



F24



**WIZZ AIR
HOLDINGS PLC**

**ANNUAL REPORTS
AND ACCOUNTS**



WIZZ AIR AT A GLANCE

Wizz Air is the fastest growing ultra-low-cost carrier and one of the most sustainable European airlines, operating a fleet of 208 Airbus A320 and A321-family aircraft, and connecting over 200 destinations across more than 50 countries, as of 31 March 2024. A team of dedicated aviation professionals delivers a superior service and very low fares, making Wizz Air the preferred choice of over 62 million passengers in the fiscal year ended March 2024. Wizz Air is listed on the London Stock Exchange under the ticker WIZZ.

At Wizz Air, our vision is to liberate lives through affordable travel. We operate one of the lowest unit costs and lowest carbon intensity footprints in the European airline industry and drive profitable growth to create Shareholder and stakeholder value.

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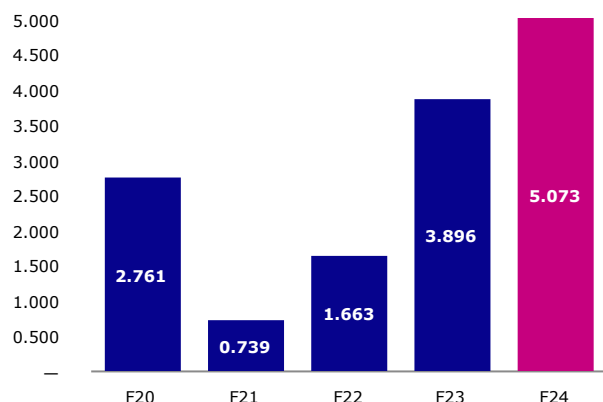
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References to "Wizz Air", "Wizz", "the Company", "the Group", "we" or "our" in this report are references to Wizz Air Holdings Plc, or to Wizz Air Holdings Plc and its subsidiaries, as applicable.

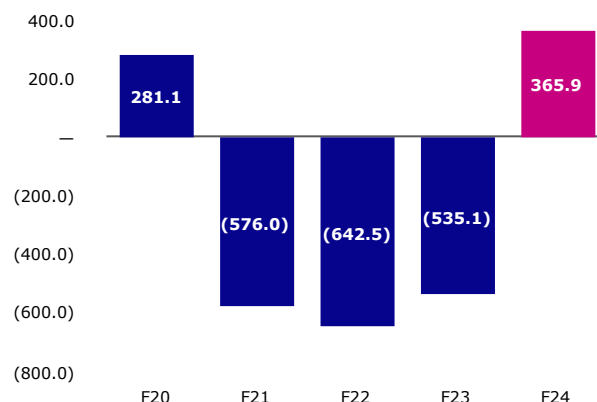
F24 in this document refers to the financial year ended 31 March 2024. Equivalent terms are used for prior/future financial years.

