3m (2024: £3.3m).

Overall, this resulted in a net cash outflow of £28.9m (2024: £560.0m inflow) and year-end total cash and money market deposits<sup>1</sup> of £3,155.8m (2024: £3,184.7m). Net cash, stated after borrowings and lease liabilities increased by 17% to £2,017.9m (2024: £1,729.3m).

At 31 March 2025, the Group had received £2,058.9m (2024: £1,853.3m) of payments in advance of travel from customers, an increase of 11%, and held an 'Own Cash'<sup>1</sup> balance of £1,096.9m (2024: £1,331.4m).

<sup>1</sup> Further information on the calculation of this measure can be found in Note 5 of the financial statements.

# CFO Report *continued*

## Financial position

The following table sets out the condensed statement of financial position:

Summary Statement of Financial Position	2025 £m	2024 £m	Change
Non-current assets <sup>(a)</sup>	<b>2,159.5</b>	1,858.4	16%
Other net liabilities <sup>(b)</sup>	<b>(165.5)</b>	(101.6)	(63%)
Cash and money market deposits	<b>3,155.8</b>	3,184.7	(1%)
Deferred revenue	<b>(2,121.9)</b>	(1,926.6)	(10%)
Borrowings	<b>(424.1)</b>	(755.8)	44%
Lease liabilities	<b>(713.8)</b>	(699.6)	(2%)
Deferred taxation	<b>(211.1)</b>	(110.1)	(92%)
Derivative financial instruments	<b>(67.1)</b>	(40.5)	(66%)
<b>Total shareholders' equity</b>	<b>1,611.8</b>	1,408.9	14%

<sup>a</sup> Stated excluding derivative financial instruments and trade and other receivables.

<sup>b</sup> Stated excluding cash and cash equivalents, money market deposits, deferred revenue, borrowings, lease liabilities and derivative financial instruments.

## Liquidity

A strong balance sheet and access to ample liquidity are vital in this fast-paced, capital-intensive industry, whilst also affording the Group flexibility to pursue its future growth aspirations.

Consequently, in May 2025, the Group successfully renewed and expanded its Revolving Credit Facility (RCF) on improved commercial terms with its four supportive relationship banks: Barclays Bank plc; HSBC UK Bank plc; Lloyds Bank plc; and National Westminster Bank plc. The new RCF, which remains undrawn, runs to 31 October 2029 with an option to extend by a further two years and provides the Group with unsecured available facilities of up to £500m, an increase of £200m from the previous arrangement.

## Shareholder value

Consistent with its capital allocation framework, the Group:

- Continued to invest in organic growth, including the launch of two new operating bases;
- Purchased Airbus A321neo aircraft using its 'Own Cash' reserves;

- Repaid higher cost debt obligations and replaced with lower cost, longer-term funding;
- Eliminated future dilution for shareholders through £158.5m of share purchases via its Employee Benefit Trust and the early repurchase of £384.5m in principal aggregate amount of its convertible bonds; and
- Continued to pay a dividend to shareholders, whilst maintaining a healthy 'Own Cash' balance to protect against the impact of any unforeseen events.

In consideration of the Group's sustainable cash generative business model and strong balance sheet and reflecting the continued confidence in the prospects for the business, on 29 April 2025, an on-market share buyback programme of up to £250.0m was launched. Shares will be cancelled following purchase, providing a positive enhancement to EPS.

Moving forward, the Group will maintain a strong financial position to prepare for increasing gross capital expenditure (which is expected to approach £6.1bn in aggregate over the next seven years) and debt repayment commitments, but also to provide financial resilience and flexibility for those opportunities or challenges which may be presented. In addition, it will continue to monitor its trading performance and cash generation and allocate capital in line with its established capital allocation framework as appropriate.

Our strong financial performance underscores the effectiveness of our business model and strategic approach, and we remain committed to building on these successes, investing in our business to deliver exceptional value to our Customers and stakeholders.



**Gary Brown**  
Group Chief Financial Officer  
8 July 2025

# Key Performance Indicators



Leisure Travel Key Performance Indicators	2025	2024	Change
Seat capacity	<b>22.29m</b>	19.73m	13%
Flown passengers	<b>19.77m</b>	17.72m	12%
Load factor	<b>88.7%</b>	89.8%	(1.1 ppts)
Flight-only passengers	<b>6.62m</b>	5.61m	18%
Package holiday customers	<b>6.58m</b>	6.08m	8%
Package holiday customers % of total flown passengers	<b>66.5%</b>	68.3%	(1.8 ppts)
Flight-only ticket yield per passenger sector (excl. taxes) <sup>1</sup>	<b>£118.81</b>	£121.26	(2%)
Average package holiday price	<b>£873</b>	£830	5%
Non-ticket revenue per passenger sector <sup>1</sup>	<b>£25.56</b>	£24.12	6%
Fuel requirement hedged for next twelve months	<b>81.7%</b>	81.7%	–
Advance sales made as at 31 March	<b>£3,985.0m</b>	£3,720.0m	7%

<sup>1</sup> The prior year Flight-only ticket yield per passenger sector and Non-ticket revenue per passenger sector have been restated. Further information on this can be found in Note 6.

# Risk Management



## Overview

Effective management of existing and emerging risks is essential for the long-term success of our business and the achievement of our strategic objectives, including lasting profitable growth. The Board of Directors is responsible for establishing and overseeing the Group's risk management and internal control framework and are accountable for defining the nature and extent of the principal risks and uncertainties that the Group is willing to accept and how they are managed, mitigated and monitored.

This section outlines the Group's approach to managing these risks, which due to the dynamic nature of the leisure travel industry are not exhaustive and continue to evolve.

## Risk Management process

### Approach to risk



The Board is responsible for the Group's risk management process, including determining the strategic approach to risk and setting risk appetite. The Board also oversees the management, mitigation, and monitoring of principal risks and is responsible for the effectiveness of the Group's risk management system.

The Board is supported by an annual Risk Management Forum attended by all Leisure Travel Operational Directors. This forum assesses the likelihood and impact of key risks, including emerging and principal risks, and reviews the effectiveness of controls in place to mitigate those risks, agreeing any actions required considering the Group's risk appetite.

Ongoing risk management and monitoring is conducted via our Risk Oversight Committee, which meets quarterly. The Committee comprises: the Chief Executive Officer; the Group Chief Financial Officer; and the Group Legal Director & Company Secretary; with the Head of Internal Audit attending

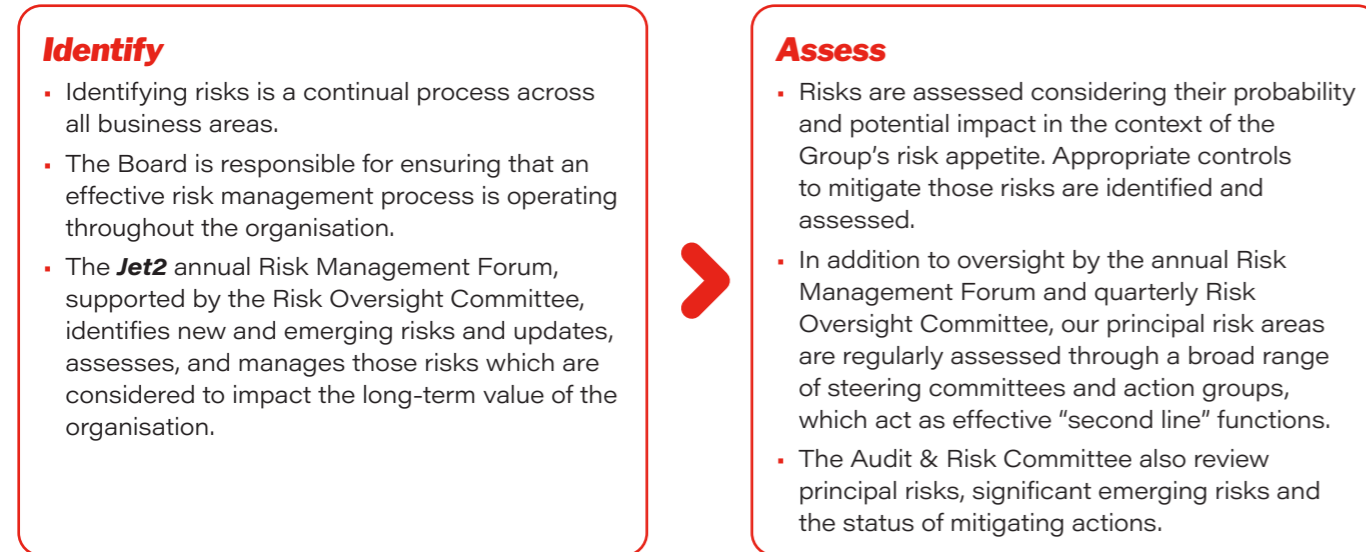
by invitation. The Committee's primary responsibility is to formulate risk strategy and policy, receiving updates on a rotational basis from the Leisure Travel Operational Directors on risks that fall under their ownership. These updates include:

- Identification and consideration of new or evolving risks and any changes to the risk environment;
- Monitoring the adequacy and effectiveness of risk mitigation measures and recommending adjustments or improvements;
- Reviewing progress on targeted actions to improve control effectiveness and risk mitigation;
- Monitoring of Key Risk Indicators (KRIs) used to assess risk exposure;
- Obtaining assurance that an appropriate risk culture exists in each area and therefore across the business; and
- Distilling principal risks and specific considerations for the Board and the Audit & Risk Committee.

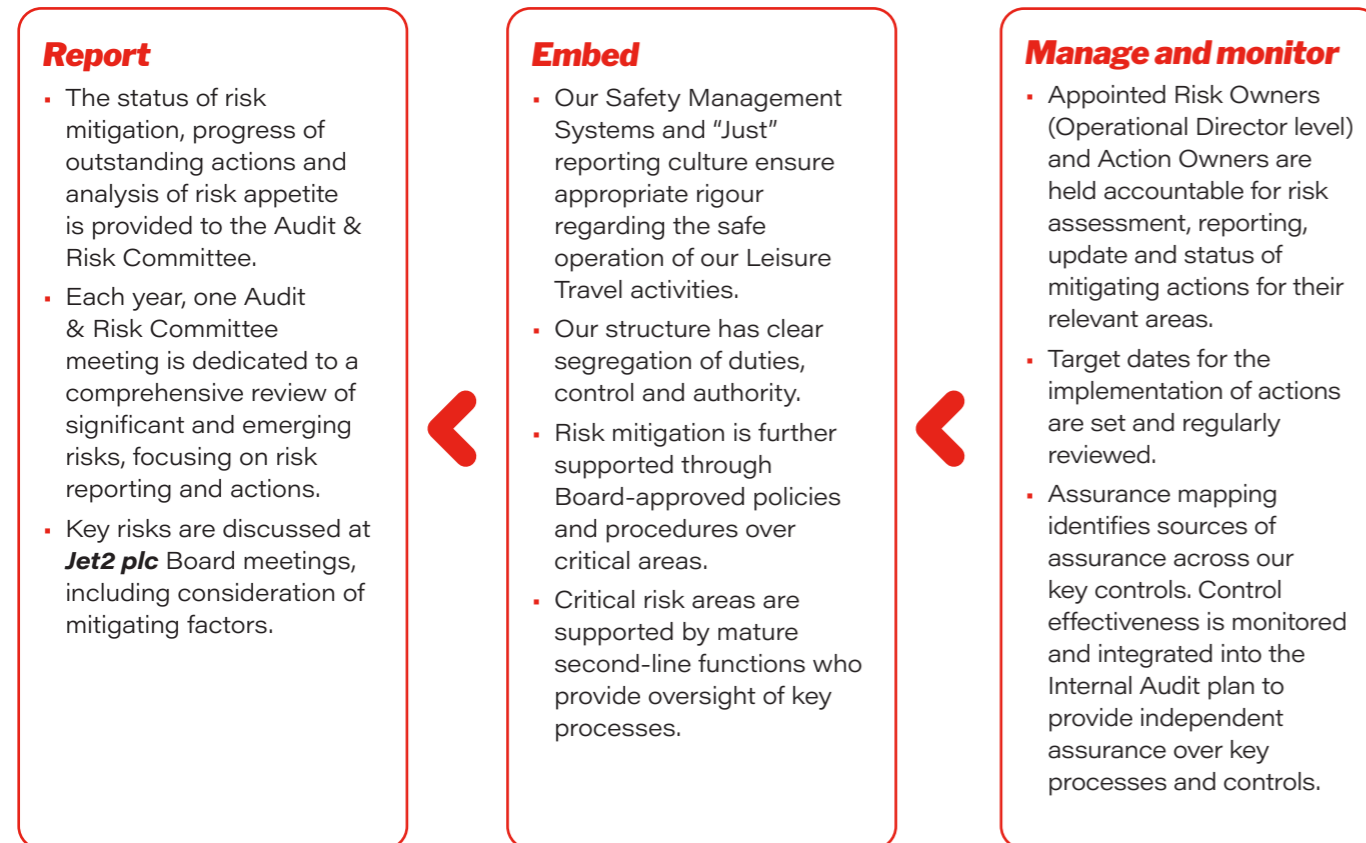
The Group utilises an Enterprise Risk Management tool to support its risk management process. This tool enables the creation and maintenance of individual risk registers by Risk Category, including the twelve principal risks detailed within this Risk Management section. Each category is disaggregated into Risk Components – at this level, controls are identified and assessed, and likelihood and impact ratings are documented. This approach promotes focused discussions in the annual Risk Management Forum and ensures effective governance over the recording, monitoring and reporting of risks within the business. To support reporting and escalation to the Board and the Audit & Risk Committee, the tool provides visual, interactive summaries of risk trending, along with informed scoring of risk and control effectiveness relative to risk appetite.

# Risk Management continued

The key features of the group's approach to risk and systems of internal control are:

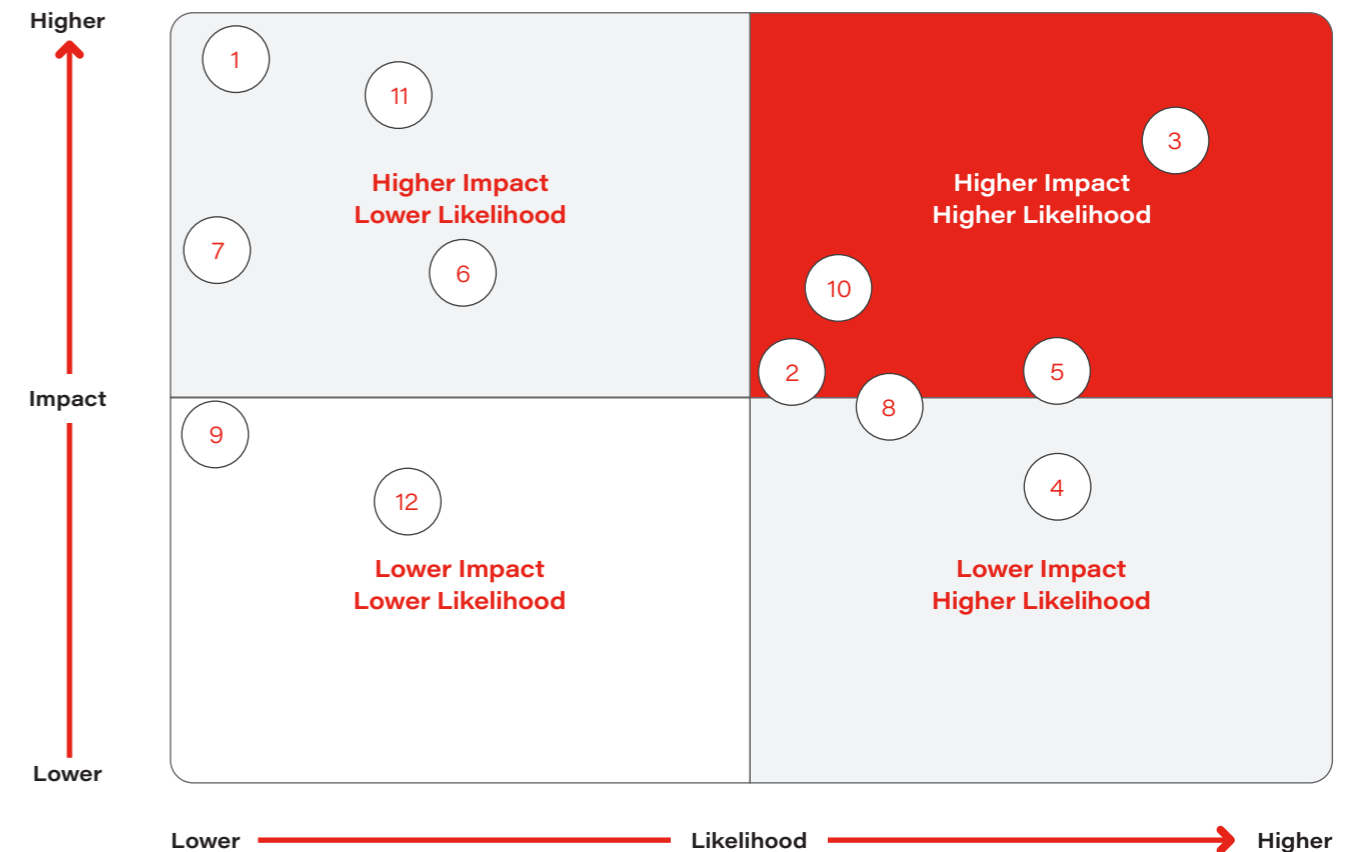


## Risk Management



### Visualisation of principal risks

Our principal risks are presented on the heat map below and are supplemented by our principal risk disclosures and key responses on pages 37 to 46. These disclosures provide a detailed description of each risk and explain how we reduce the likelihood and / or impact of these risks occurring.



**Risk**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>1 Health, safety and security</li> <li>2 Competition</li> <li>3 Climate and sustainability</li> <li>4 Economic conditions</li> <li>5 Input cost volatility, including interest, fuel and carbon costs</li> <li>6 IT development and strategy (including failure of critical technology)</li> </ul> | <ul style="list-style-type: none"> <li>7 Liquidity and capital risk</li> <li>8 Government policy and regulatory intervention</li> <li>9 Legal / regulatory non-compliance</li> <li>10 Operational disruption</li> <li>11 Data security</li> <li>12 Recruitment and retention of talent</li> </ul> |
|---|---|

# Risk Management *continued*

The key changes to our risk heat map in comparison to the previous financial year are:

Risk	Number	Movement	Rationale
IT development and strategy	6		Continued investment in our digital strategy has enhanced the functionality of our key e-commerce platforms. Notably, the <b>myJet2</b> membership scheme now has over 7.0m members who can enjoy an enhanced booking and pre-travel experience. Additionally, our data centre relocation, supported by a well-established cycle of stress testing, has bolstered the resilience and performance of our hosted systems.
Liquidity and capital risk	7		<p>The Group continues to apply its capital allocation framework which has resulted in:</p> <ul style="list-style-type: none"> <li>Repayment of its convertible bond liability over one year prior to its maturity;</li> <li>Prepayment of Boeing 737-800NG financing, which incurred higher funding costs compared to equivalent debt now available to the Group;</li> <li>New A321neo aircraft acquired using either free cash flow or debt as part of our medium-term target of having over 65% of the fleet unencumbered by Summer 2030;</li> <li>Renewal of the Revolving Credit Facility (RCF) in May 2025, including a £200.0m increase in the facility limit; and</li> <li>Further growth in Net Cash of 17% to £2.0bn as at 31 March 2025.</li> </ul>

Decreased risk

## Detailed risk analysis

### 1 Health, safety and security

#### Risk movement < >

Risk owner – Chief Executive Officer

#### Risk description

- The health, safety and security of our Customers and Colleagues is a key priority.
- Failure to prevent or deal effectively with a major safety incident on the ground, in the air or in resort, including a security related threat.

#### Potential consequences

- Injury / loss of life
- Operational disruption
- Significant cost increase
- Loss of customer trust
- Damage to brand reputation
- Reduction in future revenue
- Civil / criminal litigation

#### Mitigating actions

Our airline operates a robust Safety Management System (SMS) based upon a 'Just Culture', fostering an environment where colleagues are encouraged to report and submit safety related information in a timely manner. This approach enables proactive assessment and mitigation of risk, with escalation via regular internal Safety Action Groups to the Safety Review Board (SRB), which meets quarterly.

Compliant and effective SMS oversight is provided through occurrence report investigations, flight data management, safety risk management, health and safety and aviation security inspections, together with compliance and assurance audits across our operations.

In November 2024, the Group engaged Aerothrive GmbH, who provide auditing, training and consulting services to the aviation industry, to provide an independent audit of our SMS. This comprehensive review, supporting both our own internal oversight and that of the CAA, provided valuable assurance and identified no compliance findings.

Our Safety, Compliance and Security team, manage all airline safety and security matters and act as our second line of defence in this area, reporting directly to the Accountable Manager (the Chief Operations Officer of **Jet2.com** Limited) and the SRB. This team maintains a granular, safety specific risk register, which assesses and quantifies all known safety related matters across the airline operation, including relevant mitigation and any required actions.

**Jet2.com** made further investment in our 'Just Culture' during the year by upgrading its safety management system to an industry-leading solution, which enables colleagues to access and submit safety reports both online and offline, via a desktop icon or smart device. This system will create significant efficiencies for those areas that regularly review safety data and will streamline how the business processes and responds to safety reports.

Any change to operations or processes which may have a safety or security impact is subject to a "Management of Change" process. This entails a detailed risk assessment of all potential safety related impacts, identifying relevant controls and actions (if required) to ensure that safety is never compromised. In the current year this included construction of our new maintenance hangar at Manchester Airport and replacement of our crew rostering system, both of which were reviewed by the UK Civil Aviation Authority (CAA).

The SRB continues to monitor trends and identify areas of safety risk that require closer attention, including those arising from significant business events. Key outputs from the SRB are escalated to the Board and Audit & Risk Committee where appropriate. Information and actions are then shared with relevant colleagues to ensure continuous improvement.

Aviation Security is subject to significant UK and International regulation. **Jet2.com** has an experienced, dedicated Aviation Security team who hold government security clearance and are responsible for ensuring regulatory and procedural compliance

in the UK and overseas. This team maintains a security specific risk register to monitor and control current and emerging threats, with particular attention paid to insider threat, both within the organisation and at key operational suppliers.

The **Jet2holidays** Risk and Safety team utilises a framework that enables a consistent approach to the assessment, monitoring, and control of safety related risks throughout the customer journey. Supplier accommodation, in-resort transfers, and excursions are all evaluated, with management of risk completed by an in-house team of highly experienced Risk and Safety managers who are fluent in the local language. These valuable colleagues possess extensive knowledge and are based in the resorts in which we operate.

Accountability for all inputs to our package holiday product is placed on the supplier. **Jet2holidays** provides guidance to suppliers to assist them in meeting our safety standards, which are based on the ABTA Tourism Accommodation Health & Safety Technical Guide. Compliance with our standards is measured using several methodologies, including onsite inspections, audits, surveys, and reviews of documentation and certification. Any remediation required is tracked and, where appropriate, restrictions are applied to ensure our safety standards are maintained.

The **Jet2holidays** Risk and Safety Steering Group, chaired by the Chief Executive Officer, meets frequently to discuss existing and emerging risks and to determine appropriate strategies and the required investment to mitigate or control those risks. Other inter-departmental subgroups also meet frequently to provide a forum for subject matter experts to deliberate and take early actions on developing risks.

In December 2024, the Risk and Safety function's health and safety management system was audited against ISO 45001:2018. The audit concluded that the management system is well-managed and effectively controlled, with the department demonstrating a strong ownership culture and substantial evidence of continual improvement.

Our safety risk mitigation includes crisis and incident management, utilising dedicated facilities, current technology and training to ensure we are prepared and capable of responding effectively. Our objective is to mitigate, prepare, respond and recover, which forms the basis of our emergency response plan. We operate a fully functioning Emergency Response Centre (ERC) where we can implement a formal command structure to manage a range of potentially disruptive events. Regular simulation exercises and training, which include key suppliers and third-party advisors, are conducted to test our crisis response for a range of feasible scenarios.

Risk is transferred to the insurance market using several partnership brokers and insurance providers. Our insurance coverage encompasses all aspects of business operations including, but not limited to, Employer's Liability, Tour Operators Liability, Terrorism, Cyber and Aviation Insurance.

# Risk Management continued

## 2 Competition

### Risk movement < >

Risk owner – Chief Executive Officer

#### Risk description

- The business operates in competition with tour operators, online travel agents and low-cost airlines. In addition, new entrants to the market may increase this risk.

#### Potential consequences

- Reduction in profitability or market share
- Impact on the availability of quality hotel room stocks
- Significant cost increase to retain market share

#### Mitigating actions

The business remains committed to its core principles: attracting and retaining the best colleagues to provide our award-winning *Customer First* service.

Our focus remains on customer-driven scheduling of flights to popular leisure destination routes, optimising the combination of load factor, package holiday mix and pricing, flight-only ticket yields and non-ticket revenue, while maintaining an attractive value proposition to customers. Our quick-to-market, flexible and fully integrated “end-to-end” operating model allows us to tailor our flying programme in response to changes in consumer demand.

The 2025 financial year marked the first full summer of operations from our eleventh UK base at Liverpool. We also announced our twelfth and thirteenth bases at Bournemouth and London Luton, with flights departing from 4 February 2025 and 1 April 2025 respectively, meaning 85% of the UK population now live within a 90-minute drive of our bases. In addition, we expanded our route network for 2025, including three Greek Islands – Poros, Aegina and Leros – and Jerez, Pula and Tallinn, providing our Customers even more choice and variety for their well-earned holidays.

Additionally, we offer thousands of Free Child Places across our most popular destinations, as well as a range of deals for single parents at family-friendly hotels, plus great choice and value for solo traveller holidays.

Our *Customer First* ethos has enabled **Jet2holidays** to maintain its position as the UK’s largest tour operator. In February 2025, **Jet2.com** was honoured to be named a Which? Recommended Provider for the tenth year in a row, once again being the only UK airline to achieve this distinction. Furthermore, we were delighted to be awarded with an exceptional service badge by Feefo, one of the UK’s largest review websites, their most prestigious accolade. In January 2025, the UK Customer Satisfaction Index recognised **Jet2holidays** as the top company in the ‘Tourism’ sector and the only tour operator included amongst the top 50 rated organisations for customer service. **Jet2.com** was also rated highly, achieving the leading leisure airline ranking and the highest ranked ‘Transport’ company in the report, including the distinction of being the only airline named amongst the top 50 organisations.

To mitigate the risk associated with quality hotel room stock availability, we collaborate with and invest in relationships with selected hoteliers, who continue to take assurance from our financial security and our consistent and timely payment record. This approach enables us to secure dependable and competitive room offerings in the most appealing properties, always ensuring that we are satisfying our Customers’ desire for choice and quality.

**Jet2.com**’s Retail Operations Centre, the first of its kind in the UK aviation industry which enables it to take control of its critical in-flight retail operations, enjoyed a successful first year of operation. This investment has generated substantial benefit, including greater than 98% average in-flight stock availability, increasing customer satisfaction and spend per head. By the end of the financial year, we had installed leading-edge automation equipment which will enable the transition from manual to automated operations and increase efficiency. Commissioning of the equipment is ongoing and once fully operational, will support the delivery of an increasingly personalised in-flight retail offer to our Customers.

Continued development of our digital strategy is integral to the business, helping to build customer loyalty, deliver greater satisfaction and drive revenue growth. Our aim is to make our Customers’ digital experience best in class, regardless of the device or channel through which they interact with us.

Our integrated **Jet2.com** and **Jet2holidays** mobile app offer users the convenience and functionality to search, book and manage both package holidays and flights in one place. Additionally, our **myJet2** membership programme enables seamless one-click access for customers to: proactively manage their bookings in one place; engage year-round through competitions such as our popular ‘*Bid for a Break*’, ‘*Spin for Sun*’ plus chances to win vouchers or gift cards with selected partners; and a personalised experience to optimise booking conversion via exclusive discounts on flights and package holidays.

Our extensive range of products is designed to cater to a variety of customer preferences including **Jet2Villas**® and **Jet2CityBreaks**®, featuring our experiential ‘*Discover More*’ City Breaks, as well as added value products such as **Indulgent Escapes**® and **Vibe by Jet2holidays**®, which all serve to broaden our market penetration. Furthermore, **Jet2holidays** recently announced the launch of its new proposition, **Jet2Weddings**, offering over 35 hotel wedding venues in Cyprus, and a choice of three options – Classic, Deluxe and Ultimate, making it easy for customers to find the perfect fit for their big day!

## 3 Climate and sustainability

### Risk movement < >

Risk owner – Chief Executive Officer

#### Risk description

- Visiting new destinations not only fosters cultural understanding and acceptance but also enhances wellbeing and strengthens family bonds. Nonetheless, the aviation industry plays a critical role in tackling climate change and we recognise our responsibility to contribute to a low-carbon future, so that our Customers can keep enjoying their well-deserved trips for the long term.
- Impacts of extreme weather events or rising sea levels on tourism destinations and infrastructure.
- Slow pace of technological advancement to aid decarbonisation, such as the availability of Sustainable Aviation Fuel (SAF) exacerbated by a lack of meaningful investment by governments, plus improvements to aircraft efficiency.
- Inconsistent and potentially onerous government policy which does not appropriately address industry climate risks and results in disproportionate costs to the Group.

#### Potential consequences

- Reputational risk of perceived inaction could adversely impact passenger demand
- Significant increase in costs of SAF, existing and potential new aviation and travel taxes, charges and levies
- Increased operational disruption

#### Mitigating actions

The Sustainability Steering Committee meets quarterly and comprises our Chief Executive Officer (CEO), Corporate Affairs & Sustainability Director, Head of Sustainability, Business Development Director, Group Chief Financial Officer and Group Legal Director & Company Secretary.

The Committee evaluates progress against the Group’s Sustainability Strategy targets and reviews and considers new environmental legislation requirements. The CEO updates the Audit & Risk Committee and the Board on a regular basis.

In May 2024, the Group issued an updated Climate Transition Plan, focusing on available technologies and pragmatic, tangible actions which can be taken on route to achieving our net zero by 2050 target. This target will align **Jet2.com**’s carbon intensity with the Science Based Targets initiative (SBTi) guidance, with a 35% reduction in carbon emissions per revenue paying passenger kilometre by 2035 as compared to 2019. Further information on this emissions reduction pathway can be found within the detailed strategy on the Group’s website.

The Airbus A321neo is recognised as the most flexible, fuel-efficient and sustainable aircraft in its class today, reducing fuel consumption and CO<sub>2</sub> emissions per seat by over 20% and providing a 50% lower noise footprint as compared to our existing fleet. At the year end, the Group has 14 A321neo aircraft delivered and in service and has committed to a further 141 owned and leased aircraft by 2035 to support its growth and facilitate the replacement of older, less efficient models. In addition, **Jet2.com** has installed split scimitar winglets on over 60% of its Boeing 737-800NG aircraft, providing further fuel savings.

In 2024, **Jet2.com** purchased a 1% blend of SAF at London Stansted, Bristol and Malaga airports, having voluntarily purchased over 1,000 tonnes. The fuel uplift for our UK and EU flights in 2025 will be in line with mandated levels. The Climate Transition Plan also identifies the important role that the UK’s Airspace Modernisation Strategy and the EU’s Single European Sky initiative both have in reducing emissions; we

anticipate more direct flight paths have the potential to deliver up to an 8-10% fuel reduction across **Jet2.com**’s network by 2035. However, airspace modernisation faces many complex technical and societal challenges and the Group continues to advocate for reform with government and industry stakeholders.

The strategy details several other actions being taken, including new technology to provide real-time operational data and analysis to drive fuel savings, weight-reduction initiatives, expanding **Jet2holidays**’ Certified Sustainable Hotels collection which now features over 1,200 hotels giving customers the ability to make more sustainable accommodation choices and reducing the energy use from company owned buildings to net-zero.

In addition, **Jet2.com** has electrified over 50% of its owned ground service vehicles, converted offices to renewable energy tariffs, and replaced 22 million single-use plastic items onboard its aircraft with alternative materials.

The Group has a well-established Board approved Hedging Policy to manage carbon price risk, using forward contracts with approved counterparties and at the year end is 100% hedged for calendar year 2025 carbon emissions allowances.

During 2024, we completed the process of obtaining ISO14001 certification, an internationally recognised standard for Environmental Management Systems.

**Jet2** is an active member of organisations such as Airlines UK, Airlines for Europe (A4E), Sustainable Aviation and ABTA. These organisations provide regular updates on the latest regulatory changes and offer a forum for knowledge sharing. Our CEO is also a member of the Jet Zero Taskforce and its Sustainable Aviation Fuels Delivery Group, which aids the monitoring of policy development in this area. In collaboration with these organisations, we actively engage with the UK Government and the EU Commission to support the industry through policy frameworks that enable decarbonisation as well as equitable EU and UK legislation.

# Risk Management *continued*

## 4 Economic conditions

### Risk movement < >

Risk owner – Chief Executive Officer

#### Risk description

- We believe that UK consumers regard their summer holiday as a very important element of the annual household budget and prioritise holidays over many other areas of discretionary spend. However, economic conditions, specifically a significant rise in unemployment, may ultimately impact on the level of demand for the Group's leisure travel services.
- The broader macro-economic climate may also impact the viability of critical suppliers, including hotel partners, some of whom the Group places monetary advances with to secure accommodation.

#### Potential consequences

- Reduction in customer demand
- Reduction in future revenue
- Inability to recover hotel supplier advances

#### Mitigating actions

The business has established a strong brand and reputation for providing **'package holidays you can trust™'** and the delivery of an attractive and memorable holiday experience engenders loyalty and repeat bookings. This is supported by our close monitoring of rebook rates, customer satisfaction surveys and Net Promoter Scores and is validated by an ever-growing number of awards from Which?, Trustpilot and Feefo.

The control of our own seat supply and our frequency of flying allow us to offer truly variable duration holidays. This is critical in providing customers with the ability to flex their holiday plans to suit their individual budgets.

We continue to offer our Customers a wide selection of hotels and board basis including all-inclusive options to lock in the total cost of the holiday, plus many free child places - all vital ingredients which enable us to cater for differing budget requirements.

We consistently promote the benefits of travelling with an end-to-end ATOL protected package holiday tour operator to increase customer confidence and provide peace of mind.

Stable supplier relationships are vital for providing memorable holiday experiences to our Customers. Consequently, we collaborate with our suppliers to deliver the best quality and value for our business and customers. This extends to our prompt payment for goods and services, as well as their adherence to our Supplier Code of Conduct, which outlines the standards, expectations and behaviours we require.

Recoverability of hotel supplier advances includes structuring initial arrangements to minimise risk of exposure plus careful monitoring of booking performance. In addition, our in-destination Financial Risk Managers perform financial due diligence to enable hotel agreements to be re-assessed and de-risked where appropriate.

## 5 Input cost volatility, including foreign currency, interest, fuel and carbon costs

### Risk movement < >

Risk owner – Group Chief Financial Officer

#### Risk description

- The business incurs significant operational costs which are Euro and US dollar denominated and can be exposed to sudden movements in exchange rates.
- The cost of fuel is a considerable element of the business's cost base and managing fuel price volatility effectively is essential.
- The Group uses specialist aircraft finance with some of this borrowing subject to floating rate interest charges, which generates interest cost volatility.
- Changes to carbon emission trading schemes (ETS), including both rate increases and potential scheme expansion across currently exempt destinations such as the Canary Islands (outbound from UK) and Türkiye.

#### Potential consequences

- Significant increase in costs and potential reduction in profitability
- Potential increased cost of expansion of UK ETS to include currently exempt destinations and of additional emissions trading schemes in new jurisdictions

#### Mitigating actions

The Group has a well-established Board approved Hedging Policy to manage risks associated with foreign exchange rates, fuel prices and interest rates, utilising derivative financial instruments such as forward currency contracts, options, aviation fuel swaps and interest rate swaps, with approved counterparties. Additionally, forward contracts are utilised to manage non-financial items such as carbon emission allowances. This provides important input cost-certainty, which is crucial to our planning process.

Our Flight Planning, Revenue Planning, Finance and Treasury functions continuously assess hedging requirements through a well-refined, active control process.

Regular tracking of foreign exchange, fuel and carbon markets is undertaken by the Group's Treasury function, and a summary of the latest market outlook from various banks is produced on a quarterly basis for the Board.

Additionally, the Group works closely with hedge counterparties specialising in the carbon emissions markets to gain valuable insight into potential future scheme changes, market developments, and how the associated risks can best be managed. The Group incorporates anticipated future changes to such schemes into its long-term financial forecasts, including the phasing out of free allowances in the EU and UK ETS in 2026.

Reporting of all Treasury activity, including compliance with the Hedging Policy, is produced monthly for members of the Board.

Further information on hedging, the Group's key mitigation to input cost and interest cost volatility risk, and details of the Group's Hedging Policy, are contained within Note 2 to the consolidated financial statements.

## 6 IT development and strategy (including failure of critical technology)

### Risk movement v

Risk owner – Chief Information Officer

#### Risk description

- The Group is reliant on a number of key IT systems and processes including, but not limited to, operational, commercial and financial, and their scalability and ongoing development is vital.
- The Group is reliant on a number of key suppliers who in turn are reliant upon their own key IT systems.
- The loss of access to these systems, or the **Jet2.com** and **Jet2holidays** websites may result in significant disruption to operations and could adversely impact the Group's reputation and financial performance.
- Customers expect engaging, user-friendly websites, mobile apps and social media interaction. If not appropriately managed, these could negatively impact their experience and the Group's customer focused proposition.

#### Potential consequences

- Operational disruption
- Reduction in future revenue
- Significant increase in costs
- Adverse media coverage
- Regulatory fines / sanctions

#### Mitigating actions

Our digital strategy remains integral to the Leisure Travel business, and we continue to commit considerable investment annually to ensure that the search and booking experience across all devices is as effortless and efficient as possible.

We have continued our investment in big data, cloud architecture and carefully governed Artificial Intelligence in the year. In addition to speed and productivity benefits, this investment will provide better-quality intelligence on customer behaviour, ensuring the business remains agile and efficient in its customer acquisition strategy.

Our Robotic Process Automation team has expanded in the year and has successfully automated many manual processes, realising efficiency benefits and enhancing both customer and colleague experiences.

The Board continues to undertake considerable investment in IT to maintain the confidentiality, integrity and availability of Group systems and data, and improving and enhancing its cyber security defences, reflecting the continually developing threats in this area.

The Group conducts monthly stress and failover tests of key systems across geographically dispersed data centres. During the year, we relocated one of our data centres to a state-of-the-art facility in partnership with Verizon and Equinix. This commitment to our technological foundation underlines our investment in long-term future growth. The new facility will enable:

- Increased Resilience: greater redundancy in network feeds, power and cooling systems to enhance fault tolerance;
- Improved Performance: faster and more reliable systems;
- Enhanced Security: advanced protections against cyber threats and physical risks;
- Scalability: infrastructure designed to grow with our organisation's needs; and
- Cost Efficiency: long-term savings through optimised resource usage.

The Group has a scheduled programme covering a range of incident response exercises, including system loss, data loss, site loss, ransomware events, supplier cyber incidents and hostile attacks. Further resilience and support are provided by a 24/7 IT Operations and Incident Response team, enabling rapid response and escalation where required. We also retain expert third parties to validate our overall cyber posture and advise on future workstreams.

The Group aims to apply a default standard of highly resilient system architecture, while avoiding overly complex infrastructure design, which helps to ensure systems are resilient within and across data centres or cloud locations. Where appropriate, further mitigation measures include the duplication of critical systems across alternate suppliers.

The Group applies a rigorous change management process for development releases and other IT changes, requiring comprehensive evidence of success prior to deployment and involving thorough testing and sign-off from relevant business units and IT teams.

The Group is confident that it has established an appropriately balanced approach and the right organisational controls, supply chain and development roadmaps, to enable the rapid adoption of emerging technologies to support planned growth.

# Risk Management *continued*

## 7 Liquidity and capital risk

### Risk movement ▼

**Risk owner** – Group Chief Financial Officer

**Risk description**

- The Group will have insufficient funds to meet its financial obligations as they fall due.

**Potential consequences**

- Failure to meet financial obligations as they fall due
- Weakening of supplier relationships
- Reputational risk
- Exposure to non-favourable interest rates

**Mitigating actions**

The Group has a well-established Board approved Liquidity Policy to guide its management of liquidity and capital risk. The policy is to maintain cash balances in an appropriately liquid form and in accordance with approved counterparty limits, whilst securing the continuity and flexibility of funding through committed banking facilities and specialist aircraft finance.

In addition to ensuring that the liquidity position meets the investment needs of our business, it also acts as a key control in helping the Group to manage any disruptive operational events.

Reporting of all Treasury activity, including compliance with the Liquidity Policy, is produced monthly for members of the Board.

Short-term cash flow risk in relation to margin calls in respect of fuel, carbon, foreign currency and interest rate hedge positions is minimised through diversification of counterparties together with appropriate credit support thresholds.

Regular assessment is made of the Group's banking facility covenant compliance for which there were no breaches during the year.

The Group utilises a well-established and detailed financial planning process, to enable rapid modelling and reporting against multiple scenarios, which assists in forecasting its ongoing liquidity requirements.

The Group has funded, and intends to continue to fund, its future A321neo aircraft deliveries through a combination of internal cash resources and debt. The Group Chief Financial Officer and the Finance & Investor Relations Director regularly engage with existing and prospective aircraft finance partners, who continue to display a high degree of interest in providing funding for our new aircraft.

The Group successfully renegotiated its Revolving Credit Facility (RCF) during May 2025, providing unsecured available facilities of £500m, an increase of £200m compared to the previous facility.

## 8 Government policy and regulatory intervention

### Risk movement ↔

**Risk owner** – Chief Executive Officer

**Risk description**

- New regulation and / or legislation imposed that may impede operations.
- The continuing risk of the imposition of taxes and charges levied by regulatory decision rather than by commercial negotiation, at levels in excess of economic cost.

**Potential consequences**

- Significant increase in costs of existing aviation and travel taxes, charges and levies
- Adverse impact to passenger demand
- Policies to constrain capacity growth and consumer demand
- Noise curfews

**Mitigating actions**

The delayed European Union Entry-Exit System (EES) is expected to become operational in October 2025, with the European Travel Information and Authorisation System (ETIAS) expected to follow in the last quarter of 2026. This digital barrier system is designed to eliminate passport stamps for non-EU travellers but will initially require UK citizens to provide biometric data (fingerprint and facial) on arrival into the EU. Extended processing times are anticipated in the early phases, potentially impacting customers' travel experience. To minimise the impact, we will work closely with airport partners and operational suppliers and will ensure our Customers receive enhanced communication about what to expect during this transition.

The Group engages public affairs advisers and will continue to engage with policy setters and regulators to encourage legislation that is fit for purpose and ensure full awareness of the implications of any proposed future changes. During the year, the Group appointed a Corporate Affairs & Sustainability Director to promote the Group's interests within these forums.

Significant efforts to engage policymakers on environmental legislation and Sustainable Aviation Fuel (SAF) adoption have been undertaken in the year. UK and European SAF mandates require a minimum of 2% SAF from 2025, increasing to 34% (EU) and 22% (UK) by 2040. The Group welcomes the UK Government's recent consultation on the SAF revenue certainty mechanism, has provided constructive feedback and hopes to see a swift solution to support the delivery of emissions reductions.

The Group continues to invest in and values its effective working relationship with the UK CAA which, amongst many other things, ensures it adheres to aircraft maintenance standards, colleague security vetting requirements and the CAA's Cyber Assessment Framework. Additionally, the Group regularly shares financial information to provide assurance to the CAA in issuing *Jet2holidays'* annual ATOL licence.

## 9 Legal / regulatory non-compliance

### Risk movement ↔

**Risk owner** – Chief Executive Officer

**Risk description**

- The leisure travel industry is heavily regulated, and the Group is required to comply with a complex regime of legislation and regulation.
- There is a continual need to remain updated of any legislative and regulatory provisions or changes in the countries in which the Group operates and to adapt as required.

**Potential consequences**

- Loss of operating licence
- Operational disruption
- Reduction in future revenue
- Adverse media coverage
- Regulatory fines / sanctions
- Loss of consumer trust

**Mitigating actions**

The Group has an experienced in-house legal team, who advise on diverse legal matters and assist in preparing for upcoming regulatory changes. Additionally, the team delivers regular training sessions on key topics, focussing on those areas of legislation that are of most relevance to our business.

The Group has established policies in place which govern the use and processing of personal data across the business. Compliance with these policies specifically, and with GDPR more generally, is overseen by our Data Protection Officer and GDPR Steering Group, which acts as our second line of defence in this area. All new supply arrangements which

process personal data undergo enhanced legal scrutiny through our Route to Contract process.

External legal support and / or training is sought as needed in specialist areas or non-UK jurisdictions. The Group's external lawyers are also instructed to provide updates on legal and regulatory developments which are likely to have an impact on the Group.

The Group works with trade associations of both the airline and travel industry to gain insights into policy development and to assist in shaping future legislation and regulation to mitigate its potential impact.



# Risk Management continued

## 10 Operational disruption

### Risk movement < >

**Risk owner** – Chief Executive Officer

**Risk description**

- Natural events such as extreme weather, wildfires, and volcanic activity, as well as external factors such as terrorism, strikes, or technology failure, may disrupt business operations.
- The Group is dependent on the performance of certain third-party suppliers to maintain an efficient operation and positive customer experience.
- The business could be impacted by an epidemic or pandemic which includes our inability to operate flights and holidays already booked, as well as managing changing patterns of consumer demand to travel.

**Potential consequences**

- Adverse customer experience
- Operational disruption
- Increase to operational costs
- Aircraft damage

**Mitigating actions**

Disruptive events, such as those caused by extreme weather or third-party strike action over which the Group has no control, are considered “business as usual” operational occurrences. Our dedicated 24/7 Operational Control Centre manages all aspects of “on the day” disruption, coordinating with our airport bases’ ground and flight operations colleagues, our in-resort teams and our Contact Centre to minimise disruption to our Customers. We have enhanced the effectiveness of customer communications in the year, ensuring they receive timely updates through multiple channels on any potential disruption. This focussed approach resulted in an industry leading cancellation rate of 0.05% during the period across our operation of over 116,000 flights.

In addition, the Group has carefully planned responses to be implemented by a team of experts, which are regularly updated, should there be significant disruption to our Leisure Travel activities.

The Group has a strong relationship with Airbus, working constructively to maintain a reliable delivery schedule. The risk of any delays is mitigated by our flexible fleet plan and is supplemented by the use of short-term leased aircraft where necessary.

Our commercial office in Leeds City Centre and our operations centre at Leeds Bradford Airport give us the ability to run our business from more than one site, which supports business continuity planning. The Group’s office-based colleagues have a hybrid working policy which allows for remote working should disruption to our premises occur. The Group has also made significant investment in training and engineering facilities to increase resilience in the face of unexpected events which may impact our critical facilities.