HIGHLIGHTS AND COMPANY OVERVIEW

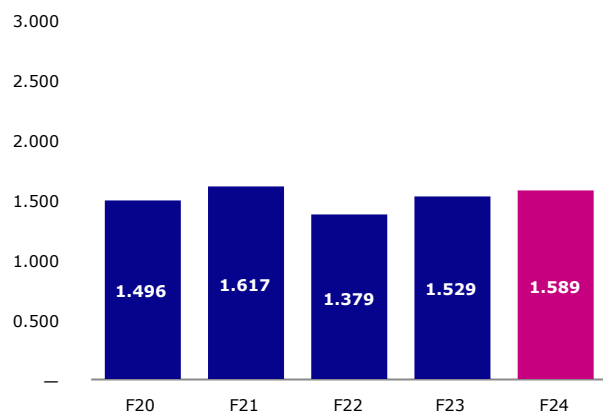
€5.1B REVENUE



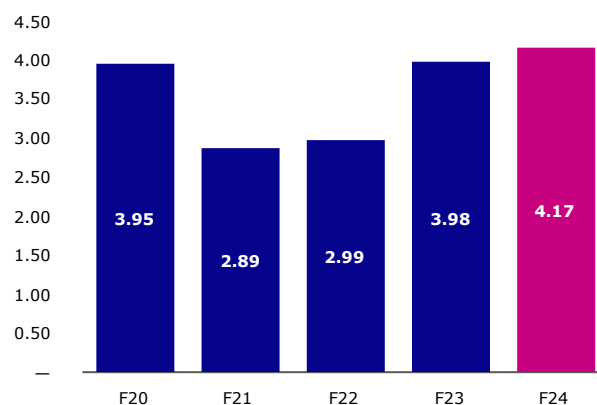
€365.9M NET INCOME



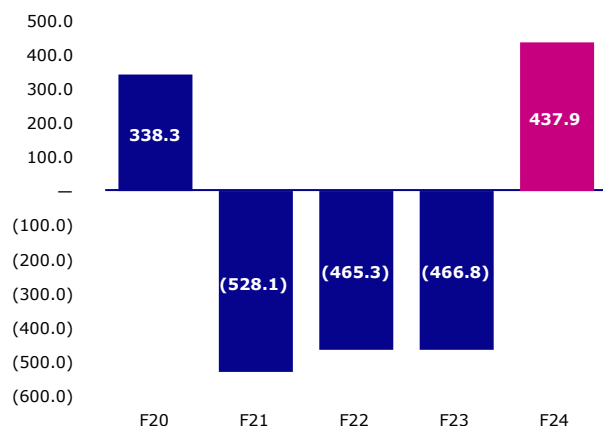
€1.6B TOTAL CASH^{1,2}



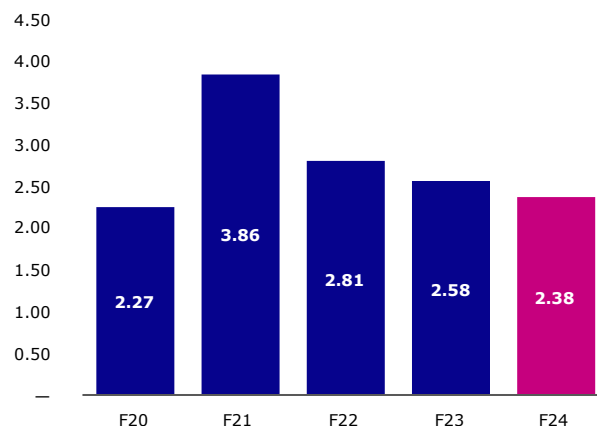
4.17 €CENTS RASK



€437.9M OPERATING PROFIT



2.38 €CENTS EX-FUEL CASK

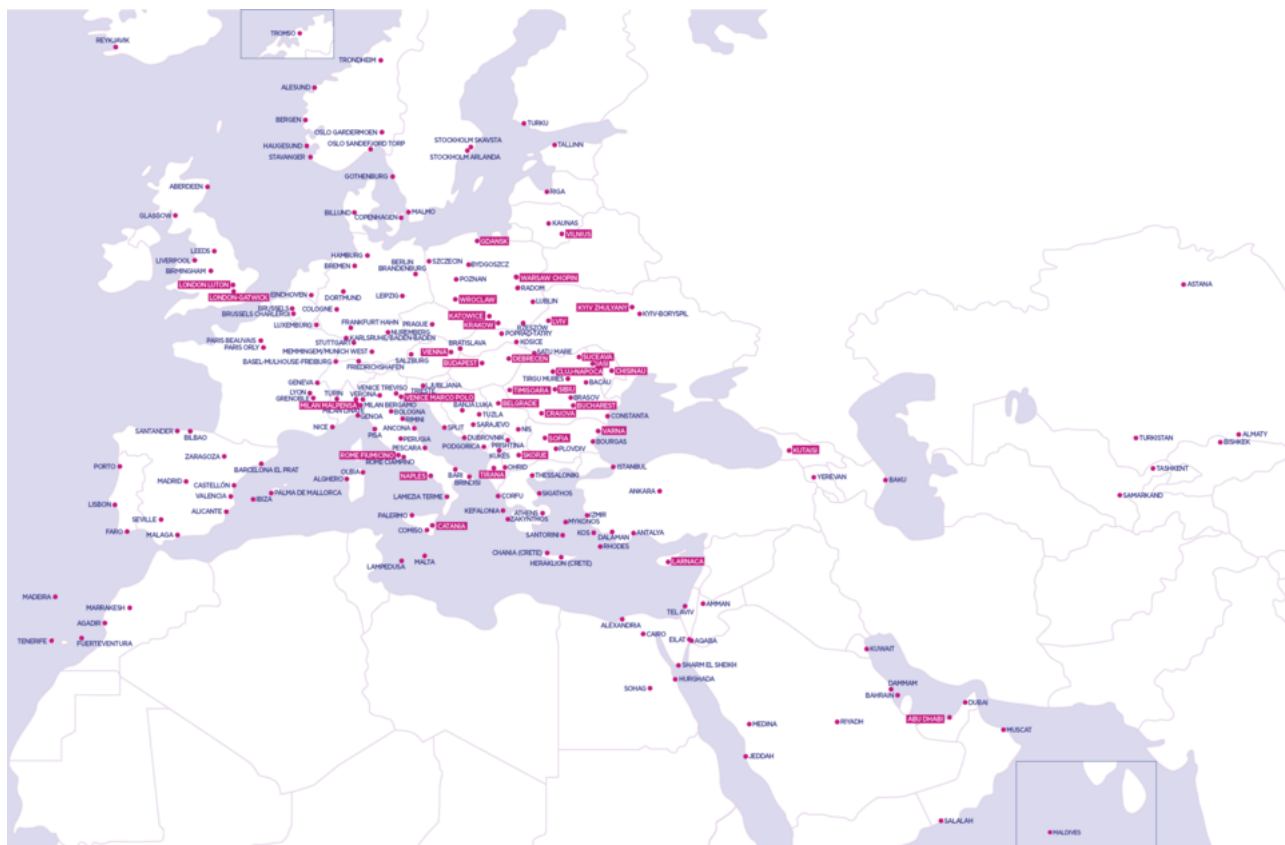


- For definitions, refer to the Glossary of Terms and Alternative performance measures (APMs) sections on pages [241-245](#). These measures incorporate certain non-financial information that management believes is useful when assessing the performance of the Group.
- Total cash comprises cash and cash equivalents (€728.4 million), short-term cash deposits (€751.1 million), and current and non-current restricted cash (€109.5 million).

The Company has a policy of rounding each amount and percentage individually from the fully accurate number to the figure disclosed in the information presented. As a result, some amounts and percentages do not total – though such differences are all small.

GEOGRAPHIES

We offer tickets for **924 routes** across Europe and the Middle East



Number of routes operated, as at 31 March 2024*:

From Central and Eastern Europe (CEE) countries	
Romania	176
Poland	173
Hungary	71
Albania	53
Bulgaria	46
North Macedonia	33
Serbia	25
Bosnia and Herzegovina	20
Georgia	20
Lithuania	19
Kosovo	4
Montenegro	2
Armenia	2
From other European countries	
Italy	135
United Kingdom	62
Austria	30
Cyprus	14
From Gulf Cooperation Council (GCC) and Middle East countries	
United Arab Emirates	33
Israel	6

* Showing routes that are based/originated from the respective countries.

WHY INVEST IN WIZZ?

LOWEST COST, FASTEST GROWING AIRLINE IN EUROPE

Wizz Air's operationally robust ultra-low-cost carrier (ULCC) model is designed to drive efficiency across the business. Through pursuit of the lowest cost and most efficient operation, the airline offers the lowest ticket prices stimulating the demand for air travel in underserved or inefficiently served markets.