Our Amazon Connect cloud-based platform, implemented in the prior year, provides the Contact Centre with a flexible operating system, enabling rapid scaling up or down to meet customer demand. The platform supports the Contact Centre’s multi-skilled agent model, enabling improved operational effectiveness and customer experience across voice and digital channels.

While many customers still prefer speaking directly with our friendly travel advisors, others are increasingly using alternative options to manage their bookings or resolve queries. Enhanced functionality in the ‘Manage my Booking’ section of our website enables greater self-service, while messaging platforms such as WhatsApp and LiveChat offer convenient access to support. These channels also enhance our efficiency and operational resilience, ensuring we can handle customer enquiries even during periods of high call volume.

As previously described, our risk mitigation includes crisis and incident management through our fully operational ERC. Here, we execute our emergency response plans, establishing a formal command structure to manage various potentially disruptive events. Automated systems facilitate the activation of our emergency response teams, enabling swift incident response and solution deployment, to minimise disruption to customers and business operations.

The Group continues to self-handle at seven of its UK bases, meaning direct control of all ground-handling operations (check-in; baggage handling and aircraft despatch). In addition, our Colleagues control and manage passenger check-in at all but one of our UK bases, providing a true end-to-end experience for our Customers whilst increasing resilience by eliminating reliance on third parties for these crucial aspects of our operations.

## 11 Data security

### Risk movement < >

**Risk owner** – Chief Information Officer

**Risk description**

- A data breach involves unauthorised access to Group, customer or colleague data, or loss of access to personal data. Protecting that data and its confidentiality is a key priority for the Group.
- Ransomware is increasingly used by cyber criminals and there is evidence of hostile nation state cyber activity targeting critical sectors and supply chains, including the travel sector specifically.

**Potential consequences**

- Operational disruption
- Loss of consumer or colleague trust
- Reduction in future revenue
- Significant increase in costs
- Adverse media coverage
- Regulatory fines / sanctions
- Third party liability / class actions

**Mitigating actions**

The Group invests heavily in several strategic partnerships with Microsoft, Akamai, Rapid7, Verizon, Palo Alto and others to deploy world class defences in areas such as managed detection and response, distributed denial of service, failover and resilience, email protection, ransomware including micro-segmentation, threat intelligence and vulnerability management and uses other defence technologies as appropriate.

The Group conducts regular, comprehensive, internal and external vulnerability scanning and penetration testing using GCHQ-NCSC accredited third parties. Specifically, cyber threat mitigation is addressed through a rigorous process of patching, testing, hardening, hardware refresh and education. This includes ongoing testing of our cyber and data incident response plan, which is closely aligned to our emergency response plan. The recent data centre relocation referred to in Section 6 also provides advanced protections against cyber threats and physical risks. The Group maintains a programme of security projects, including continuous improvement, which is regularly updated.

The Group’s IT Security team closely monitor hostile activity to ensure the Group’s defences remain current and robust. Situational information is shared with the National Cyber Security Centre (NCSC) and this sharing partnership is highly valued.

The Group also retains expert third-party consultants to advise on best practice in relation to cyber security posture. In April 2024, a third-party review concluded that our cyber security controls were effective. In addition, it made some recommendations which are being implemented to maintain and further enhance a robust cyber security posture.

Cyber threats and mitigations, including proposed investment and progress on required actions are reviewed monthly at the Group’s Cyber Security Steering Committee, which includes the Group Chief Financial Officer. In addition, Operational Directors receive bi-monthly updates on cyber security matters.

The Group has maintained its certification with the CAA’s Cyber Certificate of Compliance aligned to the Cyber Assurance Framework for Aviation (CAP 1753), which is subject to continued oversight from the CAA. This is managed internally via a Cyber Security Action Group, attended by **Jet2.com**’s Chief Operations Officer with support from the Chief Information Officer (CIO). Separate committees exist for aircraft cyber security, avionics and engineering.

The Group takes a rigorous position towards PCI compliance (certifying to PCI-DSS v4.0 this year) and adherence to the General Data Protection Regulation (GDPR). This approach ensures significant and necessary investment in relevant cyber protection, including network segmentation, the adoption of strict password parameters and the ‘Principle of Least Privilege’ when determining access.

The Group has a formal supplier due diligence process for new suppliers and contract renewals, including minimum requirements for cyber maturity such as maintained independent certifications where appropriate.

Cyber policies have been implemented for both general users and IT Technical staff. These policies are supported by an ongoing programme of training (both online and face-to-face), which aims to raise awareness on threats to data security and the required escalation process for any actual or suspected data breaches.

The Group remains confident in its controls, systems and processes in relation to the current cyber threat landscape. The need to continually assess and invest in appropriate mitigation is considered to be a fundamental necessity in order to keep pace with the ever-changing tactics and techniques of cyber adversaries.

# Risk Management continued

## 12 Recruitment and retention of talent

### Risk movement < >

Risk owner – Human Resources Director

#### Risk description

- The current and future success of the business is reliant on the successful recruitment, development and retention of the right colleagues with suitable capabilities.

#### Potential consequences

- Inability to deliver key strategic initiatives
- Increased costs of recruitment and training
- Key knowledge deficit / dilution

#### Mitigating actions

The Group were delighted to launch **TheBigJet2ColleagueSurvey** in the year, a voluntary company-wide anonymous engagement survey which encouraged colleagues to share their feedback on topics such as pay and benefits, communication, development and work life balance as well as their thoughts on our leadership. We were especially pleased that 84% of our Colleagues say that they are proud to work for **Jet2**, highlighting the strong appeal of our company as a place of work. We have been analysing the feedback to fully understand what colleagues think works well, what could be improved and how we can continue to **Work As One Team** to excel in the future.

To meet operational resourcing requirements, the Group conducts role-specific seasonal recruitment campaigns, aligned to our planned flying programme, ensuring colleagues are in place and ready to support the operation well in advance of the summer season.

Demand remains high for skilled workers in the aviation sector, and the Group continues to make considerable investment in its proposition to attract and retain new and existing colleagues.

To underline this, the Group has rewarded all eligible colleagues with an Annual Pay Review of 3% from April 2025, resulting in a compound Annual Pay Review growth of more than 28% over the past four years.

Due to the successful operational and financial performance for the year ended 31 March 2024, we were once again delighted that the Group's **Discretionary Colleague Profit Share Scheme** for non-management colleagues and **Discretionary Bonus Scheme** for management colleagues was awarded in July 2024.

Following two successful issuances in 2022 and 2023, the Group were pleased to offer another opportunity for colleagues to participate in our award-winning ShareSave Scheme in 2024. The Scheme provides colleagues with a fantastic opportunity to become shareholders in **Jet2 plc** at a preferential share option price subject to the completion of three years' employment. Subscription to this Scheme continues to be hugely encouraging.

The Group's development framework enables the identification of those colleagues with leadership potential. Critical roles

have been evaluated, and tailored action plans devised to bolster succession planning. A new performance management process was launched during the year, which in part is intrinsically linked to our **'Take Me There'** values, reinforcing their cultural importance. The process directly correlates managers' contributions to their bonus rewards and aims to foster a stronger performance culture, ensuring the continuous development, support, and retention of our best leaders within the organisation.

We continue to update and promote our internal **Wellbeing Hub** which includes a collection of resources designed to support our Colleagues' mental health. Our Employee Assistance Programme, **WeCare**, is regularly updated to provide colleagues and their immediate families with access to emotional and practical support services. Further information on the support we offer is detailed within the Our People section on pages 80 to 87.

The Group's Emerging Talent and Careers programme has continued to provide invaluable opportunities for new and existing colleagues, through apprenticeship schemes, placements and graduate initiatives. **Jet2.com** and **Jet2holidays** currently employ over 200 apprentices across areas such as Customer Service, Engineering, Finance, Operations Control, Ground Operations, HR, IT, Marketing, Procurement, Planning and Product, all of whom are training towards their respective qualifications in order to progress into permanent roles or to support their career development within the organisation. In October 2024, we proudly recognised 48 successful apprentices, our largest ever cohort, graduating from their apprenticeship scheme at our third annual graduation ceremony. In addition, **Jet2.com** continues to invest in developing its future flight crew talent through its unique and innovative **Future Second Officer** and **Jet2FlightPath** schemes. These schemes are effective as a means of investment and retention, and are hugely beneficial in enhancing colleague skills, capabilities and productivity.

Furthermore, the Group continues to utilise its successful and talented **Jet2** Travel Technologies operation in Pune, India, which significantly enhances the Group's capacity to progress our many IT innovations and business-critical development projects.



### Going concern statement

The Directors have prepared financial forecasts for the Group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2028.

For the purpose of assessing the appropriateness of the preparation of the Group's financial statements on a going concern basis, two financial forecast scenarios have been prepared for the 12-month period following approval of these financial statements:

- A base case which assumes a full unhindered flying programme utilising an aircraft fleet of 135 at budgeted load factor against a 8% increase in seat capacity; and
- A downside scenario with load factors reduced to 70% from August 2025 to reflect a material reduction in demand or the occurrence of operationally disruptive events and a lack of available funding for new aircraft during this period.

The forecasts consider the current cash position and an assessment of the principal areas of risk and uncertainty as described in more detail in the Risk Management section on pages 37 to 46.

In addition to forecasting the cost base of the Group, both scenarios reflect no mitigating actions taken to defer uncommitted capital expenditure during the

forecast period. The base case scenario incorporates funding of future aircraft deliveries with our well-established aircraft financing partners with the downside scenario assuming that the RCF could be utilised to cover any shortfall in the unlikely event that the deliveries could not be financed.

The Directors concluded that, given the combination of a closing total cash and money market deposits balance of £3,155.8m at 31 March 2025 together with the forecast monthly cash utilisation, the Group would have sufficient liquidity under both scenarios throughout a period of at least 12 months from the date of approval of the financial statements in July 2025. In addition, the Group is forecast to meet its RCF covenants under both scenarios at 30 September 2025 and 31 March 2026 with significant headroom.

As a result, the Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2025.

The Directors' responsibility for preparing the financial statements is explained on page 117 and the reporting responsibilities of the Auditor are set out in their report on page 125.

# Risk Management *continued*

## Viability statement

The Directors have prepared financial forecasts for the Group, covering two scenarios as detailed in the Going concern statement, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2028, and also considered an extended planning horizon to aid the management of its longer-term aircraft fleet objectives. A three-year period has been selected for the viability assessment which aligns with the Group's medium-term fleet and operational planning timelines.

The Group expects to have received a further ten Airbus A321neo aircraft by 31 March 2026 which results in an expected increase in total aircraft to 135 for the year ending 31 March 2026 and 139 aircraft for the year ending 31 March 2027.

The forecasts prudently assume ongoing inflationary pressures on cost, notably for hotel accommodation, aircraft maintenance and general airport & Eurocontrol charges, which may not be able to be fully passed on to

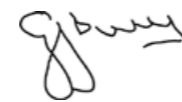
customers. Furthermore, increases to the National Living Wage and changes to both the Employer National Insurance threshold and headline rate were also considered. These impacts will, however, be partially offset through the continued receipt of more fuel efficient A321neo aircraft into the fleet.

In addition, should customer demand prove to be weaker than forecast, due to the mix of aircraft the Group retains some flexibility to downsize its fleet if required and eliminate the fixed costs associated with those particular aircraft. Both scenarios assume that financing is obtained to fund a portion of the Group's Airbus A321neo aircraft deliveries. In the base case scenario, the Revolving Credit Facility (RCF) remains undrawn; however, in the downside scenario, it could be utilised in the unlikely event the Group cannot secure financing for new Airbus A321neo assets.

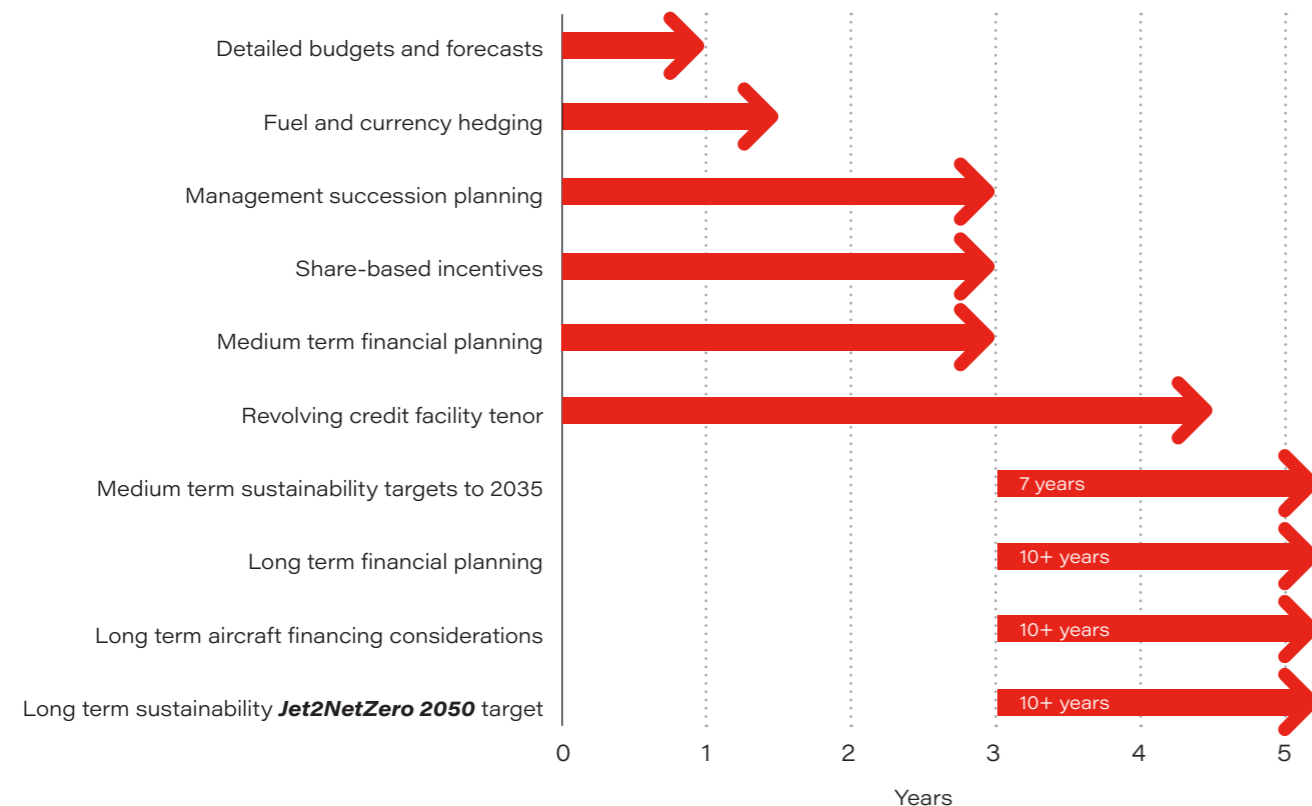
Stress-testing of the Group's forecasts is also undertaken on an ongoing basis to consider the potential impact of a combination of

principal risks materialising together. However, future assessments of the Group's prospects are subject to uncertainty that increases with time and cannot be guaranteed or predicted.

The Directors have also taken account of the Group's current cash position, its strong competitive position and consistent historic operating performance, its operating cash flows, the availability of banking facilities, the principal risks and uncertainties it faces, and, as outlined, its ability to mitigate and manage those risks. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 March 2028.



**Gary Brown**  
Group Chief Financial Officer  
8 July 2025



# Engaging with our stakeholders



The Group has a variety of stakeholders, all of whom are important in achieving our long-term ambition – **To be the UK's Leading and Best Leisure Travel business.** Therefore, key decisions must consider and balance the needs of our stakeholder groups in order to best implement our strategy.

## Section 172 statement

The Directors of *Jet2 plc* – and those of all UK companies – must act in accordance with a set of duties detailed in the Companies Act 2006 which include, in Section 172, a duty to promote the success of the company for the benefit of its members as a whole. In so doing, the Directors must have regard (amongst other matters) to the following factors:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with customers, suppliers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

In this Annual Report & Accounts, we provide examples of how we have considered the likely consequences of long-term decisions and how we balance the needs and expectations of a range of stakeholders with those of the business.

The Company regards the key stakeholders relevant to its success to be our Colleagues, Customers, suppliers, shareholders, communities and the environment. More detail on how the Board has had regard to the matters set out in Section 172 and how it has engaged with key stakeholders and developed relationships with them during the year is set out on pages 52 to 56.

For the year ended 31 March 2025, the Board of Directors believe they have given due consideration to the factors detailed above when making decisions. In addition, the Board ensures that its decision-making processes consider the interests of key stakeholders and that there is sufficient time, information and understanding to properly assess the long-term implications of such decisions. As such, they consider

that both individually and collectively they have acted in good faith and in a manner likely to promote the Company's success for the benefit of its members as a whole.

Appropriate stakeholder engagement is achieved through various means: direct interaction by Board members; receiving reports from management who engage directly with stakeholders; and addressing specific stakeholder interests in papers which are presented to the Board.

Supported by the Company Secretary, the Chairman monitors the adequacy of the training received by all new and existing Directors on their duties, including those under Section 172.

The Board recognises that stakeholder groups will not remain static and can be affected by changes in strategy, legislation or business requirements. Consequently, they are regularly reviewed along with engagement mechanisms to ensure they remain appropriate.

# Engaging with our stakeholders *continued*

## The consequences of decisions in the long term

The leisure travel industry is dynamic and fast-moving and as a consequence the Board remains agile in order to respond to opportunities or emerging issues to ensure that the best interests of all stakeholders are served.

The Directors fulfil their duties through the governance framework detailed on page 91 which delegates day-to-day decision-making to the management of the Group, reflecting the highly regulated environment in which the Group operates. The Board is mindful that decisions have a long-term impact, and that a number of its contractual commitments will remain with the Group for many years to come.

The Group continues to progress towards its **Net Zero 2050** pledge. Our long-term commitment to 146 owned and 9 leased Airbus A321neo aircraft, compliance with UK and EU SAF mandates in place from January 2025, the continued roll out of our Certified Sustainable Hotels collection and meeting our carbon intensity reduction targets to date, have wide-ranging effects on our stakeholders and the communities where we operate.

The Group's Sustainability Steering Committee ensures that decisions with regard to the **Jet2 Net Zero 2050** commitment acknowledge and balance the needs of our stakeholders appropriately. Further detail of our commitment can be found on pages 57 to 66.

## High standards of business conduct

The Board recognises the importance of corporate governance, and a description of how the Group has complied with the UK Corporate Governance Code 2018 can be found on pages 90 to 99.

The Board recognises that modern slavery and human trafficking are significant issues that pose a challenge for businesses worldwide. Consequently, it has a zero-tolerance approach to both and has committed to continually review its practices to combat these issues and expects its suppliers and contractors to uphold the same values. The Board will not conduct business knowingly with anyone engaged in slavery or human trafficking practices or knowingly permit them to be carried out in any part of its business.

The Modern Slavery Act requires the Company to publish an annual slavery and human trafficking statement. The latest statement can be found on the **Jet2 plc** website at [www.jet2plc.com/modern-slavery-act/](http://www.jet2plc.com/modern-slavery-act/).

The Group manages its tax affairs responsibly and seeks to build constructive relationships with relevant tax authorities. During the year, the Board reviewed and approved the Group's Tax Strategy, with the Group Chief Financial Officer providing regular updates to the Board on tax matters generally. In addition, the Group has been deemed low-risk tax status by HM Revenue & Customs following a periodic business risk review of the tax regimes under which the Group operates.

The Group's Supplier Code of Conduct sets out the minimum standards, expectations and behaviours that we require from all our suppliers, including by their own colleagues and supply chains.

The Board expects all of its colleagues to observe the high standards contained within the Group's policies in relation to anti-corruption and bribery, data protection, equality and diversity, IT security and whistleblowing, each of which is reinforced through appropriate training and awareness campaigns.

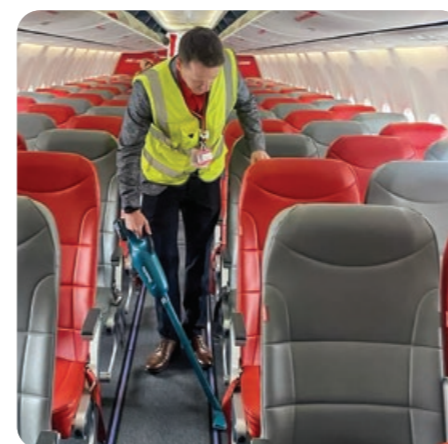
## Acting fairly between members of the Company

The Company has only one class of share in issue meaning all shareholders benefit from the same rights as set out in the Company's Articles of Association. The Board recognises its legal and regulatory duties and does not take decisions or actions, such as selectively disclosing confidential or inside information, that would provide any shareholder with an unfair advantage. Detail of the engagement with shareholders is also included in the Corporate Governance Statement which can be found on pages 90 to 99 of this Annual Report & Accounts.

## Case study

### Directors' Day

Our **Jet2.com** and **Jet2holidays** Directors each visited a UK airport in a fantastic day of connection, collaboration and commitment to delivering the best to our Customers. They enthusiastically stepped into the shoes of our airport-based teams, joined operational briefing calls, donned our famous red uniforms, and experienced the buzz of peak-summer operations first-hand.



# Engaging with our stakeholders *continued*

## Colleagues

Without our much-valued colleagues, we would not be able to provide our award-winning *Customer First* service. We aim to ensure that all colleagues are proud to represent our **'Take Me There'** values and feel supported at work.

### How we engaged during the year

We firmly believe in the importance of two-way communication between colleagues from all areas of the business and our leadership team, as guided by our philosophy: *People, Service, Profits*.

Our five Information and Consultation Agreement and Protocol (ICAP) working groups meet 4 times a year. Colleague representatives bring forth ideas and suggestions from their respective departments for improvements to their working lives, which are then considered by the leadership team.

Furthermore, engagement surveys give all colleagues the opportunity to provide anonymous feedback on issues such as pay and benefits, communication, development, work-life balance and leadership.

Communication is promoted through dedicated channels, such as **'ShareWithSteve'** which allow colleagues at any level of the organisation to write directly to the CEO of **Jet2 plc** regarding any matter or concern they may have, enabling issues raised to be added to the Board agenda for discussion as appropriate.

**Jet2** has a well-established confidential whistleblowing procedure, which gives colleagues assurance that the Group will treat their concerns seriously and investigate them appropriately.



### Key outcomes during the year

- Our first ever all-colleague survey – **The Big Jet2 Colleague Survey** - results were extremely positive and serve as an important barometer to our leadership in understanding the satisfaction and engagement of our workforce. Particularly pleasing was the fact that 84% of colleagues felt proud to work for **Jet2**.
- We held our first ever Directors' Day, where Directors visited their allocated UK airport base and worked with colleagues checking-in customers, boarding flights and loading luggage onto planes. This initiative offered the Directors valuable insight into **Jet2's** day-to-day operations, while also giving our Colleagues a direct channel to share feedback and raise concerns with our leadership.
- We now have three open ShareSave Schemes with over 7,800 members who have an opportunity to share in the future success of **Jet2 plc**.
- Colleagues received commensurate pay awards of 5.5% for the year ended 31 March 2025 and 3.0% for the year ending 31 March 2026, together with payments under the **Discretionary Colleague Profit Share Scheme** for non-management colleagues and the **Discretionary Bonus Scheme** for management colleagues in July 2024.
- We celebrated **Mental Health Awareness Week** with our **Jet2 Hoedown** promoting the importance of physical activity for mental health. Colleagues had the opportunity to take part and enjoyed coffee and cake, health check sessions and sharing valuable tips on mental health.
- We proudly presented over 850 **A Great Deal Friendlier** awards this year, recognising colleagues who have gone above and beyond when demonstrating our **'Take Me There'** values. We invited 30 exceptional awardees to the annual award ceremony at the exclusive **A Great Deal Friendlier** dinner.

Further information can be found in *Our People* section on pages 80 to 87.

## Customers

Our Customers continue to seek an operator they can trust who also offers them great value for money. Engagement with our Customers to improve their holiday choice, experience and enjoyment gives us the greatest opportunity to retain and attract new customers – the key to continuing profitable growth!

### How we engaged during the year

Our *Customer First* strategy is at the heart of everything we do, and we continually strive to find new ways to deliver an exceptional holiday experience for our Customers.

We actively seek customer feedback throughout their journey with us. Four days after booking, we send an email to gather insights into their booking experience. Once our Customers have returned from their holidays, we contact them 2 days later with our 'Welcome Home' survey and carefully analyse all feedback to identify areas where we can improve the future holiday experience.

We independently 'self-handle' at seven of our thirteen UK bases meaning direct control of all ground-handling operations. Our Colleagues also control and manage passenger check-in at all but one of our UK bases providing a true end-to-end experience for our Customers whilst increasing resilience by eliminating reliance on third parties for these crucial aspects of our operations.

Customers have a range of self-service methods including WhatsApp messaging and 'Manage my Booking' to support amendments. This means we can increase productivity, improve operational resilience and improve the customer experience by managing more complex queries through personal interaction over our phone lines. Further details on our **myJet2** membership programme and its benefits are available on page 22.

Our CEO regularly speaks to media outlets to share **Jet2's** views on latest industry issues and developments, allowing our Customers to connect with us outside of their usual holiday experience.



### Key outcomes during the year

- In February 2025, we were thrilled to launch operations at our twelfth UK base – Bournemouth Airport. Shortly after the year end, on 1 April 2025, we also began flying from London Luton Airport – expanding our reach meaning we can now offer the **Jet2** holiday experience to 85% of the UK population who live within a 90-minute drive of our 13 UK bases.
- In May 2024, **Jet2.com** and **Jet2holidays** were awarded Travel Brand of the Year by Which? for the third consecutive year. This recognition acknowledges our dedication to prioritising our Customers' satisfaction.
- Stand-by aircraft represented 8% of our fleet for Summer 2024 (Summer 2023: 9%) of which the majority were fully crewed to help recover unanticipated events.
- We cancelled 60 flights during the year for reasons outside our control. Our approach to cancellations resulted in an industry-leading 0.05% cancellation rate for total flights operated.
- Jet2.com** was ranked number one for cabin crew friendliness by an independent review, based on thousands of Tripadvisor reviews. We're incredibly proud of our cabin crew, who truly embody our *Customer First* ethos by consistently putting our Customers at the heart of everything they do.
- A selection of our other awards from some of the most trusted names in the industry are shown on our **Jet2 plc** website.

# Engaging with our stakeholders *continued*

## Suppliers

A stable supplier base with trusted partners is key in helping us provide our Customers with a fantastic holiday experience, whether that be hoteliers, aircraft manufacturers or our supportive financing partners.

### How we engaged during the year

We recognise the vital work our hotel partners contribute to our Customers' holiday experience.

Our CEO regularly spends time in resort building and developing relationships with **Jet2holidays'** hotel partners, who number over 5,200. This engagement enables us to discuss how we can collaborate more effectively and also allows us to reiterate the importance of quality and effective risk management by hoteliers, to maintain the highest standards of hygiene and safety for our Customers at all times.

In January 2025, we welcomed 200 of our key strategic supplier partners to our annual supplier conference held in Manchester. The event included a behind the scenes tour of our ROC facility; informative presentations by **Jet2** operational directors; and the distribution of awards recognising those suppliers who had demonstrated service excellence.

Our annual independent travel agents conference was attended by over 350 of **Jet2holidays'** top selling travel agents. The objective of the event is to gain valuable exposure, raise product awareness, boost sales and build lasting relationships.

In addition, we expect all our suppliers to comply with our Supplier Code of Conduct, which sets out the minimum standards, expectations and behaviours that we require from them, including by their own colleagues and supply chains.

The Group undertakes comprehensive negotiations with aircraft and associated engine manufacturers regarding fleet expansion and replenishment opportunities. We remain committed to developing and maintaining our relationships with both Airbus and Boeing to ensure we deliver the best quality and value for our wider stakeholder groups.

The Group Chief Financial Officer and Finance & Investor Relations Director maintain constructive and effective relationships with our many financing partners from across the globe.

### Key outcomes during the year

- We integrated a further 7 new Airbus A321neo this year, further strengthening our relationship with Airbus and working towards our total planned deliveries of 155 through to 2035.
- In accordance with the 'Duty to report on payment practice and performance' legislation, the average invoice payment period during the year was consistent, being 21.3 days (2024: 22.7 days) for **Jet2.com** Limited and 24.6 days (2024: 24.6 days) for **Jet2holidays** Limited.
- In May 2025, the Group renewed and expanded its RCF until October 2029, with an option to extend for two additional years to October 2031. The renewal was conducted with its four supportive relationship banks: Barclays Bank plc, HSBC UK Bank plc, Lloyds Bank plc, and National Westminster Bank plc on improved commercial terms.
- During the year, our CFO and Finance & Investor Relations Director engaged with financiers in Tokyo, Singapore and Dublin to secure funding towards our growing aircraft fleet and reinforce key relationships.
- Through our **Jet2holidays** **Appoint an Apprentice** scheme, we provided £1.2m in apprenticeship funding to help our trade, supply chain, and charity partners recruit their own apprentices.



## Shareholders

Our shareholders are important to the future success of **Jet2 plc** having supported the Group through a sustained period of growth and also through the challenges of the pandemic and subsequent recovery.

### How we engaged during the year

The Board ensures that effective communication with shareholders is given high priority via meetings following the announcement of the Group's half-year and preliminary full year results.

Additionally, the Board customarily uses the Annual General Meeting to communicate with private and institutional investors and welcomes their participation. All our Board of Directors are present to answer questions at this meeting.

Furthermore, our Chairman has held meetings with our joint brokers and with individual shareholders.

The Group's website ([www.jet2plc.com](http://www.jet2plc.com)) has a specific section for investors, which is regularly updated with relevant news and information, as well as providing details on the Group's history and trading subsidiaries, with links to their respective websites.

The Group Chief Financial Officer and the Finance & Investor Relations Director have actively participated in several broker / institutional shareholder conferences during the year and have hosted a number of investor days at our Head Office and operational facilities in Leeds and Manchester.

### Key outcomes during the year

- Full details of the voting at the 2024 AGM were published on the Group's website immediately following the meeting. All resolutions were approved.
- In addition to an extensive UK post results roadshow, in December 2024, our CEO, CFO and Finance & Investor Relations Director met with several key investors across 3 cities in the United States.
- A strong and flexible capital structure is fundamental to our strategy. The Board has considered a range of financing options to fund the new Airbus A321neo aircraft order, including both internal and external funding alternatives and continually considers its deployment of capital for the benefit of all shareholders.
- We repurchased £384.5m of convertible bonds and £158.5m of shares through our Employee Benefit Trust which will be used to cover future employee share options. These proactive actions have helped avoid future shareholder dilution.
- In April 2025, we announced the launch of a share buyback programme of up to £250m which will return further value to our shareholders.
- The Board has resolved to pay a final dividend of 12.1p per share (2024: 10.7p), representing an increase of 13%.



# Engaging with our stakeholders continued

## Communities and the environment

The Group recognises its environmental responsibilities and aspires to grow sustainably over the coming years. Consequently, the support of local communities, including those where our Colleagues live, are vital for the Group's future success.

### How we engaged during the year

Jet2 sits on the Aviation Industry Skills Board and champions skills development within the industry and promotes the many diverse career opportunities available across our business.

We work in partnership with Leeds Beckett University ensuring that curriculums prepare students for the world of work. In addition, we continue to mentor their ABTA Student Representatives and have doubled placement numbers to 6 this year, with 2 students receiving permanent roles and the remainder continuing their studies.

In May 2024, we refreshed our Sustainability Strategy which examines our most significant environmental impacts. The Strategy reinforces our commitment to reaching net zero by 2050 with clear targets in three key areas: **in the air**; **on the ground** and **in resort**.

In addition, the Group endeavours to support our local communities in a variety of ways, including the provision of prizes for local fundraising activities and sponsorship of events. Furthermore, **Jet2holidays** is a proud annual headline sponsor of Leeds Pride, demonstrating our ongoing support for the LGBTQIA+ community.

### Key outcomes during the year

- Over the past year, our apprentice scheme has grown by over 30% with over 200 apprentices enrolled on Level 2 to Level 7 apprenticeships across a variety of departments. In addition, we actively engaged with nearby schools, colleges, and universities, reaching over 25,000 students.
- During the year we developed our first fully funded pilot training programme - **Jet2FlightPath** - which launched shortly after the year end. Designed to support up to 60 applicants annually, this programme reinforces our commitment to attracting the best talent from all communities by removing cost barriers and providing opportunities to aspiring pilots from all socio-economic backgrounds.
- The Group continues to support its **Charitable Partner Programme** which includes **NSPCC**, **Planet Patrol**, **Trees for Cities** and our chosen colleague charity **Macmillan Cancer Support**. Since the programme launch in November 2023, we have raised £1.4m for our charities, generated from a number of initiatives including colleague fundraising and volunteering.
- In July 2024, we introduced our Electric Vehicle Salary Exchange Scheme, providing eligible colleagues with a cost-efficient way to lease an electric vehicle through a HMRC-approved programme. This initiative supports our Sustainability strategy by helping reduce the Group's overall emissions.

Further detail on the environment can be found in the *Sustainability* section on pages 57 to 66.



# Sustainability

## Background

Jet2 understands that the aviation industry plays a critical role in tackling climate change and recognises its responsibility to contribute to a low-carbon future. Whilst providing exceptional holiday experiences remain at the heart of what we do, we are committed to steadily progressing towards net zero carbon emissions by 2050.

Tourism contributes greatly to the economy: in 2023, the economic output of tourism-related industries was estimated at £127bn, with £58bn generated directly by tourism and an associated 3.9m jobs in these industries<sup>1</sup>. Visiting new places not only drives economic benefits, but also fosters cultural understanding, enhances wellbeing, and strengthens family relationships.

However, addressing the environmental impact of travel remains a significant challenge for our industry. Despite advances in aviation efficiency and the ongoing development of sustainable aviation fuels (SAF) to reduce carbon

intensity, passenger aircraft continue to rely heavily on conventional jet fuel, contributing to global greenhouse gas emissions.

<sup>1</sup> House of Commons Library - Tourism Statistics and policy report March 2025

## What Are We Doing About It

In May 2024, we launched our updated Sustainability Strategy, which sets out our plans and targets for the next decade. However, a number of these targets will require further collaborative efforts in order to be achieved. Consequently, it is vital that the UK Government supports the technologies, innovation and policies required to achieve net zero, such as sufficient SAF production and airspace modernisation, whilst also ensuring that flights and holidays remain accessible to all.

To assist the UK Government with these challenges, Jet2 has actively contributed to policy consultations through industry association bodies. These have included contributions to the development of the UK SAF mandate, UK Emissions Trading

Scheme, the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and engaging with the government on the SAF Revenue Certainty Mechanism (RCM). Furthermore, the Group continues to monitor progress on emerging topics such as non-CO<sub>2</sub> emissions, carbon removals and other zero-emission technologies.

We are confident that with strong government support and targeted industry incentives, the aviation sector can accelerate its path to net zero, while simultaneously protecting jobs, fostering innovation, and building a more sustainable future for all stakeholders.

Our detailed strategy can be found on our **Jet2 plc** website.

We expect to publish our *ESG in Action* report later this year, which will include more detail on each of the Sustainability initiatives and what we have achieved.

Our Sustainability Strategy continues to be built around three pillars:



### In the air

Encompasses all the activities associated with our airline.



### On the ground

Includes activities carried out by our ground handling operations and in our support offices.



### In resort

Comprises activities associated with the holiday product, specifically working with overseas partners.

# Sustainability *continued*

## Our targets

Target	Status	2025 Actual	2035 Target	Results
<b>In the air</b>				
<b>Introduction of new Airbus A321neo aircraft to replace retiring aircraft</b>		14	155	The Airbus A321neo is recognised as the most fuel-efficient aircraft in its class. It reduces fuel consumption and CO <sub>2</sub> emissions per seat by over 20% and provides a 50% lower noise footprint compared to the current fleet average.  We now have 14 new Airbus A321neo aircraft in our fleet, out of a total deliveries of 146 owned and 9 leased aircraft.
<b>Reduce our scope 1 and 2 CO<sub>2e</sub> intensity, measured as gCO<sub>2e</sub> per revenue passenger kilometre</b>		65.7g CO <sub>2e</sub> /RPK	43.55g CO <sub>2e</sub> /RPK	In addition to the new Airbus A321neo deliveries, we have installed split scimitar winglets on over 60% of our Boeing 737-800NG aircraft, with a further 13 to be completed in the forthcoming year. The winglets reduce aerodynamic drag resulting in up to 1.5% lower fuel burn and associated carbon emissions.  During the year we also launched our new fuel system, StorkJet, to enhance data-driven decisions on reducing fuel consumption.
<b>Sustainable Aviation Fuel (SAF) mix</b>		Voluntarily purchased over 1,000 tonnes of SAF in 2024	15%	The Group has secured agreements with suppliers for SAF in the fuel mix for the 2025 calendar year, in line with current UK and EU mandates.
<b>Airspace Modernisation – % fuel reduction</b>		Nil	8%	There is a dependency on the Single European Sky Air Traffic Management Research project, which requires the co-operation of National Air Traffic Services and UK & EU Governments to deliver airspace reform.

Target	Status	2025 Actual	2035 Target	Results
<b>On the ground</b>				
<b>Reduce energy use intensity of properties within the Group's operational control, introducing on-site renewables and decreasing the embodied carbon of new build and retrofitted property to achieve net zero emissions.</b>		100% renewable electricity where we control the supply	100% renewable electricity where we control the supply	Renewable electricity is used in all offices under our financial control. We report our consumption, demonstrated through Renewable Energy Guarantee of Origin (REGOs).  Our new maintenance hangar at Manchester Airport will be complete in late Summer 2025 and will have solar photovoltaic panels fitted to its roof to partially meet the building's total energy demand.  The Group continues to review energy reduction measures including new heating and cooling equipment to replace older gas equipment once it reaches end of life.
<b>Zero waste to landfill from office waste</b>		98%	100%	Our waste management partners recycle or convert the majority of our waste to energy, with some residual waste going to landfill where recovery options are not yet available. This year we have installed separate food waste collections at offices where we are responsible for the waste contract in compliance with new UK regulations.
<b>In resort</b>				
<b>Increase number of Certified Sustainable Hotels in our collection</b>		1,200	3,000	The number of Certified Sustainable Hotels <sup>1</sup> in our collection has increased to over 1,200 during the year.  We collaborate with Green Key International, the leading provider for sustainable practices in the hotel accommodation industry, to promote sustainability certification throughout our supply chain.

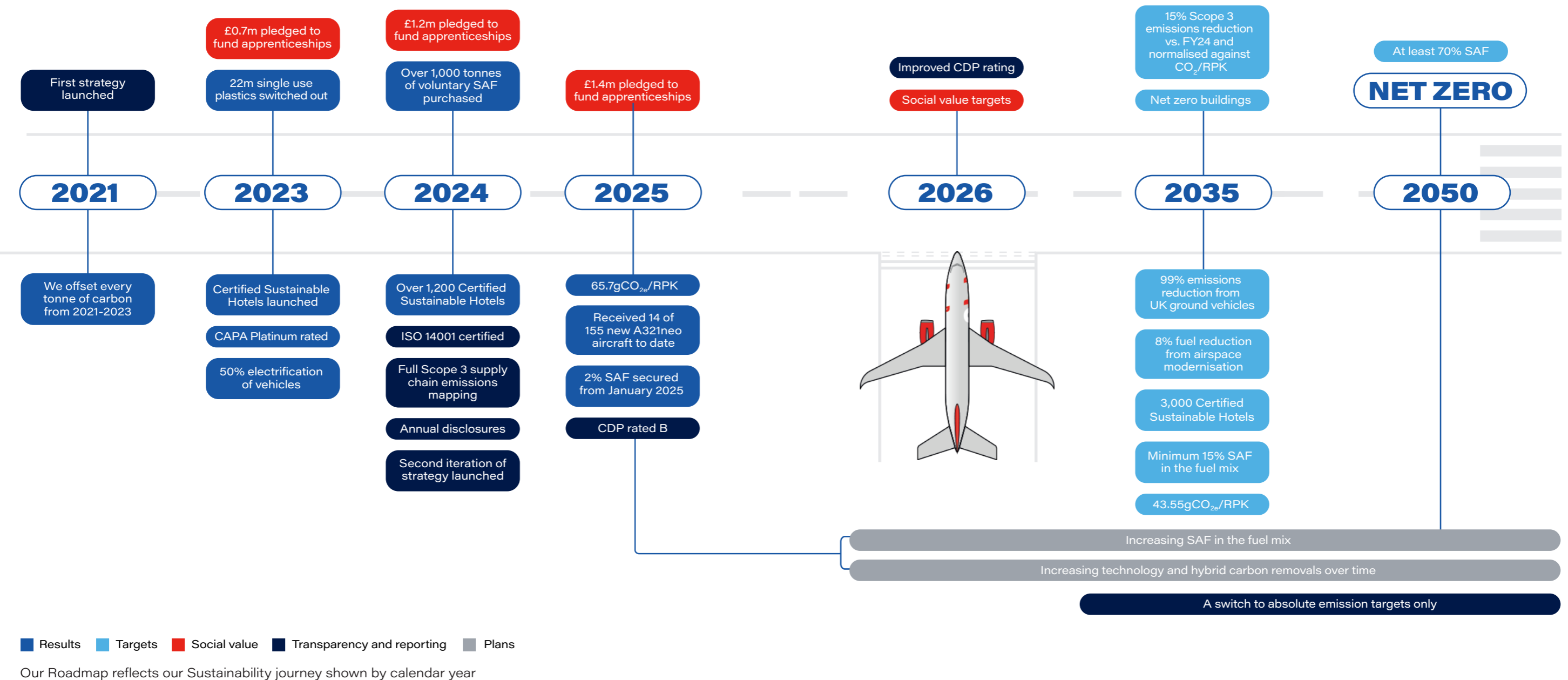
<sup>1</sup> Certified Sustainable Hotels have been assessed as being sustainable by an independent organisation against criteria including energy, water and waste consumption and the use of locally sourced and / or reusable products.

# Sustainability *continued*

## Our Climate Transition Plan

Our Strategy covers:

- Scope 1 direct emissions such as jet fuel; building heating oil and gas; and diesel use from fleet vehicles.
- Scope 2 emissions from purchased electricity in buildings and from our electric vehicle infrastructure; and
- Scope 3 supply chain emissions across our business operation including in our destinations.



# Sustainability *continued*

## Scope 1 and 2 emissions

Jet fuel represents 99% of our scope 1 and scope 2 emissions; therefore, our net zero emission target is inherently reliant on the rapid scale up of lower carbon fuels (SAF) along with improved aircraft efficiency. SAF can deliver life cycle carbon savings of up to 80% compared to conventional aviation fuel, offering significant environmental benefits while maintaining safety and performance standards.

UK and EU SAF mandates require a minimum of 2% SAF from 1 January 2025. Both mandates increase over time, with the UK targeting a minimum level of SAF of 22% and the EU targeting 34% by 2040. SAF production also has the potential to positively impact

UK GDP and the creation of jobs. Throughout the past year, we have worked with government on the design of the Revenue Certainty Mechanism (RCM). Legislation is expected to be in place by the end of 2026, with the RCM providing long-term price stability for SAF suppliers, thereby de-risking and encouraging investment in UK SAF production.

In addition, we continue to focus on other measures to reduce carbon intensity including fleet upgrades to the next generation Airbus A321neo aircraft; fuel efficiency savings through weight reduction and technological improvements; and efficient flying through airspace reform.

Our **Climate Transition Plan** sets out our near-term scope 1 and 2 carbon intensity reduction target of 35% by 2035, reducing to 43.55g CO<sub>2e</sub> per revenue passenger kilometre (RPK) from our 2019 baseline of 67g CO<sub>2e</sub>/RPK. In May 2024, the Group submitted a commitment letter to the Science Based Targets initiative (SBTi) to initiate the target validation process. The policy landscape regarding the industry's decarbonisation continues to change which has implications for the SBTi's near term target setting requirements for the aviation sector. Consequently, we are continuing to work with SBTi on formulating the right pathway for **Jet2** whilst remaining realistic about the availability of current and new technologies.

## Scope 3 emissions

Scope 3 emissions associated with our supply chain include categories such as well-to-tank, hotel energy use, business travel and airport transfers to and from hotels in resort. The Group has a target to reduce scope 3 emissions per revenue passenger kilometre by 15% by 2035 against a baseline of the year ended 31 March 2024. Scope 3 emissions are reported on page 77 in section *Metrics and Targets*, both in absolute terms and within a combined scope 1, 2 and 3 carbon intensity metric (gCO<sub>2e</sub>/RPK).

Measuring, baselining and acting on scope 3 emissions helps us to understand the life cycle impacts of our products and services, providing a clear view of our overall impact. Our largest scope 3 emission source is well-to-tank emissions from jet

fuel, which is primarily addressed through our SAF use commitment. Customer accommodation energy use is the second largest which we are addressing through our Certified Sustainable Hotel programme as we continue to use our influence to encourage our hotel partners to join us on our journey to net zero. Since launching the Certified Sustainable Hotel collection in 2023, we have increased the number of hotels to over 1,200 and have set a target of 3,000 hotels in the collection by 2035.

Other scope 3 actions taken this year include launching a new electric vehicle salary sacrifice scheme to encourage colleagues to use lower carbon methods of travel and the promotion of business travel alternatives to reduce associated emissions.

## Non-CO<sub>2</sub> impacts

Whilst aviation contributes to other 'non-CO<sub>2</sub>' emission sources, scientific research and recommendations to reduce these emissions are inconclusive. Nevertheless, recognising their potential impacts on climate change, we have partnered with the University of Leeds to support research to better understand and monitor them. While this research field continues to develop, our current efforts remain concentrated on managing and reducing our CO<sub>2</sub> emissions using known technologies and solutions.