The airline operates Europe's youngest fleet¹ of 208 Airbus A320/321s with an average aircraft age of 4.3 years. It has an order book of over 320 technologically advanced, efficient Airbus A321neos, more than any other European airline, secured at highly competitive rates. The size of Wizz Air's fleet has nearly doubled vs pre-COVID-19 levels, adding more than 80 aircraft within a four-year period.

Its ex-fuel cost (CASK) is amongst the industry's lowest, and Wizz Air's relentless focus on year-round asset utilisation and productivity has resulted in a utilisation level of 12:25 hours² at the end of F24, as well as high crew, seat and sector productivity.

DIVERSIFIED GEOGRAPHICAL FOOTPRINT

Wizz Air's network spans 924 routes, flying to 200 destinations in more than 50 countries. It is operated by four underlying airlines in Hungary, Malta, the UK and Abu Dhabi, allowing it to respond quickly to changing local market conditions.

At 27 per cent, its market share is the largest in CEE, making it well placed to defend and grow its share of what is still an underpenetrated market.

In Western Europe, Wizz Air's strategically focused footprint allows it to act as an effective challenger to more established carriers in the region, with its differentiated offer and clear price advantage continuing to drive growth.

In the Middle East, where the propensity to fly is lower than its other operating regions, Wizz Air enjoys a ULCC first mover advantage. As a result, it is successfully stimulating demand in the region as its brand penetration continues to increase at pace.

FOCUSED ON SUSTAINABLE, PROFITABLE GROWTH

Wizz Air remains sharply focused on establishing an optimum route mix to drive sustainable growth and achieve a double-digit net income margin.

It also has an ambitious but achievable plan to grow its fleet to 500 aircraft by 2030, doubling the fleet between 2025 and the end of the decade, and expects average 15 per cent capacity growth per year during that period. The airline continually optimises its network to drive profitability, and its increasing scale supports cost synergies across the network. It has a customer-centric and tech-enabled approach to marketing and is committed to the ongoing evolution of its customer offer.

Sustainability is at the heart of Wizz Air's business model. By operating Europe's youngest fleet of aircraft, it can deliver the lowest levels of CO₂ emissions per passenger kilometre of any airline in Europe, at 52.0 grammes in F24. Its fleet renewal programme continues to support ongoing carbon reduction and Wizz Air is also committed to the development of sustainable aviation fuel (SAF), having made considerable investments in SAF during the year.

INDUSTRY-LEADING TALENT

Across the entire business, Wizz Air teams are dynamic and diverse. Its global workforce of more than 8,000 employees combines international and local expertise with colleagues hailing from over 100 different nationalities and a diverse management team drawn from across the global aviation industry.

Wizz Air is proud to offer strong, market-leading career development opportunities. It is an equal opportunities employer, providing a solid platform for internal development and promotion, while owning and operating two state-of-the-art training centres in Hungary and Rome.

In recent years, the airline has enhanced its employee offer to provide more attractive benefits to all colleagues. Its employee engagement programme includes an ongoing cycle of regular base visits by management, including the CEO, and it has a People Council in place to facilitate an ongoing dialogue.

¹ Above 100 aircraft airlines. Source: ch-aviation.

² Operational utilisation.

CHAIRMAN'S STATEMENT

Dear fellow Shareholders, colleagues, customers and partners,

This year, we have seen a continuation of the surge in passenger demand for air travel that began immediately after the pandemic, as people prioritise travel and new experiences, even against the backdrop of ongoing cost-of-living increases in many of our markets. While Wizz Air benefited from this sustained demand and reported record passenger numbers and revenue growth throughout the year, we also faced fresh challenges, including a further wave of geopolitical unrest, and the Pratt & Whitney Geared Turbofan (GTF) engine recall.

Despite this, revenue increased consistently through the year and Wizz Air returned to profitability, reporting net profit of €365.9 million for the year ended 31 March 2024 (F24), in line with guidance. This performance is a testament to our robust and agile operating model which allows us to flex and withstand pressures, draw on the expertise and sound judgment of our management teams, and maintain our relentless focus on controlling costs.