## Case study

### Boeing 757-200 fleet retirement

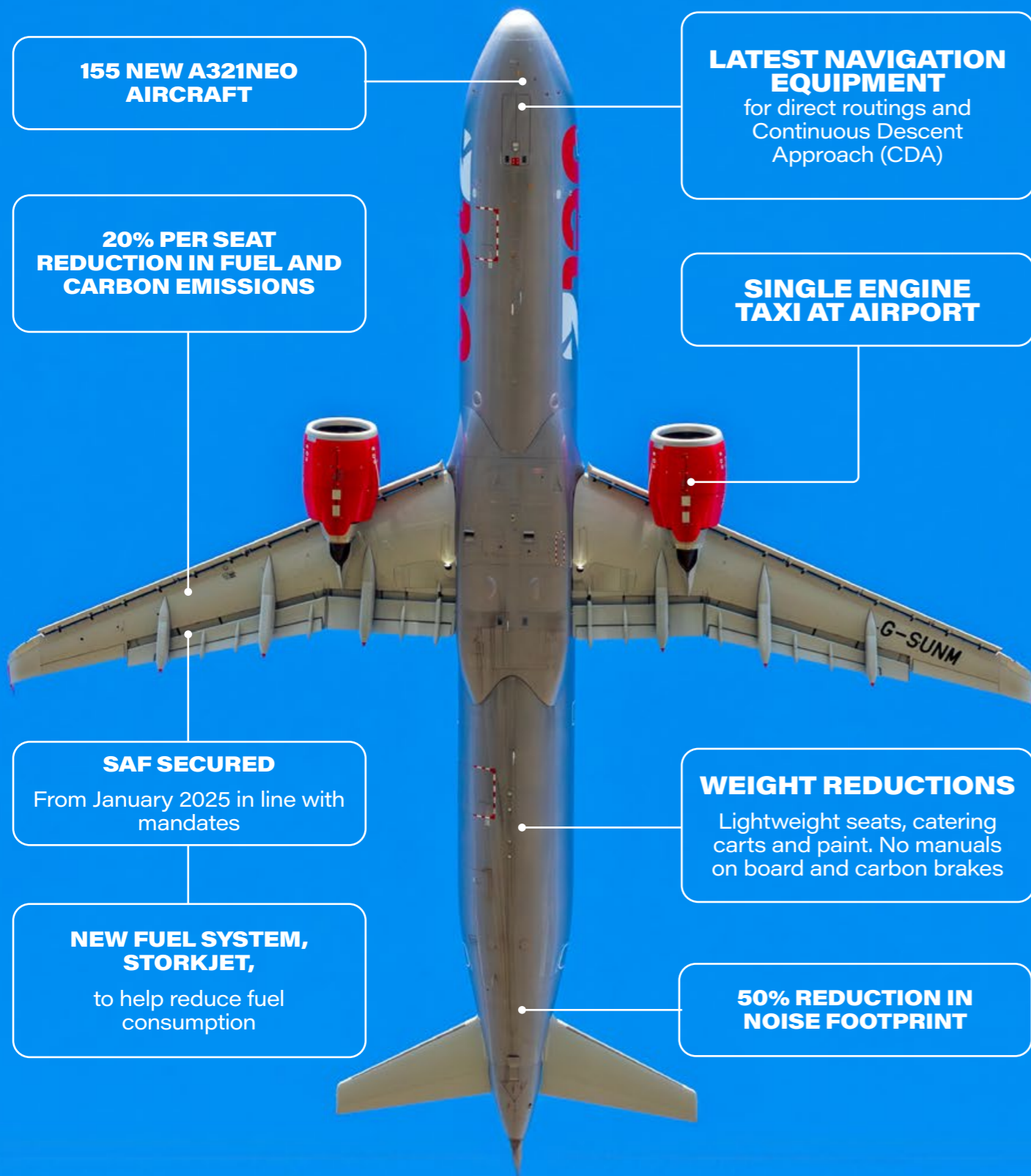
In June 2024, we exercised our remaining purchase rights securing a delivery stream of 146 firm-ordered Airbus A321neo aircraft through to 2035. This enabled the last of our iconic Boeing 757-200 aircraft to retire over Winter 2024/25 with **Jet2.com** having successfully operated this aircraft type for over 20 years!

*"The Boeing 757 was a ground-breaking aircraft that bridged the gap between narrow-body and wide-body capabilities. Its efficiency, versatility and durability have ensured its continued service well into the 21st century, cementing its legacy as one of Boeing's most successful aircraft designs. A real favourite amongst Crew, Engineers and Customers alike!"*

**Chris Hubbard,**  
Director of Engineering and Maintenance



## GENERATING EFFICIENCIES FROM OUR AIRBUS A321NEO FLEET



### Materiality assessment

To identify the most important sustainability topics for our business and inform the development of our Sustainability Strategy, **Jet2** is engaging in a stakeholder consultation process as part of our materiality assessment.

We are conducting structured interviews with a range of external stakeholders - including suppliers, industry partners, and shareholders - along with insights from customers through surveys. Our Colleagues are also being invited to share their views via an internal questionnaire.

The insights gathered will form the basis of our materiality assessment, which we plan to publish in our *ESG in Action* report. This assessment will help shape our sustainability priorities and ensure we remain transparent, accountable, and aligned with stakeholder expectations as we progress towards our net zero target.

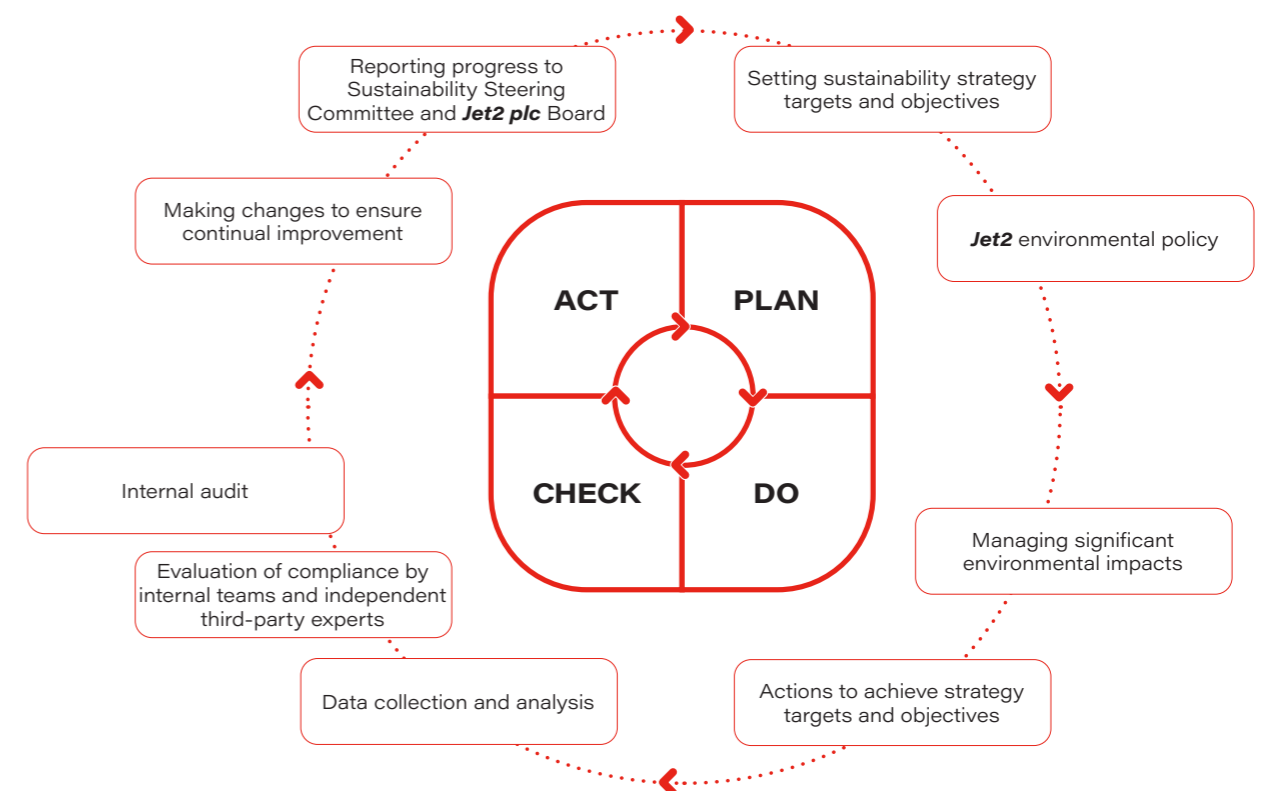
### Our approach to sustainability

**Jet2's** ISO 14001:2015 certified sustainability management system provides a framework for setting targets and objectives and monitoring performance to ensure continual improvement and our Sustainability Strategy commits to managing performance under it.

The management system includes multi-level governance for sustainability processes and outputs. The **Jet2 plc** Board is responsible for the strategic direction and performance against the Group's Sustainability Strategy, including approving objectives and targets. The Sustainability Steering Committee, which meets quarterly, oversees strategy delivery and reports on performance to the Board.

Operational Directors receive regular updates on the Group's sustainability approach outside of the Sustainability Steering Committee meetings. In addition, all **Jet2** colleagues are encouraged to support the Sustainability Strategy, assisted by a colleague-led Sustainability Champion Network that helps shape the sustainability agenda.

During the year, we were awarded a B rating following our first submission to CDP, an international non-profit organisation which helps companies disclose their environmental impact. We have reviewed our results and will use the findings to make ongoing improvements to our environmental reporting.



# Sustainability *continued*

## Our longer-term strategy and residual emissions

Beyond 2035, the availability of new technologies remains uncertain. Therefore, we plan to refine and expand our long-term climate transition plan over the next decade but expect our path from 2035 to 2050 to include:

- Switching to absolute emissions targets for scope 1 and 2;
- Ensuring SAF comprises at least 70% of the fuel mix by 2050, with carbon reduced by at least 80% compared to conventional jet fuel;
- Introducing more fuel-efficient technologies, such as lighter, more fuel-efficient aircraft and parts;
- Offsetting residual emissions, expected to be a maximum of 1 million tonnes by 2050, through high-quality, technology-based and hybrid carbon removals, such as Bio Energy Carbon Capture (BECC) or Direct Air Carbon Capture (DACC); and
- Governments fully achieving UK and EU Airspace modernisation objectives in line with the Single European Sky target and UK's Jet Zero strategy.

## Social value framework

We believe our long-term strategic goals will only be possible with a talented workforce and thriving communities where we operate, in both our UK and our overseas destinations. Through our social value framework, we aim to support our Colleagues and local communities by adding positive value through the opportunities we create. This framework focuses on eight areas both within and outside of **Jet2**. Further details on our social value framework can be found in the *Our People* section on pages 81.

## Our actions for the coming year

While our Sustainability Strategy will be implemented over the next decade, annual progress is crucial in achieving our overall net zero target. Therefore, we are committed to disclosing our short-term objectives annually. In the coming year, **Jet2** will undertake the following actions:

- Continue to integrate new Airbus A321neo aircraft into the fleet in line with our delivery schedule;
- Increase our SAF procurement in line with the relevant UK and EU Government mandates;
- Retrofit a further 13 pairs of split scimitar winglets to our Boeing 737-800NG aircraft;
- Install solar panels at our new maintenance hangar at Manchester Airport;
- Progress our CDP score in the next submission cycle;
- Work with the UK Government and our UK airport partners to establish industry best practice for cabin waste recycling;
- Continue to work with our supply chain partners to tackle scope 3 emissions; and
- Continue to lobby for government action on SAF Revenue Certainty Mechanism and Airspace Modernisation.

## Conclusion

We believe our Sustainability Strategy sets clear and pragmatic targets and positions the Group to achieve net zero carbon emissions by 2050. The Strategy emphasises current decarbonisation technologies such as SAF, fleet upgrades and flight efficiency improvements. Additionally, it commits the Group to exploring investments in emerging technologies like BECC and DACC to address residual emissions.

In addition to complying with climate-related financial disclosure and SECR reporting obligations, **Jet2** aims to enhance its approach to sustainability governance and disclosure by publishing our *ESG In Action* report on our website later this year. We are confident that the Group's business strategy and financial planning will remain resilient to climate-related risks and responsive to climate-related opportunities.



# Task Force On Climate-Related Financial Disclosures (TCFD)

Jet2 is committed to fully aligning with the recommendations of the TCFD and enhancing our climate risk disclosures. We have used the TCFD framework as the basis to meet our reporting requirements under the Climate-related Financial Disclosure Regulations 2022. This year, we have conducted a detailed climate scenario analysis, strengthened our climate governance and refined our climate-related risk management framework.

## Governance

### Board oversight of climate-related risks and opportunities

#### Jet2 plc Board of Directors

Responsible for overseeing our Sustainability Strategy and objectives, including annual planning, budgeting and approving any significant capital expenditure to address climate-related risks and opportunities. The Sustainability Steering Committee updates the Board on climate-related issues at least four times per year.

#### Operating Board of Directors

Responsible for the day-to-day management of the business. The Directors meet bi-monthly with a recurring agenda item to discuss climate-related issues.

#### Sustainability Steering Committee

Responsible for implementing our Sustainability Strategy. The committee meets at least four times per year and reviews climate-related risks identified and responds through mitigating actions.

#### Sustainability team

Jet2's sustainability team is made up of four full time colleagues who are dedicated to implementing and overseeing the Company's Sustainability Strategy. Sustainability data is reported regularly to the Operating Directors, including the Executive Directors.

#### Departmental meetings and plans per team

The Sustainability team works with departmental Directors to agree and implement sustainability initiatives relevant to each area of the business.

#### Sustainability champions

The sustainability team meet with sustainability champions from a broad range of departments on a quarterly basis. These colleagues are advocates for sustainability and contribute ideas and knowledge to the sustainability team and help to drive sustainability practices. They ensure that sustainability goals are met at all levels of the organisation and foster a culture of environmental responsibility.

The **Jet2 plc** Board of Directors has ultimate responsibility for overseeing climate-related risks and opportunities.

The Sustainability Steering Committee comprises our CEO, Corporate Affairs & Sustainability Director, Business Development Director, Head of Sustainability, Group Chief Financial Officer and

Group Legal Director & Company Secretary.

Quarterly Steering Committee meetings provide a platform for discussing sustainability and climate-related matters that may impact **Jet2's** performance or business and financial strategy over the short, medium and long term. In addition to reviewing progress

against our Sustainability Strategy targets, these meetings also consider sustainability and climate-related risks and opportunities including policy changes and legislative impacts as recurring agenda items.

During the year, the CEO provided a sustainability update at each Board meeting, covering topics

including updated environmental cost and SAF procurement, progress on sustainability governance and performance against our renewed Sustainability Strategy. In addition, the Head of Sustainability presented deep dives at two of these meetings.

#### Multilevel governance approach

Jet2 employs a multilevel governance framework to ensure sustainability awareness and responsibility permeate all organisational levels. The sustainability department, led by the Head of Sustainability, oversees the daily implementation of the Sustainability Strategy and is accountable for the Group Environmental Policy. More information on this policy is available on the **Jet2 plc** website.

A SAF Sub-Committee has been established, comprising members from Procurement, Finance and Sustainability who regularly convene to discuss SAF initiatives and provide recommendations to the Steering Committee.

The **Jet2** Sustainability Champions Network enables non-management colleagues to actively participate in strategy implementation and provide feedback on initiatives to the Sustainability team during bi-monthly meetings.

All **Jet2** colleagues are expected to support the delivery of the Sustainability Strategy and ensure **Jet2** operates responsibly. Our Sustainability Management System addresses departmental and individual training needs through in-house training or funded external qualifications. In addition, the Group supports professional accreditation for roles directly involved in the formulation and implementation of the Strategy.

#### Commitment to sustainability

Jet2 actively engages with its suppliers to drive sustainability across the supply chain, recognising that collaborative partnerships are essential to achieve meaningful environmental progress. The Group sets clear expectations on ethical sourcing, carbon reduction and responsible resource use through its Supplier Code of Conduct and procurement policies.

Jet2 works closely with key partners to identify opportunities for reducing emissions, improving waste management and integrating sustainable materials, particularly in areas such as catering, ground handling and aircraft maintenance. Regular supplier reviews and sustainability assessments are aligned with **Jet2's** environmental goals, while joint initiatives and innovation projects help to embed continuous improvements across our operations.

#### Industry engagement

The Group is a member of several trade associations. Our Corporate Affairs & Sustainability Director and Head of Sustainability are actively engaged with Airlines UK, Airlines for Europe, the Aviation Council, ABTA, Sustainable Aviation and the Jet Zero Taskforce, a joint industry-government initiative overseeing the delivery of the UK Government's Jet Zero Strategy. Our CEO sits on the Board of Directors of ABTA, the Aviation Futures Forum, and the Jet Zero Taskforce and also attends Steering Committee meetings at the other bodies. Our Head of Sustainability has also joined the Jet Zero Taskforce Task and Finish Group in relation to SAF, a forum which brings together governments and other stakeholders to support the development, production and commercialisation of SAF in the UK and globally.

Over the past year, the Group has contributed to national and international industry consultations to support the scale-up of global SAF production, including the UK SAF mandate, UK SAF RCM, European Commission proposals for an EU-wide Book and Claim System for the purchase of SAF, the implementation of CORSIA and discussions on monitoring and reporting of aviation non-CO<sub>2</sub> impacts.

#### Risk Management

Climate and sustainability are recognised as a principal risk on the Group's Risk Register, which is assigned Director level responsibility and ownership. Further details can be found in the *Risk Management* section on page 39.

The Sustainability Steering Committee identify, assess, and manage climate related risks and report any findings to the Risk Management Forum and Risk Oversight Committee who are responsible for reviewing the Group's principal risks and uncertainties. Climate-related risks are assessed based on their likelihood and potential impact with appropriate controls agreed and implemented to mitigate those risks. The Audit & Risk Committee also review principal risks and the status of mitigating actions.

Materiality levels for climate-related risks were determined based on their likelihood and the net carbon emissions saved through mitigation efforts. The Group evaluates its climate-related risks across three pillars: **in the air**; **on the ground**; and **in resort**. Monitoring and offsetting carbon emissions and specifically those from its aircraft, has been identified as the most material sustainability risk. Consequently, this is the primary focus area for addressing climate-related risks.

# Task Force On Climate-Related Financial Disclosures (TCFD) *continued*

## Scenario analysis of climate-related risks and opportunities the organisation has identified over the short, medium and long term

We have identified three time horizons over which to model the Group's vulnerability to various risks and identify opportunities:

- Short term (0 – 3 years) aligned with our viability assessment forecasting process;
- Medium term (4 – 10 years) in line with the delivery period of the 2035 targets set out in our Sustainability Strategy; and

- Long term (11-25 years) - extending from the end of the medium term through to 2050 and our net zero pledge.

We have updated our scenario analysis to reflect the latest scientific understanding of climate change impacts using Shared Socioeconomic Pathways (SSPs). These SSPs outline greenhouse gas concentration pathways over the 21st century relative to a pre-industrial baseline, together with potential social and economic changes.

The SSPs are used to calculate changes in the earth's radiative forcing, a measure of the difference between incoming and outgoing radiation at the top of the atmosphere. Radiative forcing targets for 2100 have been set at 2.6, 4.5 and 7.0 watts per square metre (Wm<sup>2</sup>) to cover a wide range of plausible future emission scenarios. The SSPs are used to run a range of climate and socio-economic models to predict climate change impacts under these scenarios.

The material climate risks and opportunities for the leisure travel industry have been assessed below:

Scenario	Description	Leisure Travel business impact
<b>Net-zero aligned scenario (SSP1 – 2.6)</b>	Action to reduce greenhouse gases (GHG) emissions is taken globally resulting in emissions peaking by 2030 before declining in 2100. There are lower transition risks as new technology is readily developed, and any physical risks can be managed.	Physical climate risks are expected to be moderate and there is a structured transition to a low-carbon economy.
<b>Current policies scenario (SSP2 – 4.5):</b>	Transition and physical risks are moderate as the pace of technological deployments is slower and governmental policies to tackle climate change globally are inconsistent. Climate Action Tracker <sup>1</sup> estimates that current enacted policies will lead to an approximate 3 degrees of warming this century.	Physical risks are more likely from more frequent extreme weather events at our bases and destinations, with adaptation measures becoming increasingly necessary, particularly in the second half of the century.
<b>Worst case scenario (SSP3 – 7.0):</b>	This scenario describes a world where there are high barriers to both mitigation and adaptation to climate change. A heavy reliance on fossil fuel leads to steadily rising emissions. Some transition risks may be lower in certain instances as regulations are weaker, but policy uncertainty drives other risks, particularly investment in the development of clean technology. The global economy is likely to shrink as a result of the damage from climate change.	There are severe and unpredictable physical risks in the second half of the century, including widespread infrastructure damage, route disruptions, and destination loss due to extreme heat, rising sea-levels, and potentially increased storm intensity.

<sup>1</sup> CAT thermometer [www.climateactiontracker.org/global/cat-thermometer/](http://www.climateactiontracker.org/global/cat-thermometer/)

## The impact of climate related risks and opportunities on the organisation's business, strategy and financial planning

The TCFD guidance categorises climate-related risks and opportunities as either transition or physical. In the table below, we outline material climate risks and opportunities along with their perceived sensitivity to each of the listed scenarios.

Risk / Opportunity	Main Category	Time horizon over which impacts occur			Likelihood of impact occurring in each scenario		
		Short	Medium	Long	Net-zero	Current policies	Worst case
<b>Climate-related transition risks</b>							
Increased compliance costs	Financial	→			H	M	L
Increased cost of new technology	Financial	→			M	H	L
Lower consumer demand	Financial			→	L	L	M
Difficulty attracting investment	Financial			→	L	M	L
Negative reputational impacts	Reputational			→	L	L	H
<b>Climate-related physical risks<sup>1</sup></b>							
Extreme heat in Mediterranean region	Operational (Acute)			→	H	H	H
Extreme rain in Mediterranean region	Operational (Acute)			→	M	M	M
Extreme rain in the UK	Operational (Acute)			→	L	L	L
Long-term temperature increases in Mediterranean region	Operational (Chronic)			→	M	M	M
<b>Climate-related transition opportunities</b>							
Fleet renewal	Financial	→			H	H	H
Optimising flight operations	Financial			→	H	H	H
Consumer preference for brands leading on climate	Reputational			→	M	M	H
<b>Climate-related physical opportunities</b>							
Consumer demand for new destinations	Financial			→	M	M	M

<sup>1</sup> The likelihood of these risks has only been modelled until 2050 over which there is no discernible variation on the frequency of these events between the three pathways. However, beyond 2050, it is expected that these risks would become increasingly severe in the worst-case scenario relative to the median scenario.

**Likelihood key**  
 Low Moderate High  
 L M H

# Task Force On Climate-Related Financial Disclosures (TCFD) *continued*

## Transition risks

Transition risks are business-related risks arising from societal and economic shifts towards a low-carbon future. Examples include policy and regulatory changes (such as the UK and EU SAF mandates), the emergence of new technologies (such as hydrogen applications for aviation and carbon capture), market and reputational risks due to changing market conditions, consumer trends and legal risks associated with regulatory changes. The Group manages these risks and incorporates associated opportunities primarily through its Sustainability Strategy and governance process.

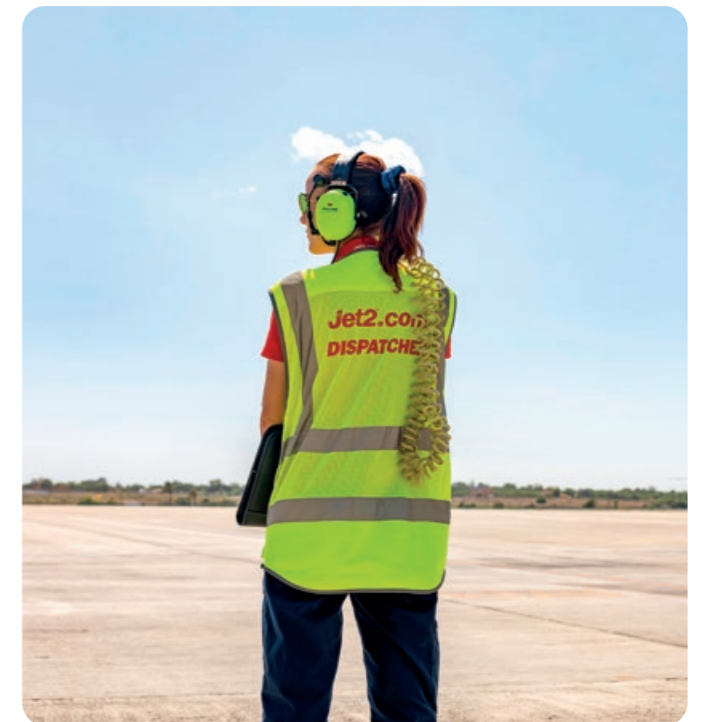
Increased compliance costs	Increased cost of new technology
<p><b>Estimated impact<sup>1</sup></b> <span style="color: #0070c0;">●</span></p> <p><b>Description</b> Future regulation to address aviation's GHG emissions will increase costs.</p> <p><b>Mitigating actions</b> The Group has a detailed financial planning process that incorporates costs associated with enacted environmental polices including:  <ul style="list-style-type: none"> <li>SAF mandates;</li> <li>Phase out of UK and EU Emissions Trading Scheme (ETS) free allowances; and</li> <li>UK and EU Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) policy.</li> </ul>                     It has a Board approved Hedging policy to manage carbon price risk and has engaged with UK SAF production suppliers to meet the requirement of SAF mandates.                      Jet2 maintains active membership of organisations such as Airlines UK, Airlines for Europe (A4E), Sustainable Aviation and ABTA. These organisations provide regular updates on the latest regulatory changes. Our CEO is also a member of the Jet Zero Taskforce, which aids the monitoring of policy development in this area.</p>	<p><b>Estimated impact<sup>1</sup></b> <span style="color: #0070c0;">●</span></p> <p><b>Description</b> Transitioning to low-carbon technologies can increase costs and pose delivery risks. This includes the financial burden of upgrading or replacing existing assets and the risk of delays or failures in implementing new technologies including the supply availability of SAF.</p> <p><b>Mitigating actions</b> In addition to environmental taxation related costs noted in the preceding risk, the Group's financial models also incorporate other expenditure associated with its <b>Climate Transition Plan</b>, including:  <ul style="list-style-type: none"> <li>Acquiring 146 owned and 9 leased Airbus A321neo aircraft to replace older, less efficient aircraft;</li> <li>Electrification of ground operations vehicles when appropriate airport charging infrastructure is in place;</li> <li>Installation of solar panels on certain properties including our new hangar at Manchester airport; and</li> <li>Installation of electric vehicle charging equipment.</li> </ul> </p>

Estimated impact <sup>1</sup> key	Minor	Moderate	Significant
<b>Financial</b>	<span style="color: #0070c0;">○</span> <1% operating profit impact or minor out of budget cashflow	<span style="color: #0070c0;">●</span> 1% to 5% operating profit impact or moderate out of budget cashflow	<span style="color: #e91e63;">●</span> >5% operating profit impact or significant out of budget cashflow
<b>Operational</b>	<span style="color: #0070c0;">○</span> Slight fall in customer service levels and a low number of customers are impacted	<span style="color: #0070c0;">●</span> Moderate fall in customer service levels and volumes of customers impacted	<span style="color: #e91e63;">●</span> Impairment of customer service levels and significant number of customers impacted
<b>Reputational</b>	<span style="color: #0070c0;">○</span> Minor public concern or minimal public awareness	<span style="color: #0070c0;">●</span> Short term local or national public concern of our operations	<span style="color: #e91e63;">●</span> Significant adverse national or international coverage with medium term reputational damage

<sup>1</sup> The impact of each risk has been assessed against financial, operational and reputational categories, incorporating the impacts of mitigating actions. If the impact is negligible then no rating has been provided for the respective category.

Lower consumer demand	Difficulty attracting investment
<p><b>Estimated impact<sup>1</sup></b> <span style="color: #0070c0;">○</span> <span style="color: #e91e63;">○</span></p> <p><b>Description</b> A shift in consumer preferences towards low-emission alternatives could reduce demand for traditional services. Consumers may prefer airlines that demonstrate strong sustainability practices.</p> <p><b>Mitigating actions</b> Our primary focus is on a 35% reduction in our scope 1 and 2 carbon intensity target by 2035. We are taking tangible actions to meet this goal, notably by integrating 155 brand new Airbus A321neo aircraft into our fleet. Other actions are listed in <i>Our Targets</i> on page 58. Our communication strategy ensures that we emphasise our sustainability credentials to consumers and we report our performance against our sustainability targets in a transparent manner. We also ensure our certified sustainable hotels are clearly visible to customers whilst choosing their holidays.</p>	<p><b>Estimated impact<sup>1</sup></b> <span style="color: #0070c0;">○</span></p> <p><b>Description</b> Investors may withdraw from carbon-intensive industries, making it harder to secure funding. This could lead to increased challenges in attracting and retaining investment and financing opportunities.</p> <p><b>Mitigating actions</b> We ensure our reporting is clear and transparent, displaying the progress we have made on our sustainability efforts and progress. We have developed good working relationships with our investors built on trust and open dialogue. Our financing partners have provided funding for six new Airbus A321neo aircraft and have expressed continued interest in financing our future deliveries. We also reviewed the results from our CDP rating scores during the year and will use the findings to strive for continuous improvement to our environmental reporting.</p>

Negative reputational impacts
<p><b>Estimated impact<sup>1</sup></b> <span style="color: #0070c0;">○</span> <span style="color: #e91e63;">○</span></p> <p><b>Description</b> Accusations of greenwashing and climate activism can damage our reputation. Organisations perceived as slow to transition to a low-carbon economy may face negative publicity, impacting their brand and demand.</p> <p><b>Mitigating actions</b> Our Sustainability Strategy is clear and we are committed to fulfilling its goals and transparently reporting on our targets. We engage with stakeholders to address any concerns they may have and demonstrate commitment to sustainability. We maintain transparency in all sustainability initiatives to build trust and credibility. The short-term tangible actions we have undertaken to mitigate reputational risk are:  <ul style="list-style-type: none"> <li>Reduced scope 1 and 2 carbon intensity to 65.7gCO<sub>2e</sub>/RPK in 2025;</li> <li>Engaged with the UK Government to develop industry guidance for segregating hazardous cabin waste from recyclable materials; and</li> <li>Compliance with mandated levels of SAF procurement.</li> </ul> </p>



# Task Force On Climate-Related Financial Disclosures (TCFD) *continued*

## Physical risks

Physical risks influenced by climate change include weather-related events such as floods, wildfires and storms, categorised as either acute or chronic. Acute risks are event-driven, including droughts, floods, extreme precipitation and wildfires. Management and mitigation of these risks are covered within the Operational Disruption risk in the *Risk Management* section on page 44. Chronic risks involve long-term climatic shifts such as rising temperatures and sea levels.

### Extreme rain in Mediterranean region

Estimated impact<sup>1</sup> ● ● ●

#### Description

Damage to infrastructure in resort and / or overseas airports could impact the flying programme and result in holiday amendments or cancellations.

Any customers in resort at the time of a weather event may need additional short-term accommodation and revised flights at additional cost to the Group.

#### Mitigating actions

The Group's flexible operating model means its seat supply is fully controlled by **Jet2.com** and incorporates the use of different aircraft sizes and stand-by aircraft and crews.

Disruptive events caused by extreme weather are considered "business as usual" operational occurrences. Our dedicated 24/7 Operational Control Centre (OCC) manages all aspects of "on the day" disruption, coordinating with our airport bases' ground and flight operations colleagues, our in-resort teams and our Contact Centre to minimise disruption to our Customers across all aspects of our operation.

The **Jet2holidays** duty office monitors trends in weather-related incidents captured through our safety reporting system. If thresholds are reached, alerts are triggered, with green, amber, or red alerts issued as needed.

Additionally, **Jet2holidays** cancellation and amendment policies ensure customers are entitled to refunds and rebooking options. The occurrence of significant weather events is sporadic and therefore not expected to have a material impact on short-term cash flows.

### Extreme rain in UK

Estimated impact<sup>1</sup> ● ● ●

#### Description

There could be significant disruption at one of our UK airport bases resulting in flight cancellations for an extended period of at least a week.

#### Mitigating actions

**Jet2.com**'s 24/7 OCC monitors weather patterns and conditions across our network using data from the UK Met Office. This includes having direct access to meteorologists enabling the OCC to receive bespoke briefings relating to any forecasted disruptive weather event. In addition, we maintain proactive dialogue with Air Traffic Control (ATC) across Europe. This information forms part of the OCC's planning and decision making and helps mitigate the impact of adverse weather events. Forecasted weather conditions are discussed in formal daily operational delivery meetings co-ordinated by the OCC.

### Extreme heat in Mediterranean region

Estimated impact<sup>1</sup> ● ● ●

#### Description

Dangerous heat over a wide area could result in health impacts for tourists and colleagues.

Impacts of events in **Jet2holidays** destinations resulting in holiday rebooking or cancellations.

#### Mitigating actions

In addition to our cancellation and amendment policies, we further support customers in resort via:

- Messaging platforms including WhatsApp and LiveChat;
- In resort customer helpers are available to guide customers to any health advice issued by local authorities; and
- A fully operational emergency response centre including the deployment of additional 'go-teams' to destinations and liaison with governments and local authorities to co-ordinate support.

### Long-term temperature increases in Mediterranean region

Estimated impact<sup>1</sup> ●

#### Description

There could be a reduction in demand for holidays in certain destinations over peak summer months.

#### Mitigating actions

The Group closely monitors average load factors at both a route and destination level. It can quickly adapt its flexible business model to respond to changes in consumer preferences. As we have full control over our fleet, we can align our flying programme towards more favourable destinations or travel seasons as appropriate.

## Transition and physical opportunities

### Fleet renewal

Estimated impact<sup>1</sup> ● ● ●

#### Description

The use of more efficient Airbus A321neo aircraft, which reduce our fuel burn, carbon emissions and related costs.

#### Mitigating actions

We have integrated 14 A321neo aircraft to our fleet as at 31 March 2025 and they are already providing tangible benefits to fuel efficiency. We have committed to take delivery of 155 new A321neo aircraft by 2035.

### Optimising flight operations

Estimated impact<sup>1</sup> ● ● ●

#### Description

Reduction of fuel burn and carbon emissions results in lower underlying fuel costs, in addition to savings in environment taxes.

#### Mitigating actions

The Group is actively lobbying to implement airspace modernisation policies. Operational performance could be improved through shorter and more direct routes to destinations, thereby reducing fuel burn and associated carbon emissions.

We monitor real-time data to make incremental improvements to our flight operations such as gradual descents where permitted by Air Traffic Control and the use of turbulence data so pilots can adapt flight plans.

### Consumer preference for brands leading on climate

Estimated impact<sup>1</sup> ● ●

#### Description

Increased brand loyalty as customer preferences shift towards organisations committed to tackling climate change.

#### Mitigating actions

The Group has published a clear and concise Sustainability Strategy with targets through to 2035 against which it is committed to transparently reporting performance. We play an active role in many industry bodies which work to combat the aviation industry's impact on climate change.

### Consumer demand for new destinations

Estimated impact<sup>1</sup> ● ●

#### Description

New resorts and regions may become attractive to consumers due to a warmer climate in northern Europe, and changes in climate in southern Europe may lead to more bookings outside traditional peak season.

#### Mitigating actions

The Group could supply more seats in the shoulder months of the summer season where temperatures are lower. In addition, we could launch new destinations in areas of Europe which have experienced less disruption from climate change aided by the fact that our operations do not rely on third-party seat capacity.



# Task Force On Climate-Related Financial Disclosures (TCFD) *continued*

## Metrics and Targets - Assessing climate-related risks and opportunities

The Group reports on its carbon intensity and total Scope 1 and Scope 2 emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard and SECR guidance published by the UK Government. Our sustainability metrics and targets, including our climate transition plan, are outlined within our updated Sustainability Strategy, which aims for a 35% reduction in Scope 1 and 2 carbon intensities to 43.55g CO<sub>2</sub>/RPK by 2035 compared to our 2019 calendar year baseline.

### Disclosing scope 1, scope 2 and scope 3 greenhouse gas (GHG) emissions and related risks

#### Streamlined energy carbon reporting

We monitor our energy consumption and GHG emissions in line with SECR requirements and TCFD recommendations. Our carbon intensity is measured using gCO<sub>2</sub> per revenue passenger kilometre (gCO<sub>2</sub>/RPK), the most widely used metric in the aviation sector.

#### Scope 1 and scope 2 emissions

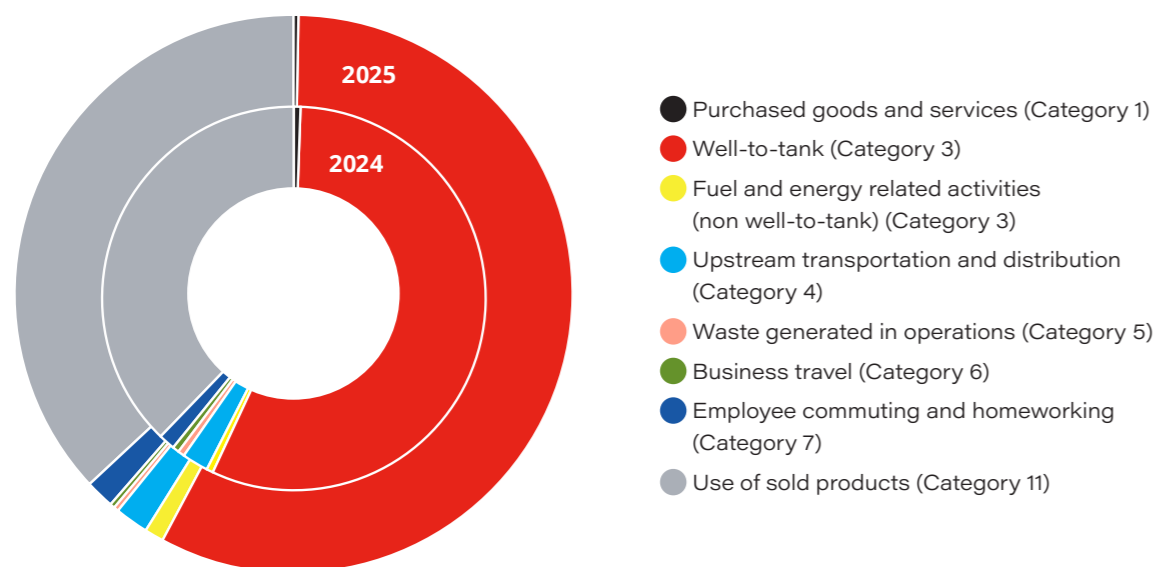
For the year ended 31 March 2025, total Scope 1 and 2 carbon equivalent emissions (tCO<sub>2e</sub>) were 3,183,018 tonnes (2024: 2,877,605 tonnes), with 99.8% (2024: 99.8%) arising from our aircraft operations. The remaining emissions came from ground handling activities, our vehicle fleet, office heating, training and engineering facilities.

#### Scope 3 emissions

Our scope 3 emissions include upstream emissions from aviation fuel, business travel, corporate flights and train journeys. Scope 3 emissions represent approximately 26% (2024: 27%) of our total emissions. Our scope 3 data sets are based on logical assumptions, proxies or industry averages, and we continue to work with our supply chain to improve the quality of this data over time. Notable exclusions where we cannot currently obtain scope 3 data include embodied carbon of new aircraft, engineering products and tools. Additionally, our scope 3 category 8 upstream leased aircraft emissions are included in our scope 1 fuel use.

Our scope 3 emissions have decreased from 24.5 gCO<sub>2e</sub>/RPK in 2024 to 23.6 gCO<sub>2e</sub>/RPK.

#### Scope 3 emissions by category



## Summary GHG emissions results

Scope	2025		2024	
	tCO <sub>2e</sub>	kWh	tCO <sub>2e</sub>	kWh
Scope 1	3,182,163	12,866,798,856	2,876,913	11,607,057,120
Scope 2 (market based) <sup>1</sup>	855	8,763,885	692	7,887,073
<b>Total scope 1 &amp; 2</b>	<b>3,183,018</b>	<b>12,875,562,741</b>	<b>2,877,605</b>	<b>11,614,944,193</b>
Scope 3 <sup>6</sup>	1,146,080	–	1,061,130	–
<b>Total scope 1, 2 &amp; 3</b>	<b>4,329,098</b>	<b>12,875,562,741</b>	<b>3,938,735</b>	<b>11,614,944,193</b>
Emission reductions from SAF <sup>5</sup>	(3,889)	–	–	–
<b>Total net scope 1, 2 &amp; 3 emissions</b>	<b>4,325,209</b>		<b>3,938,735</b>	

Note				
Scope 2 (if location based) <sup>2</sup> (tCO <sub>2e</sub> )	1,815	8,763,885	1,633	7,887,073
Biogenic emissions (out of scope) <sup>5</sup> (tCO <sub>2e</sub> )	3,470		–	
SAF fuel consumed (tonnes)	1,102		–	

## Intensity ratios

	2025	2024
gCO <sub>2</sub> per revenue passenger km aircraft fuel burn only <sup>3</sup>	<b>65.2</b>	65.7
gCO <sub>2e</sub> per revenue passenger km including all relevant scope 1 & 2 emissions <sup>4</sup>	<b>65.7</b>	66.4
gCO <sub>2e</sub> per revenue passenger km including all relevant scope 1, 2 & 3 emissions <sup>4</sup>	<b>89.3</b>	90.9
gCO <sub>2e</sub> per revenue passenger km scope 3 emissions	<b>23.6</b>	24.5

#### Emissions calculation methods

- <sup>1</sup> **Market-based method:** Reflects emissions from electricity the Group has purposefully chosen.
- <sup>2</sup> **Location-based method:** Reflects the average emissions intensity of grids where energy consumption occurs, using mostly grid-average emission factor data.

#### Emissions factors

- <sup>3</sup> **ETS Emissions Factors:** Uses emission factor of 3.16 tonnes of CO<sub>2</sub> per tonne of jet fuel for UK inbound flights and emission factor of 3.15 tonnes of CO<sub>2</sub> for UK outbound flights, including aircraft fuel burn only.
- <sup>4</sup> **SECR and DESNZ Conversion Factors:** Uses a factor of 3.178 tonnes CO<sub>2e</sub> for fuel.

#### SAF and biogenic emissions

- <sup>5</sup> Direct emission factors for SAF include trace N<sub>2</sub>O (nitrous oxide) and CH<sub>4</sub> (methane) as recommended by DEFRA. SAF deductions are calculated using actual life cycle savings. Biogenic emissions from SAF, whilst out of scope, are reported in accordance with recommendations of the Greenhouse Gas Protocol.

#### Scope 3 emissions

- <sup>6</sup> 2024 scope 3 emissions have been restated to exclude: Customer journeys (UK residence to UK airport); Engineering parts delivery; In-flight retail purchased goods; Operation and maintenance of properties; and IT infrastructure (Data Centre energy use), previously estimated at 134,280 tCO<sub>2e</sub> for 2024. The data is not considered sufficiently robust to continue to report upon at this stage. Emissions related to Commuting to work and Hotel energy usage have been restated to reflect improvements and refinements to data sources and their respective calculation methodology, meaning the previously reported emissions totalling 488,170 tCO<sub>2e</sub> decrease to 414,500 tCO<sub>2e</sub>. Overall our total 2024 scope 3 emissions have been amended from 1,269,080 tCO<sub>2e</sub> to a total of 1,061,130 tCO<sub>2e</sub>.

#### GHG emissions categories

- <sup>7</sup> **Scope 1:** Direct emissions from the primary combustion of fuels in our financially-controlled premises, vehicles and plant.
- <sup>8</sup> **Scope 2:** Indirect emissions from the consumption of purchased electricity generated off-site and supplied by the national grid using market-based methodology.
- <sup>9</sup> **Scope 3:** Indirect emissions associated with the consequences of the organisation's activities but controlled by an entity outside of the Group.

# Task Force On Climate-Related Financial Disclosures (TCFD) *continued*

## Reporting metrics

The table above discloses gCO<sub>2e</sub> per revenue passenger km, including all relevant scope 1 and 2 emissions using the DESNZ emissions factor.

## Calculation methodology

Leading aviation verification body, Normec Verifavia SAS, were engaged to perform an independent verification of the Group's carbon inventory data. Total scope 1 emissions from aviation fuel consumption, representing 99.8% of total scope 1 and 2 emissions and scope 3 category 3 (well-to-tank) have received reasonable assurance. Total scope 2 emissions, scope 3 categories 6, 7 and 11, biogenic emissions and the carbon intensity ratio (gCO<sub>2e</sub>/RPK) have received limited assurance. The independent verification was carried out in accordance with verification criteria ISO/IEC 17029:2019, ISO 14064-3:2019, ISO 14065:2020 and The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised Edition).

Our GHG emissions results are produced in line with UK Government Environmental Reporting Guidelines and GHG Conversion Factors for Company Reporting. Carbon conversion factors are taken from DESNZ's 'UK Government GHG Conversion Factors for Company Reporting 2024', as the majority of the reporting period falls within the 2024 calendar year. GHG emissions are assessed using the 'financial control' approach, meaning the Group reports on emissions resulting from its operations within its direct or indirect financial control.

## Revenue passenger kilometre calculation

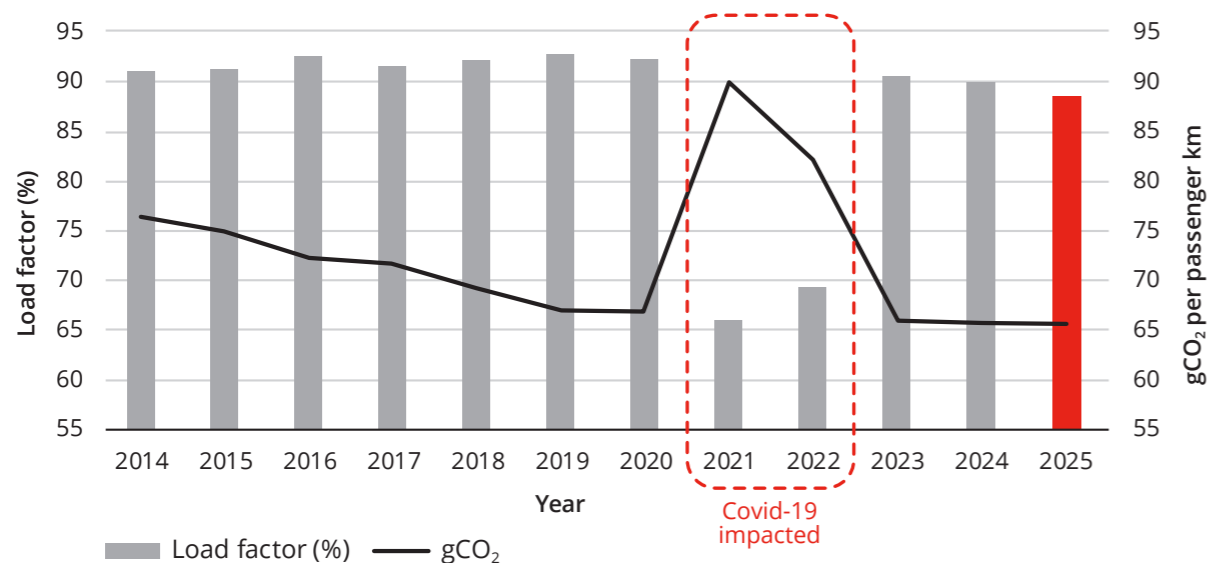
The Group RPK calculation is based on the flying km (Great Circle Distance route +95) multiplied by *Jet2.com*'s flown passengers, excluding infants and no-shows. The calculation's denominator, grams of carbon, includes:

- Fuel burn (using UK and EU ETS emissions factors)
- Fuel burn plus all other scope 1 and 2 emissions using DESNZ UK Government Conversion Factors
- Fuel burn plus scope 1, 2 and 3 emissions using DESNZ UK Government Conversion Factors

## Aircraft CO<sub>2</sub> emissions

The growth in our Leisure Travel operations continued during the year with a 13% increase in seat capacity to 22.29m (2024: 19.73m). The Group sought to optimise average load factor, pricing and product mix, to maximise overall operating profit, with a resultant load factor of 88.7% (2024: 89.8%). The historical performance of our key climate metric is illustrated in the graph below:

Passenger load factor compared to gCO<sub>2</sub> per revenue passenger km (aircraft fuel only)



## Targets for managing climate-related risks and opportunities

Our strategy focuses on achieving the following targets:

- Scope 1 and 2 - 35% reduction to 43.55g CO<sub>2e</sub>/RPK by 2035, compared to our 2019 calendar year baseline.
- Scope 3 - 15% reduction to 20.83g CO<sub>2e</sub>/RPK by 2035, compared to our restated 2024 financial year baseline as reported within the *Summary GHG emissions results*.

These targets are designed to ensure the Group is well-positioned to comply with evolving regulations and capitalise on climate-related opportunities. For more details on our climate transition targets, refer to the *Our Climate Transition Plan* section on pages 60 to 61.

## Non-financial and sustainability information statement

The Group is satisfied that the applicable requirements of Section 414CB of Companies Act 2006 are met by the climate related financial disclosure information within its TCFD section, including:

- Governance on pages 68 to 69;
- Risk Management on page 69;
- Scenario Analysis on page 70; and
- Metrics and Targets on pages 76 to 79.

# Our People

Demand for **Real Package Holidays from Jet2holidays®** and leisure flights from **Jet2.com** remained strong throughout the year, underpinned by our highly skilled teams and their dedication to delivering an exceptional *Customer First* service.

Engagement with our Colleagues is guided by our principles of *People, Service, Profits*, recognising that delivering a great service is only possible through great people. As our brand ambassadors, they are encouraged to embody the Company's **'Take Me There'** values in their interactions with our Customers by providing award-winning service throughout the customer journey, as well as with one another.

Consequently, we make substantial investment in our Colleagues to support their well-being and to provide top-quality training that enables them to excel. We aim

to cultivate a workplace where they take pride in their roles, understand the significance of their contributions, and are duly recognised for their impact on the Company's success.

We were delighted to launch our first company-wide colleague survey, **TheBigJet2ColleagueSurvey** during the year. The survey invited colleagues to share their thoughts and provide constructive feedback on topics such as pay and benefits, communication, development and work life balance, as well as our leadership. We were especially pleased that 84% of our Colleagues stated they are proud to work for **Jet2**, a result which is significantly higher than industry norms and which highlights the strong appeal of our Company as a place of work. The overall scores were very positive, affirming that colleagues are both highly engaged and enabled; 94% have a good understanding of

our **'Take Me There'** values; 88% recognise the contribution their roles play towards the success of **Jet2**; and 82% feel their job makes good use of their skills. These results give us confidence that our vision and purpose are well communicated and our passion for providing our Customers with a fantastic holiday experience is at the forefront of our Colleagues' minds.

Glassdoor ratings remain an important measure of feedback and colleague sentiment. They include above average ratings of our CEO, the Company strategy and our Senior Leadership Team who drive our vision and motivate our teams. We are committed to fostering an effective work environment and continually seeking improvement in order to attract and retain top talent, ensuring the ongoing success and growth of our business.

## TheBigJet2 ColleagueSurvey

**94%**

Have a good understanding of our **'Take Me There'** values

**88%**

Agreed that their work makes a real contribution to the success of **Jet2**

**84%**

Feel proud to work for **Jet2**

**82%**

Feel their job makes good use of their skills

### Our social value framework

Our Sustainability Strategy incorporates social values for our Colleagues and the local community in which we operate:

#### Our people social values



##### Learning & development

Includes both compliance and development training, together with appropriate opportunities for colleague progression.



##### Wellbeing

Appreciation of mental and physical health issues and the provision of a compassionate support service for colleagues.



##### Inclusion & access

Advocating equal opportunities for people of all gender, race or social background.



##### Health & safety

Keeping colleagues safe in the workplace.

#### Social values where we operate



##### Jobs & skills

Direct and indirect employment opportunities in our local communities.



##### Communities

Encompasses charitable giving, sponsorships and apprenticeship levy donations.



##### Partnerships & ethics

Treatment of suppliers and ethical business behaviour.



##### Risk & safety

Compliance with aviation safety standards and equivalent holidays risk & safety regulation.

### Case study A Night with the Stars

In December 2024, our annual 'A Night with the Stars' event marked its glittering 10th anniversary. Hosted by our Customer Contact team, this exciting occasion brought colleagues and partners together for an unforgettable evening honouring outstanding achievements within the team.

The day kicked off at a Trade Fair, where colleagues had the invaluable opportunity to network with our trusted partners and to gain fabulous new insights about our destinations and hotels.

The evening awards ceremony was hosted by the hilarious duo Chris and Rosie Ramsey, alongside our very own Sean Ablett, Chief Transformation Officer, and Steve Heapy, Chief Executive Officer, to celebrate colleagues who consistently embody our brand values and deliver exceptional service.



# Our People *continued*

## Learning & development

### Embedding Our Award-Winning Customer Service Standards

Our commitment to deliver outstanding customer service is supported by our brand values, known internally as **'Take Me There'**, which encompass four key principles: **Creating Memories, Being Present, Taking Responsibility,** and **Working as One Team** – all are instrumental to our success and are fully embraced by our teams.

From the beginning of their career at **Jet2.com** and **Jet2holidays**, all colleagues are introduced to these simple yet powerful values during face-to-face inductions, which helps spark enthusiasm for our company philosophy. Additionally, we conduct annual refresher courses to reinforce these principles, regularly updating the content with fresh and exciting new material to ensure we continue to motivate and inspire our Colleagues in their roles, which helps ensure they consistently deliver the award-winning service that sets us apart. Consequently, these values are deeply embedded in our culture towards customers and colleagues and are integral to everything we do!

We have also evolved how we deliver **'Take Me There'** training for our Cabin Crew and Pilots by upskilling our Cabin Crew Performance Trainers and their Regional Training Managers to lead these classroom sessions. These trainers appreciate the challenges of working onboard our aircraft and can bring our company values to life by encouraging debate and discussion using real-world examples and demonstrating the positive impact colleagues can have on the customer experience.

Our **A Great Deal Friendlier** colleague engagement scheme recognises individuals and teams who have provided excellent customer service and gone the extra mile for either internal or external customers and have demonstrated our **'Take Me There'** values in the best way. Over 800 'on the spot' awards were presented to colleagues throughout the year for either exceptional individual or team performance. Of these, 45 were shortlisted for annual awards presented at our exclusive **A Great Deal Friendlier** dinner - a fabulous evening where we celebrated the many outstanding contributions of our brilliant colleagues.

### Recruiting and Retaining Our Talent

We recognise the need to provide all applicants with a high-quality recruitment and onboarding experience, which is continually reviewed to ensure our attraction strategy and subsequent processes remain industry leading.

The strength of our brand, combined with our *People, Service, Profits* ethos, continues to attract a high volume of applicants eager to be part of our award-winning team. In addition, over 75% of our Colleagues say they would recommend us to their friends or family as a workplace. This year, from approximately 135,000 applications across all business areas, we welcomed over 5,200 new colleagues, increasing our workforce to nearly 18,000 for the peak Summer 2025 season. This growth equips us for a successful summer season, with sufficient, fully trained colleagues to maintain our high standards of customer care.



## Case study

### Electric Vehicle Salary Exchange Scheme

We recently got behind the wheel of a new Electric Vehicle Salary Exchange Scheme. This exciting initiative offers a fantastic benefit for our valued colleagues to exchange some of their salary in a cost-efficient way for a more sustainable commute.

The scheme has proved to be extremely popular with over 450 colleagues taking part as at 31 March 2025.

Our highly skilled training teams work efficiently and flexibly to ensure all new colleagues across the business are fully prepared for their exciting careers with us. By continually evolving our training programmes, we ensure that our workforce remains at the forefront of industry standards.

In May 2025, following extensive preparation, we were excited to launch **Jet2FlightPath**, a new and innovative fully funded pilot training initiative offering life-changing opportunities to 60 individuals per year. The programme aims to attract diverse, high-potential individuals from across the UK with no prior flying experience, who may not ordinarily have the opportunity to obtain a pilot's licence. By removing the cost barrier to becoming a pilot and supporting them with top-tier training, candidates can become fully certified commercial pilots with **Jet2.com** and embark on a long and successful flying career.

### Developing Our Internal Talent

Our objective is to recruit and invest in colleagues who embody our brand values, ensuring they are proud to represent and champion **Jet2**. This is fundamental to the successful execution of our overall strategy and in sustaining strong long-term business performance.

We are committed to providing diverse learning and development opportunities, empowering our Colleagues to grow, enhance their skills, and achieve success in their careers. Our programmes encompass various methods such as traditional face-to-face classroom sessions, where we delivered over 300 in-person sessions covering more than 50 different topics, attended by over 4,000 colleagues, plus practical training and blended learning approaches. Participation in our e-learning courses increased by 67% to over 100,000 sessions.

Whilst digital learning is convenient and suitable for certain topics, we believe that face-to-face learning is essential to ensure we deliver a comprehensive learning experience. As an example, in-person sessions focusing on enriching the understanding of our **'Take Me There'** values are particularly relevant for colleagues in customer facing roles, whether on board our aircraft, in-resort, or in our Contact Centre and ensure they are appropriately skilled to deliver our outstanding *Customer First* service.

In addition, our recently launched **CheckIn2Management** development pathway is specifically designed to support colleagues during their first appointment to a line manager role. This includes courses such as *'Introduction to People Management'* and *'Think Like a Manager'* together with developing advanced skillsets including *'Industry Awareness: Building a Commercial Mindset'* and *'Introduction to Emotional Intelligence'*. We believe these courses, combined with everyday experiences gained outside of the classroom and in their roles, provide the right mix to develop and grow our future leaders.

**Jet2.com** operates its own UK CAA approved Pilot and Cabin Crew training programme from two purpose-built training centres, located in Bradford, near Leeds Bradford Airport, and in Cheadle, near Manchester Airport. These centres combined can accommodate up to ten full flight simulators, plus cabin crew door, slide, fire and smoke training simulation devices. Our training programmes currently utilise six full flight and three fixed base simulators, catering for all aircraft types operated, including our new A321neo aircraft.

The training centres support all airline operational colleagues, including Flight Crew, Cabin Crew, Engineering, and Ground Operations. In-house training is provided to the highest professional standards and equips our Colleagues with the necessary skills to deliver our award-winning customer service safely and efficiently. In addition to our CAA approved in-house type rating and conversion training courses, we have the necessary approvals and capacity to provide internal training for over 410 pilot instructor, examiner and specialist trainer credentials.

### Investing in Leaders for the Future with Our Apprentices

Our Apprenticeship Scheme has grown by 30% over the past year and now includes close to 200 apprentices enrolled on Level 2 to Level 7 programmes across departments including Finance, IT, Engineering and Marketing, with plans for a further 160 apprenticeships in the forthcoming year. We are proud to have a 98% first-time pass rate for over 100 apprentices who completed their end point assessments, with 85% of apprentices progressing into a more senior role or onto a higher level apprenticeship.

Additionally, our **Future Second Officer** scheme which provides the necessary flying skills to aspiring commercial airline pilots remains extremely popular, with 60 colleagues joining during the year. The scheme has been in place for over 10 years with over 40 applicants now having advanced to Captain.

We were delighted that **Jet2.com & Jet2holidays** won Large Employer of the Year at the Yorkshire & Humber Apprenticeship & Skills Awards. In addition, we were very pleased that several of our apprentices and our Emerging Talent and Careers Manager also achieved recognition at both regional and national awards.

# Our People *continued*

## What our Colleagues love most about working at Jet2

"I'm incredibly proud that **Jet2** and our apprentices won multiple awards in 2024, recognising all their hard work and dedication. We were an official supporter of National Apprenticeship Week for the third year running, and we increased our apprenticeship levy share by 140% to £1.2m, to help our charity and supply-chain partners. Our apprentices were also inspiring in the community, leading a Macmillan Coffee Morning and taking on the Yorkshire Three Peaks."

**Katie Rankin,**  
Emerging Talent & Careers Manager



### Encouraging High Performing Leadership Teams

The continued growth of our business depends on appropriately skilled and experienced managers who are empowered to **Take Responsibility** for key decisions and to lead, support and inspire their teams - strong managerial performance is imperative to maintain our success. Therefore, during the year, we launched a new performance management process directly linking a manager's bonus reward to both their performance in role and adherence to our **Take Me There** values. The change to reward structures has been welcomed positively and we believe it will create a more rounded performance framework, encouraging managerial development and the retention of our best leaders.

### Wellbeing

#### Colleague Wellbeing As A Priority

As our greatest asset, we want our Colleagues to bring the absolute best version of themselves to **Jet2.com** and **Jet2holidays**, which is why we are passionate about their wellbeing!

We openly embrace a wellbeing culture and offer an Employee Assistance Programme, **WeCare**, providing colleagues and their immediate families with access to emotional and practical support services. We continue to hold wellbeing related events and update and promote our internal **Wellbeing Hub**, which offers many different resources and support links.

We have four internal Mental Health First Aid (MHFA) Instructor Members who deliver in-house MHFA training through a two-day course which covers health conditions such as anxiety and depression. Over 175 colleagues attended these sessions during the year. Feedback indicated that the course was delivered with care and compassion and has increased colleagues' comfort and confidence in discussing mental health issues.

Additionally, **Jet2holidays** and **Jet2.com** are committed to the **Menopause Workplace Pledge**. This commitment ensures that managers are educated to recognise the signs and symptoms of menopause, enabling them to engage in open, positive and respectful conversations about it and provide appropriate support to their teams.

These important services are regularly communicated to our Colleagues, ensuring they and their families receive the support they require as appropriate - not only putting our Customers first but also putting our fellow colleagues first too!

### Inclusion and access

#### Communication And Engagement

We are passionate about promoting and maintaining good communication and facilitating two-way feedback between colleagues from all areas of the business and our Senior Leadership Team. We regularly engage through both formal and informal channels and encourage colleague feedback and comments directly to our CEO through our dedicated inboxes, such as **'Jet2Cares'** and **'ShareWithSteve'**.

In November 2024, we launched **TheBigJet2Colleague Survey**, our first company-wide colleague survey. The feedback gathered is allowing our senior leadership to understand what we do well and what can be improved and to work with their teams to form relevant action plans, on issues such as streamlining processes where only 74% of colleagues felt that existing processes were efficient and effective. We intend to conduct another survey this winter, and we look forward to reviewing the impact of the changes we have implemented.

Our annual Director roadshow which visits all UK airport bases continues to be hugely popular, being attended by over 4,000 colleagues. These roadshows feature updates from our Chief Executive Officer, Chief Operations Officer and HR Director, along with sessions facilitated by members of our Senior Leadership Team. The roadshows are the perfect opportunity for Directors to inform and motivate colleagues ahead of the busy summer season, reinforcing the essential and vital role that they all play in the success of our business. The events are designed to be an open and informal environment where colleagues have the opportunity to ask questions, share ideas and provide anonymous feedback - we believe that two-way engagement is vital in order to **Create Memories** internally, as well as for our Customers.

### Continuous Colleague Feedback And Representation

In addition to company-wide communications and suggestions boxes, we routinely circulate newsletters and bulletins covering a wide range of topics which are tailored to each area of the business.

Every UK-based colleague has the opportunity to engage with the business through one of five Communication Groups which comply with the Information and Consultation of Employees (ICE) Agreement and Protocol. These agreements have been in place for over 10 years and form the basis of our colleague forums - they are extremely effective and set out how **Jet2.com** and **Jet2holidays** inform and consult with colleagues as well as how each Communication Group functions in practice. This year we have worked closely with colleagues to review and refresh each of the Communication Groups to ensure that they continue to be an effective means of engagement. Any colleague can be elected to represent their business area in these forums and colleague representatives are encouraged to engage and collate feedback from across their department, as well as proposing suggestions for improvement.

Quarterly meetings are chaired by Directors and the Senior Leadership team with guest speakers invited to discuss key topics and projects. The Chief Executive Officer, Chief Financial Officer, Designated Non-Executive Director for Workforce Engagement and HR

Director also attend some meetings to provide business-wide updates and importantly to offer a platform for colleagues to communicate directly with the Board.

We value the feedback from these forums and are proud to have implemented many ideas from them. Over the past year they have been instrumental in many areas, including roster development plans, influencing garment selection prior to new uniform launches, providing input into **TheBigJet2ColleagueSurvey** action plans and so much more.

We enjoy working together to understand the collective views and ideas of our Colleagues, recognising that strong engagement accelerates colleague development, enhances leadership capabilities and contributes greatly to our overall performance. Of course, **The BigJet2ColleagueSurvey** offers more detailed and anonymous feedback, providing us with relevant data and information to measure levels of engagement and enablement.

### Reward and Benefits

We are committed to offering rewards and benefits that support **Jet2.com** and **Jet2holidays** as a leading career choice in the industry. Over the past year, we reinforced this commitment by appointing a new General Manager who is primarily focused on this important area, as well as investing in new technology to support.

In July 2024, responding to feedback from our ICE Communications Groups, we launched our Electric Vehicle Salary Exchange Scheme which offers eligible colleagues a cost-efficient option to lease an electric vehicle through an HMRC-approved salary sacrifice scheme. The scheme has proven to be very popular with over 450 colleagues joining during the year.

The Group's ShareSave schemes continue to be very popular, with the third iteration launched in September 2024. These schemes give our UK, Spanish and Portuguese colleagues the opportunity to save up to £500 per month (or €500 for European colleagues) for a period of 36 months. At the end of this period, colleagues have the choice to either purchase shares at a 20% discount to the market value share price at inception of the scheme, or to simply receive back their cash amount saved plus accrued interest in line with HMRC guidelines.

### Equality And Diversity

We employ a diverse workforce in the UK and Overseas and are committed to promoting diversity and ensuring equality of opportunity for all within the workplace, regardless of age, disability, gender reassignment, marriage or civil partnership status, pregnancy and maternity/paternity, race (including colour, nationality and ethnic or national origin), socio-economic group, religion or belief, sex or sexual orientation.

# Our People *continued*

## What our Colleagues love most about working at Jet2

"I was given the opportunity to project manage the replacement of the Group's finance system, **Working As One Team** with key stakeholders in Finance, IT, Digital, Legal and Procurement to deliver this important project.

Additionally, I am an active member of the **Jet2 Women in Tech** initiative. We are really keen to attract, develop, empower and inspire women to reach their potential at **Jet2!** I lead the Women in Tech communications workstream and we have been showcasing all our hard work by creating, editing and distributing an internal quarterly **Jet2 Women in Tech** newsletter. In addition, I have been participating in videos on the **Jet2** LinkedIn page to highlight the great work **Jet2 Women in Tech** are doing!"

**Jenny Henderson-Ross,**  
Senior IT Project Manager



We are committed to ensuring that our procedures and selection processes in respect of recruitment, terms and conditions of employment, access to training and promotion and the terms upon which we offer access to facilities and services, are free from discrimination.

The gender split of our workforce was apportioned evenly between male (50.4%) and female (49.6%) colleagues in our latest Gender Pay Gap report (based on colleagues employed at 5 April 2024). Pleasingly, the overall median gender pay gap for our **Jet2holidays** colleagues reduced to 5.8% (5 April 2023: 7.5%), which remains well below the national median gender pay gap of 13.1%\*. Our median pay gap for **Jet2.com** is 33.1% (5 April 2023: 31.9%) which is reflective of the employment characteristics of the aviation industry. It is important to recognise that there continues to be a national shortage of females working as Pilots, Engineers or in Ground Operations (Baggage handling and Ramp operations) which make up a large proportion of our workforce. However, all of the respective roles are paid the same salary regardless of gender. Our Gender Pay Gap report is available on our **Jet2 plc** website.

Our **'Women in Tech'** focus group offers colleagues the opportunity to share ideas on how we can attract more women into our Science, Technology, Engineering and Manufacturing (STEM) areas of the business. This group is attended by both female and male colleagues and is sponsored by our Chief Information Officer and our HR Director, who are committed to encouraging equal opportunities for all genders in a STEM workplace. The group has contributed to the development of our new **Jet2 Women in Leadership Programme** which is expected to launch within the coming year. This 12-month programme is designed to empower and develop aspiring female leaders within **Jet2**, fostering a culture of excellence and service, that aligns with our **'Take Me There'** values.

Our sponsorship of 'Pride' events in Leeds, Birmingham and Manchester has been hugely successful and has helped to promote equality for LGBTQIA+ communities. Our commitment to these events will continue in 2025 and we actively encourage all our Colleagues to get involved.

\*Office for National Statistics, October 2024

### Health and safety

#### Putting the health, safety and security of colleagues first

We are committed to continuously improving health and safety across all areas of the Group, recognising that it is the way we work and behave that safeguards our Colleagues, Customers and other stakeholders. Our organisational structure defines individual safety responsibilities and duties applicable to each of our operations, to ensure safe and healthy working conditions, equipment, and systems of work are provided and maintained.

Our Health and Safety Review Board, chaired by the HR Director and attended by key senior stakeholders meets quarterly. This forum focuses on colleagues' wellbeing in the workplace and any areas that may require further attention, to ensure compliance and proper care for their welfare across all areas of the business.

For customers, we demonstrate this commitment through active leadership, promoting best practice and frequent reviews of standards and performance by the **Jet2.com** Safety Review Board and **Jet2holidays** Risk and Safety Committee. We ensure that adequate resource is provided to enable performance standards to be achieved and upheld and to ensure the effective management of risk within the Group.

**Jet2.com** continued to invest in our **'Just Culture'** during the year, upgrading its safety management system with an industry-leading solution that further supports and evolves our safety culture and compliance through more advanced risk mitigation processes. This system will improve efficiency for those departments who regularly review safety data whilst also streamlining how the business processes and responds to safety reports.

Refer to page 37 in *Risk Management* for further information on our Health and Safety risk mitigations.

### Communities

#### Supporting our Local Communities

We invest in our future talent through nationally recognised qualifications, bespoke training and networking opportunities, business exposure and team-building activities. During National Apprenticeship Week, our apprentices presented to a panel of our senior leaders, directors, and members of the NSPCC team, sharing their ideas to help the NSPCC with an ongoing challenge - recruiting night-time volunteers



for Childline. The pitches were well received, and the NSPCC confirmed they are considering implementing the winning idea.

We more than doubled our investment in our industry leading initiative **Appoint an Apprentice** pledging our entire 50% shareable levy (2024: 25%) of £1.2m to our trade, charity and supply-chain partners to help them develop new and existing talent.

In addition, we collaborated with schools, colleges and universities within our communities to engage future talent, promoting industry awareness and essential employability skills. During the year we engaged with over 25,000 students and conducted awareness sessions for teachers / careers advisors, parents and carers.

#### Our Charitable Partnership Programme

The Group continues to support its charity partners including NSPCC, Planet Patrol, Trees for Cities, Hope for Children, and our chosen colleague charity, Macmillan Cancer Support. Since the launch of the programme in 2022, we have raised over £1.4m for our charity partners, generated through the sales of onboard scratch cards, plus company, customer and colleague donations.

Department-level events have raised funds through events such as the Macmillan Coffee Morning and the NSPCC Christmas Presents Project. Colleagues have also supported charitable causes through specific challenges such as 100 Miles for Breast Cancer Now, the Yorkshire Three Peaks for Macmillan and the North-West Children's Support Group.

## Case study

### NSPCC Christmas Present Project

Colleagues across our business teamed up with the NSPCC Yorkshire and Humber Hub to give the gift of toys and games and bring smiles to children's faces at Christmas! Presents to encourage creativity, family interaction and the senses were donated. We know that these small gestures make a big difference.

## Our Governance

Corporate Governance Statement	90
Board of Directors	100
Audit & Risk Committee Report	103
Remuneration Committee Report	109
Nomination Committee Report	115
Directors' Report	116
Independent Auditor's Report	118

**“ I have been on many holidays with Jet2 now and feel comfortable knowing everything is sorted and affordable too! ”**



Sam travelled from Leeds Bradford to Gran Canaria with his family in August 2024

# Corporate Governance Statement

Welcome to the Governance section of the **Jet2 plc** Annual Report 2025.

## Board Changes

It is an immense privilege to have led the Board over the past financial year.

The Board continues to evolve to ensure it provides the appropriate skills and experience to both support and challenge the executive management team and the establishment of our Nomination Committee in April 2024 marked a further positive step in our Board structures during the year.

At 31 March 2025 and for the year then ended, half of the Board, excluding the chair, were non-executive directors whom the Board considers to be independent.

## Governance and Reporting

This report provides insight into the role and activities of our Board which contributes to the delivery of our strategy: **To be the UK's Leading and Best Leisure Travel business**. Robust decision-making and open communication, reflective of our culture, is central to our application of the UK Corporate Governance Code 2018. Our **'Take Me There'** values, alongside our guiding principles of *People, Service, Profits*, underpin everything we do at **Jet2**.

The Board meets five times per year when we have a formal agenda, with additional meetings arranged for specific matters as appropriate. The Remuneration Committee and Audit & Risk Committee each meet at least three times per year and the Nomination Committee meet at least twice per year. Each of our Committees have adopted Terms of Reference which are published on the **Jet2 plc** website. More details of the Board's activities and key decisions taken during the year can be found on pages 49 to 56.

## Annual General Meeting

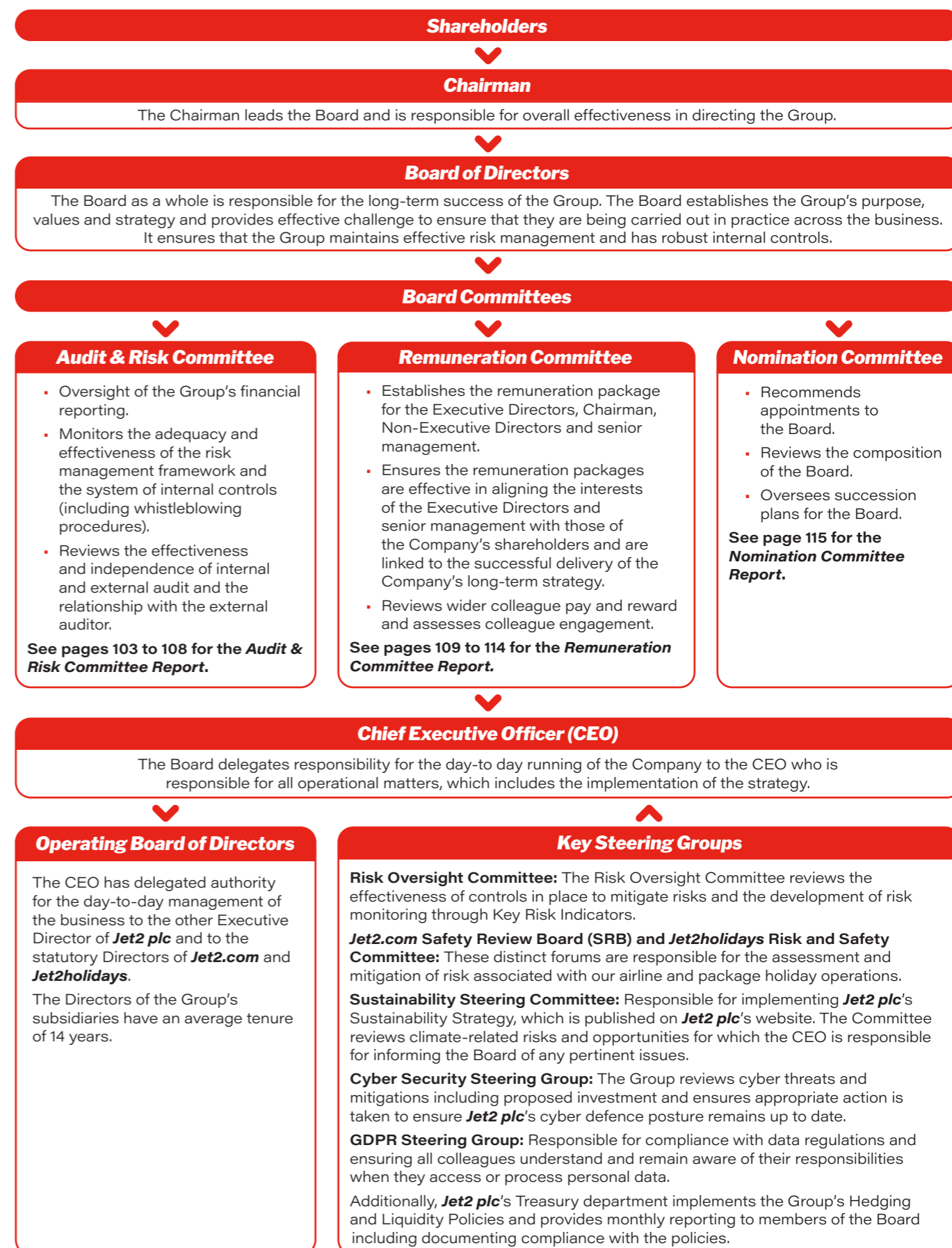
We continue to encourage all shareholders to attend our Annual General Meeting, which will be held in London on 4 September 2025, a forum which provides a great opportunity to hear from and speak with members of the Board.

I would like to take this opportunity, on behalf of the Board, to extend our sincere thanks to all of our Colleagues for their continued commitment and dedication throughout the year and to our shareholders for their valued support.



**Robin Terrell**  
Chairman  
8 July 2025

## Our Governance Structure



# Corporate Governance Statement

continued

The Board recognises that it is accountable to shareholders for good corporate governance. This report, together with the Reports of the Remuneration, Audit & Risk and Nomination Committees on pages 103 to 115, demonstrate our commitment to high standards of governance and sets out how the Group has complied with the UK Corporate Governance Code 2018, issued by the Financial Reporting Council (the "Code").

Our Governance Structure on page 91 provides a high-level summary of our approach to enable informed decision-making with clear accountability, whilst allowing delegation of specific matters to appropriate committees.

## Board leadership and company purpose

### The Role and Composition of the Board

The Board as a whole is responsible for the long-term success of the Group. The Board establishes the Group's purpose, values and strategy and provides effective challenge to ensure that they are being carried out in practice across the business. It ensures that the Group maintains effective risk management and has robust internal controls.

The Board comprises an Independent Non-Executive Chairman, three Independent Non-Executive Directors, one Non-Executive Director and two Executive Directors. Their biographies are detailed on pages 100 and 101.

The Board is satisfied that both its Executive and Non-Executive Directors have an effective and appropriate balance of skills, experience, knowledge and calibre to bring independent judgement and to provide constructive challenge on issues of strategy, performance, resources and standards of conduct, which are vital to the success of **Jet2 plc**.

Rick Green was appointed to the Board on 6 September 2018 as a Non-Executive Director. Prior to his appointment Rick worked, and continues to work, as a consultant for **Jet2.com** and **Jet2holidays** and is therefore not considered independent under the Code. However, the Board considers that Rick has significant commercial experience from both airline and tour operating sectors and as such brings much valued expertise and insight.

At least half of the Board, excluding the Chairman, are Non-Executive Directors whom the Board considers to be independent.

As members of the Board, all Non-Executive Directors are required to devote sufficient time to their role in order to discharge their responsibilities effectively and this is kept under continuous review. Any Director undertaking an additional external role or appointment is required to demonstrate that they will continue to have sufficient time to fulfil their commitments to the Group.

The Company has a clear division of responsibilities between the Non-Executive Chairman and the CEO. The Non-Executive Chairman is responsible for leading the Board and the long-term success of the Group, whilst the CEO is responsible for the execution of the Group's strategy and managing the Group's business on a day-to-day basis. The controls below Board level are designed to enable decisions to be made by the most appropriate person in an effective and timely manner.

The Group considers it has complied with the UK Corporate Governance Code 2018 other than Provision 24 where the Chairman of the Board was also the Chair of the Audit & Risk Committee during the period from 1 April 2024 to 22 July 2024 and also in respect of Provisions 12, 18 and elements of Provisions 36 and 38.

Certain key matters requiring Board approval are set out in a formal Schedule of Matters Reserved, which the Board reviews annually and is available at [www.jet2plc.com](http://www.jet2plc.com). The Schedule ensures a balance of Board oversight and operational flexibility, with examples of such matters including:

- approving the Group's overall objectives and strategy;
- monitoring internal controls, audit processes and risk management policies;
- approval of financial results, the Annual Report & Accounts and significant capital commitments;
- approval of material decisions, agreements and non-recurring projects;
- approval of capital allocation; and
- approval of key policies and Committee Terms of Reference.

## Board Meetings and Attendance\*

The Board held five scheduled meetings during the year, with additional Board meetings held to approve certain corporate activity and aircraft matters, and to review trading performance. In addition, the Board participated in a strategy day, site visits, training sessions and other business activities.

	Board meetings	Remuneration Committee meetings	Audit & Risk Committee meetings	Nomination Committee meetings
Steve Heapy	Present Present Present Present Present	-	-	-
Gary Brown	Present Present Present Present Present	-	-	-
Robin Terrell <sup>1</sup>	Present Present Present Present Present	Present Present Present	Present	Present Present
Rick Green	Present Present Present Present Present	-	-	-
Simon Breakwell	Present Present Present Present Present	Present Present Present	Present Present Present	Present Present
Angela Luger <sup>2</sup>	Absent Present Present Present Present	Present Present Present	Present Present Present	Present Present
Rachel Kentleton	Present Present Present Present Present	Present Present Present	Present Present Present	Present Present

 Present  Absent

\* The CEO and Group Chief Financial Officer are not members of the Audit & Risk Committee, Remuneration Committee or Nomination Committee and attend by invitation.

<sup>1</sup> Robin Terrell chaired the Audit & Risk Committee on 2 July 2024 before stepping down from the Committee as part of the handover to Rachel Kentleton.

<sup>2</sup> Angela Luger had to unexpectedly leave the Board Meeting on 25 April 2024. Angela had access to all Board papers in advance of the meeting and the opportunity to provide any follow-up comments after the meeting to the Chairman.

The Company Secretary attends all Board and Committee meetings.

## Board Activities

There is a rolling agenda for scheduled Board meetings, which were all held in person in the year. Each of these took place at one of our operational sites, enabling the Board to gain valuable insight and engage with our Colleagues. The programme is supported by an annual forward planner and ensures appropriate balance between the Board's consideration of strategy, performance and governance.

The CEO and Group Chief Financial Officer report on key strategic, financial and operational performance and updates are provided on colleagues, sustainability, legal and risk, and health and safety at each Board meeting. Key topics discussed during the year were:

Strategy	Performance	Governance
<ul style="list-style-type: none"> <li>• Group Strategy</li> <li>• Group Budget and Three-Year Plan</li> <li>• Cyber Security Strategy</li> <li>• Sustainability Strategy</li> <li>• Key Project updates</li> <li>• Capital allocation and dividends</li> <li>• Senior Management structure review and succession planning</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Results</li> <li>• Interim Results</li> <li>• Trading Updates</li> <li>• Market Performance</li> <li>• Treasury Review</li> <li>• Customer updates and insights</li> </ul>	<ul style="list-style-type: none"> <li>• Director appointments</li> <li>• Colleague engagement, culture and values</li> <li>• Shareholder engagement</li> <li>• Health and Safety updates</li> <li>• Risk Reviews</li> <li>• Governance reforms and legal updates</li> <li>• Audit Reviews</li> <li>• Nationality Declaration and Permitted Maximum shareholding</li> <li>• Key Policy approvals</li> </ul>

All Directors receive papers in advance of the Board meetings, including reports from the senior management team. Minutes of all Board and Committee meetings are taken by the Company Secretary, with actions, decisions and resolutions from each meeting recorded.

# Corporate Governance Statement

continued

## Director Induction

On appointment, each Non-Executive Director receives a detailed description of their role and responsibilities and undergoes a comprehensive induction organised by the Group Legal Director and Company Secretary, including:

- meetings with:
  - the Chairman;
  - the CEO;
  - the Group Chief Financial Officer;
  - the Chair of the Audit & Risk Committee;
  - the Chair of the Remuneration Committee;
  - the Chair of the Nomination Committee;
  - the Company Secretary;
  - the Nominated Adviser; and
  - senior members of the management team covering a range of key areas including Internal Audit & Risk Management, Finance, Legal, Trade channel and relationships, Revenue, Marketing, Contact Centre, Human Resources, Flight Operations and Overseas Holiday Operations;
- an opportunity to gain insight into the operational aspects of the business through tours of our Leeds Bradford and Manchester Airport operating bases, visits to our engineering hangars, flight simulator and cabin crew training centres and our Retail Operations Centre; and
- receives an induction pack to further their understanding of the business, its corporate policies and the framework in which the Board operates.

This process helps to ensure that the Non-Executive Director understands the Group's culture, business, strategy and key stakeholders.

## Shareholder Engagement

The *CEO Review* on pages 18 to 25 includes a detailed review of *Jet2 plc's* business and future developments. The Chairman ensures that effective communication with shareholders is given high priority and that there is regular dialogue with institutional shareholders, including presentations after the announcement of the Group's half-year and preliminary full-year results, which are attended by both the CEO and the Group Chief Financial Officer. In addition, the Executive and Non-Executive Directors have the opportunity to meet with other shareholders at the Annual General Meeting and on further occasions during the year as required.

The Board customarily uses the Annual General Meeting to communicate with private and institutional investors and welcomes their participation, and the Chairs of the Audit & Risk, Remuneration and

Nomination Committees are present to answer questions. There is also a question and answer session following the conclusion of the formal business of the meeting and an opportunity to meet informally with the Board after the Annual General Meeting, both of which provide a valuable opportunity to hear from members of the Board about developments within the Group, and to receive their views on issues which are of most interest to the shareholders present.

Details of resolutions to be proposed at the Annual General Meeting are included in the Notice of Annual General Meeting and related papers, which are sent to shareholders in advance of the meeting in accordance with the Group's Articles of Association. All votes received for general meetings are properly recorded and counted and details of proxy appointments and voting instructions are provided at the meeting. Full details of votes for, against and withheld are published on *Jet2 plc's* website following the meeting.

If a resolution receives 20% or more of votes cast against, the Board will consult with shareholders to understand the reason behind the result.

*Jet2 plc's* website ([www.jet2plc.com](http://www.jet2plc.com)) has a specific section for investors, which is regularly updated with relevant news and information, including the Annual Report & Accounts and the Notice of Annual General Meeting, as well as providing information on the Group's history and trading subsidiaries, with links to their respective websites.

## Culture

Our guiding principles are *People, Service, Profits* and we believe that happy, well paid and motivated colleagues will continue to provide great service and thereby enable sustainable long-term profitability. The Board relies on various indicators to assess and monitor *Jet2 plc's* culture, including regular interaction with senior management, feedback from *Jet2 plc's* colleague liaison groups and ad hoc discussions with colleagues as part of site visits and meetings. In addition, each UK airport operating base has a *Jet2.com* statutory Director responsible for representing and interacting with colleagues at their appointed base, ensuring a direct link between our Customer-facing operations and the most senior levels of our organisation.

The delivery of great service is at the core of our **'Take Me There'** values. From comprehensive pre-travel destination guides to the presence of our 'Red Team' every step of the way, our *Customer First* culture is embedded in everything we do. To achieve this, all colleagues take part in a one-day induction to the business, which introduces our values: **Be Present; Create Memories; Take Responsibility;** and **Work As One Team**. Refresher training and regular prompts

which are visible throughout the business ensure these values, which are intrinsic to the success of the business, remain front of mind when dealing with customers, colleagues and other partners and stakeholders. Further information on how we embed this culture is available in the *Our People* section on pages 80 to 87.

## Colleague Engagement

The Board recognises that it is important to engage with colleagues to ensure we are fostering an environment that they are happy to work in, supporting their personal wellbeing, and enabling them to understand the rationale for key decisions. In November 2024, colleagues were invited to share their thoughts anonymously on key topics in our first company-wide **TheBigJet2ColleagueSurvey**. The survey provided constructive feedback on topics such as pay and benefits, communication, development and work life balance, as well as our leadership. We were especially pleased that 84% of our Colleagues stated they are proud to work for *Jet2*, a result which is significantly higher than industry norms and which highlights the strong appeal of our Company as a place of work. Further information on the survey results is detailed in the *Our People* section on pages 80 to 87.

The Group operates five colleague group forums, which consist of 'Just2Say' (representing our Engineering colleagues), 'The Voice' (representing our Cabin Crew colleagues), 'Let's *Jet2*gether' (representing our Ground Operations colleagues), 'Let's *Jet2* It!' (representing our Head Office colleagues) and 'the PLOG' (representing our Pilot colleagues). These forums enable two-way communication between colleagues and management, allowing colleagues to share their thoughts and to contribute to organisational change. In addition, they also provide a platform for management to inform and consult with the representatives when changes are being made which may affect a large number of colleagues, such as to policies and procedures, facilities, accommodation and uniform.

Angela Luger, as the Board's Designated Non-Executive Director for Workforce Engagement, attended 'Let's *Jet2*gether', 'the PLOG' and 'The Voice' forums during the year, providing a wide range of colleagues with an opportunity to hold a meaningful dialogue and freely discuss viewpoints with her.

In response to feedback from these forums, the Group launched a new electric vehicle salary sacrifice scheme offering eligible colleagues a cost-efficient option to lease an electric vehicle through an HMRC-approved salary sacrifice scheme whilst also reducing associated emissions.



# Corporate Governance Statement

continued

Additionally, the Group keeps colleagues regularly informed on matters relating to their employment through a variety of weekly and monthly information bulletins and newsletters covering a broad range of topics. Furthermore, at an operational level, there are a series of roadshows at each of **Jet2 plc's** UK airport bases, which include an opportunity for colleagues to raise questions direct with Directors and the senior management team.

A mailbox entitled '**ShareWithSteve**' allows colleagues at any level of the organisation to write directly to the Company's CEO regarding any matter or concern they may have, providing a direct method of communication with a key member of the Board and enabling issues raised to be added to the Board agenda for discussion where appropriate.

The Board believes that our methods of colleague engagement are effective and enables it to ensure that the Group's principles of *People, Service, Profits* and its '**Take Me There**' values are truly embedded within our culture.

## Composition, succession and evaluation

### Re-election to the Board

From the Group's next AGM in September 2025, all Directors will be standing for re-election annually, bringing the Company's approach into compliance with the Code.

Historically the Directors have been submitted for re-election at regular intervals, subject to satisfactory performance, which does not comply with Provision 18 of the Code, as specified in Article 85 of the Group's Articles of Association. Newly appointed Directors are subject to election at the first AGM after their appointment.

### Evaluation

The Chairman is responsible for evaluation of the Board's composition and the performance of its Committees and individual Directors. This evaluation is made on an ongoing basis using feedback from the Group as a whole, supplemented by regular discussions with the Directors in question.

The Board continues to keep the appointment of a Senior Independent Director of the Board under review.

## Audit, risk and internal control

### Financial and Business reporting

A statement of the Directors' responsibilities in respect of the Annual Report & Accounts and financial statements is set out on page 117 of this Annual Report & Accounts. A statement on going concern is given on page 47.

### Audit & Risk Committee and Auditors

The Board has an established Audit & Risk Committee which during the year comprised of three Independent Non-Executive Directors.

The Audit & Risk Committee is chaired by Rachel Kentleton. Whilst not in compliance with the Code, Robin Terrell, our Chairman, continued in the position of Chair of the Audit & Risk Committee from the beginning of the financial year until approval of the Company's financial results for the year ended 31 March 2024 in July 2024. This was a transitional arrangement, following which Robin stepped down from the Committee and handed responsibility over to Rachel.

The Audit & Risk Committee meets no less than three times each year, reporting back to the Board on key issues discussed at each meeting.

The Board is satisfied that the Chair of the Audit & Risk Committee has recent and relevant financial experience. Our biographical details are on pages 100 and 101 of this Annual Report & Accounts.

The Executive Directors, the Group Legal Director & Company Secretary and the Finance & Investor Relations Director, as well as the external and internal auditors are invited to attend Committee meetings. The Committee's primary function is to assist the Board in:

1. Ensuring the integrity and clarity of the financial reporting and formal announcements relating to the Group's financial performance;
2. Providing oversight and review of significant financial judgements;
3. Considering key judgements and estimates applied in respect of the Going Concern and the viability statement;
4. Considering the appointment of the external auditor, their independence and objectivity and the scope of their work;
5. Reviewing the findings of the financial audit with the external auditors;
6. Reviewing and monitoring the adequacy and effectiveness of internal control and risk management policies;
7. Reviewing procedures for detecting fraud; and
8. Overseeing the scope of internal audit work for the year and reviewing the effectiveness of the Internal Audit function;

The Audit & Risk Committee Chair also engages with both the external and internal auditors, without the Executive Directors or members of the Finance team present.



KPMG were re-appointed as external auditor in October 2023, following a full tender process. The Audit & Risk Committee and the Board continue to believe this is in the best interests of shareholders.

The fee paid to KPMG for the statutory audit of the Group and Company financial statements and the audit of Group subsidiaries pursuant to legislation was £1.0m. A breakdown of fees paid to KPMG during the financial year is set out in Note 8. Resolutions to reappoint KPMG as auditor and to authorise the Directors to agree their remuneration will be put to shareholders at the Annual General Meeting.

A detailed *Audit & Risk Committee Report* is set out on pages 103 to 108.

The *Independent Auditor's Report* can be found on pages 118 to 125.

### Risk Management and Internal Control

The Board of Directors is responsible for the Group's system of internal control and for reviewing its effectiveness. Any such system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board of Directors has carried out a robust assessment of the emerging and principal risks facing the Group, including those that could threaten its business model, future performance, liquidity or solvency, which can be found on pages 35 to 46 of the Annual Report & Accounts.

The Directors have chosen a three-year time period for the Group's viability assessment, which aligns with the Group's medium-term fleet and operational planning timelines. The *Viability Statement* can be found on page 48 of the Strategic Report.

The risk management process and the system of internal control necessary to manage risks are assessed and monitored by the Audit & Risk Committee.

The Board maintains processes for identifying, evaluating and managing the risks faced by **Jet2 plc** which take account of the recommendations set out in the Financial Reporting Council's *Guidance on Risk Management, Internal Control and Related Financial and Business Reporting*.

To ensure compliance with laws and regulations, and to promote effective and efficient operations, the Board has established an organisational structure with clear operating procedures, lines of responsibility and delegated authority.

# Corporate Governance Statement

continued

Comprehensive guidance on financial and non-financial matters for all managers and colleagues is given in **Jet2 plc's** Management Manual, within which there are clear procedures for:

- approval of invoices before authorisation for their payment;
- capital investment, with detailed appraisal, authorisation and post-investment review; and
- financial reporting, within a comprehensive financial planning, budgeting, reporting and accounting framework.

**Jet2** has an independent Internal Audit department, which provides assurance by performing full and regular monitoring of the Group's policies and procedures, promoting robustness of controls, ensuring appropriate alignment of key risks and risk appetite and suggesting relevant key risk indicators for future monitoring.

Other areas of risk assessment and monitoring which may normally be carried out by an Internal Audit department are, in the main, covered by the Board either as a whole or within the various meetings highlighted.

Group Risk Management is the responsibility of the Operational Directors, who meet regularly with Internal Audit to review the Group Risk Register and to discuss existing and emerging risks. The Group has an established Risk Oversight Committee led by the CEO and Group Chief Financial Officer, attended by the Group Legal Director & Company Secretary and facilitated by the Head of Internal Audit, which reviews the effectiveness of controls in place to mitigate risks and the development of risk monitoring through Key Risk Indicators. Findings are reported to the Audit & Risk Committee throughout the year.