Wizz Air's continued investment in improving operational resilience yielded tangible results in the period. We carried more passengers than ever before, had fewer flight cancellations and delivered better on-time performance, laying a strong foundation for rebuilding trust among our passengers. We delivered this performance even in the face of ongoing ATC issues in Europe and the GTF recall, delivering remarkable results.

At the start of the second quarter, Pratt & Whitney informed us that their GTF engines would be subject to mandatory inspections over a period of two to three years, with engines being taken off wing for shop visits from September 2023. Consequently, a portion of the Wizz Air fleet has been grounded since the end of last summer, and at the end of the financial year 45 aircraft were grounded. The business has responded exceptionally well to this challenge, pulling a number of levers to mitigate the impact on performance, including increasing its number of spare engines, extending the leases of existing unaffected aircraft and securing additional aircraft from third parties. It also prudently modified the phasing of its capacity growth in the short term and refined its net income guidance. Thanks to timely and considered management action, the airline's long-term growth plan remains unaffected by this issue.

Wizz Air's Airbus A321neo order book remains the strongest among its European peers, and it is this advantage that underpins the airline's ambitious growth plan. During the year, we restated our commitment to doubling the fleet between 2025 and 2030, with the aim of establishing a predominantly neo fleet of 500 aircraft by the end of the decade. This fleet renewal and our commitment to operating the most fuel-efficient aircraft in the market is at the heart of our ULCC model.

Alongside optimising utilisation, driving productivity remains central to our success. To that end, we invested heavily in our people, bolstering our workforce to over 8,000 during the year and significantly enhancing our employee offer to remain competitive and attractive to the best talent. Post-period end, we were also delighted to announce the opening of a second training centre in Rome in May 2024. The new facility houses three full-flight simulators and will allow us to train a further 4,800 Wizz Air pilots every year.

Our increasingly diverse network continues to be a key tenet of our resilience. Wizz Air's ever-expanding geographic footprint, operated by four underlying airlines with AOCs in the United Kingdom, Malta, Hungary and Abu Dhabi, allows us to respond quickly to challenges. In addition to allowing us to mitigate seasonality across our regions, it also facilitates the rapid redeployment of capacity and enables scaling of the business while diversifying jurisdictional and other operational risks. In October 2023, after the start of the latest Israel-Hamas war, we prioritised the safety of our customers and people and immediately cancelled flights into Tel Aviv. Thanks to the diversity of our network, we were able to redeploy capacity across the network at short notice. While we continue to monitor the situation closely, we were able to restart flights into Israel at the start of March.

In the face of unprecedented operational challenges, our efforts throughout the year are reflected in our full-year financial performance. Our ex-fuel unit costs have continued to decline, while unit revenue has consistently improved. This performance, including the delivery of our net income target, is testament to the successful execution of our strategy and the resilience of our business model.

Employees

On behalf of the entire Board, I would like to thank our colleagues across the Group for their unwavering dedication in another year characterised by significant disruption. It is our incredible people who face such challenges first hand with our customers and it is their commitment to excellence that helps to drive our success.

Wizz Air recognises and values talent, and we are proud to offer employees across the entire business strong career development opportunities. In the past year alone, 39.1 per cent of our workforce was promoted, with 772 flight crew promoted to a higher position, and employees across the board progressing to different positions within the organisation.

STRATEGIC REPORT

In an industry that remains under-resourced post-pandemic, our employee offer, which we enhanced during the year, has been instrumental in attracting and retaining industry-leading talent. Our senior management team, including the CEO, engages directly with the workforce on an ongoing basis, through site visits, floor talks and internal updates. As a result of this ongoing dialogue, we have been able to understand and address the needs of our people; this is reflected in our improved employee engagement score during the year. Wizz Air's People Council continues its good work in this area, and the Board is grateful to it for facilitating an ongoing strong channel of communication.