## Remuneration

### The Level and Components of Remuneration

The Board has established a Remuneration Committee which during the year comprised of:

- Myself, Robin Terrell;
- Simon Breakwell (Chair of the Committee);
- Angela Luger; and
- Rachel Kentleton.

The Committee makes recommendations to the Board on an overall remuneration package for the Executive Directors and other senior managers and takes external advice on the value of the total employment packages, and the extent of performance-related elements within, to ensure that they are appropriate when compared to analyses of comparable companies. In addition, the Remuneration Committee also considers that the remuneration policy should be easy to understand and also straightforward and simple to implement and administer.

Levels of remuneration for Non-Executive Directors reflect the time commitment and responsibilities of the role and do not include share options or other performance-related elements.

### Procedure

The Remuneration Committee is responsible for making recommendations to the Board, within agreed terms of reference, on **Jet2 plc's** framework of executive remuneration and its cost. The Committee determines the contractual terms, remuneration, equity awards and other benefits for the Executive Directors, including performance-related bonus schemes, and pension and compensation payments.

Further details are set out in the *Remuneration Committee Report* on pages 109 to 114.

### Remuneration outcomes

Remuneration outcomes are aligned with strategic priorities and the long-term success of the Group. The Board, with guidance from the Remuneration Committee and external Remuneration advisors, FIT Remuneration Consulting, exercises independent judgement and discretion to arrive at fair and balanced remuneration outcomes, taking account of both company and individual performance. When setting senior executive pay, the Board considers both external pay relativity and wider workforce remuneration and conditions.

## Whistleblowing

**Jet2** is committed to conducting its business with honesty and has a well-established Whistleblowing policy procedure, supported by anonymous online reporting, to ensure that colleagues are fully aware that they can report concerns or suspicions about any wrongdoing or misconduct and be assured that the Group will treat their concerns seriously, investigate them appropriately and provide assurance that their confidentiality will be protected wherever possible without fear of repercussion.

### Advice, Information and Support

All Directors have access to the advice and services of the Company Secretary, Ian Day, who is responsible to the Board for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

In addition, all Directors have access to independent professional advice at the Company's expense where required and the Group also has appropriate Directors' and Officer's liability insurance in place in respect of any legal action against its directors.

### Conflicts and Concerns

The Board maintains a conflicts register that identifies and manages conflicts of interest to ensure that the influence of third parties does not compromise or override independent judgement and the Group has processes in place to ensure that related party transactions are identified before any commitment is made.

If the Directors have concerns about the operation of the Board or management of the Group that cannot be resolved, their concerns would be recorded in the Board minutes.

### Board Approval of the Corporate Governance Statement

This Corporate Governance Statement is approved by the Board and signed on its behalf by:

**Robin Terrell**  
Chairman  
8 July 2025

# Board of Directors



## Robin Terrell

N R I

**Non-Executive Chairman**

**Date of appointment:** 14 April 2020 (appointed as Chairman on 5 September 2023)

**Experience:** Robin has extensive leadership experience in major online and retail businesses, having served as Chief Customer Officer at Tesco plc, as Executive Director, Multi-Channel and International at House of Fraser, as Managing Director of John Lewis Direct and as VP and Managing Director of Amazon.co.uk. Robin was formerly Non-Executive Director and Chair of the Audit and Risk Management Committee of William Hill plc between 2019 and 2021, Non-Executive Director of Karen Millen between 2016 and 2019 and Non-Executive Director and Chair of the Audit Committee of Wilko between 2016 and 2019. In addition, Robin is a Chartered Accountant having qualified with Coopers & Lybrand.

**External appointments:** Non-Executive Director and Chair of the Audit Committee at New Look and Non-Executive Chair of Wetsuit Outlet.



## Steve Heapy

**Chief Executive Officer**

**Date of appointment:** 17 June 2013

**Experience:** Steve has substantial experience in the travel industry, having held senior management roles with My Travel plc, Libra Holidays and Thomas Cook. Steve joined **Jet2** in 2009 as Managing Director of **Jet2holidays** and subsequently became Chief Commercial Officer of **Jet2.com**. He was promoted to Chief Executive Officer of **Jet2.com** and **Jet2holidays** in 2013 before becoming Chief Executive Officer of **Jet2 plc** in September 2020. Steve is a Fellow of the Institute for Travel and Tourism, a Member of the Chartered Governance Institute and a Member of the Institute for Turnaround.

**External appointments:** Director of ABTA Limited.



## Gary Brown

**Group Chief Financial Officer**

**Date of appointment:** 17 June 2013

**Experience:** Gary is a Fellow of the Institute of Chartered Accountants of England & Wales with a strong background in finance and management. Gary has significant experience within the retail and consumer goods sectors, having held a number of senior finance positions at J Sainsbury plc, Matalan plc, and Instore plc, where he was Group Finance Director. Prior to joining **Jet2**, Gary was the Global Chief Financial Officer of Umbro plc and subsequently, following the sale of the Umbro business to Nike Inc., Umbro International Limited.

**External appointments:** None.



## Rachel Kentleton

N AR R I

**Non-Executive Director**

**Date of appointment:** 18 March 2024

**Experience:** Rachel is an experienced qualified Chartered Accountant having held senior positions in Finance, Investor Relations and Strategy, including Group Director of Strategy and Implementation at easyJet plc, Group Finance Director at PayPoint plc and most recently, Chief Financial Officer at St Modwen Properties Limited. Rachel has held senior roles at Unilever plc, NatWest Group, Diageo plc and SABMiller plc. Rachel was also a Non-Executive Director and Chair of the Audit Committee at Persimmon plc between 2015 and 2021.

**External appointments:** Non-Executive Director and Chair of the Audit Committee at Trustpilot Group plc, at Travelodge and at SCA Investments Ltd (trading as 'Gousto'). Non-Executive Director and Member of the Audit Committee at Aqua Midco 1 Ltd (trading as 'Waterwipes').



## Angela Luger

N AR R I D

**Non-Executive Director**

**Date of appointment:** 3 July 2023

**Experience:** Angela is an experienced marketing, e-commerce and omnichannel retail director, having spent the early part of her career at Cadbury's, Coca Cola and Mars, followed by ten years with Asda as Trading Director and subsequently Global Managing Director of George at Asda. Angela was formerly Managing Director of Debenhams between 2008 and 2009, CEO of The Original Factory Shop between 2009 and 2013 and CEO of N Brown Group plc between 2013 and 2018. Angela has extensive board experience having been a Non-Executive Director and Chair of the Remuneration Committee of Manchester Airports Group, Non-Executive Director of New Look and Senior Independent Non-Executive Director of ScS Group plc.

**External appointments:** Senior Non-Executive Director of Portmeirion Group plc, Non-Executive Director and Chair of the Remuneration Committee at JD Sports Fashion plc and Trustee at The Pennies Foundation.



## Simon Breakwell

N AR R I

**Non-Executive Director**

**Date of appointment:** 27 April 2023

**Experience:** Simon is an accomplished business leader and has spent a significant part of his executive career in the travel industry, first at British Airways and then Expedia, where he was a member of the original founding team, scaled the operation internationally and managed the Hotels.com and Expedia brands. Simon launched Uber in Europe and went on to establish the brand across the region. He is a former board member of HomeAway, the online holiday rental marketplace, and was also Chair of Big Data for Travel. Simon was also previously CEO and Deputy Chairman of the AA, where he executed a major business and digital transformation programme.

**External appointments:** Chairman of Tiqets, Enviolo (Inflexion) and Senior Adviser at Silverrail.



## Rick Green

**Non-Executive Director**

**Date of appointment:** 6 September 2018

**Experience:** Rick has strong strategic and commercial experience in the travel industry gained from working in both the Airline and Tour Operating sectors. During the early part of his career, Rick held a number of senior management roles within First Choice Holidays and Thomas Cook, and then as Managing Director / CEO of Direct Holidays plc, My Travel Group and Globespan plc. Rick has provided consultancy services and advice to the Directors of **Jet2.com** and **Jet2holidays** on commercial strategy projects since 2010.

**External appointments:** Director of Brooklyn Travel Holdings Limited and a number of its subsidiary undertakings.

### Committee Membership

- AR Audit & Risk Committee
- R Remuneration Committee
- N Nomination Committee
- I Independent Director
- D Designated NED for Colleague Engagement
- Chair of Committee

# Board of Directors continued

## Skills and Experience

	Strategy & Leadership	Finance	Travel	Risk Management	Digital/ Marketing	People & Culture	Sustainability
Robin Terrell	✈	✈		✈	✈	✈	✈
Steve Heapy	✈		✈	✈	✈	✈	✈
Gary Brown	✈	✈	✈	✈		✈	✈
Simon Breakwell	✈		✈		✈	✈	
Angela Luger	✈				✈	✈	
Rachel Kentleton	✈	✈	✈	✈			✈
Rick Green	✈		✈		✈	✈	



# Audit & Risk Committee Report



I am pleased to present the Audit & Risk Committee's Report for the year ended 31 March 2025. I joined the Committee on 18 March 2024 and was delighted to take up the role of Chair on 23 July 2024, at which point Robin Terrell resigned from the Committee. I wish to express my appreciation to Robin for his leadership and dedication as Chair of the Audit & Risk Committee.

Both the Committee and I would like to thank the Group's Finance Department on behalf of all shareholders for their ongoing professionalism and dedication which is so crucial in such a high-volume, fast-moving business and makes the task of this Committee that much easier.

I hope that you find this report helpful in understanding the work of the Committee, and I welcome any feedback from shareholders in relation to the Committee and its activities.

### Committee composition

The Audit & Risk Committee comprises:

- Rachel Kentleton, Chair of the Audit & Risk Committee, **Jet2 plc** Independent Non-Executive Director;

- Simon Breakwell, **Jet2 plc** Independent Non-Executive Director; and
- Angela Luger, **Jet2 plc** Independent Non-Executive Director.

Rachel Kentleton is suitably qualified to be the Chair of the Committee with experience in senior roles across Finance, Investor Relations and Strategy, in businesses such as easyJet plc, PayPoint plc and St. Modwen Properties Limited. These roles have provided Rachel with the expertise to apply a sharp focus on the pertinent issues of the Group. Simon's significant travel industry experience and Angela's breadth of knowledge of large national corporations bring complementary challenge to the Committee and together we are able to offer a balanced view to the Board.

Further details of the Committee members and their respective experience can be found on pages 100 to 101.

### Other regular attendees

Although not members of the Audit & Risk Committee, the Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Legal Director & Company Secretary, the Finance & Investor Relations Director, the Head of Internal Audit and representatives of KPMG LLP (KPMG), our external auditor, are also regularly invited to attend meetings.

### Frequency of meetings

The Committee met formally three times in the year. In addition, Rachel also met informally with both KPMG and the Head of Internal Audit without executive management present at regular intervals throughout the year. Details of attendance at Committee meetings during the year can be found on page 93.

# Audit & Risk Committee Report continued

## Committee key responsibilities & areas of focus during the year ended 31 March 2025

During the year, the Committee's Terms of Reference were formalised and can be found on the **Jet2 plc** website. A summary of the Committee's duties and Terms of Reference can be found below:

Key responsibilities	Committee actions during the year
<p><b>Financial reporting</b></p> <p>Ensuring the integrity and clarity of the financial reporting and formal announcements relating to the Group's financial performance.</p> <p>Providing oversight and review of significant financial judgements.</p>	<ul style="list-style-type: none"> <li>Reviewed and approved the Annual Report &amp; Accounts for the year ended 31 March 2024 and half-year results to 30 September 2024.</li> <li>Challenged the key financial reporting judgements and estimates and concluded that accounting treatments were appropriate.</li> <li>Provided advice on the Annual Report &amp; Accounts and concluded that it was fair, balanced and understandable.</li> <li>Reviewed recent Financial Reporting Council thematic reviews, including climate-related financial disclosures and Corporate Governance to understand any impact on the Group's reporting.</li> <li>Considered reports and updates from the external auditor, including the impact of new and forthcoming accounting standards and / or judgemental issues, including IFRS 18 - <i>Presentation and Disclosure in Financial Statements</i>.</li> <li>Reviewed the evolution of proposed standards for assurance requirements on sustainability and considered the future implications for the Group.</li> </ul>
<p><b>Going concern and viability statement</b></p> <p>Considering key judgements and estimates applied in respect of the Going Concern and viability statement.</p>	<ul style="list-style-type: none"> <li>Reviewed and concluded over the Group's status both as a going concern over a one-year period and as viable over a three-year review period.</li> <li>Reviewed the appropriateness and adequacy of going concern and viability disclosures of the Group in the Annual Report &amp; Accounts.</li> </ul>
<p><b>External audit</b></p> <p>Considering the appointment of the external auditor, their independence and objectivity and the scope of their work.</p> <p>Reviewing the findings of the financial audit with the external auditors.</p>	<ul style="list-style-type: none"> <li>Reviewed the effectiveness of the external audit process for the year ended 31 March 2024 and monitored and concluded on the independence of the external auditor prior to approving their terms of engagement and remuneration for the year ending 31 March 2025.</li> <li>Reviewed and approved the Non-audit services policy and any fees of this nature incurred during the year.</li> <li>Reviewed the audit plan for the year ended 31 March 2025.</li> </ul>
<p><b>Risk management and internal controls</b></p> <p>Reviewing and monitoring the adequacy and effectiveness of internal control and risk management policies.</p> <p>Review procedure for detecting fraud.</p>	<ul style="list-style-type: none"> <li>Reviewed the principal risks affecting the Group, and considered feedback from separate formal risk review meetings.</li> <li>Reviewed procedure for detecting fraud and any whistleblowing reports.</li> <li>Considered, reviewed and, where appropriate, challenged the overall IT environment and its controls, including cyber-security.</li> <li>Performed a deep-dive review on certain key risks and their associated controls. Examples included: <b>Jet2.com</b> Airline Safety, Compliance &amp; Security, which was reviewed at the July 2024 meeting; and <b>Jet2holidays</b> Risk &amp; Safety, covered specifically at the November 2024 meeting.</li> <li>Reviewed principal risk disclosures in the Annual Report &amp; Accounts for accuracy &amp; completeness.</li> </ul>

Key responsibilities	Committee actions during the year
<p><b>Internal audit</b></p> <p>Overseeing the scope of internal audit work for the year and reviewing the effectiveness of the Internal Audit function.</p>	<ul style="list-style-type: none"> <li>Reviewed and considered reports from the work conducted by the Internal Audit function and ensured any remedial actions were undertaken by the business in a timely manner. This included UK &amp; Overseas Payroll, Gestures of Goodwill, IT General Controls, Social Media processes and Control over Airport Identity Cards.</li> <li>Received updates on whistleblowing events.</li> <li>Agreed the internal audit plan for the year and ensured that the function is operating effectively and is appropriately resourced to fulfil this plan.</li> </ul>

## Significant accounting issues considered by the Committee

The Committee reviewed accounting papers prepared by management and considered, with input from the external auditor, which issues were deemed to be of most significance for the 2025 Annual Report & Accounts and therefore required the sharpest focus by its members. The key matters considered by the Committee were as follows:

### Revenue recognition

The Committee considered the revenue recognition policies and reconciliation procedures performed by the business. The Committee noted in their review the robust nature of ongoing monthly reconciliation procedures in terms of automated matching of cash receipts with the associated sales system bookings in order to gain sufficient comfort over the accuracy of revenue recognition.

As in previous years, KPMG's testing centred around extraction of customer booking data for the year and re-performance of the calculation of revenue and deferred revenue using data and analytics audit techniques and third-party sourced flight departure dates. The Committee has evaluated KPMG's audit conclusions and is satisfied that revenue has been appropriately recognised in the accounts.

### Estimate of useful economic lives of aircraft

During the year ended 31 March 2024, the Committee satisfied itself that judgements used to estimate the useful economic lives of aircraft were appropriate following the first A321neo new aircraft deliveries. After careful consideration and due to the consistent application of these assumptions to future A321neo deliveries, the estimation of the useful economic lives of all aircraft was no longer considered to be an area of focus at a Group level. The Committee will continue to monitor market information and any changes to the Group's fleet plan annually to identify potential changes which could impact this estimate.

### Convertible bond

The Committee reviewed the accounting for the early repayment of convertible bonds and assessed that the allocation of consideration paid between the liability and equity components was satisfactory. In addition, it deemed appropriate for the residual equity component to be reclassified from Other reserves to Retained earnings, as the £2.9m unredeemed bonds no longer have the potential to convert to **Jet2 plc** shares.

### Deferred taxation asset recoverability

The Committee noted that a judgement is made in relation to the recoverability of the deferred tax asset, in light of UK tax trading losses accumulated during the pandemic-impacted years ended 31 March 2021 and 31 March 2022. In the current year, the Committee has updated its review of the key assumptions applied in terms of future recovery of the remaining losses and has also noted the utilisation of a significant portion of these losses in subsequent years in line with previous assumptions. As the residual balance has reduced significantly and forecasts indicate full utilisation within the viability assessment period, the Committee deems that recoverability of the deferred tax asset is no longer a critical judgement in the 2025 Annual Report & Accounts.

### Conclusion

The Committee assessed the quality and sufficiency of the 2025 Annual Report & Accounts through discussion with management and the external auditor and shared its findings with the Board. In conclusion, the Audit & Risk Committee reported to the Board that it considered the Annual Report & Accounts for the year ended 31 March 2025 to be fair, balanced and understandable and provides the information necessary for shareholders to assess our strategy, business model and financial position and performance.

# Audit & Risk Committee Report *continued*

## Going concern

The Committee reviewed the going concern basis on which the Annual Report & Accounts is prepared, the Directors having produced financial forecasts for the Group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2028.

For the purpose of assessing the appropriateness of the preparation of the Group's financial statements on a going concern basis, two financial forecast scenarios have been produced for the 12-month period following approval of these financial statements:

- A base case which assumes a full unhindered flying programme utilising an aircraft fleet of 135 at budgeted load factor against an 8% increase in seat capacity; and
- A downside scenario with load factors reduced to 70% from August 2025 to reflect a material reduction in demand or the occurrence of operationally disruptive events, and a lack of available funding for new aircraft during this period.

During their review, the Committee considered the Group's principal risks and uncertainties and the impact on forecast information if these risks were to materialise during this period. Other key considerations were:

- current forward booking performance against the forecast;
- the availability of banking facilities and their associated covenant measurements;
- the timing and value of any future share buybacks;
- the timing and funding of future aircraft deliveries;
- the current headroom in the downside scenario described above;
- the adequacy and relevance of sensitivities applied; and
- the healthy closing total cash and money market deposits balance of £3,155.8m at 31 March 2025, including £1,096.9m of 'Own Cash'.

Based on the combination of these factors, the Committee concluded that under both scenarios there is a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. Consequently, it is appropriate for the Group to continue to adopt the going concern basis in preparing the financial statements for the financial year ended 31 March 2025.

The *Going Concern Statement* can be found on page 47.

## Viability statement

The Committee reviewed the scenarios prepared for the Going Concern and Viability review, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2028.

The Committee considered the assumption of a three-year viability period and agreed with the Board's assessment that this aligns with the Group's medium-term fleet and operational planning timelines.

The Committee noted that the forecasts sensibly assume that the Group may continue to incur inflationary pressures on cost, notably hotel accommodation, aircraft maintenance and general airport & Eurocontrol charges, which may not be able to be fully passed on to customers. Furthermore, increases to the National Living Wage and changes to both the Employer National Insurance threshold and headline rate were also considered. These impacts will, however, be partially offset through the continued receipt of more fuel efficient A321neo aircraft into the fleet. It was also noted that should customer demand prove to be weaker than forecast, due to the mix of aircraft the Group retains some flexibility to downsize its fleet if required and eliminate the fixed costs associated with those particular aircraft.

Following a review of these forecasts alongside the principal risks and uncertainties that the Group faces and its ability to mitigate and manage those risks, the Committee have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 March 2028.

The *Viability Statement* can be found on page 48.

## External audit

KPMG were first appointed by *Jet2 plc* on 24 March 2005 to audit the financial statements for the period ended 31 March 2005 and subsequent financial periods. During 2023, the Committee held a tender process for the external audit for the year ended 31 March 2025. This process concluded in October 2023 and recommended the reappointment of KPMG as the Group's external auditors.

The auditor appointment is subject to ongoing monitoring and the Committee revisited their review of KPMG's effectiveness as part of the 2024 year-end process. The Committee considered several factors when determining their effectiveness including: the overall quality and scope of the audit; the expertise of the audit partner and the audit team; the extent to which the audit plan was met and the quality of its delivery

and execution; communication and engagement with the Audit & Risk Committee, both formal and informal, and how issues were reported, followed up and resolved; and the independence of KPMG and whether an appropriate level of challenge and professional scepticism existed in their work.

The Committee also sought the views of key members of the finance team and senior management on the audit process and their feedback confirmed that KPMG had continued to perform well during 2024 and had provided an appropriate level of challenge to management.

Additionally, the Committee is satisfied with the performance of the external auditor and the policies and procedures in place to maintain their objectivity and independence including: the auditor's procedures for maintaining and monitoring independence, including those to ensure that the partners and staff have no personal or business relationships with the Group, other than those in the normal course of business permitted by UK ethical guidance; and the auditor's policies for rotation of the audit partner every five years, together with regular rotation of key audit personnel.

Based on the review and feedback received, the Committee concluded that KPMG possesses the skills and experience required to fulfil its duties effectively and efficiently for the year ended 31 March 2025 audit.

The fee paid to KPMG for the statutory audit of the Group and Company financial statements and the audit of Group subsidiaries pursuant to legislation was £1.0m. Other than ATOL regulatory reporting, KPMG do not provide any non-audit services to the Group. Resolutions to reappoint KPMG as auditor and to authorise the Directors to agree their remuneration will be put to shareholders at the AGM.

## Non-audit services policy

The Group's non-audit services policy is in line with the recommendations set out in the Financial Reporting Council's Revised Ethical Standard and is in place to ensure that the provision of non-audit services does not impair KPMG's independence. The non-audit services policy was last reviewed in November 2024 and will continue to be reviewed on an annual basis. For permitted non-audit services that are clearly trivial, the Audit & Risk Committee has pre-approved the use of the external auditor subject to specified annual limits.

KPMG's fees for non-audit services provided during the year ended 31 March 2025 were £27,000 (2024: £25,000), which is approximately 3% of the 2025 audit fee. These fees covered the audit-related assurance services on ATOL and ABTA reporting and KPMG was engaged to provide this assurance service due to its

knowledge of the Group. The Committee is satisfied that the work was best performed by KPMG and that the services provided did not give rise to threats of independence.

The Group also receives advice as needed from Deloitte LLP and PwC LLP on taxation issues and Herbert Smith Freehills Kramer LLP on legal issues relating to corporate matters.

## Internal audit, internal controls & risk management

The Audit & Risk Committee is responsible for monitoring the performance and effectiveness of the Company's Internal Audit activities. Consequently, the Audit & Risk Committee reviewed and approved the annual internal audit plan, ensuring that it was appropriately based on our Risk Assessment Framework. In addition, the Committee received regular progress updates on the delivery of the plan at each of its meetings during the year.

The Group's Internal Audit team remains a key function within the business and provides independent and objective assurance over the design and operating effectiveness of internal controls, through a risk-based approach. The team has unrestricted access to all Group documentation, premises, functions and colleagues to enable it to perform its work. The Head of Internal Audit reports to the Committee and, administratively, to the Group Chief Financial Officer. The Committee engages directly with the Internal Audit team, who also had three separate meetings with KPMG during the year.

BDO LLP performed an External Quality Assessment of the Internal Audit function during the year. The review concluded that the Internal Audit function was effective and made some additional recommendations for the Committee to consider. Many of these recommendations have been adopted and are in place as at the year-end. This includes: enhancements to both planning and reporting to highlight, articulate and justify areas that are excluded from planning and scoping; thematic reporting to focus on common themes identified from internal audit findings; and the implementation of a feedback process to help support continuous improvement. The exercise provided an appropriate level of assurance to the Committee regarding the effectiveness of Internal Audit.

Internal Audit continues to work with both senior management and the Board to maintain the Group's risk register and to ensure that there is appropriate alignment and understanding of key risks (and the controls in place to mitigate them), and risk appetite.

# Audit & Risk Committee Report continued

The Group utilises a risk management tool, which drives efficiency in the production and maintenance of individual risk registers and more broadly enhances governance over the recording, monitoring and reporting of risks and controls within the business. In addition, the model presents consolidated visual summaries of risk performance complemented by more informed risk and control effectiveness scoring relative to risk appetite, providing greater visibility to users.

The Head of Internal Audit has roles and responsibilities beyond Internal Audit, namely Risk Management, Business Continuity, Fraud Prevention and Robotic Process Automation. To avoid the threat of self-review, it has been established that:

- Internal Audit shall not perform any assurance work on these areas;
- If the Committee determines that these areas require assurance, the Group will engage competent external advisors to complete any work required;
- If the Head of Internal Audit believes that independence or objectivity is impaired in fact or appearance, details of the impairment will be immediately disclosed to the Committee Chair; and
- The Head of Internal Audit will confirm to the Committee, at least annually, the organisational independence of Internal Audit and any areas where Internal Audit are unable to provide assurance.

As the Audit & Risk Committee is responsible for reviewing and monitoring the adequacy and effectiveness of internal controls, the aforementioned model is a vital component used in conjunction with existing risk management processes to aid the Committee in this review.

Internal Audit also have a key role in the oversight of our business continuity capabilities, ensuring that key functions are able to continue to operate effectively when faced with unexpected disruptive events.

## Future developments

At the beginning of the 2025 calendar year, the Committee set out a detailed cycle of events to cover the key areas of focus for the remainder of the financial year ended 31 March 2025 and the first nine months of the year ending 31 March 2026. The cycle will evolve during the year to respond to the priorities of both the Board and the business.



**Rachel Kentleton**  
Non-Executive Director,  
Chair of the Audit & Risk Committee  
8 July 2025



## What our Colleagues love most about working at Jet2

I love the variety my role brings and the passion my team has for everything we do. No two days are ever the same - one minute we're launching a new training initiative, the next we're supporting a new exciting project. That unpredictability is what keeps me energised.

I've led our Cabin Crew Training team for many years and have seen it grow to over 120 brilliant talented people. The support they give each other, the wider crew and me is something I'm incredibly proud of. I've had so many stand-out moments, but hosting our Cabin Crew Wings Ceremonies always stays with me. Celebrating my training team's achievement, our new crew and seeing the pride on their families' faces really brings home the impact we have. **'Take Me There'** is more than words to me - it's a mindset.

I genuinely love working across the business, bringing teams together to make things happen. **Work As One Team** is at the heart of everything I do.

**Jamie Leggett**  
General Manager - Cabin Crew Training

# Remuneration Committee Report



I am pleased to present the Remuneration Committee's Report for the year ended 31 March 2025.

## Committee composition & meetings

During the year ended 31 March 2025, the Group's Remuneration Committee (the "Committee") comprised:

- Robin Terrell, our Chairman, **Jet2 plc** Independent Non-Executive Director;
- Myself, Simon Breakwell (Chair of the Committee), **Jet2 plc** Independent Non-Executive Director;
- Angela Luger, **Jet2 plc** Independent Non-Executive Director; and
- Rachel Kentleton, **Jet2 plc** Independent Non-Executive Director.

The Committee met formally three times in the year.

## Committee key responsibilities

The Committee makes recommendations to the Board on an overall remuneration package for the Executive Directors and other senior managers. It takes external advice from FIT Remuneration Consultants LLP on the value of the total employment packages and the extent of the performance-related elements within, to ensure that they are appropriate when measured against comparable companies. The Committee also reviews the design of all share incentive plans, including the potential award levels and any associated performance targets.

The Remuneration Committee is committed to ensuring that the remuneration packages are effective in aligning the interests of the Executive Directors and senior management with those of the Company's shareholders and that they provide appropriate incentivisation to continue to deliver long-term sustainable profitability. The Remuneration Committee considers that the remuneration policy is straightforward, easy to understand and simple to implement and administer.

## Committee key areas of focus during the year

### Directors' and Colleagues' Remuneration

To ensure that the Group's salary proposals remain appealing to retain our talented colleagues and to attract new individuals to support our growth, all colleagues were awarded a 3% annual salary increase from 1 April 2025. At the same time, Executive Directors were awarded a 3% annual salary increase which was also applied to the Non-Executive Directors' basic fee.

Our dedicated Colleagues have consistently delivered our award-winning *Customer First* service. To acknowledge their exceptional contributions throughout the year ended 31 March 2025, the Group will distribute the Discretionary Colleague Profit Share Scheme to non-management colleagues in July. In addition, based on the successful operating and financial performance of the Company, the Discretionary

Bonus Scheme for management Colleagues will also be paid. Both bonus schemes will continue during the year ending 31 March 2026 subject to performance conditions being met.

### Senior Executive Incentive Plan for the year ended 31 March 2025

The Group operated the Senior Executive Incentive Plan (SEIP) for the **Jet2 plc** CEO, Group Chief Financial Officer and certain subsidiary company Directors for the year ended 31 March 2025, applying the same weighting of metrics as have been used for a number of years (Profit – 60%; Customer – 20%; Personal – 20%).

Strong performance was achieved against all of the criteria set and accordingly all participants received the maximum awards available to them under the SEIP (150% of base salary for Executive Directors and 60% of base salary for other Directors). As required by the SEIP, a material proportion of the SEIP outcome (equivalent to 30% of the total award value) was deferred for three years as an award of shares.

### ShareSave

The Committee believes that ShareSave schemes engender a greater sense of ownership and pride in being an employee of the Group, in turn aiding retention and inspiring colleagues to fulfil our *Customer First* strategy.

Therefore, to ensure that our Colleagues are fully engaged in the future growth of the Company and following the success of our

# Remuneration Committee Report

continued

previous ShareSave schemes, the Group launched a third scheme in September 2024. These schemes give our UK, Spanish and Portuguese colleagues the opportunity to save up to £500 per month (or €500 for our European colleagues) for a period of 36 months, with an option to purchase shares in **Jet2 plc** at the end of this period.

Colleagues will have the choice to either purchase the shares at a price of £10.78 (Sept 2023 scheme: £8.92), which is a 20% discount to the market value share price at inception of the scheme, or to simply receive back the cash amount saved, including interest accrued at a bonus rate in line with HMRC guidelines.

## Share Reward Plan

The Committee aims to ensure that the Company protects the interests of its shareholders appropriately by offering competitive rewards to those individuals who are instrumental to our continuing success. At the same time, any

long-term incentive provision needs to align to the principle that our remuneration policy should be straightforward, easy to understand and simple to implement and administer.

To fulfil these aims, the Company operates a Share Reward Plan. Awards made under this Plan are long-term "restricted stock-type" in form, which promotes the retention of our most senior executives and provides simple and transparent incentivisation by direct alignment to our share price performance.

Annual awards under the Share Reward Plan for our **Jet2 plc** Executive Directors worth 150% of base salary will be made again in July 2025 (2024: 150%). The Committee believes that this level of annual award provides appropriate reward opportunities and incentivises retention, which will be in shareholders' long-term best interests. As we noted in our Committee report for 2024, some shareholders encouraged the

Committee to consider potentially more valuable plans such as "Value Creation Plans" for our Executive Directors; however, the Committee does not believe that the potential quantum of such plans or their complexity aligns to **Jet2's** wider outlook on pay matters as described above (simple; straightforward; transparent) which has served shareholders well to date.

The July 2025 awards are subject to a vesting period of three years from the date of grant, consistent with earlier Share Reward Plan awards. The Committee will consider performance in the following areas across the three-year period before confirming the vesting of the awards:

- overall Company performance;
- performance against the principles of *People, Service, Profits*; and
- sustainability performance.

As with prior Share Reward Plan awards, personal performance will also be considered before vesting is confirmed.

## Executive Director remuneration policy

The details of individual components of the remuneration package are discussed below.

Remuneration element and purpose	Operation	Measures to assess performance / clawback application
<b>Salary</b> To provide the core compensation for the Executive Director's role, at a level to attract and retain executives of the required calibre.	The basic salary for each Executive Director is determined by individual performance and reference to external market data. Each salary is reviewed annually by the Committee. The basic salary is the only element of remuneration that is pensionable.	Not applicable
<b>Pension</b> To provide an appropriate level of retirement provision.	Executive Directors are eligible to participate in a defined contribution pension plan. In addition, contributions may be made to a personal pension arrangement, including through salary sacrifice, and / or cash payments may be made in lieu of pension contributions.  In the financial year ended 31 March 2025, the maximum pension benefit provided was equivalent to 14% of base salary.	Not applicable
<b>Benefits</b> To provide customary benefits.	The principal benefits include one or more of the following non-cash benefits: the provision of a company car, fuel allowance, life assurance and the provision of private healthcare. The Committee has discretion to determine whether other benefits should be provided. The cost to the Group of providing these benefits may vary year-on-year, and the Group monitors this cost.	Not applicable

Remuneration element and purpose	Operation	Measures to assess performance / clawback application
<b>SEIP (Cash bonus with deferral element)</b> The Senior Executive Incentive Plan ( <b>SEIP</b> ) is a performance-related cash bonus plan, with the ability for the Committee to mandate that a proportion of the bonus be deferred into a deferred share award (the " <b>Deferred Award</b> ") dependent on the level of bonus achieved. The SEIP is intended to incentivise executives, reward strong performance and align remuneration to the Group's objectives and goals, including a deferral element to provide longer-term alignment to shareholders.	<b>SEIP cash award</b> In order to encourage profit performance and to reward achievement of relevant customer and individual metrics, bonus awards under the SEIP are determined based on performance conditions set annually. The maximum award value under the SEIP is 150% of base salary. To the extent that the award value achieved exceeds a specified deferral threshold (currently equal to 40% of the maximum award value), half of the award value in excess of the deferral threshold is granted as a Deferred Award. At maximum performance, the Deferred Award will therefore represent 30% of the total award value. Any earned cash bonus element is paid following the announcement of results for the financial year to which it relates. The payment of the cash bonus element under the SEIP is subject to the Executive Director being in employment, and not under notice, on the payment date, subject to the potential for good leaver treatment.	The specific targets, and the weightings of each metric, will be set annually by the Committee. The profit-based metric will, however, normally represent at least the majority of the total bonus opportunity. Cash bonus payments are subject to clawback at the discretion of the Committee in the event of a misstatement of results within one year of payment or the discovery of misconduct that occurred at any time prior to payment.
	<b>SEIP Deferred Award</b> Deferred awards are granted over a number of shares to reflect the value of the deferred bonus element based on the higher of: the average share price over the 12-month period to the fifth dealing day following (and including) the date of announcement of results for the relevant financial year; and a scheme minimum share price. Deferred awards take the form of a right to receive shares at a price payable equal to the nominal value per share. Deferred awards are subject to a vesting period of three years from the date of grant. On vesting, a dividend equivalent payment will be made on vested shares. The Committee also has discretion to determine that deferred awards may be paid in cash. Vesting is not subject to further performance conditions, given that deferred awards represent the deferral of previously earned annual bonus. However, the vesting of a deferred award under the SEIP is subject to the Executive Director being in employment and not under notice on the vesting date, subject to the potential for good leaver treatment. Good leaver reasons include the Executive Director's death, injury, disability, redundancy, retirement or in connection with a business or company disposal. In these cases, the Deferred Award shall vest (either on the normal vesting date or immediately as determined by the Committee) subject, unless the Committee determines otherwise, to prorating for time. In addition, the Committee retains discretion to permit the payment of cash awards and / or vesting of deferred awards in other circumstances.	Deferred awards are subject to clawback at the discretion of the Committee in the event of a misstatement of results within one year of grant or the discovery of misconduct that occurred at any time prior to vesting.

# Remuneration Committee Report

continued

Remuneration element and purpose	Operation	Measures to assess performance / clawback application
<p><b>Share Reward Plan (SRP)</b></p> <p>SRP is a deferred share award intended to aid in retention of executives and bring direct alignment of their experience to those of shareholders as we seek to drive future growth.</p>	<p>SRP Awards are granted over a number of shares to reflect the value of the Share Reward based on the average share price over the preceding financial year calculated consistently with the SEIP Deferred Awards.</p> <p>SRP Awards take the form of a right to receive shares, at a price payable equal to the nominal value per share.</p> <p>SRP awards are subject to a vesting period of three years from the date of grant. Vesting is subject to the Executive Director being in employment and not under notice on the vesting date, subject to the potential for good leaver treatment, as described in the SEIP Deferred Award section.</p> <p>All vestings will be subject to satisfactory personal performance and are reviewed by the Remuneration Committee before approval. The Committee will consider overall performance in the following areas across the three-year period before confirming the vesting of awards: overall Company performance, performance against the principles of <i>People, Service, Profits</i> and Sustainability performance.</p> <p>For awards made from 2023 onwards, on vesting, a dividend equivalent payment will be made on vested shares.</p>	<p>SRP awards are subject to clawback at the discretion of the Committee in the event of a misstatement of results within one year of grant, or the discovery of misconduct that occurred at any time prior to vesting.</p>

## Non-Executive Director remuneration

Non-Executive Director fees are determined by the Board, having taken advice from FIT Remuneration Consultants LLP on appropriate fee levels.

Fees reflect the time commitment and responsibilities of the roles. There are additional fees for chairing Committees and for the Designated Non-Executive Director for Workforce Engagement. Robin Terrell, the Chairman, does not receive any additional fees for chairing Committees.

The Non-Executive Directors are not involved in any discussions or decisions about their own remuneration and do not participate in any bonus or share-based incentive plans.

## Service contracts and terms governing loss of office

Gary Brown and Steve Heapy's service contracts, dated 29 April 2013 and 17 June 2013 respectively, contain a twelve-month rolling notice period for notice given by the Company and a nine-month rolling notice period for notice given by the individual.

Each of the Non-Executive Directors has a formal letter of engagement containing a three-month rolling notice period for notice given by either party.

There are no predetermined special provisions for Executive or Non-Executive Directors with regard to compensation in the event of loss of office. The Committee considers the circumstances of individual cases of early termination and determines compensation payments accordingly.

All Directors will retire from the Board at the Annual General Meeting on 4 September 2025 and, being eligible, will offer themselves for re-election in line with the Company's Articles of Association.

## Directors' emoluments during the year

Year ended 31 March 2025	Basic salary and fees £000	Benefits <sup>(2)</sup> £000	Pension £000	SEIP Cash awards <sup>(3)</sup> £000	SEIP deferred awards <sup>(4)</sup> £000	SRP deferred awards <sup>(4)</sup> £000	Total 2025 £000
<b>Executive Directors:</b>							
Steve Heapy	900	13	106	927	250	991	3,187
Gary Brown	682	3	94	708	192	758	2,437
<b>Non-Executive Directors:</b>							
Robin Terrell	320	–	–	–	–	–	320
Simon Breakwell	85	–	–	–	–	–	85
Angela Luger	80	–	–	–	–	–	80
Rachel Kentleton	83	–	–	–	–	–	83
Rick Green <sup>(1)</sup>	148	–	–	–	–	–	148
<b>Total</b>	<b>2,298</b>	<b>16</b>	<b>200</b>	<b>1,635</b>	<b>442</b>	<b>1,749</b>	<b>6,340</b>

Year ended 31 March 2024	Basic salary and fees £000	Benefits <sup>(2)</sup> £000	Pension £000	SEIP Cash awards <sup>(3)</sup> £000	SEIP deferred awards <sup>(4)</sup> £000	SRP deferred awards <sup>(4)</sup> £000	Total 2024 £000
<b>Executive Directors:</b>							
Philip Meeson	246	15	–	–	–	–	261
Steve Heapy	849	20	102	891	190	962	3,014
Gary Brown	656	2	91	680	145	739	2,313
<b>Non-Executive Directors:</b>							
Robin Terrell	235	–	–	–	–	–	235
Mark Laurence	88	–	–	–	–	–	88
Simon Breakwell	73	–	–	–	–	–	73
Angela Luger	52	–	–	–	–	–	52
Rachel Kentleton	3	–	–	–	–	–	3
Rick Green <sup>(1)</sup>	173	–	–	–	–	–	173
<b>Total</b>	<b>2,375</b>	<b>37</b>	<b>193</b>	<b>1,571</b>	<b>335</b>	<b>1,701</b>	<b>6,212</b>

Notes:

- Rick Green received fees of £87,000 (2024: £112,000) in respect of consultancy services for the Group which are included in basic salary and fees.
- The remuneration package of each Executive Director includes one or more of the following non-cash benefits: the provision of a company car; fuel allowance; life assurance and private healthcare.
- There have been cash awards of £1,635,000 under the SEIP scheme in relation to the financial performance for the period ended 31 March 2025 (2024: £1,571,000).
- Under the SRP scheme, deferred awards were granted in July 2024, July 2023, July 2022 and July 2021. Under the SEIP scheme, deferred awards were granted in July 2024 and July 2023, and a further deferred award will be granted in July 2025 in respect of performance over the year ended 31 March 2025. For the remuneration disclosure above, the annual charge recorded is based on the IFRS 2 accounting fair value of the deferred awards at grant, spread over the period from the service commencement date or grant date to the vesting date for SEIP and SRP respectively. Further details of these awards are provided in the *Directors' interests in options and deferred awards* table.

# Remuneration Committee Report

continued

## Directors' interests in options and deferred awards

The interests of the Directors who served during the year in options and deferred awards over shares were as follows:

Director	Share scheme / Award Plan	Exercise / award price	At 31 March 2024 No.	Granted during the year <sup>(1)</sup> No.	Exercised during the year No.	Lapsed in the year No.	At 31 March 2025 No.
Steve Heapy	SEIP Deferred Award	1.25p	32,589	30,558	–	–	63,147 <sup>2</sup>
Gary Brown	SEIP Deferred Award	1.25p	24,881	23,331	–	–	48,212 <sup>3</sup>
Steve Heapy	SRP Award	1.25p	296,010	101,861	(136,000)	–	261,871 <sup>4</sup>
Gary Brown	SRP Award	1.25p	227,167	77,770	(105,000)	–	199,937 <sup>5</sup>
Steve Heapy	ShareSave	£7.66	2,349	–	–	–	2,349 <sup>6</sup>
Gary Brown	ShareSave	£7.66	2,349	–	–	–	2,349 <sup>6</sup>

<sup>1</sup> SEIP and SRP deferred awards were all granted on 22 July 2024 and vest on 22 July 2027. The number of shares awarded during the year was calculated using the average closing mid-market share price for the 12-month period ended 17 July 2024 of £12.50.

<sup>2</sup> 32,589 deferred awards vest on 12 July 2026, 30,558 awards vest on 22 July 2027.

<sup>3</sup> 24,881 deferred awards vest on 12 July 2026, 23,331 awards vest on 22 July 2027.

<sup>4</sup> 87,591 deferred awards vest on 20 July 2025, 72,419 deferred awards vest on 16 July 2026 and 101,861 deferred awards vest on 22 July 2027.

<sup>5</sup> 66,875 deferred awards vest on 20 July 2025, 55,292 deferred awards vest on 16 July 2026 and 77,770 deferred awards vest on 22 July 2027.

<sup>6</sup> Options vest on 1 October 2025 and represent the total number of shares granted if monthly contributions are maintained for the full three-year vesting period.

The closing mid-market price of the Company's shares on 31 March 2025 was £12.39 per 1.25 pence ordinary share. The highest and lowest closing mid-market prices during the year were £16.51 and £12.39, respectively.

## Director shareholdings

The Directors who held office at 31 March 2025 had the following interests in the ordinary shares of the Company at that date:

Director	31 March 2025	31 March 2024
Steve Heapy	355,114	283,096
Gary Brown	157,949	102,599
Robin Terrell	13,761	5,204
Simon Breakwell	–	–
Angela Luger	1,403	–
Rachel Kentleton	1,801	–
Rick Green	3,000	3,000

No Directors have a non-beneficial interest in the shares of the Company. None of the Directors have any direct or indirect interest in any contract or arrangement subsisting at the date of these financial statements that is significant in relation to the business of the Group or the individual and that is not otherwise disclosed.

## Advisers

When required, Herbert Smith Freehills Kramer LLP provides legal and regulatory advice to the Company on executive incentive arrangements and the operation of share plans.

During the year FIT Remuneration Consultants LLP also provided the Committee with external remuneration advice. FIT is a member of the Remuneration Consultants Group and the voluntary code of conduct of that body is designed to ensure that objective and independent advice is given to remuneration committees. The Remuneration Committee is satisfied that the advice received was objective and independent.

The Remuneration Committee Report is approved by the Board and signed on its behalf by:



**Simon Breakwell**  
Chair of the Remuneration Committee  
8 July 2025

# Nomination Committee Report

I am pleased to present the Nomination Committee's Report for the year ended 31 March 2025.

## Committee composition & meetings

The Nomination Committee (the "Committee") comprises:

- Myself, Robin Terrell (Chair of the Committee), **Jet2 plc** Independent Non-Executive Director
- Simon Breakwell, **Jet2 plc** Independent Non-Executive Director
- Angela Luger, **Jet2 plc** Independent Non-Executive Director; and
- Rachel Kentleton, **Jet2 plc** Independent Non-Executive Director.

The Committee was formed in April 2024 and met formally twice in the year.

## Committee key responsibilities

The purpose of the Committee is to:

- Assist the Board by keeping the composition and performance of the Board and its Committees under continuous review to ensure that it has the necessary balance of skills and experience;
- Ensure a thorough and transparent process is adopted for making new appointments to the Board;
- Oversee succession within the Board and its committees;
- Evaluate the skills, knowledge and experience of the Board;
- Review time commitments and external directorships of the Board; and
- Review the outcome of Board Evaluations.

## Committee key areas of focus during the year

The Committee reviewed and adopted a Terms of Reference following its formation during the year. The Committee's Terms of Reference can be found on the **Jet2 plc** website.

Ahead of the 2024 Annual General Meeting (AGM) of the Company, the Committee assessed the skills, experience and performance of the Directors who were subject to retirement by rotation and re-election at the AGM.

In addition, the Committee reviewed the independence of the Non-Executive Directors, together with their time commitments and other external appointments.

## Board Induction

On appointment, each Non-Executive Director receives a detailed description of their role and responsibilities. In addition, they undergo a comprehensive induction organised by the Group Legal Director and Company Secretary, which includes meetings with the Group's Executive Directors and senior management team as well as visits to operational sites. This process helps to ensure that they understand the Group's culture, business, strategy and key stakeholders.

## Assessment of the Independence of the Non-Executive Directors

The Committee affirmed that Simon Breakwell, Angela Luger and Rachel Kentleton remained independent during the year. Rick Green continues to work as a consultant for **Jet2.com** and **Jet2holidays** and is therefore not considered independent.

## Time commitments and external appointments of Non-executive Directors

The Committee satisfied itself that the Non-Executive Directors have sufficient time to be able to fulfil their Group responsibilities. The Committee did not identify any instances of overboarding.

## Diversity and inclusion

The Board is keen for its membership to reflect its wider workforce, and over recent years has expanded the diversity of the Board with two new female appointments.

## Looking Forward

The Committee will continue to ensure that the Board possesses the appropriate skills and experience required to execute the Group's Strategy and will review the outcome of an internal Board Evaluation.

In addition, the Committee will oversee the appointment of a Senior Independent Non-Executive Director at the appropriate time, the role having previously been held by myself prior to my appointment as Chairman of the Board.



**Robin Terrell**  
Chairman, Chair of the Nomination Committee  
8 July 2025

# Directors' Report

This Directors' Report includes the information required to be included under the Companies Act or, where provided elsewhere, an appropriate cross-reference is given as follows:

- Strategic Report: pages 14 to 87;
- Risk Management: pages 32 to 48;
- Sustainability: pages 57 to 66;
- Corporate Governance Statement approved by the Board: pages 90 to 99;
- Directors of the Company: pages 100 to 101;
- Directors' remuneration: page 113.

## Results and dividends

The results for the year are set out in the Consolidated Income Statement and show a profit after taxation of £446.8m (2024: £399.2m). An interim dividend of 4.4p was paid during the year (2024: 4.0p).

Basic earnings per share was 213.1p (2024: 185.9p) and in view of the financial performance, our financial strength and continued confidence in the Group's prospects, in line with its capital allocation principles, the Board has resolved to pay a final dividend of 12.1p per share (2024: 10.7p), representing an increase of 13%.

## Post-balance sheet events

On 29 April 2025, **Jet2 plc** launched an on-market share buyback programme of up to £250m and the shares will be cancelled following purchase.

On 9 May 2025, the Group renewed and expanded its Revolving Credit Facility (RCF), which now has unsecured available facilities of up to £500m, an increase of £200m from the previous arrangement. The RCF runs to 31 October 2029 with an option to extend for a further two years.

Other than these, there have been no further material events after the balance sheet date of 31 March 2025 through to the date of this Annual Report & Accounts.

## Share capital and authority to purchase shares

The Company's share capital as at 31 March 2025 was 214,683,850 ordinary shares of 1.25 pence each (Ordinary Shares). During the year ended 31 March 2025, 2,569 new Ordinary Shares (2024: nil) were issued. Details of the share capital are set out in Note 26 to the consolidated financial statements.

At the Annual General Meeting in September 2024 shareholders gave authority to the Directors to purchase up to 21,468,385 shares in the Company, representing approximately 10 per cent of its issued share capital during the period which expires at the 2025 Annual General Meeting, at a price to be determined within certain limits. No Ordinary Shares in the Company were purchased under this authority during the year ended 31 March 2025.

## Employee Benefit Trust

The **Jet2 plc** Employee Benefit Trust (EBT) was established with Computershare Trustees (Jersey) Limited. The purpose of the EBT is to purchase and hold shares for the purposes of satisfying future share awards granted to Directors and colleagues that may vest under the Company's share schemes, with the EBT Trustees authorised to procure Company shares to fulfil these awards. The EBT has waived its right to receive dividends on shares that it holds beneficially in respect of future share awards.

Transactions of the EBT are fully consolidated within the Group Financial Statements. The Trust's purchases of **Jet2 plc** ordinary shares are debited directly to equity and disclosed separately in the Statement of Financial Position as an Own share reserve.

During the year, the EBT acquired 11,288,698 shares, representing 5.26% of the issued share capital of the Company, for total consideration

of £158.5m and transferred 1,065,920 shares from the EBT to satisfy colleague share awards. As at 31 March 2025 the EBT held 10,222,778 Ordinary Shares in the Company representing 4.76% of the issued share capital of the Company.

## Material holdings

As at 30 June 2025 the Directors are aware that the following individuals and entities were interested, directly or indirectly, in 3% or more of the issued share capital of the Company:

Philip Meeson	14.41%
Silver Point Capital	5.70%
Employee Benefit Trust	4.84%
Artemis Investment Management	3.63%
JPMorgan Asset Management	3.46%
Fidelity Management & Research	3.10%
BlackRock	3.06%
Artisan Partners	3.00%

## Annual General Meeting

The Annual General Meeting (AGM) will be held at 9:30am on 4 September 2025 at Buchanan Communications, 107 Cheapside, London, EC2V 6DN. The Notice of AGM is available at [www.jet2plc.com/agm](http://www.jet2plc.com/agm) and contains full details of the resolutions to be proposed and the Directors consider that these are in the best interests of the Group and shareholders as a whole.

## Disclosure of information to Auditor

Each of the persons who are Directors at the date of approval of this Annual Report & Accounts confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and

- the Director has 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 Company's Auditor is aware of that information.

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report & Accounts and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare the Group and Parent Company financial statements for each financial year. Under the AIM Rules of the London Stock Exchange 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 in accordance with UK accounting standards and applicable law, including FRS 101 *Reduced Disclosure Framework*.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of 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, and, in respect of the Parent Company financial statements only, prudent; for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations or have no realistic alternative but to do so.

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

the Group and to prevent and detect fraud and other irregularities.

The Directors have decided to prepare a Corporate Governance Statement voluntarily as if the Company were required to comply with the Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in relation to those matters.

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.

We consider the Annual Report & Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors' Report and the Strategic Report on pages 14 to 87 are approved by the Board and signed on its behalf by:



**Gary Brown**  
Group Chief Financial Officer  
8 July 2025

# Independent Auditor's Report to the members of Jet2 plc

## 1. Our opinion is unmodified

We have audited the financial statements of **Jet2 plc** (the Company) for the year ended 31 March 2025 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and the related notes, including the accounting policies in Note 2 of both the Group and Parent Company financial statements.

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 March 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 as applied to listed other entities of public interest. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Overview

<b>Materiality:</b>	£28.5m (2024: £25.0m)
Group financial statements as a whole	4.8% (2024: 4.7%) of Group profit before tax
<b>Key audit matters vs 2024</b>	
<b>Recurring risks</b>	Revenue recognition (Group) <span style="color: red;">◀▶</span>
	Aircraft depreciation (Parent Company) <span style="color: red;">▼</span>

## 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:

	The risk	Our response
<p><b>Revenue recognition Group</b></p> <p>Package holidays: £5,772.9m (2024: £5,046.4m) and Flight-only ticket revenue: £780.1m (2024: £674.3m)</p> <p><i>Refer to page 105 (Audit &amp; Risk Committee Report), page 134 (accounting policy) and page 143 (financial disclosures).</i></p>	<p><b>Processing error</b></p> <p>Revenue from package holidays is apportioned over the duration of the holiday. Revenue from ticket sales for flight-only tickets is recognised on the date of departure.</p> <p>Due to the high-volume of sales and the differing timing of when cash is received (flights upon booking, holidays upon booking and on or before 10 weeks prior to departure), there is a risk that the booking systems and the reporting system do not appropriately process the information to recognise the respective revenue accurately in the correct accounting period.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>▪ <b>Control design and operation:</b> We evaluated the design and implementation, and tested the operating effectiveness, of automated controls related to the booking systems from which we extract sales data. This is to gain evidence that the data was complete and accurate;</li> <li>▪ <b>Independent re-performance:</b> We checked the accuracy of the Group's revenue recorded in the year by extracting raw customer booking data from the booking systems and performing an independent calculation of Package holiday and Flight-only ticket revenue and deferred revenue using the flight departure dates which, together with holiday duration, determine the timing of recognition;</li> <li>▪ <b>Test of detail:</b> Using data and analytics techniques, we undertook testing to match all Package holiday and Flight-only ticket revenue recognised in the year to the Group's flight departure data on a transactional basis. We compared the Group's flight departure data to third party flight tracking information to ensure revenue had not been recognised where the performance obligation had not been met.</li> <li>▪ <b>Test of detail:</b> To test the data used in our independent re-performance of revenue procedure, principally using data and analytics techniques on a transactional level, we undertook testing to match Package holiday and Flight-only ticket revenue and deferred revenue to the associated receipt of cash.</li> </ul>

# Independent Auditor's Report to the members of Jet2 plc continued

## 2. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
<b>Aircraft depreciation</b> <b>Parent company</b> (2025: £37.4m; 2024: £37.9m) <i>Refer to page 105 (Audit &amp; Risk Committee Report); pages 168 to 169 (Parent Company accounting policy); and page 171 (Parent Company financial disclosures).</i>	<b>Subjective estimate</b> The estimation of depreciation for each aircraft incorporates assumptions around both the useful economic lives and the residual values of its components. Certain of the airframes have useful economic lives extending until 2050 and their continued use over that period is dependent on the Group's required fleet size, any future environmental considerations and the emergence of new technology. This may also impact the residual values of the aircraft at the end of their useful economic lives. Aircraft depreciation is not at a high risk of significant misstatement or subject to significant judgement. However, due to the materiality of the aircraft net book value in the context of the Parent Company financial statements, this is considered to be the area that had the greatest effect on our overall Parent Company audit.	We performed the tests below rather than seeking to rely on any of the Parent Company's controls because the nature of the balance meant that detailed testing is inherently the most effective means of audit evidence. Our procedures included: <ul style="list-style-type: none"> <li>▪ <b>Benchmarking assumptions:</b> We challenged the appropriateness of economic lives and residual values by comparing against manufacturer's specification, technical guidance, published estimates of other airlines and the Group's own experience of recorded profit or loss on past aircraft disposals;</li> <li>▪ <b>Benchmarking assumptions:</b> We evaluated assumptions with regard to market conditions impacting the fleet against independent industry information to assess the impact on aircraft useful lives and residual values. This included current estimates of the likely timetable for change in engine technologies to meet carbon reduction commitments and obligations;</li> <li>▪ <b>Assessing consistency:</b> We assessed the consistency of the planned increase in fleet size (including the new A321neo aircraft on order from Airbus) with the Group's longer-term forecasts for aircraft usage, and we assessed the ability to reduce the fleet size if necessary, without impacting the useful lives of existing owned aircraft.</li> <li>▪ <b>Assessing transparency:</b> We assessed whether the Parent Company's disclosures detailing the assumptions and sources of estimation uncertainty concerning useful lives and residual values were adequately disclosed.</li> </ul>

In the prior year, aircraft depreciation was also a key audit matter for the Group, and was a higher risk for the Parent Company. This was due to the need then to determine for the first time the judgements and estimates for depreciation of the Company's new A321neo aircraft. We continue to perform audit procedures over aircraft depreciation for our consolidated audit but, in this subsequent year, we have not separately identified aircraft depreciation in our report as a Group key audit matter.

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

### Our application of materiality

Materiality for the Group financial statements as a whole was set at £28.5m (2024: £25.0m), determined with reference to a benchmark of Group profit before tax of which it represents 4.8% (2024: 4.7%).

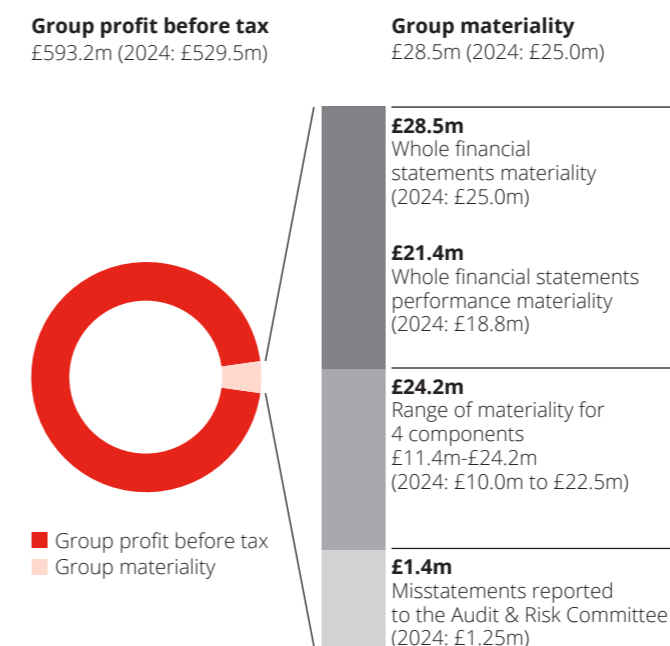
Materiality for the Parent Company financial statements as a whole was set at £25.5m (2024: £23.0m) determined with reference to a benchmark of Parent Company total assets, limited to be less than group materiality as a whole. It represents 0.8% (2024: 0.8%) of the stated benchmark.

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

Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £21.4m (2024: £18.8m) for the Group and £19.1m (2024: £18.0m) 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 & Risk Committee any corrected or uncorrected identified misstatements exceeding £1.4m (2024: £1.25m) 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.

In total, we identified 7 components, having considered our evaluation of the Group's operational and legal structure; the existence of common information systems; and our ability to perform audit procedures centrally.

Of those, we identified 4 quantitatively significant components, including the Parent Company, which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

We set the component materialities, ranging from £11.4m to £24.2m, having regard to the mix of size and risk profile of the components across the Group.

Our audit procedures covered 100% of Group Revenue and we performed audit procedures in relation to components that accounted for 100% of Group Profit before tax and 100% of Group total assets.

### Group auditor oversight

The work on all the components, including the audit of the Parent Company, was performed by the Group team.

### The impact of controls on our Group audit

We identified the Group's main finance IT systems and the Group's revenue booking systems to be the main IT systems relevant to our Group audit. We involved IT specialists to support us in obtaining an understanding of these IT systems.

# Independent Auditor's Report to the members of Jet2 plc continued

## 3. Our application of materiality and an overview of the scope of our audit (continued)

For the Group's revenue systems, we used IT auditors to assist us in assessing the design and operating effectiveness of the related general IT and certain specific automated controls. Following our testing, we relied on general IT controls and specific automated controls in determining the work to be performed in our audit of revenue. We also tested operating effectiveness of, and placed reliance on, manual bank reconciliation controls for our audit of revenue and cash and cash equivalents.

Our controls testing performed over revenue and cash supported our data-oriented substantive approach as further detailed in our key audit matter on revenue recognition. Our audit approach to other routine transactional areas of the audit, including our testing over expenditure, was substantive as we believe this was more efficient and as such we did not seek to rely on the operating effectiveness of controls in these areas.

## 4. The impact of climate change on our audit

In planning our audit, we have considered the potential impact of climate change on the Group's business and its financial statements.

The Group has set out its Sustainability targets with an ultimate goal of the Group being climate Net Zero by 2050. The majority of the Group's carbon emissions result from combustion of aviation fuels.

The Group considered the impact of climate change and the Group's targets in the preparation of the financial statements, including an evaluation of critical accounting estimates and judgements. The Group concluded that this did not have a material effect on the consolidated financial statements, as described on pages 133 and 134.

As a part of our audit, we made enquiries of management to understand the extent of the potential impact of climate change risks on the Group's financial statements, including their assessment of critical accounting estimates and judgements, and the effect on our audit. We held discussions with our own climate change professionals to challenge our risk assessment.

Climate targets have the potential to affect forward looking assessments such as the replacement date of assets. On this audit there are limited other forward-looking assessments due to the nature of the Company's assets. The Group's plans do not involve replacing assets before the end of their useful economic life. As a result, our risk assessment was that climate change does not currently have a significant impact on key judgements or estimates in the financial statements and

did not have a significant effect on our audit and key audit matters.

We have read the Group's disclosure of climate related information in the Strategic Report within the Annual Report & Accounts as set out on pages 57 to 66 and considered consistency with the financial statements and our audit knowledge.

## 5. 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 and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (the going concern period).

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Parent Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and Parent Company's available financial resources over this period was weaker UK economic confidence which may result in a reduction in customer demand.

We also considered less predictable but realistic second order impacts, such as not obtaining funding for new aircraft deliveries.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

We considered whether the going concern disclosure in Note 2 to the financial statements gives a full and accurate description of the Directors' assessment of going concern.

Our conclusions based on this work:

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

- we have nothing material to add or draw attention to in relation to the Directors' statement in Note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in Note 2 to be acceptable.

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

## 6. 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, 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 & Risk Committee minutes;
- Considering remuneration incentive schemes and performance targets for senior management, including the Senior Executive Incentive Plan and the Share Reward Plan; and
- 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 meet profit targets and our overall knowledge of the control environment, 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. On this audit we do not believe there is a fraud risk related to revenue recognition because of the lack of material judgement or estimation in revenue recognition and, due to the high-volume low-value nature of sales, the scale of any fraud would have to be so significant to result in a material

misstatement that the risk is considered remote. We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those revenue, cash and borrowings journal entries posted to unexpected account combinations and journals with descriptions which may indicate fraud.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

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: package travel, aviation, health and safety, data protection, environmental, employment law, anti-bribery and anti-corruption and money laundering legislation.

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.

# Independent Auditor's Report to the members of Jet2 plc continued

## 6. Fraud and breaches of laws and regulations – ability to detect (continued)

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

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

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

## 7. 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.

## Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Corporate Governance statement on page 97 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Emerging and Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. 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 absence of anything to report on these statements is not a guarantee as to the Group's and Parent Company's longer-term viability.

### Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the Directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;

- the section of the Annual Report describing the work of the Audit & Risk Committee, including the significant issues that the Audit & Risk Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Group's risk management and internal control systems.

In addition to our audit of the financial statements, the Directors have engaged us to review their Corporate Governance Statement as if the Company were required to comply with the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in relation to those matters. Under the terms of our engagement we are required to review the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. We have nothing to report in this respect.

## 8. 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.

## 9. Respective responsibilities

### Directors' responsibilities

As explained more fully in their statement set out on page 117, 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](http://www.frc.org.uk/auditorsresponsibilities).

## 10. 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.



**David Derbyshire (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA  
8 July 2025

## Our Financials

Consolidated Income Statement	128
Consolidated Statement of Comprehensive Income	129
Consolidated Statement of Financial Position	130
Consolidated Statement of Cash Flows	131
Consolidated Statement of Changes in Equity	132
Notes to the Consolidated Financial Statements	133
Parent Company Balance Sheet	166
Parent Company Statement of Changes in Equity	167
Notes to the Parent Company Financial Statements	168
Glossary of Terms	176
Secretary and Advisers	177
Financial Calendar	178

“ Everything was easy...  
from check-in to  
arriving home, great  
communication and  
transfers. ”



Michelle travelled from Manchester to Paphos with her partner in April 2025

## Consolidated Income Statement

For the year ended 31 March 2025

	Note	Results for the year ended 31 March 2025 £m	Results for the year ended 31 March 2024 £m
<b>Revenue</b>	6	<b>7,173.5</b>	6,255.3
Operating expenses	7	<b>(6,727.0)</b>	(5,827.1)
<b>Operating profit</b>	8	<b>446.5</b>	428.2
Finance income		<b>178.9</b>	159.5
Finance expense		<b>(58.0)</b>	(70.9)
Net FX revaluation gains		<b>15.5</b>	9.4
<b>Net financing income</b>	9	<b>136.4</b>	98.0
Profit on disposal of property, plant and equipment		<b>10.3</b>	3.3
<b>Profit before taxation</b>		<b>593.2</b>	529.5
Taxation	11	<b>(146.4)</b>	(130.3)
<b>Profit for the year</b>		<b>446.8</b>	399.2
<i>(all attributable to equity shareholders of the Parent)</i>			
<b>Earnings per share</b>			
– basic	13	<b>213.1p</b>	185.9p
– diluted	13	<b>207.2p</b>	170.4p

## Consolidated Statement of Comprehensive Income

For the year ended 31 March 2025


	Note	Year ended 31 March 2025 £m	Year ended 31 March 2024 £m
<b>Profit for the year</b>		<b>446.8</b>	399.2
<b>Other comprehensive (expense) / income</b>			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Cash flow hedges:			
Fair value losses	25	<b>(119.1)</b>	(53.9)
Net amount transferred to Consolidated Income Statement	25	<b>78.2</b>	65.3
Cost of hedging reserve movement	25	<b>8.3</b>	(5.3)
Related taxation credit / (charge)	11	<b>8.1</b>	(1.5)
Revaluation of foreign operations		<b>(2.5)</b>	(1.9)
		<b>(27.0)</b>	2.7
<b>Total comprehensive income for the year</b>		<b>419.8</b>	401.9
<i>(all attributable to equity shareholders of the Parent)</i>			

## Consolidated Statement of Financial Position

At 31 March 2025

	Note	2025 £m	2024 £m
<b>Non-current assets</b>			
Intangible assets	14	26.8	26.8
Property, plant and equipment	15	1,453.1	1,193.2
Right-of-use assets	16	679.6	636.4
Trade and other receivables	18	35.4	21.2
Derivative financial instruments	25	8.0	17.3
Other equity investment		–	2.0
		<b>2,202.9</b>	1,896.9
<b>Current assets</b>			
Inventories	17	145.3	124.8
Trade and other receivables	18	392.7	332.8
Derivative financial instruments	25	13.0	30.8
Money market deposits	19	1,969.0	1,745.1
Cash and cash equivalents	19	1,186.8	1,439.6
		<b>3,706.8</b>	3,673.1
<b>Total assets</b>		<b>5,909.7</b>	5,570.0
<b>Current liabilities</b>			
Trade and other payables	20	612.8	477.4
Deferred revenue	21	2,097.8	1,903.9
Borrowings	22	80.0	44.6
Lease liabilities	23	156.7	131.0
Provisions	24	56.5	63.2
Derivative financial instruments	25	79.4	83.0
		<b>3,083.2</b>	2,703.1
<b>Non-current liabilities</b>			
Deferred revenue	21	24.1	22.7
Borrowings	22	344.1	711.2
Lease liabilities	23	557.1	568.6
Provisions	24	69.6	39.8
Derivative financial instruments	25	8.7	5.6
Deferred taxation	11	211.1	110.1
		<b>1,214.7</b>	1,458.0
<b>Total liabilities</b>		<b>4,297.9</b>	4,161.1
<b>Net assets</b>		<b>1,611.8</b>	1,408.9
<b>Shareholders' equity</b>			
Share capital	26	2.7	2.7
Share premium	26	19.8	19.8
Own share reserve	26	(143.7)	–
Cash flow hedging reserve	26	(37.4)	(6.7)
Cost of hedging reserve	26	(15.7)	(21.9)
Other reserves	26	(0.6)	53.3
Retained earnings	26	1,786.7	1,361.7
<b>Total shareholders' equity</b>		<b>1,611.8</b>	1,408.9

The financial statements on pages 128 to 165 were approved by the Board of Directors and authorised for issue on 8 July 2025 and were signed on its behalf by:



**Gary Brown**  
Group Chief Financial Officer

Jet2 plc, Registered no. 01295221

## Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Note	2025 £m	2024 £m
<b>Profit before taxation</b>			
Net financing income (including Net FX revaluation gains)	9	(136.4)	(98.0)
Depreciation	15, 16	282.1	248.8
Profit on disposal of property, plant and equipment		(10.3)	(3.3)
Equity settled share-based payments	26	13.2	14.7
<b>Operating cash flows before movements in working capital</b>		<b>741.8</b>	691.7
Increase in inventories		(20.5)	(84.6)
Increase in trade and other receivables		(69.0)	(55.7)
Increase in trade and other payables		106.5	134.5
Increase in deferred revenue		195.3	363.0
Increase in provisions		23.1	5.6
<b>Cash generated from operations</b>		<b>977.2</b>	1,054.5
Interest received		172.1	139.7
Interest paid		(48.0)	(55.5)
Income taxes paid		(43.6)	(45.2)
<b>Net cash generated from operating activities</b>		<b>1,057.7</b>	1,093.5
<b>Cash used in investing activities</b>			
Purchase of property, plant and equipment	15	(391.4)	(403.9)
Purchase of right-of-use assets	16	(7.2)	(4.1)
Purchase of equity investment		–	(2.0)
Proceeds from sale of property, plant and equipment		10.3	3.3
Net increase in money market deposits	27	(225.6)	(75.6)
<b>Net cash used in investing activities</b>		<b>(613.9)</b>	(482.3)
<b>Cash used in financing activities</b>			
Repayment of convertible bond	27	(398.8)	–
Repayment of borrowings	27	(119.6)	(173.0)
New loans advanced	27	146.5	190.7
Payment of lease liabilities	27	(134.6)	(116.5)
Purchase of own shares by Employee Benefit Trust	26	(158.5)	–
Dividends paid in the year		(31.6)	(25.8)
<b>Net cash used in financing activities</b>		<b>(696.6)</b>	(124.6)
<b>Net (decrease) / increase in cash in the year</b>		<b>(252.8)</b>	486.6
Cash and cash equivalents at beginning of year		1,439.6	955.2
Effect of foreign exchange rate changes	27	–	(2.2)
<b>Cash and cash equivalents at end of year</b>		<b>1,186.8</b>	1,439.6

## Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital £m	Share premium £m	Own share reserve £m	Cash flow hedging reserve £m	Cost of hedging reserve £m	Other reserves <sup>1</sup> £m	Retained earnings £m	Total shareholders' equity £m
<b>Balance at 31 March 2023</b>	<b>2.7</b>	<b>19.8</b>	–	<b>(15.3)</b>	<b>(17.9)</b>	<b>55.2</b>	<b>967.9</b>	<b>1,012.4</b>
Total comprehensive income	–	–	–	8.6	(4.0)	(1.9)	399.2	<b>401.9</b>
Share-based payments	–	–	–	–	–	–	14.7	<b>14.7</b>
Deferred tax on share-based payments	–	–	–	–	–	–	5.7	<b>5.7</b>
Dividends paid in the year	–	–	–	–	–	–	(25.8)	<b>(25.8)</b>
<b>Balance at 31 March 2024</b>	<b>2.7</b>	<b>19.8</b>	–	<b>(6.7)</b>	<b>(21.9)</b>	<b>53.3</b>	<b>1,361.7</b>	<b>1,408.9</b>
Total comprehensive income	–	–	–	(30.7)	6.2	(2.5)	446.8	<b>419.8</b>
Convertible bond repurchase	–	–	–	–	–	(37.4)	–	<b>(37.4)</b>
Convertible bond equity reclassification	–	–	–	–	–	(14.0)	14.0	–
Purchase of own shares by Employee Benefit Trust	–	–	(158.5)	–	–	–	–	<b>(158.5)</b>
Exercise price for options from EBT	–	–	14.8	–	–	–	(14.8)	–
Share-based payments	–	–	–	–	–	–	13.2	<b>13.2</b>
Deferred tax on share-based payments	–	–	–	–	–	–	(2.6)	<b>(2.6)</b>
Dividends paid in the year	–	–	–	–	–	–	(31.6)	<b>(31.6)</b>
<b>Balance at 31 March 2025</b>	<b>2.7</b>	<b>19.8</b>	<b>(143.7)</b>	<b>(37.4)</b>	<b>(15.7)</b>	<b>(0.6)</b>	<b>1,786.7</b>	<b>1,611.8</b>

<sup>1</sup> The convertible bond equity component of £51.4m was previously held in Other reserves. This was extinguished during the year as the Group either repurchased or gave notice to redeem all outstanding convertible bonds. The remaining balance held in Other reserves relates to foreign exchange translation differences arising on revaluation of non-sterling functional currency subsidiaries of the Group, which totalled (£0.6m) at 31 March 2025 (2024: £1.9m).

## Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

### 1. Authorisation of financial statements and statement of compliance

Jet2 plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM. The address of its registered office is Low Fare Finder House, Leeds Bradford Airport, Leeds, LS19 7TU.

The Group's financial statements for the year ended 31 March 2025 were authorised for issue by the Board of Directors on 8 July 2025 and the Consolidated Statement of Financial Position was signed on the Board's behalf by Gary Brown, Group Chief Financial Officer. The Group's financial statements consolidate the financial statements of Jet2 plc and its subsidiaries.

### 2. Accounting policies

#### Basis of preparation

The Group's financial statements have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards and applicable law.

The Company has elected to prepare its Parent Company financial statements in accordance with FRS 101 *Reduced Disclosure Framework*; these statements are presented on pages 166 to 175.

The financial statements of the Group and the Parent Company are presented in pounds sterling and all values are rounded to the nearest £100,000, except where indicated otherwise.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

The financial statements have been prepared under the historical cost convention except for all derivative financial instruments and other equity investments, which have been measured at fair value.

#### Going concern

The Directors have prepared financial forecasts for the Group, comprising profit before and after taxation, balance sheets and cash flows through to 31 March 2028.

For the purpose of assessing the appropriateness of the preparation of the Group's financial statements on a going concern basis, two financial forecast scenarios have been prepared for the 12-month period following approval of these financial statements:

- A base case which assumes a full unhindered flying programme utilising an aircraft fleet of 135 at budgeted load factor against a 8% increase in seat capacity; and

- A downside scenario with load factors reduced to 70% from August 2025 to reflect a material reduction in demand or the occurrence of operationally disruptive events and a lack of available funding for new aircraft during this period.

The forecasts consider the current cash position and an assessment of the principal areas of risk and uncertainty as described in more detail in the *Risk Management* section on pages 32 to 48.

In addition to forecasting the cost base of the Group, both scenarios reflect no mitigating actions taken to defer uncommitted capital expenditure during the forecast period. The base case scenario incorporates funding of future aircraft deliveries with our well-established aircraft financing partners with the downside scenario assuming that the RCF could be utilised to cover any shortfall in the unlikely event that the deliveries could not be financed.

The Directors concluded that, given the combination of a closing total cash and money market deposits balance of £3,155.8m at 31 March 2025 together with the forecast monthly cash utilisation, the Group would have sufficient liquidity under both scenarios throughout a period of at least 12 months from the date of approval of the financial statements in July 2025. In addition, the Group is forecast to meet its RCF covenants under both scenarios at 30 September 2025 and 31 March 2026 with significant headroom.

As a result, the Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2025.

#### Climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risks identified in the *Sustainability* section of the Strategic Report on pages 57 to 66.

The Directors have specifically reviewed the Group's aircraft useful economic life and residual value accounting estimates in light of the Group's emissions targets set out in its Sustainability Strategy and the impact this may have on its future fleet requirements. This review considered the current progress and estimated date of availability of new technology being developed across the airline industry, including 100% SAF-compatible aircraft and aircraft powered by alternative energy sources such as hydrogen. In addition, there is currently no enacted or draft Government climate legislation to limit the use of less-efficient aircraft, therefore the Group concluded that the existing estimates remained appropriate.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies continued

The Directors have considered the future profitability of the Group when assessing the recoverability of deferred tax assets, in particular those recognised from trading losses carried forward. The forecasts incorporate higher carbon costs as a result of potential future amendments to the carbon emissions schemes together with an increased utilisation of SAF in line with government mandates and the Group's Sustainability Strategy which includes an objective to operate a 15% SAF in the fuel mix by 2035. The Directors concluded that it remains appropriate to record assets in respect of the Group's trading losses carried forward.

The forecasts reflect the purchase and lease of new Airbus A321neo aircraft in the short and medium-term cash flows, thus ensuring they are captured within the going concern and viability assessments. There are no further material impacts to other accounting estimates or judgements in the current year as a result of climate change.

### Basis of consolidation

#### Subsidiaries

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 that are currently exercisable. 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.

### Employee Benefit Trust

The *Jet2 plc* Employee Benefit Trust (EBT) holds shares for the purpose of satisfying future awards that may vest under the Company's share-based incentive schemes. The assets and liabilities of the EBT are accounted for as assets and liabilities of *Jet2 plc* on the basis that the EBT is acting as the agent of *Jet2 plc*. The EBT's purchases of *Jet2 plc* ordinary shares are debited directly to equity and disclosed separately in the Statement of Financial Position in the Own shares reserve.

### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated on consolidation.

### Revenue

Revenue (which excludes Value Added Tax and Air Passenger Duty) arises from package holidays, passenger aircraft operations, sale of non-ticket ancillary products and charter aircraft operations.

Revenue from package holidays is apportioned over the duration of the holiday. Revenue from ticket sales for scheduled passenger flights is recognised at the date of departure. A proportion of flight delay compensation payments are offset against revenue up to the full value of the ticket price, as the benefits associated with the performance obligation are not transferred to the customer if the flight is delayed. Any residual compensation which exceeds the full value of the ticket price is charged to operating expenses. Where compensation claims are not yet settled at the year-end, these are held within provisions.

Non-ticket revenues, such as hold baggage charges, advanced seat assignment and extra legroom charges, and in-flight retail sales are also recognised once the associated flight has departed, or holiday started. Commission earned from car hire bookings is recognised on departure, reflecting the point when services are performed. Commission earned from travel insurance is recognised at the time of booking, as the Group acts solely as an agent of the insurance company.

Other Leisure Travel revenue includes charter aircraft income which is recognised in the period in which the service is provided. In addition, cancellation income, in respect of non-refundable amounts paid on bookings cancelled by the customer prior to the date of departure, is recognised at the time of cancellation.

Cash amounts received from customers for whom revenue has not yet been recognised are recorded in the Statement of Financial Position as deferred revenue within current liabilities, or within non-current liabilities if the Group's services are expected to be performed more than 12 months from the balance sheet date.

### Employee benefits

#### Share-based payments

The Company grants equity settled share-based payments to certain colleagues. The fair value of these option plans is measured by reference to the closing mid-market share price at the date of grant of the option or the share price at the balance sheet date where the grant date has not yet occurred.

## 2. Accounting policies continued

The cumulative expense is calculated based on the proportion of the performance obligation period that has elapsed and hence the number of equity instruments that will ultimately vest as at each reporting date. The resulting cost is recognised in operating expenses in the Consolidated Income Statement over the period from the beginning of the performance obligation period to the vesting date.

To the extent that the Group expects to receive a tax deduction for share awards or options upon exercise, deferred tax is provided on the basis of the difference between the market price of the underlying equity as at the balance sheet date compared to the date of grant of the option. As a result, the deferred tax impact of share options will not directly correlate with the expense reported in the Consolidated Income Statement.

### Defined contribution plans

All Group pensions are provided from the proceeds of money purchase schemes. The cost of the scheme is recognised in the Consolidated Income Statement on an accruals basis in line with the scheme rules.

### Net financing income

#### Finance expense

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Lease liabilities are described below, and all other finance expenses are recognised in the Consolidated Income Statement in the period in which they are incurred.

#### Finance income

Interest income is recognised in the Consolidated Income Statement in the period in which it is earned.

#### Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date, and differences arising are recognised in the Consolidated Income Statement in the period in which they arise. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are held at the exchange rate at the date of the transaction.

The assets and liabilities of foreign operations are translated at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising are recognised in Other Comprehensive Income (OCI) and accumulated in other reserves.

### Taxation

Taxation on the profit or loss for the year comprises current and deferred taxation. Taxation is recognised in the Consolidated Income Statement or the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in equity. Current taxation is the expected tax payable on the taxable income for the year and any adjustment to taxation payable in respect of previous years.

Deferred taxation is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

### Earnings per share (EPS)

Basic earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Parent Company by the weighted average number of ordinary shares in issue during the year. In accordance with IAS 33 – *Earnings per Share*, Own shares held by the Employee Benefit Trust are excluded from the weighted average number of shares.

Diluted earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Parent Company by the weighted average number of ordinary shares in issue during the year, adjusted for the effects of potentially dilutive share options and deferred awards. The diluted earnings per share for the year ended 31 March 2024 was also adjusted for the potential conversion of convertible bonds to ordinary shares, which were due to mature in June 2026 but were subsequently either repurchased in the year ended 31 March 2025 or announced to be redeemed during April 2025 at their principal amount.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 2. Accounting policies continued

### Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

As airport slots are held in perpetuity, they have an indefinite useful life provided minimum utilisation requirements are observed and are therefore not amortised. Their useful life is reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment. These intangible assets are also assessed for indicators of impairment at each year end.

Licence agreements to use cloud software provided as a service are treated as service contracts and expensed in the Group Consolidated Income Statement, unless the Group has both a contractual right to take possession of the software at any time without significant penalty, and the ability to run the software independently of the host vendor. In such cases, the licence agreement would be capitalised as software within intangible assets. Implementation costs are expensed unless implementation is a distinct service and gives rise to a separate intangible asset.

### Property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and any provision for impairment. Pre-delivery payments in respect of future new aircraft arrivals are recorded in property, plant and equipment at cost. Interest payable on pre-delivery payments is capitalised on the basis that it is directly attributable to the acquisition of the aircraft. Depreciation is not charged on these additions until the Group takes delivery of the corresponding aircraft.

Depreciation is calculated to write down the cost of property, plant and equipment to each asset's estimated residual value using the straight-line method over its estimated useful economic life, or the estimated useful economic life of individual major components, as follows:

Freehold property	30 years
Short leasehold property	Over the life of the lease
Aircraft, engines and other components*	2–30 years
<u>Plant, vehicles and equipment</u>	<u>3–15 years</u>

\* excluding pre-delivery payments (see above).

The Group depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of their useful life, break clause date or the end of their lease term. Certain of the Group's lease

contracts contain lease extension options, which are taken into account in the measurement of the right-of-use asset only when the Group is reasonably certain that it would exercise the option. The Group also assesses the right-of-use asset for impairment when such indicators exist.

An element of the cost of acquired aircraft is attributed to its major components and amortised over the period until the next maintenance event. The initial carrying value of each component is determined by reference to its cost or expected cost of future maintenance events. Subsequent costs incurred which lend enhancement to future periods, such as long-term scheduled maintenance and the major overhaul of aircraft and engines, are capitalised and amortised over the expected period of benefit. The element of the cost of acquired aircraft not attributed to major components is depreciated to its expected residual value over its remaining useful life, which is assumed to end 22–30 years from original build date depending on the aircraft type. Where aircraft are subject to specific life extension expenditure, the cost of such work is depreciated over the remaining extended life. All other maintenance costs are expensed to the Consolidated Income Statement as incurred.

Residual values are reviewed annually at the balance sheet date and compared to prevailing market rates of equivalently aged assets; if required, depreciation rates are adjusted accordingly on a prospective basis. Carrying values are reviewed for impairment if events or changes in circumstances, such as usage or technological advances, which indicate that they may not be recoverable.

The useful economic lives of all assets have been considered in light of the evolution of environmental legislation and the Group's Sustainability Strategy. The Group believes these have no impact on either the useful economic lives or carrying values of its assets at this stage.

### Other equity investment

The equity investment in Northpoint Holdco Limited is measured at fair value due to the nature of the investment being for strategic purposes. Any valuation movements are recognised in OCI and accumulated in other reserves. Carrying values are reviewed for impairment where there is uncertainty on the viability of the business. Impairment losses are recognised in profit and loss.

### Financial instruments

Financial instruments are recognised initially at fair value, which is normally the transaction price.

## 2. Accounting policies continued

The Group classifies its financial assets as measured at amortised cost or fair value through profit and loss. The classification of each financial asset is determined by whether the business model of the Group is to hold the asset to collect contractual cash flows or to benefit from changes in the fair value of the asset.

Financial liabilities are classified as measured at amortised cost or fair value through profit and loss.

### Trade and other receivables

Trade and other receivables are recognised at fair value and subsequently measured at amortised cost based on the applicable effective interest rate.

Hotel supplier advances which are payments to hoteliers for services to be incurred in future periods are initially measured at cost and are subject to an annual impairment review considering events such as changes in hotelier circumstances, in accordance with IAS 36 – *Impairment of Assets*.

Aircraft option payments, where the Group has the ability to exercise a right to secure additional aircraft within its contract with Airbus, are recorded at cost in trade and other receivables. The cost is reclassified to property, plant and equipment on exercise of these options.

### Trade and other payables

Trade payables are recognised at fair value and subsequently measured at amortised cost based on the applicable interest rate.

Free carbon allowances are received under the UK and EU Emissions Trading Schemes (ETS). The Group records the shortfall between the free allowance and its mandatory carbon obligations under both UK and EU ETS within trade and other payables.

These mandatory ETS liabilities are measured using the annual weighted average of purchased ETS allowances and carbon forward contracts where these are already in place. If there are insufficient carbon forward contracts at the point of emission, these liabilities are accrued using a market price of the relevant ETS allowance at this date.

In the prior year, the Group voluntarily offset all carbon emissions not already covered in its ETS obligations, including covering its free allowances in the period until 31 December 2023. The cost of voluntary carbon emission offsetting was recorded in the Consolidated Income Statement when the flight occurred with a corresponding liability in trade and other payables.

These voluntary carbon offsetting liabilities were accrued using the purchase price on a first-in first-out basis where there were already sufficient purchase commitments for relevant offsetting schemes or by using a weighted average market price for such schemes where purchase commitments were not yet in place.

### Interest bearing loans and borrowings

All loans and borrowings are initially recorded at fair value less any directly attributable transaction costs. The loans and borrowings are, where applicable, subsequently measured at amortised cost.

### Convertible bonds

Convertible bonds are compound financial instruments, and as a result their liability and equity components are presented separately in accordance with IAS 32 – *Financial Instruments: Presentation*.

On issuance of the convertible bonds, the initial fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption, with amortisation and interest linked coupon payments recorded through net financing expense in the Consolidated Income Statement.

The remainder of the proceeds raised on issuance of the convertible bonds is allocated to the conversion option that is recognised in equity; this equity component is not remeasured in subsequent years, until redemption of the liability or conversion into shares.

Transaction costs related to the convertible bond issuance are recorded proportionally against the corresponding liability and equity components.

For any early repurchase of the convertible bonds, the consideration paid is allocated to the liability and equity components as determined by the fair value of the liability on the repurchase date. The amount of gain or loss relating to the differential between the fair value and carrying value of the liability component is recognised in net financing income. The residual consideration is attributed to the equity component.

### Derivative financial instruments and hedging

The Group uses foreign currency forward contracts, interest rate and aviation fuel swaps to hedge its exposure to foreign exchange rate, interest rate and aviation fuel price volatility. Such derivative financial instruments are stated at fair value.

# Notes to the Consolidated Financial Statements

## For the year ended 31 March 2025

### 2. Accounting policies continued

For those derivatives designated as hedges and for which hedge accounting is sought, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how hedge effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective in offsetting changes in cash flows of hedged items at inception and on an ongoing basis.

The qualitative technique to test the hedge effectiveness of a hedging relationship is the critical terms matching method. Hedge effectiveness testing is performed at inception, at each reporting date, and upon a significant change in the circumstances affecting the hedge effectiveness requirements. Such significant change can occur as follows:

- changes in occurrence or timing of the payment of the hedged item;
- reduction in the total amount or price of the hedged item; and
- a significant change in the credit risk of either party to the hedging relationship.

Where a derivative financial instrument is designated as a hedge of a highly probable forecast transaction and results in the recognition of expenses within the income statement (including the purchase of jet fuel), the effective portion of the gain or loss on the hedging instrument from the inception of the hedging relationship is recognised directly in the cash flow hedging reserve within equity through OCI. Any ineffective portion is recognised within the Consolidated Income Statement.

For the effective portion of hedging instruments, amounts reported in OCI are subsequently reclassified to the Consolidated Income Statement in the period in which the hedged transaction affects profit and loss.

Where the forecast hedged item results in the recognition of a non-financial asset (such as the purchase of aircraft for which foreign currency derivatives are designated as the hedging instrument), the accumulated gains and losses recorded within both the cash flow hedge reserve and the cost of hedging reserve are included in the initial cost of the asset and then subsequently depreciated.

When designating the forward contract as a hedging instrument, the change in the value of foreign currency forward contracts arising as a result of foreign currency basis spread and forward points is held separately. This does not form part of the designated hedging instrument and is instead held in a separate cost of hedging reserve. The cost of hedging reserve is subsequently recognised in profit and loss in the period in which the hedged transaction affects profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedge reserve and in the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period as the hedged expected future cash flows affects profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedge reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Those aviation fuel swaps, whose value is pre-determined by the average fuel price during the final month of the year, have been disclosed within trade and other receivables or payables dependent on their market-to-market position. These swaps no longer fluctuate in value and therefore do not meet the criteria for a derivative financial instrument.

The Group also uses forward UK and EU Allowance contracts to hedge its exposure to Carbon Emissions Allowance price volatility. As these allowances are a non-financial item purchased for the Group's own-use, they are not recorded as a derivative financial instrument in line with IFRS 9 – *Financial Instruments*.

#### Credit risk

Expected credit losses are recognised as a loss allowance, effectively an impairment of the value of the asset. The carrying values presented in the financial statements are net of loss allowances.

The Group has three types of financial asset that are subject to the credit loss model: trade receivables, cash and cash equivalents and money market deposits. Derivative assets are not subject to the credit loss model, although credit risk is considered when assessing whether those assets are impaired.

The Group makes an assessment to determine whether financial assets are impaired. Credit-impaired receivables would include receivables six months or more past the due date, or receivables where the counterparty's solvency indicates that the Group has no reasonable expectation of recovery. In the latter case, the receivables are written off; in the former case, the expected cash flows are discounted and the difference between the discounted expected cash flows and the face value of the receivable is recognised as a loss allowance, in the form of a provision against doubtful debts.

### 2. Accounting policies continued

The Group calculates expected credit losses for its trade receivables using the simplified approach permitted by IFRS 9, applicable where the transaction contains no significant financing element. Under the simplified approach, expected lifetime credit losses are recognised in the period.

The Group's policy is to place funds with deposit takers with a long-term credit-rating no lower than A-/A3 and a short-term credit rating no lower than A-2, F2, P2. In the event of the credit ratings for the deposit taker being inconsistent between agencies, a detailed review is performed to attribute an appropriate rating for the deposit taker. In addition, the Group considers the historical repayment performance of deposit takers for which there have been no defaults to date. As a result, expected credit losses on cash and money market deposits are considered low. Where a deposit taker is considered to be at risk of default, the expected future cash flows are discounted and the difference from the expected cash inflows is recognised as a loss allowance.

#### Inventories

Consumables, including goods held for in-flight retail, are accounted for on a first-in first-out basis and stated at the lower of cost and net realisable value. Net realisable value is the estimated resale value.

Carbon emission allowances purchased in advance for the Group's mandatory obligations are recorded in inventories at their historic cost and are not subsequently revalued as they are held for own use. When the Group settles its carbon obligations, the balances held in inventories and trade and other payables are derecognised. At 31 March 2025, the value of carbon emission allowances held in inventories exceeded the amounts accrued in trade and other payables.

#### Money market deposits

Money market deposits comprise deposits with a maturity of more than three months at the point of placement and are accounted for within the amortised cost category of financial assets.

#### Cash and cash equivalents

Cash and cash equivalents include short-term deposits maturing within three months of placement and restricted cash, if any, paid over to various counterparties as collateral against relevant exposures. For the purposes of the Consolidated Statement of Cash Flows, bank overdrafts which are repayable on demand and form an integral part of the Group's cash management activities, are included as a component of cash and cash equivalents.

The Group's restricted cash, if any, comprises margin calls and travel insurance deposits.

#### Leased assets

The Group considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the Group assesses if the contract meets three key evaluations, which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use.

#### Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability in the Consolidated Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of: the initial measurement of the lease liability; any initial direct costs incurred by the Group; an estimate of any costs to restore the asset to the condition required by its lessor at the end of its lease; and any lease payments made in advance of the lease commencement date (net of any incentives received).

When determining the lease term, the Group includes periods covered by an option to extend the lease where it is reasonably certain it will be exercised and periods covered by an option to terminate the lease where it is reasonably certain this option will not be exercised.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or, alternatively, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. In-substance fixed payments are inclusive of any contractual maintenance obligations which are not dependent on use of the asset.