Customers

Everything we do stems from our commitment to delivering for our customers. It is our mission to continue to offer the lowest fares and excellent customer experience. We are beyond grateful to the millions of people who continue to place their trust in Wizz Air and fly with us, a number that continues to rise each month.

We remain fiercely committed to continually improving our service standards. We have learnt much from our recent experience in this area and, in response, exponentially stepped up our investment and efforts to ensure better operational resilience. As a result, we are now better able to withstand external pressures and, in turn, deliver better and more for our customers. We have enhanced our network, offering passengers even more choice and flexibility when they pick Wizz Air, and deployed cutting-edge technology to optimise our offer.

Environment

Despite challenges, Wizz Air has continued its fleet renewal programme, taking delivery of a total of 39 Airbus A321neos during the year. Operating a fleet made up predominantly of the most efficient and technologically advanced narrow-body aircraft in the market underpins our overarching commitment to sustainability. Our CO₂ emissions profile remains the lowest in Europe, and we continue to be recognised for this, winning multiple awards in the period. We also continue to invest in SAF projects, recognising its importance to the sustainability of our whole industry.

Communities

As an increasingly global operator with bases in multiple markets, we are acutely aware of economic, social and environmental developments within the communities in which we operate. We regularly engage with regulators, governments, Shareholders, customers and representatives from local communities to help facilitate action on national and local issues, as we strive to make a positive impact through our presence. This is overseen by the Board's Sustainability and Culture Committee, and through four critical pillars (people, environment, community and governance) we seek to have an ever more active role in the communities we serve.

Looking ahead

I am proud of the way in which Wizz Air has navigated the challenges it faced during the past year, and have no doubt that in the current year, one in which we will celebrate 20 years of serving our passengers, learnings from these and the initiatives implemented in response will continue to serve the business well.

Although we expect our capacity growth in the coming year to be more moderate than previously anticipated, our fleet renewal programme and our considered network expansion will continue, and we remain fully confident in and committed to our longer-term growth plan.

Our return to profit, together with the significant investment in operational strength, positions us well to withstand the pressures which continue to exist across our industry. Through this, and our commitment to ultra-low-cost principles and proven business model, we will continue to deliver sustainable growth and value to all our stakeholders.

William A. Franke

Chairman of the Board of Directors

14 June 2024

CHIEF EXECUTIVE'S REVIEW

Sustained healthy demand for air travel across our markets was a defining feature of F24, signalling that the surge witnessed post-pandemic has evolved into a longer-term trend in consumer behaviour. Wizz Air has been strongly positioned for this trend as reflected in our performance for the year.

A focused ultra-low-cost business model

Our business model is built on rigorous cost control and operational productivity. We placed a sharp focus on increasing utilisation, improving load factors and lowering unit costs (fuel and ex-fuel), and continued to invest in our operations. Our efforts saw us carry a record number of passengers during the year, return to profitability and reduce financial leverage while maintaining our total cash position.

Our structure allows us to react quickly to evolving market conditions. We have agile teams with specialised market knowledge and long-standing commercial relationships in place across the four Wizz Air Group airlines. We responded rapidly to challenges during the year by flexing resources and commercial arrangements, and quickly redeploying capacity where needed, as renewed geopolitical instability emerged. We also faced unprecedented supply chain disruption due to mandatory engine material inspections affecting our neo aircraft fleet. Meanwhile, we continued to hire the best talent and to invest in our people, ensuring they received the necessary training and development to build on their talents and pursue careers at Wizz Air.

We made significant investments in operational excellence, optimising our performance by deploying technology and adapting processes. Some examples of where we made a marked difference include using artificial intelligence technology in irregular operations (IRROPS) to improve year-round utilisation, and starting to implement a new crew management and operations control system. Our investments in operations have delivered positive results. We have improved metrics such as utilisation, on-time performance and flight completion rate.

In recent years, learnings from operational challenges have also driven us to invest significantly in enhancing the customer experience. This year, we saw improved results after establishing automated solutions and other enhanced digital tools that help us to deliver a better customer journey, from initiating a booking with us, to post-flight support.