# Notes to the Consolidated Financial Statements

## For the year ended 31 March 2025

### 2. Accounting policies continued

Maintenance payments that vary based on usage of the underlying asset are not included within the measurement of the initial lease liability; these are instead recognised in the Consolidated Income Statement in line with their usage. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest accrued.

The liability is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Lease payments are presented in the Consolidated Statement of Cash Flows as follows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within Operating cash flows before movements in working capital. The Group's variable lease payments relate to payments to aircraft lessors in respect of flying activity on contracted aircraft components, which include Engines, LLPs and APUs. See Notes 7 and 8 for amounts incurred in the year. The Group will continue to be exposed to these variable lease payments across the life of the lease dependent on flying activity;
- payments for the interest element of lease liabilities are included in 'Interest paid' within Net cash generated from operating activities; and
- payments for the principal element of lease liabilities are included in 'Payment of lease liabilities' within Net cash used in financing activities.

The Group finances some of its aircraft through a Japanese Operating Lease with Call Option (JOLCO), a sale and leaseback transaction which includes a repurchase option. For each sale and leaseback transaction, the Group considers whether the sale satisfies the requirements of IFRS 15 – *Revenue from Contracts with Customers* to be accounted for as a sale of the asset. The Group has determined that a sale has not occurred for any aircraft delivered since 1 April 2019 with JOLCO financing, and, therefore, the Group recognises the transferred aircraft asset as property, plant and equipment and a financial liability under IFRS 9 – *Financial Instruments*, which is equal to the consideration received.

The Group took a practical expedient available on implementation of IFRS 16 – *Leases* to not reassess the IAS 17 – *Leases* balance sheet classification of assets and financial liabilities for aircraft delivered prior to 1 April 2019 with JOLCO financing. These aircraft assets are classed as a right-of-use asset and a lease liability is recorded

which is equal to the transfer proceeds. The aircraft assets are subsequently transferred to property, plant and equipment on repayment of the final lease liability.

As permitted, the Group has elected not to apply the requirements of IFRS 16 for either short-term leases or leases of low-value assets. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. Low-value leases are immaterial to the Group in both the current and prior year.

#### Leased aircraft maintenance provisions

Provision is made for the estimated future costs of maintenance events over and above those which can be recovered from the lessor. This reflects the Group's obligation to maintain leased aircraft in accordance with the aircraft manufacturer's published maintenance programmes during the lease term and to ensure that aircraft are returned to the lessor in accordance with its contractual requirements.

### 3. Accounting estimates and judgements

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is changed and in future periods if applicable. For each sensitivity considered below, the Group has demonstrated a reasonably possible outcome to aid the users of the financial statements in understanding the impact of the estimate or judgement.

#### Critical judgements in applying accounting policies

There are no judgements that have a significant effect on the amounts recognised in the financial statements nor a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Key sources of estimation uncertainty

There are no major sources of estimation uncertainty at the end of the reporting period that the Directors consider to have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3. Accounting estimates and judgements continued

The accounting estimates believed to require the most subjectivity or complexity are as follows:

#### Residual values and depreciation of property, plant and equipment and right-of-use assets

Estimations have been made in respect of the useful economic lives and residual values of aircraft included in property, plant and equipment and right-of-use assets, which determine the amount of depreciation charged in the Consolidated Income Statement. These estimated residual values are reviewed annually at the balance sheet date and compared to prevailing market residual values of equivalent aged assets. If the estimated residual values for each of the Group's aircraft were increased by \$1.0m, this would have resulted in a reduction in the depreciation charge for the year ended 31 March 2025 of £8.5m (2024: £10.4m).

The Group reviews the useful economic lives of its aircraft annually, as the fulfilment of the carbon emissions targets within its Sustainability Strategy is dependent on the retirement of older less-efficient aircraft to be replaced by new Airbus A321neo aircraft over the period 2024 to 2035.

Beyond 2035, the Group is reliant on investment from both the aviation industry and governments to develop lower emission aircraft powered by cleaner energy sources such as hydrogen or electricity. Airbus had stated an ambition to develop the world's first zero-emission commercial aircraft by the mid-2030s, but this is now expected to be delayed until later in the decade. Current aircraft models are capable of flying with a 50% blend of SAF and both Airbus and Boeing have set targets to ensure their aircraft models are 100% SAF compatible by 2030. Should the requisite investment in hydrogen propulsion technology not result in a new aircraft capable of operating at commercial scale, then the Group should be well placed to pursue alternative environmental opportunities including 100% SAF compatibility as a result of its investment in LEAP-1A engines for its new A321neo fleet.

The Group's final deliveries of new Boeing 737-800NG aircraft arrived in January 2019. Based on a useful economic life of 22 years, these aircraft are forecast to remain in service until 2041, an end date not markedly different to current expectations of when new zero-emission aircraft models may be widely available.

Consequently, the Group concluded that its existing accounting estimates remain appropriate and aligned to its strategy.

If the estimated useful economic lives of the Group's aircraft were all reduced by one year, this would have resulted in an increase in the depreciation charge for the year ended 31 March 2025 of £8.5m (2024: £12.3m).

Further details on the net book value of the Group's property, plant and equipment and right-of-use assets at 31 March 2025 can be found in Notes 15 and 16.

### 4. New and amended accounting standards and interpretations

The following amendments to IFRS became mandatorily effective in the UK in the current year and did not have a material impact.

International Financial Reporting Standards	Applying to accounting periods beginning after
<b>Amendments to existing standards</b>	
Amendments to IAS 1 – <i>Presentation of Financial Statements</i> – Classification of liabilities as current or non-current; and non-current liabilities with covenants	January 2024
Amendments to IAS 7 – <i>Statement of Cash Flows</i> and IFRS 7 – <i>Financial Instruments: Disclosures</i> – Supplier finance arrangements	January 2024
Amendments to IFRS 16 – <i>Leases</i> – Lease liability in a sale and leaseback arrangement	January 2024

The following are the new and amended accounting standards that have an effective date after the date of these financial statements. Other than presentational changes, they are not expected to have a material impact on the Group's reported financial performance or position.

International Financial Reporting Standards	Applying to accounting periods beginning after
<b>New standards</b>	
IFRS 18 – <i>Presentation and Disclosure in Financial Statements</i>	January 2027
IFRS 19 – <i>Subsidiaries without Public Accountability: Disclosures</i>	January 2027
<b>Amendments to existing standards</b>	
Amendments to IAS 21 – <i>The Effects of Changes in Foreign Exchange Rates</i> – Lack of Exchangeability	January 2025
Amendments to IFRS 7 – <i>Financial Instruments: Disclosures</i> and IFRS 9 – <i>Financial Instruments</i> regarding:	January 2026
- Classification and measurement of financial instruments; and	
- Contracts Referencing Nature-dependent Electricity	

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 5. Alternative performance measures

The Group's alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' alternative performance measures. These measures are not intended to be a substitute for, or superior to, IFRS measurements.

### Profit before FX revaluation and taxation

Profit before FX revaluation and taxation is included as an alternative performance measure in order to aid users in understanding the underlying performance of the Group excluding the impact of foreign exchange volatility.

### EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA) is included as an alternative performance measure in order to aid users in understanding the underlying operating performance of the Group.

These can be reconciled to the IFRS measure of profit before taxation as below:

	2025 £m	2024 £m
<b>Profit before taxation</b>	<b>593.2</b>	529.5
Net FX revaluation gains	(15.5)	(9.4)
<b>Profit before FX revaluation and taxation</b>	<b>577.7</b>	520.1
Net financing income (excluding Net FX revaluation gains)	(120.9)	(88.6)
Depreciation of property, plant and equipment	156.7	135.8
Depreciation of right-of-use assets	125.4	113.0
<b>EBITDA</b>	<b>738.9</b>	680.3

### 'Own Cash'

'Own Cash' comprises cash and cash equivalents and money market deposits and excludes advance customer deposits. It is included as an alternative measure in order to aid users in understanding the liquidity of the Group.

	Note	2025 £m	2024 £m
Cash and cash equivalents	19	1,186.8	1,439.6
Money market deposits	19	1,969.0	1,745.1
Cash and money market deposits		3,155.8	3,184.7
Deferred revenue	21	(2,121.9)	(1,926.6)
Trade and other receivables	21	63.0	73.3
<b>'Own Cash'</b>		<b>1,096.9</b>	1,331.4

## 6. Segmental reporting

IFRS 8 – *Operating Segments* requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker (CODM).

The CODM is responsible for the overall resource allocation and performance assessment of the Group. The Board of Directors approves major capital expenditure, assesses the performance of the Group and determines key financing decisions. Consequently, the Board of Directors is considered to be the CODM.

The information presented to the CODM for the purpose of resource allocation and assessment of the Group's performance relates to its Leisure Travel segment as shown in the Consolidated Income Statement.

The Leisure Travel business specialises in offering package holidays by its ATOL-licensed provider, **Jet2holidays**, to leisure destinations in the Mediterranean, the Canary Islands and to European Leisure Cities, and scheduled holiday flights by its airline, **Jet2.com**. Resource allocation decisions are based on the entire route network and the deployment of its entire aircraft fleet. All **Jet2holidays** customers fly on **Jet2.com** flights, and therefore these segments are inextricably linked and represent the only segment within the Group.

Revenue is principally generated from within the UK, the Group's country of domicile. No customer represents more than 10% of the Group's revenue. Segment revenue reported below represents revenue generated from external customers.

Revenues for the Group can be further disaggregated by their nature as follows:

	2025 £m	2024 £m Restated <sup>1</sup>
Package holidays	5,772.9	5,046.4
Flight-only ticket revenue	780.1	674.3
Non-ticket revenue	505.4	427.4
Other Leisure Travel	115.1	107.2
<b>Total revenue</b>	<b>7,173.5</b>	6,255.3

<sup>1</sup> The comparative disaggregation of revenue for the year ended 31 March 2024 have been restated to disclose certain ancillary revenues linked to the price of a customer flight ticket within Flight-only ticket revenue. Previously these amounts were included within Non-ticket revenue. For the year ended 31 March 2024, Non-ticket revenue reduced by £39.4m from £466.8m to £427.4m and Flight-only ticket revenue increased by the same amount from £634.9m to £674.3m. There are no changes to the total revenue reported.

## 7. Operating expenses

	2025 £m	2024 £m
Direct operating costs:		
Accommodation	2,971.6	2,465.0
Fuel	739.0	697.4
Landing, navigation and third-party handling	552.7	474.9
Travel agent commission	184.5	166.9
Maintenance	175.8	152.0
Transfers	119.8	100.6
In-flight cost of sales	117.1	92.6
Carbon	115.9	106.3
Aircraft rentals (less than twelve months)	42.0	47.4
Other direct operating costs	132.5	118.1
Staff costs including agency staff	841.8	744.1
Marketing costs	286.0	264.2
Depreciation of property, plant and equipment	156.7	135.8
Depreciation of right-of-use assets	125.4	113.0
Other operating expenses	166.2	148.8
<b>Total operating expenses</b>	<b>6,727.0</b>	5,827.1

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 8. Operating profit

	2025 £m	2024 £m
Operating profit is stated after charging:		
Variable lease payments on aircraft rentals and components	67.2	70.5
<b>Auditor's remuneration</b>	<b>£m</b>	<b>£m</b>
Audit of the Company and the Group consolidated financial statements	0.2	0.2
Audit of Group undertakings	0.8	0.7
<b>Total auditor remuneration</b>	<b>1.0</b>	<b>0.9</b>

Fees payable for audit-related assurance services in respect of ATOL and ABTA reporting during the year were £27,000 (2024: £25,000).

## 9. Net financing income

	2025 £m	2024 £m
Finance income	178.9	159.5
Interest expense on aircraft loans	(11.4)	(22.0)
Interest expense on convertible bond	(15.3)	(17.9)
Interest expense on lease liabilities	(28.4)	(28.3)
Other interest expense	(2.9)	(2.7)
<b>Finance expense</b>	<b>(58.0)</b>	<b>(70.9)</b>
Net foreign exchange revaluation gains	15.5	9.4
<b>Total net financing income</b>	<b>136.4</b>	<b>98.0</b>

## 10. Employees

The average monthly number of persons, including Executive Directors, employed by the Group during the year was:

	2025 Number	2024 Number
Operations	13,267	12,317
Administration	1,938	1,736
	<b>15,205</b>	<b>14,053</b>
	2025 £m	2024 £m
Wages and salaries	701.7	622.4
Share options – value of employee services	13.2	14.7
Social security costs	78.7	70.3
Other pension costs (Note 29)	37.4	31.6
	<b>831.0</b>	<b>739.0</b>

Remuneration of the Directors of the Group and its subsidiaries, who are key management personnel of the Group, is set out in the following table in aggregate. There are no personnel, other than the Directors, who as key management have authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of **Jet2 plc**. No member of key management had any material interest during the year in a contract of significance (other than a service contract) with the Company or any of its subsidiaries other than those disclosed in Note 31.

## 10. Employees continued

	2025 £m	2024 £m
Short-term employee benefits	9.2	8.5
Post-employment benefits	0.6	0.6
Share options – value of employee services	3.5	3.9
<b>Total employee benefit costs of key management personnel</b>	<b>13.3</b>	<b>13.0</b>
Employer national insurance costs for key management personnel	2.0	1.1
<b>Total employer costs of key management personnel</b>	<b>15.3</b>	<b>14.1</b>

For each of the Directors of **Jet2 plc**, the audited disclosures required under AIM Rule 19 and Schedule 5 for the emoluments and compensation, including any cash and non-cash benefits received and the value of any contributions paid to a pension scheme, are summarised within the *Directors' emoluments during the year* section on page 113 and in Note 14 to the Parent Company financial statements.

Details of the share options and deferred awards for each Director, including information on all outstanding options and awards, are shown within *Directors' interests in options and deferred awards* section and the associated footnotes on page 114.

	2025	2024
Highest-paid Director (including IFRS 2 share-based payment charges of £1.2m (2024: £1.2m))	£3.2m	£3.0m
Number of Directors for whom retirement benefits accrue	2	2
Number of Directors who exercised share options / deferred awards <sup>1</sup>	2	–

<sup>1</sup> Deferred awards totalling 241,000 shares (2024: nil) were exercised on 22 July 2024 on which date the closing mid-market price of a share was £13.68, resulting in total pre-tax gains of £3.3m.

## 11. Taxation

	2025 £m	2024 £m
<b>Current taxation:</b>		
UK corporation tax based upon the profits for the year:		
– current year	42.2	52.0
– prior year	(3.4)	(0.5)
Current tax charge for the year	38.8	51.5
<b>Deferred taxation:</b>		
Origination and reversal of timing differences		
– current year	105.7	80.7
– prior year	1.9	(1.9)
Deferred tax charge for the year	107.6	78.8
<b>Total taxation charge in Consolidated Income Statement in the year</b>	<b>146.4</b>	<b>130.3</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Taxation relating to components of OCI	(8.1)	1.5
<b>Total taxation recognised in Consolidated Income Statement and OCI in the year</b>	<b>138.3</b>	<b>131.8</b>

# Notes to the Consolidated Financial Statements

## For the year ended 31 March 2025

### 11. Taxation continued

The taxation assessed for the current year is lower (2024: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2025 £m	2024 £m
Profit before taxation	593.2	529.5
Profit before taxation multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	148.3	132.4
<b>Effects of:</b>		
Net (income) / expense not deductible	(0.4)	0.3
Adjustments to tax charge in previous years	(1.5)	(2.4)
<b>Total (see above)</b>	<b>146.4</b>	<b>130.3</b>

	Accelerated capital allowances £m	Financial instruments £m	Other £m	Total £m
<b>Deferred tax liabilities</b>				
<b>At 31 March 2023</b>	<b>185.7</b>	<b>(11.6)</b>	<b>(137.4)</b>	<b>36.7</b>
Charge to Income Statement	31.5	–	47.3	78.8
Charge to OCI	–	1.5	–	1.5
Credit to equity	–	–	(5.7)	(5.7)
Translation differences	(1.2)	–	–	(1.2)
<b>At 31 March 2024</b>	<b>216.0</b>	<b>(10.1)</b>	<b>(95.8)</b>	<b>110.1</b>
Charge to Income Statement	66.8	–	40.8	107.6
Credit to OCI	–	(8.1)	–	(8.1)
Charge to equity	–	–	2.6	2.6
Translation differences	(1.1)	–	–	(1.1)
<b>At 31 March 2025</b>	<b>281.7</b>	<b>(18.2)</b>	<b>(52.4)</b>	<b>211.1</b>

Deferred taxation in relation to financial instruments includes the impact of the Group's forward foreign currency contracts, aviation fuel swaps and interest rate swaps. Other deferred taxation includes a £44.7m (2024: £84.2m) asset recognised in respect of losses carried forward to be utilised against future profits.

The Group has provided for all deferred tax expected to reverse at 25% (2024: 25%).

The Pillar Two rules are now included within *Finance (No. 2) Act 2023* and are in effect for the year ended 31 March 2025. The legislation mandates a minimum effective tax rate of 15% across each of the Group's trading jurisdictions. The Group does not have any exposure to Pillar Two income taxes under IAS 12.

There are no other identified factors which may impact the Group's future total tax charge.

### 12. Dividends

	2025 £m	2024 £m
2023/24 final dividend of 10.7p paid on 23 October 2024 (2022/23: 8.0p)	22.4	17.2
2024/25 interim dividend of 4.4p paid on 7 February 2025 (2023/24: 4.0p)	9.2	8.6
	<b>31.6</b>	<b>25.8</b>

The Board has resolved to pay a final dividend of 12.1p per share (2024: 10.7p) bringing the total dividend to 16.5p per share for the year (2024: 14.7p). This final dividend is subject to shareholders' approval at the Company's Annual General Meeting on 4 September 2025 and will be payable on 22 October 2025 to shareholders on the register at the close of business on 19 September 2025, with the ex-dividend date being 18 September 2025.

### 13. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity owners of the Parent Company by the weighted average number of ordinary shares in issue during the year. In accordance with IAS 33 – *Earnings per Share*, Own shares held by the Employee Benefit Trust are eliminated from the weighted average number of shares.

Diluted earnings per share is calculated by dividing the profit attributable to the equity owners of the Parent Company by the weighted average number of ordinary shares in issue during the year, adjusted for the effects of potentially dilutive share options and deferred share awards. The diluted earnings per share for the year ended 31 March 2024 was also adjusted for the potential conversion of convertible bonds to ordinary shares, which were due to mature in June 2026 but were subsequently either repurchased in the year ended 31 March 2025 or announced to be redeemed during April 2025 at their principal amount.

	2025 Number	2024 Number
Number of issued Ordinary Shares	214,681,281	214,681,281
Weighted average shares purchased by the Employee Benefit Trust	(5,676,200)	–
Weighted average shares utilised by the Employee Benefit Trust	693,473	–
Weighted average shares issued in the year	2,217	–
<b>Total weighted average number of shares</b>	<b>209,700,771</b>	<b>214,681,281</b>

	2025			2024		
	Earnings £m	Weighted average number of shares millions	EPS pence	Earnings £m	Weighted average number of shares millions	EPS pence
<b>Basic EPS</b>						
Profit attributable to ordinary shareholders	446.8	209.7	213.1	399.2	214.7	185.9
<b>Effect of dilutive instruments</b>						
Share options and deferred awards	–	5.9	(5.9)	–	5.7	(4.8)
Convertible bond	–	–	–	13.4	21.7	(10.7)
<b>Diluted EPS</b>	<b>446.8</b>	<b>215.6</b>	<b>207.2</b>	<b>412.6</b>	<b>242.1</b>	<b>170.4</b>

### 14. Intangible assets

	£m
<b>Airport slots</b>	
Cost & net book value	
<b>At 31 March 2024 and 2025</b>	<b>26.8</b>

No impairment was identified at the balance sheet date (2024: £nil).

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 15. Property, plant and equipment

	Land and buildings £m	Aircraft, engines and other components £m	Plant, vehicles and equipment £m	Total £m
<b>Cost</b>				
<b>At 1 April 2023</b>	<b>36.8</b>	<b>1,527.9</b>	<b>126.4</b>	<b>1,691.1</b>
Additions	18.5	352.6	32.8	<b>403.9</b>
Disposals	–	(71.8)	(0.3)	<b>(72.1)</b>
Foreign exchange rate movements	–	(3.8)	–	<b>(3.8)</b>
<b>At 31 March 2024</b>	<b>55.3</b>	<b>1,804.9</b>	<b>158.9</b>	<b>2,019.1</b>
Additions	11.8	387.0	20.9	<b>419.7</b>
Disposals	(3.1)	(195.8)	(30.3)	<b>(229.2)</b>
Foreign exchange rate movements	–	(4.9)	–	<b>(4.9)</b>
<b>At 31 March 2025</b>	<b>64.0</b>	<b>1,991.2</b>	<b>149.5</b>	<b>2,204.7</b>
<b>Depreciation</b>				
<b>At 1 April 2023</b>	<b>(16.4)</b>	<b>(651.0)</b>	<b>(96.0)</b>	<b>(763.4)</b>
Charge for the year	(2.3)	(122.4)	(11.1)	<b>(135.8)</b>
Disposals	–	71.8	0.3	<b>72.1</b>
Foreign exchange rate movements	–	1.2	–	<b>1.2</b>
<b>At 31 March 2024</b>	<b>(18.7)</b>	<b>(700.4)</b>	<b>(106.8)</b>	<b>(825.9)</b>
Charge for the year	(4.4)	(141.2)	(11.1)	<b>(156.7)</b>
Disposals	3.1	195.8	30.3	<b>229.2</b>
Foreign exchange rate movements	–	1.8	–	<b>1.8</b>
<b>At 31 March 2025</b>	<b>(20.0)</b>	<b>(644.0)</b>	<b>(87.6)</b>	<b>(751.6)</b>
<b>Net book value</b>				
<b>At 31 March 2025</b>	<b>44.0</b>	<b>1,347.2</b>	<b>61.9</b>	<b>1,453.1</b>
At 31 March 2024	36.6	1,104.5	52.1	1,193.2

Aircraft, engines and other components additions include £91.5m (2024: £47.4m) relating to pre-delivery payments and £7.4m of associated interest capitalised. Land and buildings and Plant, vehicles and equipment include assets under construction of £10.3m and £19.3m, respectively. Depreciation is not charged until the corresponding assets are operational.

## 16. Right-of-use assets

	Aircraft, engines and other components £m	Other £m	Total £m
<b>Cost</b>			
<b>At 1 April 2023</b>	<b>837.2</b>	<b>61.3</b>	<b>898.5</b>
Additions	166.3	23.0	<b>189.3</b>
Disposals	(33.0)	(4.2)	<b>(37.2)</b>
Foreign exchange rate movements	(7.4)	–	<b>(7.4)</b>
<b>At 31 March 2024</b>	<b>963.1</b>	<b>80.1</b>	<b>1,043.2</b>
Additions	168.1	5.6	<b>173.7</b>
Disposals	(73.2)	(4.1)	<b>(77.3)</b>
Foreign exchange rate movements	(6.7)	–	<b>(6.7)</b>
<b>At 31 March 2025</b>	<b>1,051.3</b>	<b>81.6</b>	<b>1,132.9</b>
<b>Depreciation</b>			
<b>At 1 April 2023</b>	<b>(307.7)</b>	<b>(25.5)</b>	<b>(333.2)</b>
Charge for the year	(105.1)	(7.9)	<b>(113.0)</b>
Disposals	33.0	4.2	<b>37.2</b>
Foreign exchange rate movements	2.2	–	<b>2.2</b>
<b>At 31 March 2024</b>	<b>(377.6)</b>	<b>(29.2)</b>	<b>(406.8)</b>
Charge for the year	(119.1)	(6.3)	<b>(125.4)</b>
Disposals	73.2	4.1	<b>77.3</b>
Foreign exchange rate movements	1.6	–	<b>1.6</b>
<b>At 31 March 2025</b>	<b>(421.9)</b>	<b>(31.4)</b>	<b>(453.3)</b>
<b>Net book value</b>			
<b>At 31 March 2025</b>	<b>629.4</b>	<b>50.2</b>	<b>679.6</b>
At 31 March 2024	585.5	50.9	636.4

Net book value of other right-of-use assets of £50.2m (2024: £50.9m) includes land and buildings of £50.0m (2024: £50.6m), and plant, vehicles and equipment of £0.2m (2024: £0.3m).

Aircraft under finance lease which are classed as right-of-use assets had additions resulting in a cash outflow of £7.2m (2024: £4.1m) during the year. These additions related to maintenance expenditure which was capital in nature and added long-term value to the aircraft.

## 17. Inventories

	2025 £m	2024 £m
Carbon emission allowances	<b>135.6</b>	116.0
Consumables	<b>9.7</b>	8.8
	<b>145.3</b>	124.8

Carbon emissions allowances purchased in advance are recorded in inventories at their historic cost and are not subsequently revalued as they are held for own use.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 18. Trade and other receivables

	2025 £m	2024 £m
Trade receivables	75.4	81.0
Hotel supplier advances	202.3	124.3
Prepayments	68.9	73.3
Corporation tax receivable	3.3	–
Other receivables	78.2	75.4
	<b>428.1</b>	354.0
Current	392.7	332.8
Non-current	35.4	21.2
	<b>428.1</b>	354.0

Non-current balances comprise hotel supplier advances.

### Ageing analysis of Trade receivables

	31 March 2025			31 March 2024		
	Gross receivables £m	Provision for doubtful debts £m	Net trade receivables £m	Gross receivables £m	Provision for doubtful debts £m	Net trade receivables £m
Not past due	71.3	–	71.3	76.6	–	76.6
Up to one month past due	0.2	–	0.2	0.4	–	0.4
Over one month past due	4.2	(0.3)	3.9	4.5	(0.5)	4.0
	<b>75.7</b>	<b>(0.3)</b>	<b>75.4</b>	81.5	(0.5)	81.0

Expected credit losses in relation to the Other receivables balance of £78.2m (2024: £75.4m) are immaterial to the Group.

## 19. Cash and cash equivalents and money market deposits

	2025 £m	2024 £m
Free cash and cash equivalents	1,185.4	1,438.5
Money market deposits	1,969.0	1,745.1
<b>Total free cash and cash equivalents and money market deposits</b>	<b>3,154.4</b>	3,183.6
Other restricted cash	1.4	1.1
<b>Total cash and cash equivalents and money market deposits</b>	<b>3,155.8</b>	3,184.7

The Group's 'Own Cash' balance of £1,096.9m (2024: £1,331.4m) excludes advance customer deposits, as detailed in Note 5. However, there are no restrictions to the use of customer deposits and therefore these are not a form of restricted cash.

## 20. Trade and other payables

	2025 £m	2024 £m
<b>Current:</b>		
Trade payables	174.6	116.3
Other taxation and social security	25.8	23.1
Corporation tax payable	–	1.6
Other creditors and accruals	412.4	336.4
	<b>612.8</b>	477.4

## 21. Deferred revenue

	Receivables 2025 £m	Deferred revenue 2025 £m	Advance customer deposits 2025 £m	Advance customer deposits 2024 £m
<b>Balance at 1 April</b>	<b>73.3</b>	<b>(1,926.6)</b>	<b>(1,853.3)</b>	(1,497.6)
Revenue recognised that was included in deferred revenue at the beginning of the year	–	1,883.8	1,883.8	1,530.3
(Decrease) / increase in receivables	(10.3)	–	(10.3)	7.3
Net cash received, excluding amounts recognised as revenue in the year	–	(2,079.1)	(2,079.1)	(1,893.3)
<b>Balance at 31 March</b>	<b>63.0</b>	<b>(2,121.9)</b>	<b>(2,058.9)</b>	(1,853.3)
Current	63.0	(2,097.8)	(2,034.8)	(1,830.6)
Non-current	–	(24.1)	(24.1)	(22.7)
<b>Total</b>	<b>63.0</b>	<b>(2,121.9)</b>	<b>(2,058.9)</b>	(1,853.3)

Receivables relate to invoicing of amounts due from travel agents in respect of package holiday deposits and balance payments and is included within Trade receivables in Note 18.

The Group's aggregate sales value allocated to the performance obligations that were unsatisfied (or partially unsatisfied) as at 31 March 2025 was £3,985.0m (2024: £3,720.0m) of which £3,820.6m (2024: £3,555.2m) is expected to be recognised as revenue within one year. The remaining balance will be recognised as revenue between one and two years.

## 22. Borrowings

Borrowings are repayable as follows:

	Convertible bond		Aircraft loans		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Within one year	2.9	–	77.1	44.6	80.0	44.6
Between one and two years	–	–	30.6	47.6	30.6	47.6
Between two and five years	–	359.8	90.0	150.2	90.0	510.0
Over five years	–	–	223.5	153.6	223.5	153.6
<b>Total</b>	<b>2.9</b>	359.8	<b>421.2</b>	396.0	<b>424.1</b>	755.8
Current	2.9	–	77.1	44.6	80.0	44.6
Non-current	–	359.8	344.1	351.4	344.1	711.2
<b>Total</b>	<b>2.9</b>	359.8	<b>421.2</b>	396.0	<b>424.1</b>	755.8

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 23. Lease liabilities

Lease liabilities are repayable as follows:

	2025 £m	2024 £m
Within one year	156.7	131.0
Between one and two years	229.2	143.1
Between two and five years	231.8	396.5
Over five years	96.1	29.0
<b>Total</b>	<b>713.8</b>	<b>699.6</b>
Current	156.7	131.0
Non-current	557.1	568.6
<b>Total</b>	<b>713.8</b>	<b>699.6</b>

## 24. Provisions

	Maintenance		Other		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
<b>Opening at 1 April</b>	<b>78.6</b>	66.5	<b>24.4</b>	30.9	<b>103.0</b>	97.4
Provision in the year	46.7	31.7	22.2	18.8	68.9	50.5
Utilised	(21.0)	(15.8)	(19.6)	(15.3)	(40.6)	(31.1)
Released unused	(5.2)	(3.8)	–	(10.0)	(5.2)	(13.8)
<b>Closing at 31 March</b>	<b>99.1</b>	78.6	<b>27.0</b>	24.4	<b>126.1</b>	103.0
Current	33.5	38.8	23.0	24.4	56.5	63.2
Non-current	65.6	39.8	4.0	–	69.6	39.8
<b>Total</b>	<b>99.1</b>	78.6	<b>27.0</b>	24.4	<b>126.1</b>	103.0

Maintenance provisions relate entirely to the Group's obligation to maintain leased aircraft in accordance with the aircraft manufacturer's published maintenance programmes during the lease term, and to ensure that aircraft are returned to the lessor in accordance with its contractual requirements. A charge is made in the Consolidated Income Statement, based on hours or cycles flown or on a calendar basis.

Estimates are required in relation to the likely utilisation of the leased aircraft and the expected cost of maintenance events at the time they are expected to occur. The interaction of the Group's estimations of aircraft utilisation together with the cost of maintenance events could lead to a significant fluctuation in the provision. If the Group's estimated cost of a maintenance event alone were to increase by 5% for each event respectively, this would have resulted in an increase in the provision at 31 March 2025 of £1.8m (2024: £1.4m).

Current aircraft maintenance provisions relate to maintenance obligations expected to be fulfilled in the coming financial year. Non-current provisions relate to future aircraft maintenance obligations of the Group on leased aircraft falling due over one year from the balance sheet date. Non-current provisions have not all been discounted on the basis that the impact of discounting would not be material.

Other provisions relate to the Group's obligation in respect of possible passenger claims for historical flight delays under Regulation EU261 UK, together with possible customer compensation claims that cannot be reclaimed from hotels and estimated dilapidation costs for the Group's leased property estate. The main assumptions underlying the possible passenger claims for flight delays and possible customer compensation claims are the number of valid claims received and which may be received, the amount at which those claims may be settled and, additionally for customer compensation claims, the proportion which may be reclaimed from hotels. The majority of cash outflows connected with these provisions are expected to occur within three years of the balance sheet date.

## 25. Financial instruments

The Group has exposure to the following risks from its use of financial instruments:

### Credit risk

The Group is exposed to credit risk to the extent of non-performance by its counterparties in respect of financial assets receivable. However, the Group has policies and procedures in place to ensure such risk is limited and sets credit limits for each counterparty accordingly. The Group regularly monitors such limits, incorporating this information into credit risk controls, and does not currently hold any collateral.

Since the Group does not place funds with any deposit taker with a long-term credit rating lower than A-/A3, and a short-term credit rating lower than A-2, F2, P2, expected credit losses for cash and cash equivalents and money market deposits are considered low and hence no impairments were identified.

As any expected credit losses are reflected in the value of financial assets, the maximum exposure to credit risk is limited to the net carrying value of each asset as summarised in section (a).

### Liquidity risk

The Group's strategy for managing liquidity risk is to maintain cash balances in an appropriately liquid form and in accordance with approved counterparty limits, whilst securing the continuity and flexibility of funding through the use of committed banking facilities and specialist aircraft finance.

Short-term cash flow risk, in relation to margin calls in respect of fuel and foreign currency hedge positions, is minimised through diversification of counterparties together with appropriate credit thresholds. In addition, a regular assessment is made of the Group's banking facility covenant compliance, for which there were no covenant breaches during the year. The Group continues to monitor its liquidity levels in conjunction with its Board-approved Liquidity Policy.

### Foreign currency risk

The Group incurs significant operational costs which are euro and US dollar denominated and can be exposed to sudden movements in exchange rates.

Transactional currency exposures arise as a result of expenditure on hotel accommodation, aviation fuel, aircraft maintenance, air traffic control, lease liability payments and airport charges.

The Group's policy is to forward cover up to 90% of foreign currency requirements by the start of the season. The remainder of the Group's requirement is hedged within the season. The Group enters into forward foreign currency exchange contracts up to 18 months in advance of the hedged transaction.

### Aviation fuel price risk

The cost of fuel is a considerable element of the cost base of the business and the effective management of aviation fuel price volatility remains important.

The Group's policy is to forward cover up to 90% of fuel requirements with aviation fuel swaps by the start of the season. The remainder of the Group's requirement is hedged within the season. The Group enters into aviation fuel swaps up to 18 months in advance of the hedged transaction.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 25. Financial instruments continued

### Carbon price risk

The Group is exposed to carbon price risk through its obligation to purchase carbon emissions allowances to offset emissions in each calendar year. The Group hedges carbon emissions allowances in line with its approved policy. As these allowances are a non-financial item purchased for the Group's own-use, they are not recorded as a derivative financial instrument in line with IFRS 9 – *Financial Instruments*.

The Group purchases carbon emissions allowances for both its UK and EU carbon requirements under fixed price forward contracts with different maturity dates.

### Interest rate risk

As part of its strategy for achieving continuity and flexibility of funding, the Group uses specialist aircraft finance. Some of this borrowing is subject to floating rate interest charges, which generates interest cost volatility. The Group's policy is to mitigate, to an acceptable level, this possible cost volatility.

The Group uses interest rate swaps to cover a proportion of floating rate borrowings and as at 31 March 2025 had hedged a substantial proportion of its forecast cash flows in relation to floating rate borrowings for 2025/26 and subsequent years. All hedging has been carried out in line with the Group's Hedging Policy.

Under IFRS 9, the forward currency, fuel and interest derivatives are eligible for cash flow hedge accounting. Movements in fair value are summarised in section (b).

### (a) Carrying amount and fair values of financial instruments

The following table discloses the carrying amounts and fair value of the Group's financial assets and liabilities at the year end.

	31 March 2025		
	Measured at amortised cost £m	Measured at fair value £m	Total carrying amount £m
<b>Financial assets</b>			
Cash and cash equivalents	1,186.8	–	1,186.8
Money market deposits	1,969.0	–	1,969.0
Trade receivables	75.4	–	75.4
Other receivables	78.2	–	78.2
Derivative financial instruments	–	21.0	21.0
<b>Total financial assets</b>	<b>3,309.4</b>	<b>21.0</b>	<b>3,330.4</b>
<b>Financial liabilities</b>			
Trade payables	174.6	–	174.6
Other creditors and accruals	412.4	–	412.4
Convertible bond	2.9	–	2.9
Aircraft loans	421.2	–	421.2
Lease liabilities	713.8	–	713.8
Derivative financial instruments	–	88.1	88.1
<b>Total financial liabilities</b>	<b>1,724.9</b>	<b>88.1</b>	<b>1,813.0</b>

## 25. Financial instruments continued

	31 March 2024		
	Measured at amortised cost £m	Measured at fair value £m	Total carrying amount £m
<b>Financial assets</b>			
Other investment	–	2.0	2.0
Cash and cash equivalents	1,439.6	–	1,439.6
Money market deposits	1,745.1	–	1,745.1
Trade receivables	81.0	–	81.0
Other receivables	75.4	–	75.4
Derivative financial instruments	–	48.1	48.1
<b>Total financial assets</b>	<b>3,341.1</b>	<b>50.1</b>	<b>3,391.2</b>
<b>Financial liabilities</b>			
Trade payables	116.3	–	116.3
Other creditors and accruals	336.4	–	336.4
Convertible bond	359.8	–	359.8
Aircraft loans	396.0	–	396.0
Lease liabilities	699.6	–	699.6
Derivative financial instruments	–	88.6	88.6
<b>Total financial liabilities</b>	<b>1,908.1</b>	<b>88.6</b>	<b>1,996.7</b>

- derivative financial instruments categorised as fair value through profit and loss at 31 March 2025 are, by concession, deferred through OCI as the movements relate to the effective portion of the cash flow hedge;
- due to the short maturity of money market deposits and cash and cash equivalents, amortised cost is considered to be a close approximation to fair value;
- for trade receivables and trade payables, carrying value at amortised cost approximates to fair value;
- all loans and borrowings are initially recorded at fair value less any directly attributable transaction costs. Loans, borrowings and lease liabilities are, where applicable, subsequently measured at amortised cost. As at 31 March 2025, the fair values of the convertible bond and aircraft loans are £2.9m (2024: £331.3m) and £422.4m (2024: £373.0m) respectively. The fair value of the convertible bond is its par value, being the amount the Group is contractually obliged to pay to bondholders in order to redeem the remaining bonds in April 2025. In the previous year, its fair value was calculated using level 1 inputs based on quoted prices in active markets for identical liabilities. The fair value of aircraft loans has been calculated using a level 3 methodology via unobservable inputs; and
- the fair value of derivative financial instruments has been measured by reference to their fair value, as provided by external counterparties.

IFRS 13 – *Fair Value Measurement* requires the classification of fair value measurements using a hierarchy that reflects the nature of the inputs used in making the assessments. The fair values of the Group's derivative financial instruments are derived using available market information, other than quoted prices in active markets for identical assets and liabilities. The inputs into the fair value calculations include quotations by brokers and price index data and are classified as level 2 within the fair value hierarchy.

The valuation methodologies used are as follows:

- the fair values of forward foreign exchange contracts are calculated by discounting the contracted forward values and translating at the appropriate balance sheet rates;
- the fair values of aviation fuel swaps are calculated by discounting expected future cash flows and translating at the appropriate balance sheet rates; and
- the fair values of interest rate swaps are calculated by discounting expected future principal and interest cash flows.

The Group uses derivative financial instruments to manage its exposure to currency exchange rates, aviation fuel prices and interest rates, consistent with its risk management policies and objectives.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 25. Financial instruments continued

These derivatives are analysed as follows:

	31 March 2025				
	Asset fair value £m	Liability fair value £m	Other payables £m	Cost of hedging reserve £m	Cash flow hedging reserve £m
US dollar forward contracts	5.7	(18.4)	–	(0.6)	13.3
Euro forward contracts	4.8	(38.3)	–	21.6	11.9
Indian Rupee forward contracts	–	(0.3)	–	–	0.3
Aviation fuel swaps	1.7	(31.1)	(4.1)	–	33.5
Interest rate swaps	8.8	–	–	–	(8.8)
<b>Total</b>	<b>21.0</b>	<b>(88.1)</b>	<b>(4.1)</b>	<b>21.0</b>	<b>50.2</b>

	31 March 2024				
	Asset fair value £m	Liability fair value £m	Other receivables £m	Cost of hedging reserve £m	Cash flow hedging reserve £m
US dollar forward contracts	2.2	(19.9)	–	(0.4)	18.1
Euro forward contracts	0.1	(65.3)	–	29.7	35.5
Aviation fuel swaps	29.9	(3.4)	1.8	–	(28.3)
Interest rate swaps	15.9	–	–	–	(15.9)
<b>Total</b>	<b>48.1</b>	<b>(88.6)</b>	<b>1.8</b>	<b>29.3</b>	<b>9.4</b>

The impact of cash flow hedging instruments, by category of risk hedged, on the Statement of Financial Position is as follows:

Hedging instruments and location in the Statement of Financial Position	31 March 2025		31 March 2024	
	Notional amount £m	Carrying amount £m	Notional amount £m	Carrying amount £m
<b>Currency forward contracts</b>				
Non-current assets	287.2	1.7	137.9	0.5
Current assets	934.5	8.8	347.1	1.8
Current liabilities	2,843.2	(51.0)	3,336.3	(80.4)
Non-current liabilities	381.3	(6.0)	474.6	(4.8)
	<b>4,446.2</b>	<b>(46.5)</b>	<b>4,295.9</b>	<b>(82.9)</b>
<b>Aviation fuel swaps</b>				
Non-current assets	20.0	0.4	105.5	3.8
Current assets	61.2	1.3	386.1	26.1
Current liabilities	410.4	(28.4)	117.8	(2.6)
Non-current liabilities	100.1	(2.7)	37.6	(0.8)
	<b>591.7</b>	<b>(29.4)</b>	<b>647.0</b>	<b>26.5</b>
<b>Interest rate swaps</b>				
Non-current assets	174.1	5.9	215.1	13.0
Current assets	79.6	2.9	87.8	2.9
Current liabilities	–	–	–	–
Non-current liabilities	–	–	–	–
	<b>253.7</b>	<b>8.8</b>	<b>302.9</b>	<b>15.9</b>

For presentation purposes, the notional values of the interest rate swaps have been aged as either current or non-current with reference to the break date per the financial instrument.

## 25. Financial instruments continued

### (b) Movements in fair value of financial instruments:

Net movements in fair value of financial instruments	Fair value of hedging instrument	
	Assets £m	Liabilities £m
<b>At 31 March 2023</b>	<b>60.1</b>	<b>(101.9)</b>
Other comprehensive income (Charged) / credited to Income Statement	33.8 (45.8)	(72.0) 85.3
<b>At 31 March 2024</b>	<b>48.1</b>	<b>(88.6)</b>
Other comprehensive income (Charged) / credited to Income Statement	3.6 (30.7)	(82.5) 83.0
<b>At 31 March 2025</b>	<b>21.0</b>	<b>(88.1)</b>

The impact of hedge instruments on cash flow hedging reserve	Foreign currency risk £m	Aviation fuel price risk £m	Interest rate risk £m	Total cashflow hedging reserve £m
<b>Balance at 31 March 2023</b>	<b>(15.9)</b>	<b>41.7</b>	<b>(10.5)</b>	<b>15.3</b>
Losses / (gains) taken into reserves	94.0	(37.5)	(2.6)	53.9
Transfer to profit and loss for the year	(19.3)	(46.0)	–	(65.3)
Deferred tax movement	(18.7)	20.8	0.7	2.8
<b>Balance at 31 March 2024</b>	<b>40.1</b>	<b>(21.0)</b>	<b>(12.4)</b>	<b>6.7</b>
Losses taken into reserves	78.4	36.5	4.2	119.1
Transfer to profit and loss for the year	(106.4)	25.2	3.0	(78.2)
Deferred tax movement	7.0	(15.4)	(1.8)	(10.2)
<b>Balance at 31 March 2025</b>	<b>19.1</b>	<b>25.3</b>	<b>(7.0)</b>	<b>37.4</b>

Gains and losses on revaluation of derivatives designated as cash flow hedges, shown in the table above, have an equal and opposite impact on OCI. There were no reclassification adjustments other than the transfer of gains and losses from the cash flow hedging reserve into the profit and loss account.

The impact of hedge instruments on cost of hedging reserve	Foreign currency risk £m	Aviation fuel price risk £m	Interest rate risk £m	Total cost of hedging reserve £m
<b>Balance at 31 March 2023</b>	<b>17.9</b>	<b>–</b>	<b>–</b>	<b>17.9</b>
Gains taken into reserves	(17.4)	–	–	(17.4)
Transfer to profit and loss for the year	22.7	–	–	22.7
Deferred tax movement	(1.3)	–	–	(1.3)
<b>Balance at 31 March 2024</b>	<b>21.9</b>	<b>–</b>	<b>–</b>	<b>21.9</b>
Gains taken into reserves	(36.1)	–	–	(36.1)
Transfer to profit and loss for the year	27.8	–	–	27.8
Deferred tax movement	2.1	–	–	2.1
<b>Balance at 31 March 2025</b>	<b>15.7</b>	<b>–</b>	<b>–</b>	<b>15.7</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 25. Financial instruments continued

### (c) Maturity profile of financial assets and liabilities

The maturity profile of the Group's financial assets and liabilities at the end of the year was as follows:

Period of maturity	Less than one year £m	Between one and two years £m	More than two years £m	31 March 2025 Total £m
<b>Financial assets</b>				
Liquid assets and receivables	3,309.4	–	–	<b>3,309.4</b>
Derivative financial instruments	13.0	2.3	5.7	<b>21.0</b>
<b>Total financial assets</b>	<b>3,322.4</b>	<b>2.3</b>	<b>5.7</b>	<b>3,330.4</b>
<b>Financial liabilities</b>				
Trade payables	174.6	–	–	<b>174.6</b>
Other creditors and accruals	412.4	–	–	<b>412.4</b>
Convertible bond	2.9	–	–	<b>2.9</b>
Aircraft loans	77.1	30.6	313.5	<b>421.2</b>
Lease liabilities	156.7	229.2	327.9	<b>713.8</b>
Derivative financial instruments	79.4	8.7	–	<b>88.1</b>
<b>Total financial liabilities</b>	<b>903.1</b>	<b>268.5</b>	<b>641.4</b>	<b>1,813.0</b>

Period of maturity	Less than one year £m	Between one and two years £m	More than two years £m	31 March 2024 Total £m
<b>Financial assets</b>				
Liquid assets and receivables	3,341.1	–	–	3,341.1
Other equity investments	–	–	2.0	2.0
Derivative financial instruments	30.8	6.2	11.1	48.1
<b>Total financial assets</b>	<b>3,371.9</b>	<b>6.2</b>	<b>13.1</b>	<b>3,391.2</b>
<b>Financial liabilities</b>				
Trade payables	116.3	–	–	116.3
Other creditors and accruals	336.4	–	–	336.4
Convertible bond	–	–	359.8	359.8
Aircraft loans	44.6	47.6	303.8	396.0
Lease liabilities	131.0	143.1	425.5	699.6
Derivative financial instruments	83.0	5.6	–	88.6
<b>Total financial liabilities</b>	<b>711.3</b>	<b>196.3</b>	<b>1,089.1</b>	<b>1,996.7</b>

The expected contractual maturity of derivative financial instruments that are marked to market based on the undiscounted cash flows is set out below. Where the amount payable or receivable is not fixed, the amount has been determined by reference to market data, including forward commodity prices and foreign exchange rates, illustrated by forward yield curves at the reporting date. Other financial liabilities include borrowings and lease liabilities, which are presented gross and therefore comprise both principal repayments and finance expenses not yet accrued.

## 25. Financial instruments continued

Period of maturity (undiscounted cash flows)	Less than one year £m	Between one and two years £m	More than two years £m	31 March 2025 Total £m
<b>At 31 March 2025</b>				
Currency forward contracts payment	934.5	287.2	–	<b>1,221.7</b>
Currency forward contracts receipt	(943.3)	(288.9)	–	<b>(1,232.2)</b>
Aviation fuel swaps payment	61.2	20.0	–	<b>81.2</b>
Aviation fuel swaps receipt	(62.5)	(20.4)	–	<b>(82.9)</b>
Interest rate swaps payment	79.6	25.0	149.1	<b>253.7</b>
Interest rate swaps receipt	(82.5)	(25.2)	(154.8)	<b>(262.5)</b>
<b>Net derivative settlement – financial assets</b>	<b>(13.0)</b>	<b>(2.3)</b>	<b>(5.7)</b>	<b>(21.0)</b>
Currency forward contracts payment	2,843.2	381.3	–	<b>3,224.5</b>
Currency forward contracts receipt	(2,792.2)	(375.3)	–	<b>(3,167.5)</b>
Aviation fuel swaps payment	410.4	100.1	–	<b>510.5</b>
Aviation fuel swaps receipt	(382.0)	(97.4)	–	<b>(479.4)</b>
<b>Net derivative settlement – financial liabilities</b>	<b>79.4</b>	<b>8.7</b>	<b>–</b>	<b>88.1</b>
Trade payables	174.6	–	–	<b>174.6</b>
Other creditors and accruals	412.4	–	–	<b>412.4</b>
Convertible bond	2.9	–	–	<b>2.9</b>
Aircraft loans	94.6	45.4	400.7	<b>540.7</b>
Lease liabilities	186.3	272.1	371.2	<b>829.6</b>
<b>Total other financial liabilities</b>	<b>870.8</b>	<b>317.5</b>	<b>771.9</b>	<b>1,960.2</b>
<b>Total</b>	<b>937.2</b>	<b>323.9</b>	<b>766.2</b>	<b>2,027.3</b>

Period of maturity (undiscounted cash flows)	Less than one year £m	Between one and two years £m	More than two years £m	31 March 2024 Total £m
<b>At 31 March 2024</b>				
Currency forward contracts payment	347.1	137.9	–	485.0
Currency forward contracts receipt	(348.9)	(138.4)	–	(487.3)
Aviation fuel swaps payment	386.1	105.5	–	491.6
Aviation fuel swaps receipt	(412.2)	(109.3)	–	(521.5)
Interest rate swaps payment	87.8	49.0	166.1	302.9
Interest rate swaps receipt	(90.7)	(50.8)	(177.3)	(318.8)
<b>Net derivative settlement – financial assets</b>	<b>(30.8)</b>	<b>(6.1)</b>	<b>(11.2)</b>	<b>(48.1)</b>
Currency forward contracts payment	3,336.3	474.6	–	3,810.9
Currency forward contracts receipt	(3,255.9)	(469.8)	–	(3,725.7)
Aviation fuel swaps payment	117.8	37.6	–	155.4
Aviation fuel swaps receipt	(115.2)	(36.8)	–	(152.0)
<b>Net derivative settlement – financial liabilities</b>	<b>83.0</b>	<b>5.6</b>	<b>–</b>	<b>88.6</b>
Trade payables	116.3	–	–	116.3
Other creditors and accruals	336.4	–	–	336.4
Convertible bond	–	–	387.4	387.4
Aircraft loans	58.6	58.9	368.7	486.2
Lease liabilities	161.3	165.8	458.3	785.4
<b>Total other financial liabilities</b>	<b>672.6</b>	<b>224.7</b>	<b>1,214.4</b>	<b>2,111.7</b>
<b>Total</b>	<b>724.8</b>	<b>224.2</b>	<b>1,203.2</b>	<b>2,152.2</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 25. Financial instruments continued

### (d) Borrowing facilities

The Group has various borrowing facilities and financing arrangements available to it. The total committed borrowing facilities available at 31 March were as follows:

	Amounts utilised		Total facilities available	
	2025 £m	2024 £m	2025 £m	2024 £m
Revolving Credit Facility <sup>1</sup>	–	–	277.5	274.5
Convertible bond <sup>2</sup>	2.9	359.8	2.9	359.8
Aircraft loans <sup>3</sup>	421.2	396.0	421.2	396.0
Lease liabilities	713.8	699.6	713.8	699.6
	<b>1,137.9</b>	<b>1,455.4</b>	<b>1,415.4</b>	<b>1,729.9</b>

<sup>1</sup> The Group's Revolving Credit Facility (RCF) was signed on 19 October 2022 and had a five-year term. The agreement provided a £300.0m (2024: £300.0m) RCF plus a £75.0m (2024: £75.0m) uncommitted accordion RCF. As at 31 March 2025, £22.5m (2024: £25.5m) has been utilised in relation to letters of credit and £nil (2024: £nil) has been drawn down as cash borrowings. In May 2025, the RCF was renewed, which resulted in the expansion of unsecured available facilities from £300.0m to £500.0m and a new end date of 31 October 2029 with an option to extend for a further two years.

<sup>2</sup> The Group repurchased £384.5m of its total convertible bond of £387.4m during the year ended 31 March 2025. The convertible bond was issued on 10 June 2021, with a 1.625% per annum coupon payable semi-annually in arrears in equal instalments. The remaining outstanding bonds of £2.9m were repurchased in April 2025.

<sup>3</sup> Aircraft loans relate to those aircraft that are funded individually by secured loans on, or around, the point of delivery. Certain aircraft financing are linked to one of the Group's key climate metric, gCO<sub>2</sub> per revenue passenger km aircraft fuel burn only, through a margin ratchet adjustment.

### (e) Interest rate risk

Financial assets – cash and cash equivalents and money market deposits:

	31 March 2025			31 March 2024		
	Interest-bearing financial assets £m	Financial assets on which no interest is receivable £m	Total £m	Interest-bearing financial assets £m	Financial assets on which no interest is receivable £m	Total £m
Sterling	3,029.8	1.6	3,031.4	3,051.5	1.7	3,053.2
US dollar	114.0	–	114.0	116.1	–	116.1
Euro	7.2	1.2	8.4	10.8	1.0	11.8
Other	2.0	–	2.0	3.6	–	3.6
	<b>3,153.0</b>	<b>2.8</b>	<b>3,155.8</b>	<b>3,182.0</b>	<b>2.7</b>	<b>3,184.7</b>

Interest-bearing financial assets comprise cash on deposit and money market deposits at various market rates according to currency and term.

Financial liabilities – borrowings and lease liabilities:

	31 March 2025			31 March 2024		
	Floating rate financial liabilities £m	Fixed-rate financial liabilities £m	Total £m	Floating rate financial liabilities £m	Fixed-rate financial liabilities £m	Total £m
Sterling	87.5	259.2	346.7	91.8	721.8	813.6
US dollar	14.7	775.9	790.6	37.1	603.6	640.7
Euro	–	0.6	0.6	–	1.1	1.1
	<b>102.2</b>	<b>1,035.7</b>	<b>1,137.9</b>	<b>128.9</b>	<b>1,326.5</b>	<b>1,455.4</b>

Fixed-rate financial liabilities include financial liabilities which have been hedged through long term interest rate swaps.

## 25. Financial instruments continued

### (f) Currency exposure

Financial instruments that are not denominated in the functional currency of the operating unit involved expose the Group to currency risk. The carrying value of the Group's financial instruments at 31 March, including derivative financial instruments, on which exchange differences would be recognised in the Consolidated Income Statement in the following year, were as follows:

	US dollar £m	Euro £m	Other £m	Total £m
31 March 2024	(392.3)	(138.0)	3.6	(526.7)
<b>31 March 2025</b>	<b>(563.3)</b>	<b>(226.5)</b>	<b>2.2</b>	<b>(787.6)</b>

### (g) Sensitivity analysis

The following table shows the impact of currency translation exposures arising from monetary assets and liabilities of the Group that are not denominated in sterling, along with the impact of a reasonably possible change in fuel prices and interest rates, with all other variables held constant.

	31 March 2025		31 March 2024	
	Income Statement (charge) / credit	Other Comprehensive Income credit / (charge)	Income Statement (charge) / credit	Other Comprehensive Income credit / (charge)
10% increase in aviation fuel prices	–	56.2	–	67.3
10% weakening in GBP vs USD	(62.6)	138.1	(43.6)	137.5
10% weakening in GBP vs EUR	(25.2)	344.2	(15.3)	329.8
1ppt increase in interest rate	–	6.0	–	8.9
10% decrease in aviation fuel prices	–	(56.2)	–	(67.3)
10% strengthening in GBP vs USD	51.2	(113.0)	35.7	(112.5)
10% strengthening in GBP vs EUR	20.6	(281.8)	12.5	(270.4)
1ppt decrease in interest rate	–	(6.0)	–	(8.9)

### (h) Capital management

The Group considers capital to be net cash / (debt) plus total equity. Net cash / (debt) is calculated as total borrowings and lease liabilities, less cash and cash equivalents and money market deposits as shown in Note 27. Total equity is as shown in the Consolidated Statement of Financial Position. The Group's capital allocation framework has three pillars – capital control; balance sheet strength; and shareholder returns. This structure safeguards the Group's ability to continue as a going concern by maintaining sufficient 'Own Cash' (as defined in Note 5) to manage industry shocks and debt obligations, and offers a robust foundation to maximise returns from the existing business and to invest in continued growth and operational resilience. To maintain or adjust the capital structure, the Group may pay dividends, issue new shares, buy back its shares or take other steps to reduce or increase share capital and debt facilities.

## 26. Called up share capital and reserves

### (a) Share capital

	Number of shares	2025 £m	2024 £m
Allotted, called up and fully paid:			
<b>As at 1 April</b>	<b>214,681,281</b>	<b>2.7</b>	2.7
Share awards exercised	2,569	–	–
<b>As at 31 March</b>	<b>214,683,850</b>	<b>2.7</b>	2.7

Issued share capital increased by 2,569 (2024: nil) Ordinary Shares of 1.25 pence each, which were all ShareSave 2022 share awards exercised by colleagues prior to the formation of the Employee Benefit Trust (EBT).

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 26. Called up share capital and reserves continued

### (b) Employee share schemes

Jet2 plc has five Share Reward Plans (SRP) in operation, which were issued in July 2021, July 2022, July 2023 and two iterations of the scheme issued in July 2024 with tenors of two and three years. There are also two Senior Executive Incentive Plans (SEIP) issued in July 2023 and July 2024, and three savings-related ShareSave schemes, issued in September 2022, September 2023 and September 2024. These plans have been accounted for in accordance with the fair value recognition provisions of IFRS 2 – *Share-based Payment*, which means that IFRS 2 has been applied to all grants of employee share-based payments that had not fully vested at 31 March 2025. The total expense recognised for the period arising from share-based payments was £13.2m (2024: £14.7m).

### Summary of share options / deferred awards outstanding

The terms and conditions of grants are as follows, with all settled by physical delivery of shares:

Scheme	Grant date	Option / award price	31 March 2025 shares	31 March 2024 shares	Vesting date	Expiry date
SEIP 2023	13 Jul 2023	1.25p	96,034	96,034	12 Jul 2026	12 Jul 2036
SEIP 2024	22 Jul 2024	1.25p	89,268	–	22 Jul 2027	22 Jul 2037
SRP 2021	21 Jul 2021	1.25p	124,800	1,161,000	21 Jul 2024	21 Jul 2031
SRP 2022	20 Jul 2022	1.25p	1,984,466	2,014,466	20 Jul 2025	20 Jul 2032
SRP 2023	17 Jul 2023	1.25p	127,711	127,711	17 Jul 2026	17 Jul 2033
SRP 2024 (3 year)	22 Jul 2024	1.25p	179,631	–	22 Jul 2027	22 Jul 2034
SRP 2024 (2 year)	22 Jul 2024	1.25p	175,000	–	22 Jul 2026	22 Jul 2033
ShareSave 2022	1 Sep 2022	£7.66	4,734,884	4,974,829	1 Oct 2025	1 Apr 2026
ShareSave 2023	7 Sep 2023	£8.92	1,678,642	1,881,053	1 Oct 2026	1 Apr 2027
ShareSave 2024	5 Sep 2024	£10.78	1,281,389	–	1 Oct 2027	1 Apr 2028
<b>Total</b>			<b>10,471,825</b>	<b>10,255,093</b>		

These share options / deferred awards are granted under a service condition and, as such, are not subject to any terms and conditions that do not apply to equivalent market-traded shares. As permitted by IFRS 2, the estimate of the fair value of the services received is measured by reference to the closing mid-market share price at the date of grant of the option.

The number and weighted average exercise prices of share options are as follows:

	2025		2024	
	Number of options / deferred awards	Weighted average exercise price Pence	Number of options / deferred awards	Weighted average exercise price Pence
Outstanding at 1 April	10,255,093	535.62	8,636,632	473.80
Granted	1,925,523	829.77	2,230,229	802.64
Exercised	(1,068,410)	24.60	–	–
Lapsed	(640,381)	867.06	(611,768)	636.83
<b>Outstanding at 31 March</b>	<b>10,471,825</b>	<b>621.58</b>	<b>10,255,093</b>	<b>535.62</b>
Exercisable at 31 March	124,800	1.25	–	n/a
Weighted average share price at date of exercise		1,365.21		n/a

Options / awards outstanding at 31 March 2025 are in respect of all options / awards issued since 20 July 2022. The options / awards outstanding at the year end have an exercise price in the range of 1.25p to £10.78 and a weighted average contractual life of 3.2 years (2024: 4.2 years).

## 26. Called up share capital and reserves continued

On 22 July 2024, the Group granted 89,268 options to the Operating Directors under its Senior Executive Performance Plan, which had a fair value at the date of grant of £12.50, and 179,631 options to the Executive Directors under a three-year Share Reward Plan, which had a fair value at the date of grant of £12.50. In addition, on 22 July 2024, the Group granted 175,000 options to certain senior management under a two-year Share Reward Plan, which had a fair value at the date of grant of £12.50.

Additionally, on 5 September 2024, the Group granted 1,481,624 options to colleagues under its ShareSave scheme, which had a fair value at the date of grant of £2.20. These fair values are measured by reference to the closing mid-market share price at the date of grant of the option, as compared to the award price of each scheme as detailed in the Summary of share options / deferred awards outstanding table.

### (c) Reserves

The share premium reserve represents amounts received in excess of the nominal value of shares in respect of share options / deferred awards and retail share issues.

The own share reserve relates to purchases of shares in the Company made by the Group-sponsored Employee Benefit Trust (EBT) which is fully consolidated within the Group Financial Statements. The EBT purchased 11,288,698 ordinary shares for consideration of £158.5m (2024: £nil). The EBT utilised 1,065,920 ordinary shares to settle employee share-based payments, resulting in a total of 10,222,778 shares held by the EBT at 31 March 2025 (2024: nil).

The cash flow hedging reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedging instruments related to hedged transactions that have not yet matured.

The cost of hedging reserve represents changes in the value of foreign currency forward contracts arising as a result of foreign currency basis spread, which is held separately when designating the forward contract as a hedging instrument. This does not form part of the designated hedging instrument and is instead held in a separate cost of hedging reserve. The cost of hedging reserve is subsequently recognised in profit and loss in the period in which the hedged transaction affects profit and loss for forward contracts.

Other reserves include foreign exchange translation differences arising on revaluation of non-sterling functional currency subsidiaries of the Group. The equity component of the convertible bond was previously held in other reserves, however this was extinguished during the year as the Group either repurchased or gave notice to redeem all outstanding convertible bonds.

Retained earnings principally reflect cumulative profit and loss less dividends paid in the year.

## 27. Notes to Consolidated Statement of Cash Flows

Changes in cash and financing liabilities	Cash and cash equivalents £m	Money market deposits £m	Borrowings £m	Lease liabilities £m	Total Net cash / (debt) £m
<b>At 1 April 2024</b>	<b>1,439.6</b>	<b>1,745.1</b>	<b>(755.8)</b>	<b>(699.6)</b>	<b>1,729.3</b>
Repayment of borrowings	–	–	119.6	–	119.6
Repayment of convertible bond	–	–	368.1	–	368.1
New loans advanced	–	–	(146.5)	–	(146.5)
Payment of lease liabilities	–	–	–	134.6	134.6
<b>Total changes from financing cash flows</b>	<b>–</b>	<b>–</b>	<b>341.2</b>	<b>134.6</b>	<b>475.8</b>
Other cash flows	(27.2)	–	–	–	(27.2)
Deposit placements	(2,545.6)	2,545.6	–	–	–
Deposit receipts	2,320.0	(2,320.0)	–	–	–
Exchange differences	–	(1.7)	2.4	13.5	14.2
Unwind of interest <sup>1</sup>	–	–	(11.9)	–	(11.9)
Lease movements <sup>2</sup>	–	–	–	(162.3)	(162.3)
<b>At 31 March 2025</b>	<b>1,186.8</b>	<b>1,969.0</b>	<b>(424.1)</b>	<b>(713.8)</b>	<b>2,017.9</b>

<sup>1</sup> Unwind of interest relates to the discount rates applied on issue of the convertible bond and amortisation of transaction costs associated with Borrowings and Lease liabilities.

<sup>2</sup> Lease movements include new leases and lease term amendments.

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 27. Notes to Consolidated Statement of Cash Flows *continued*

Changes in cash and financing liabilities	Cash and cash equivalents £m	Money market deposits £m	Borrowings £m	Lease liabilities £m	Total Net cash / (debt) £m
<b>At 1 April 2023</b>	<b>955.2</b>	<b>1,669.5</b>	<b>(729.2)</b>	<b>(645.8)</b>	<b>1,249.7</b>
Repayment of borrowings	–	–	173.0	–	<b>173.0</b>
New Loans advanced	–	–	(190.7)	–	<b>(190.7)</b>
Payment of lease liabilities	–	–	–	116.5	<b>116.5</b>
<b>Total changes from financing cash flows</b>	<b>–</b>	<b>–</b>	<b>(17.7)</b>	<b>116.5</b>	<b>98.8</b>
Other cash flows	562.2	–	–	–	<b>562.2</b>
Deposit placements	(2,157.1)	2,157.1	–	–	–
Deposit receipts	2,081.5	(2,081.5)	–	–	–
Exchange differences	(2.2)	–	3.4	9.7	<b>10.9</b>
Unwind of interest	–	–	(12.3)	–	<b>(12.3)</b>
Lease movements	–	–	–	(180.0)	<b>(180.0)</b>
<b>At 31 March 2024</b>	<b>1,439.6</b>	<b>1,745.1</b>	<b>(755.8)</b>	<b>(699.6)</b>	<b>1,729.3</b>

## 28. Contingent liabilities

The Group has issued various guarantees in the ordinary course of business, none of which are expected to lead to a financial gain or loss. None of these guarantees are considered to have a material fair value under IFRS 17 – *Insurance Contracts* and consequently no liability has been recorded (2024: £nil).

## 29. Pension scheme

The Group operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the Group into the scheme and amounted to £37.4m (2024: £31.6m).

## 30. Contractual commitments

The Group has an agreement with Airbus to purchase a further 135 new firm ordered A321neo aircraft as at 31 March 2025 out of its total order of 146 aircraft. The remaining firm ordered aircraft are due for delivery between 2025 and 2035 at a base price of approximately \$16.7bn although the Company negotiated significant discounts from the base price.

The Group has contractual commitments to purchase carbon emissions allowances for its EU ETS obligations with a value of £74.8m (2024: £131.5m).

## 31. Related party transactions

### Compensation of key management personnel

The compensation of key management personnel, comprising the Executive and Non-Executive Directors of **Jet2 plc** and its subsidiaries, is summarised in Note 10.

Rick Green, a Non-Executive Director of **Jet2 plc**, received £87,000 (2024: £112,000) in respect of consultancy services for the Group in addition to his fees during the year ended 31 March 2025. Further details of Directors' remuneration can be found within the *Remuneration Committee Report* on page 113 onwards.

Rick Green is also a Director of Brooklyn Travel Holdings Limited, Congress Team International (UK) Limited and Stewart Travel Limited, being subsidiaries of Brooklyn Travel Holdings Limited. Additionally, Steve Heapy is a Director of ABTA Limited. These counterparties had transactions with the Group during the financial year ended 31 March 2025 as disclosed below:

	Relationship	Revenue / (expense) in the year		Amounts outstanding at year end	
		2025 £m	2024 £m	2025 £m	2024 £m
Congress Team International (UK) Limited	Common directorship	<b>7.5</b>	8.1	–	–
Stewart Travel Limited <sup>1</sup>	Common directorship	<b>(3.1)</b>	(2.7)	<b>1.1</b>	1.1
ABTA Limited <sup>2</sup>	Common directorship	<b>(0.4)</b>	(0.2)	–	–

<sup>1</sup> Expenses in respect of Stewart Travel Limited relate to commissions paid for holidays sold by the agent on the Group's behalf.

<sup>2</sup> Expenses with ABTA Limited relate to the Group's membership of the regulatory body for package holidays.

## 32. Post Balance Sheet Events

On 29 April 2025, **Jet2 plc** launched an on-market share buyback programme of up to £250m and the shares will be cancelled following purchase.

On 9 May 2025, the Group renewed and expanded its RCF, which now has unsecured available facilities of up to £500m, an increase of £200m from the previous arrangement. The RCF runs to 31 October 2029 with an option to extend for a further two years.

## Parent Company Balance Sheet

At 31 March 2025

	Note	2025 £m	2024 £m
<b>Non-current assets</b>			
Property, plant and equipment	6	970.0	837.0
Right-of-use assets	7	94.2	98.9
Investments	8	300.3	302.3
Derivative financial instruments		8.0	17.3
Derivative financial instruments with subsidiary undertakings		6.7	1.6
		<b>1,379.2</b>	1,257.1
<b>Current assets</b>			
Trade and other receivables	9	90.8	110.6
Derivative financial instruments		13.0	30.8
Derivative financial instruments with subsidiary undertakings		69.0	55.2
Money market deposits		970.6	768.5
Cash and cash equivalents		502.4	672.9
		<b>1,645.8</b>	1,638.0
<b>Current liabilities</b>			
Trade and other payables	10	(1,660.6)	(1,221.5)
Borrowings	11	(67.4)	(32.0)
Lease liabilities	12	(13.0)	(12.5)
Derivative financial instruments		(79.4)	(83.0)
Derivative financial instruments owed to subsidiary undertakings		(0.5)	(3.0)
<b>Net current (liabilities) / assets</b>		<b>(175.1)</b>	286.0
<b>Total assets less current liabilities</b>		<b>1,204.1</b>	1,543.1
<b>Non-current liabilities</b>			
Borrowings	11	(126.3)	(585.8)
Lease liabilities	12	(89.8)	(102.6)
Derivative financial instruments		(8.7)	(5.6)
Derivative financial instruments owed to subsidiary undertakings		(4.8)	(7.3)
Deferred taxation	13	(115.9)	(96.7)
<b>Net assets</b>		<b>858.6</b>	745.1
<b>Shareholders' equity</b>			
Share capital		2.7	2.7
Share premium		19.8	19.8
Own share reserve		(143.7)	-
Cash flow hedging reserve		2.4	4.5
Other reserves		-	51.4
Profit and loss account		977.4	666.7
<b>Total shareholders' equity</b>		<b>858.6</b>	745.1

The Company reported a profit after taxation for the financial year ended 31 March 2025 of £330.2m (2024: £32.1m) which included dividends received from its subsidiaries of £300.0m (2024: £nil). The financial statements on pages 166 to 175 were approved by the Board of Directors and authorised for issue on 8 July 2025 and were signed on its behalf by:



**Gary Brown**  
Group Chief Financial Officer

Jet2 plc, Registered no. 01295221

## Parent Company Statement Of Changes In Equity

For The Year Ended 31 March 2025

	Share capital £m	Share premium £m	Own share reserve £m	Cash flow hedging reserve £m	Other reserves £m	Profit and loss account £m	Total shareholders' equity £m
<b>Balance at 31 March 2023</b>	2.7	19.8	-	5.3	51.4	645.4	724.6
Total comprehensive income	-	-	-	(0.8)	-	32.1	31.3
Share-based payments	-	-	-	-	-	14.7	14.7
Deferred tax on share-based payments	-	-	-	-	-	0.3	0.3
Dividends paid in the year	-	-	-	-	-	(25.8)	(25.8)
<b>Balance at 31 March 2024</b>	2.7	19.8	-	4.5	51.4	666.7	745.1
Total comprehensive income	-	-	-	(2.1)	-	330.2	328.1
Share-based payments	-	-	-	-	-	13.2	13.2
Deferred tax on share-based payments	-	-	-	-	-	(0.3)	(0.3)
Dividends paid in the year	-	-	-	-	-	(31.6)	(31.6)
Purchase of own shares by Employee Benefit Trust	-	-	(158.5)	-	-	-	(158.5)
Own shares issued under share schemes	-	-	14.8	-	-	(14.8)	-
Repurchase of convertible bond	-	-	-	-	(37.4)	-	(37.4)
Reclassification of convertible bond equity component	-	-	-	-	(14.0)	14.0	-
<b>Balance at 31 March 2025</b>	2.7	19.8	(143.7)	2.4	-	977.4	858.6

# Notes to the Parent Company Financial Statements

## For the year ended 31 March 2025

### 1. Basis of preparation

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 *Application of Financial Reporting Requirements* issued by the Financial Reporting Council and has adopted FRS 101 Reduced Disclosure Framework accordingly.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and property, plant and equipment;
- transactions with other Group companies;
- capital management;
- the effects of new but not yet effective IFRS;
- compensation of key management personnel; and
- certain disclosures required by paragraphs 52, 89, 90, 91 and 93 of IFRS 16 – *Leases*.

As the Consolidated Financial Statements include the equivalent disclosures, the Company has also taken the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 2 – *Share-based Payment* in respect of Group settled share-based payments; and
- Certain disclosures required by IFRS 13 – *Fair Value Measurement* and the disclosures required by IFRS 7 – *Financial Instruments: Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 for future financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The Company applies consistent accounting policies for measurement and recognition purposes under FRS 101 to those applied by the Group. To the extent that an accounting policy is relevant to both the Group and the Company financial statements, details of these policies have been disclosed in the Notes to the *Consolidated Financial Statements* found from page 133 onwards.

### 2. Significant accounting policies

#### Going concern

The Company provides aircraft leasing, treasury, legal and IT management services to the Group and accordingly its financial performance is inextricably linked with the performance of its subsidiaries.

The Group disclosed its detailed Going concern statement on page 47.

As a result, the Directors have a reasonable expectation that the Group, and therefore the Parent Company, has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2025.

#### Revenue

Revenue arises from the leasing of aircraft to **Jet2.com** Limited, the Company's subsidiary undertaking, and is recognised on a straight-line basis over the lease term.

#### Share-based payments

**Jet2 plc** grants equity settled share-based payments to certain colleagues, most of whom are employed directly by subsidiary Group undertakings. The share options and deferred awards granted to any colleagues across the Group are in respect of ordinary shares in the Parent Company. The accounting policy covering the fair value calculation of these options and deferred awards can be found in the Group accounting policies on pages 134 to 135. The resulting cost in relation to colleagues employed by the Parent Company is recognised in Operating expenses in the Parent Company Income Statement over the period from the beginning of the performance obligation period to the vesting date. The Parent Company is reimbursed for the share-based payment expense relating to share options and deferred awards granted to colleagues employed by other Group undertakings.

#### Investments

Investments are recorded at cost, less provision for impairment in value where appropriate.

#### Property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and any provision for impairment. Pre-delivery payments in respect of future new aircraft arrivals are recorded in Property, plant and equipment at cost. Interest payable on pre-delivery payments is capitalised on the basis that it is directly attributable to the acquisition of the aircraft. Depreciation is not charged on these additions until the Company takes delivery of the corresponding aircraft.

Depreciation is calculated to write down the cost of property, plant and equipment to each asset's estimated residual value using the straight-line method over its estimated useful economic life, or the estimated useful economic life of individual major components, as follows:

Freehold property	30 years
Short leasehold property	Over the life of the lease
Aircraft, engines and other components*	2–30 years
Plant, vehicles and equipment	3–10 years

\* excluding pre-delivery payments (see above).

The Company depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of their useful life or the end of their lease term. Certain of the Company's lease contracts contain lease extension options, which are taken into account in the measurement of the right-of-use asset only when the Company is reasonably certain that it would exercise the option. The Company also assesses the right-of-use asset for impairment when such indicators exist.

The element of the cost of acquired aircraft not attributed to major components is depreciated to its expected residual value over its remaining useful life, which is assumed to end 22–30 years from the original build date depending on the aircraft type. Where aircraft are subject to specific life-extension expenditure, the cost of such work is depreciated over the remaining extended life.

Aircraft are leased to **Jet2.com** Limited, a wholly owned subsidiary undertaking. Engines and other components are not depreciated by the Company, as these components are expected to be returned in at least the original condition in which they were initially leased to **Jet2.com**.

Residual values are reviewed annually at the balance sheet date and compared to prevailing market rates of equivalently aged assets; if required, depreciation rates are adjusted accordingly on a prospective basis. Carrying values are reviewed for impairment if events or changes in circumstances indicate that they may not be recoverable.

The useful economic lives of all assets have been considered in light of the evolution of environmental legislation and the Group's Sustainability Strategy. The Company believes these have no impact on either the useful economic lives or carrying values of its assets at this stage.

#### Aircraft maintenance costs

**Jet2.com** leases aircraft from the Company and has a legal obligation to undertake specific periodic maintenance on the aircraft it operates. These obligations require **Jet2.com** to continue to maintain each aircraft and its engines in accordance with the aircraft manufacturer's published maintenance programmes during the term of the lease.

The Company receives a monthly maintenance rental from **Jet2.com** based on a usage calculation, with the rental set at a level which is estimated to cover the cost of future maintenance events when they occur.

For the costs of a maintenance event incurred by **Jet2.com**, **Jet2 plc** will reimburse **Jet2.com** up to the value of maintenance rental payments previously paid over. Maintenance rental payments received are included within Amounts owed to Group undertakings within the Balance Sheet.

#### Lessor accounting

When the Company acts as a sub-lessor, it determines at sub-lease inception whether each lease is a finance lease or an operating lease.

To classify each sub-lease, the Company makes an overall assessment of whether the sub-lease transfers substantially all of the risks and rewards incidental to ownership of the right-of-use asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the sub-lease is for a major part of the economic life of the right-of-use asset.

## Notes to the Parent Company Financial Statements

### For the year ended 31 March 2025

#### 3. Accounting estimates and judgements

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is changed and in future periods if applicable. For each sensitivity considered below, the Company has demonstrated a reasonably possible outcome to aid the users of the financial statements in understanding the impact of the estimate or judgement.

#### Critical judgements in applying accounting policies

There are no judgements that have a significant effect on the amounts recognised in the financial statements nor a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Key sources of estimation uncertainty

There are no major sources of estimation uncertainty at the end of the reporting period that the Directors consider may have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The accounting estimates believed to require the most subjectivity or complexity are residual values and depreciation of property, plant and equipment and right-of-use assets. Further details of this can be found in Note 3 of the *Notes to the Consolidated Financial Statements*.

If the estimated residual value for each of the Company's aircraft were increased by \$1.0m, this would have resulted in a reduction in the depreciation charge for the year ended 31 March 2025 of £7.4m (2024: £9.4m).

If the estimated useful economic lives of the Company's aircraft were all reduced by one year, this would have resulted in an increase in the depreciation charge for the year ended 31 March 2025 of £7.0m (2024: £11.1m). Further details on the net book value of the Company's property, plant and equipment and right-of-use assets at 31 March 2025 can be found in Notes 6 and 7.

#### 4. New and amended accounting standards and interpretations

Details of amendments to UK-adopted International Accounting Standards, which were endorsed in the UK and became effective in the current year, are disclosed in Note 4 of the *Notes to the Consolidated Financial Statements*.

The impact of these changes was not material to the Company.

#### 5. Profit for the year

The Company has taken advantage of the provisions of section 408 of the Companies Act 2006 and has elected not to publish its own profit and loss account for the year. Of the Group's profit on ordinary activities after taxation for the year, a profit of £330.2m (2024: £32.1m) is dealt with in the financial statements of the Company.

#### 6. Property, plant and equipment

	Land and buildings £m	Aircraft, engines and other components £m	Plant, vehicles and equipment £m	Total £m
<b>Cost</b>				
<b>At 31 March 2024</b>	<b>17.7</b>	<b>1,144.9</b>	<b>12.8</b>	<b>1,175.4</b>
Additions	–	189.6	–	189.6
Disposals	(1.2)	(43.6)	(7.4)	(52.2)
<b>At 31 March 2025</b>	<b>16.5</b>	<b>1,290.9</b>	<b>5.4</b>	<b>1,312.8</b>
<b>Depreciation</b>				
At 31 March 2024	(2.4)	(323.2)	(12.8)	(338.4)
Charge for the year	(2.4)	(37.4)	–	(39.8)
Disposals	1.2	26.8	7.4	35.4
<b>At 31 March 2025</b>	<b>(3.6)</b>	<b>(333.8)</b>	<b>(5.4)</b>	<b>(342.8)</b>
<b>Net book value</b>				
<b>At 31 March 2025</b>	<b>12.9</b>	<b>957.1</b>	<b>–</b>	<b>970.0</b>
At 31 March 2024	15.3	821.7	–	837.0

#### 7. Right-of-use assets

	Aircraft, engines and other components £m	Other £m	Total £m
<b>Cost</b>			
<b>At 31 March 2024</b>	<b>101.1</b>	<b>35.6</b>	<b>136.7</b>
Additions	1.2	–	1.2
<b>At 31 March 2025</b>	<b>102.3</b>	<b>35.6</b>	<b>137.9</b>
<b>Depreciation</b>			
At 31 March 2024	(21.4)	(16.4)	(37.8)
Charge for the year	(3.6)	(2.3)	(5.9)
<b>At 31 March 2025</b>	<b>(25.0)</b>	<b>(18.7)</b>	<b>(43.7)</b>
<b>Net book value</b>			
<b>At 31 March 2025</b>	<b>77.3</b>	<b>16.9</b>	<b>94.2</b>
At 31 March 2024	79.7	19.2	98.9

Net book value of other right-of-use assets of £16.9m (2024: £19.2m) includes land and buildings £16.7m (2024: £18.9m) and plant, vehicles and equipment of £0.2m (2024: £0.3m).

# Notes to the Parent Company Financial Statements

For the year ended 31 March 2025

## 8. Investments

	£m
<b>Investments at cost and net value:</b>	
At 31 March 2024	<b>302.3</b>
Impairment of investment in Northpoint Holdco Limited <sup>1</sup>	(2.0)
<b>At 31 March 2025</b>	<b>300.3</b>

<sup>1</sup> The ultimate beneficial owner of this company entered administration during the year therefore the Group assessed that it was appropriate to impair its investment in Northpoint Holdco Limited given the uncertainty surrounding the company's future trading and any potential recoverability of **Jet2 plc**'s equity holdings.

The investments held by the Company are:

	Principal activity	Country of incorporation or registration	Percentage of Ordinary shares held
<b>Principal subsidiary undertakings:</b>			
Dart Leasing & Finance Limited*	Aircraft leasing and financing services	United Kingdom	100
<b>Jet2.com</b> Limited*	Leisure travel airline services	United Kingdom	100
<b>Jet2holidays</b> Limited	Leisure travel package holiday services	United Kingdom	100
<b>Jet2</b> Support Services (Spain) Limited*	Leisure travel support services	United Kingdom	100
<b>Jet2</b> Support Services (Cyprus) Limited	Leisure travel support services	Cyprus	100
<b>Jet2</b> Support Services (Malta) Limited	Leisure travel support services	Malta	100
<b>Other subsidiary undertakings:</b>			
Vardy Limited*	Aviation services	Republic of Ireland	100
<b>Dormant subsidiary undertakings:</b>			
<b>Jet2</b> UK Limited*	Dormant company	United Kingdom	100
<b>Jet2</b> Transport Services Limited	Dormant company	United Kingdom	100
Dart Leasing and Finance (MSN 63154/63156) Limited	Dormant company	United Kingdom	100
<b>Other investments:</b>			
Northpoint Holdco Limited*	Holding company	United Kingdom	9

\* Indicates investments held directly by **Jet2 plc** as at 31 March 2025.

The issued share capital of each subsidiary undertaking consists entirely of ordinary shares, with the exception of Northpoint Holdco Limited where **Jet2 plc** has an interest in nine ordinary B shares and two deferred shares.

All of the above subsidiaries have been consolidated in the **Jet2 plc** Consolidated Financial Statements.

With the exception of the following entities, all of the above subsidiaries share the same registered address as **Jet2 plc**, which is provided on page 177:

<b>Jet2 Support Services (Cyprus) Limited</b>	<b>Jet2 Support Services (Malta) Limited</b>	<b>Vardy Limited</b>
11 Michael Paridi	Level 1 LM Complex	1 Grant's Row
1095 Nicosia	Brewery Street	Lower Mount Street
Cyprus	Birkirkara	Dublin 2
	CBD 3040	D02 HX96
	Malta	Ireland

## 9. Trade and other receivables

	2025 £m	2024 £m
Other receivables and prepayments	<b>33.3</b>	42.8
Corporation tax recoverable	<b>3.3</b>	–
Amounts owed by Group undertakings	<b>54.2</b>	67.8
	<b>90.8</b>	110.6

Expected credit losses in relation to Amounts owed by Group undertakings balance of £54.2m (2024: £67.8m) are immaterial to the Company. Amounts owed by Group undertakings are repayable on demand.

## 10. Trade and other payables: amounts falling due within one year

	2025 £m	2024 £m
Trade payables	<b>0.6</b>	1.4
Corporation tax payable	–	1.5
Amounts owed to Group undertakings	<b>1,639.2</b>	1,198.5
Other payables and accruals	<b>20.8</b>	20.1
	<b>1,660.6</b>	1,221.5

Included in amounts owed to Group undertakings are £362.9m (2024: £322.5m) of amounts received from **Jet2.com** in respect of potential future aircraft maintenance events. Amounts owed to Group undertakings are repayable on demand.

## 11. Borrowings

Borrowings are repayable as follows:

	Convertible bond		Aircraft loans		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Within one year	<b>2.9</b>	–	<b>64.5</b>	32.0	<b>67.4</b>	32.0
Between one and two years	–	–	<b>16.7</b>	34.2	<b>16.7</b>	34.2
Between two and five years	–	359.8	<b>43.5</b>	106.0	<b>43.5</b>	465.8
Over five years	–	–	<b>66.1</b>	85.8	<b>66.1</b>	85.8
	<b>2.9</b>	359.8	<b>190.8</b>	258.0	<b>193.7</b>	617.8
Current	<b>2.9</b>	–	<b>64.5</b>	32.0	<b>67.4</b>	32.0
Non-current	–	359.8	<b>126.3</b>	226.0	<b>126.3</b>	585.8
<b>Total</b>	<b>2.9</b>	359.8	<b>190.8</b>	258.0	<b>193.7</b>	617.8

# Notes to the Parent Company Financial Statements

## For the year ended 31 March 2025

### 12. Lease liabilities

Lease liabilities are repayable as follows:

	2025 £m	2024 £m
Within one year	13.0	12.5
Between one and two years	40.4	13.0
Between two and five years	41.7	79.7
Over five years	7.7	9.9
	<b>102.8</b>	<b>115.1</b>
Current	13.0	12.5
Non-current	89.8	102.6
<b>Total</b>	<b>102.8</b>	<b>115.1</b>

### 13. Deferred taxation

	2025 £m	2024 £m
<b>Deferred taxation arising from:</b>		
Opening balance	96.7	84.2
Charge to income statement	19.7	13.1
Credit to OCI	(0.8)	(0.3)
Charge / (credit) to equity	0.3	(0.3)
Deferred tax liability at end of year	<b>115.9</b>	<b>96.7</b>
<b>Deferred taxation breakdown:</b>		
Accelerated capital allowances	114.6	97.5
Other short-term timing differences	0.5	(2.2)
Derivative financial instruments	0.8	1.4
	<b>115.9</b>	<b>96.7</b>

There are no unrecognised deferred taxation balances at 31 March 2025 (2024: £nil).

### 14. Directors and employees

	2025 £m	2024 £m
Wages and salaries	4.3	5.0
Social security costs	1.5	0.8
Other pension costs	0.2	0.3
Share-based payments	2.2	2.2
	<b>8.2</b>	<b>8.3</b>

On average, the Company had nine employees, including Directors, during the year ended 31 March 2025 (2024: nine).

The above costs include Directors' emoluments of £3.9m (2024: £4.3m) and pension contributions of £0.2m (2024: £0.2m). Deferred awards totalling 241,000 shares (2024: nil) were exercised on 22 July 2024 on which date the closing mid-market price of a share was £13.68, resulting in total pre-tax gains of £3.3m (2024: £nil).

### 14. Directors and employees continued

Further details of Directors' remuneration are set out in the *Remuneration Committee Report* on page 113.

	2025	2024
<b>Details of Directors' remuneration:</b>		
Highest-paid Director	<b>£3.2m</b>	£3.0m
Highest paid Director (excluding IFRS 2 share-based payment charges of £1.2m (2024: £1.2m))	<b>£2.0m</b>	£1.8m
Highest paid Director deferred awards received totalling 136,000 shares (2024: nil)	<b>£1.9m</b>	-
Number of Directors for whom retirement benefits accrue	<b>2</b>	2
Number of Directors who exercised share options / deferred awards	<b>2</b>	-

The Directors who exercised share options / deferred awards in the current year included the highest paid Director.

### 15. Financial guarantees

The Company has issued various guarantees in the ordinary course of business, including guarantees in respect of undertakings by its subsidiaries. None of these have a material fair value under IFRS 17 – *Insurance Contracts* and consequently no liability has been recorded in the Parent Company balance sheet.

### 16. Related party transactions

The Company has taken advantage of the exemption granted by paragraph 8(k) of FRS 101, not to disclose transactions and balances with other Group companies.

### 17. Other information

Disclosure notes relating to Auditor's remuneration and called-up share capital and reserves are included within the Consolidated Financial Statements of the Group in Notes 8 and 26 respectively of the *Notes to the Consolidated Financial Statements*.

### 18. Contractual commitments

**Jet2 plc** has an agreement with Airbus to purchase a further 135 new firm ordered A321neo aircraft as at 31 March 2025 out of its total order of 146 aircraft. The remaining firm ordered aircraft are due for delivery between 2025 and 2035 at a base price of approximately \$16.7bn although the Group negotiated significant discounts from the base price.

### 19. Post Balance Sheet Events

On 29 April 2025, **Jet2 plc** launched an on-market share buyback programme of up to £250m and the shares will be cancelled following purchase.

On 9 May 2025, the Group renewed and expanded its RCF, which now has unsecured available facilities of up to £500m, an increase of £200m from the previous arrangement. The RCF runs to 31 October 2029 with an option to extend for a further two years.

## Glossary of Terms

<b>ATOL</b>	Air Travel Organiser’s Licence
<b>Average Package Holiday Price</b>	Total Package Holiday Price (net of taxes) paid by the customer excluding discretionary non-ticket revenue, divided by the number of Package Holiday customers departing in that period
<b>Flight-only Net Ticket Yield</b>	Flight-only ticket revenue, net of taxes, divided by the number of flight-only passengers
<b>Flown passengers</b>	Number of passengers flown on a Sector, including no-shows
<b>Jet2 Net Zero 2050</b>	<b>Jet2’s</b> target to completely negate the amount of greenhouse gases produced by 2050 by reducing emissions and implementing methods of absorbing carbon dioxide from the atmosphere
<b>Load Factor</b>	The percentage relationship of Flown passengers to Seat capacity
<b>Non-ticket Revenue</b>	All discretionary non-ticket revenue, including hold baggage charges, advanced seat assignment and extra legroom fees, in-flight retail sales and commissions earned on car hire and insurance bookings
<b>Operating profit per sector seat</b>	Operating profit divided by seat capacity
<b>Seat capacity</b>	Total number of sector seats available according to the Leisure Travel scheduled flying programme
<b>Sector</b>	A single leg flight journey

## Secretary and Advisers

<b>Registered number</b>	01295221	
<b>Secretary and Registered Office</b>	<b>Ian Day</b> Low Fare Finder House Leeds Bradford Airport Leeds LS19 7TU	
<b>Auditor</b>	<b>KPMG LLP</b> 1 Sovereign Square Sovereign Street Leeds LS1 4DA	
<b>Registrar</b>	<b>MUFG Corporate Markets</b> Central Square 29 Wellington Street Leeds LS1 4DL	
<b>Bankers</b>	<b>Barclays Bank plc</b> Barclays House 5 St Ann’s Street Newcastle upon Tyne NE1 3DX	<b>HSBC Bank plc</b> 33 Park Row Leeds LS1 1LD
	<b>Lloyds Bank plc</b> 10 Gresham Street London EC2V 7AE	<b>National Westminster Bank plc</b> 3rd Floor 2 Whitehall Quay Leeds LS1 4HR
<b>Stockbrokers</b>	<b>Jefferies International Limited</b> 100 Bishopsgate London EC2N 4JL	<b>Canaccord Genuity Limited</b> 9th Floor 88 Wood Street London EC2V 7QR
<b>Nominated adviser</b>	<b>Cavendish Capital Markets Limited</b> 1 Bartholomew Close London EC1A 7BL	
<b>Solicitors</b>	<b>Herbert Smith Freehills Kramer LLP</b> Exchange House Primrose Street London EC2A 2EG	<b>Norton Rose Fulbright LLP</b> 3 More London Riverside London SE1 2AQ

## Financial Calendar

Annual General Meeting	4 September 2025
Results for the six months to 30 September 2025	19 November 2025
Results for the twelve months to 31 March 2026	July 2026



**Jet2.com**



**Jet2holidays**



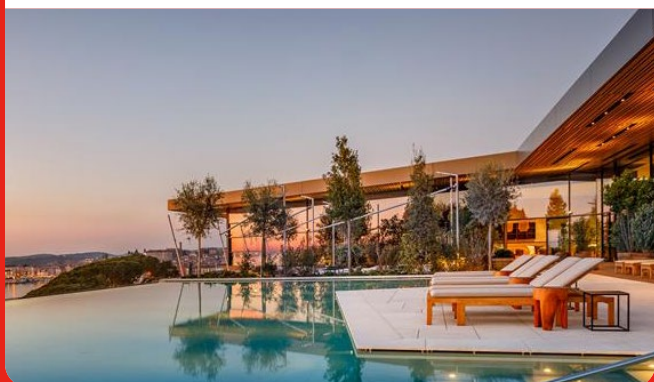
**Jet2CityBreaks**



**Jet2Villas**



**INDULGENT ESCAPES**



**VIBE**



**Jet2<sup>®</sup> plc**