Our fleet of 208 Airbus aircraft is the cornerstone of our ultra-low-cost model. It is the youngest among European peers, with an average aircraft age of 4.3 years. It delivers industry-leading CO₂/RPK emissions of 52.0 grammes and, with 239 seats in our A321neo, we have the highest single-aisle configuration in the industry. We also believe that the price we pay for our aircraft, on a per seat basis, is one of the lowest globally, due to the timing and volume of our orders.

We returned to profitability this year, repaid one of our two outstanding €500 million bonds and reaffirmed our investment grade rating with Fitch at BBB-. We improved our robust cash position, standing at €1,588.9 million by the fiscal year end. In the coming year, as we temporarily pause seat capacity growth due to the mandatory Pratt & Whitney Geared Turbofan (GTF) engine inspections, we expect business margins to improve, with operating cash flows reducing balance sheet leverage.

Our fleet as a driver of competitiveness and sustainability

Evolving our fleet to shift the balance towards aircraft with the latest, most fuel-efficient technology and a higher seat gauge is fundamental to the sustainability of our ultra-low-cost model. We remain committed to our plan to operate a 500-aircraft fleet made up predominantly of Airbus A320neo-family aircraft by 2030. The Airbus A321neo has the lowest environmental footprint per passenger in the industry.

During F24 Wizz Air took delivery of 39 new A321neo aircraft, and 12 A320ceo aircraft were redelivered, ending the fiscal year with a total fleet of 208 aircraft: 40x A320ceo, 41x A321ceo, 6x A320neo and 121x A321neo. Delivered aircraft were financed through 30 sale and leaseback transactions and nine Japanese Operating Leases with Call Options (JOLCOs).

While we expect challenges related to inspections of the A321neo's (GTF) engine to impact the phasing of our capacity growth in the short term, we are confident that our long-term growth plan remains achievable by 2030, as previously announced. Our confidence in this plan is underpinned by our large-scale order with Airbus of more than 300 aircraft, an order we secured under highly competitive terms. During F25 we expect 27 new A321neo aircraft deliveries, including a first XLR, three A320ceo aircraft on dry lease while nine A320ceo aircraft will be returned to lessors and will exit the fleet.

Wizz Air is extending leases for eleven additional aircraft from the existing fleet (on top of 13 completed). The lease extensions range between two and four years and are being agreed at both discounted and original lease rates.

Wizz Air also secured three former Wizz Air aircraft on dry lease (to be delivered in F25), while also adding eight wet leased aircraft for periods ranging from six to twelve months, providing additional capacity in F25.

STRATEGIC REPORT

We have successfully delivered a significant improvement in utilisation and productivity across our fleet. Year-round total fleet utilisation increased to 11:36 hours (vs 11:08 in F23), including the impact of flight cancellations into Israel at short notice at the start of the third quarter, while operational fleet utilisation increased to 12:25 (vs 11:08 in F23).

The average age of the fleet currently stands at 4.3 years, the youngest fleet among major European airlines, while the average number of seats per aircraft has climbed to 224 as at March 2024. The share of new "neo" technology aircraft within Wizz Air's fleet has increased to 61 per cent by the end of F24.

As at 31 March 2024, Wizz Air's delivery backlog comprises a firm order for 13x A320neo, 266x A321neo and 47x A321XLR aircraft, a total of 326 aircraft.

During F25, we also expect to take delivery of our first A321XLR, Airbus' long-range, narrow-body aircraft, broadening our network and unlocking the potential for new routes. We remain committed to point-to-point operations even as we augment our fleet with longer-range aircraft.

The table below provides fleet composition for the past, present and coming fiscal year, including effected lease extensions and dry leases. Figures reflect Airbus contractual delivery timelines. F25 includes Airbus communicated delivery delays, whereas F26 does not. The Company expects 30–35 aircraft to be delayed in F26.

	March 2024	March 2025	March 2026
	Actual	Planned	Planned
A320ceo (180/186 seats) (9x extensions)	40	34	21
A320neo (186 seats)	6	6	9
A321ceo (230 seats) (4x+11x extensions)	41	41	40
A321neo (239 seats)	121	147	219
A321neo XLR (239 seats)	—	1	10
Fleet size (with finalised extensions)	208	229	299

GTF ENGINE UPDATE

As of 17 May 2024, Wizz Air had 47 aircraft on the ground as a result of GTF engine-related matters. The Company is expecting circa 50 aircraft to be grounded by the end of the first half of fiscal F25 (approximately one year since the first aircraft was grounded in September 2023). We continue to maintain our assumption for the average expected shop visit time needed to return engines back to service of circa 300 days. In the meantime, more spare engine deliveries have been advanced and we are expecting further 8-10 new spare engine deliveries, most of which should be delivered by the end of June 2024. The total number of spare engines should exceed 50 by the end of this summer. Wizz Air has actively managed its fleet to minimise the impact of grounding, deploying the neo fleet to longer sectors, extending existing leases, securing third-party aircraft and advancing additional spare engines. As announced previously, we have secured an OEM support package (including compensation for grounded aircraft) and we expect to secure future compensation on similar terms for Q4 F25 and beyond.

Our geographic footprint as sustainable competitive advantage

In F24, despite industry-wide challenges, we continued to evolve our network. Our network now spans 924 routes, to 200 destinations in more than 50 countries, operated across our four airlines. While also delivering economies of scale, our increased network diversity provides resilience against regional trends and supports higher utilisation, a key component of our strategy.

We continued to build on our strong presence in our operating markets, including maintaining Wizz Air's dominant position in our core CEE countries, where we are well placed to grow further and defend our share of an underpenetrated market. Wizz Air grew its market share to 27 per cent (+3 per cent points vs F23) in CEE. In Western Europe, we continued to provide a differentiated offer and act as a challenger to established peers across selected routes where we can offer a distinct price advantage. We have a focused footprint, with strategic positions across CEE markets, Italy, London, Austria and UAE. At London Luton, we are now the second largest airline, and have converted to operating an all Airbus A321neo fleet there one year earlier than planned. In F25, our Italian bases in Rome and Milan will see the largest schedule deployed to date.

Our Middle East route network is maturing as expected, and in line with the profile of our CEE network development. We benefit from a ULCC first mover advantage in the region, stimulating demand in underserved markets where the propensity to fly is lower. Pleasingly, our brand awareness in Abu Dhabi is now above 50 per cent. During the year, we added a further two aircraft in Abu Dhabi, exceeding initial fleet size expectations there.

STRATEGIC REPORT

The safety of our passengers and people remains paramount to Wizz Air, and we have been monitoring the situation on the ground in Israel closely. Wizz Air cancelled circa 6 per cent of its planned capacity for Q3 in early October, as the crisis emerged in Israel. Affected capacity was redeployed across the network at short notice, which contributed to lower load factors in the period. The conflict also impacted seasonal demand for travel to the nearby markets of Jordan and Egypt, whose capacity was also partially redeployed, accounting for an additional 3 per cent of the overall redeployed capacity. In Q4, these changes continued to weigh on load factors. The impact on full-year Group revenue was circa €80 million. After careful consideration, we decided to restart operations to Tel Aviv in the last quarter of the year, and demand has been building steadily since. We continue to monitor developments in the region closely, with operational decisions driven solely by safety considerations.

Wizz market share in selected regions

Market	Market share	Low-cost segment share	Low-cost market position
Albania	58.0%	69.0%	1
Austria	6.0%	19.0%	2
Bosnia and Herzegovina	24.0%	44.0%	1
Bulgaria	30.0%	48.0%	1
Cyprus	14.0%	24.0%	2
Georgia	25.0%	53.0%	1
Hungary	35.0%	50.0%	1
Italy	9.0%	14.0%	3
Lithuania	17.0%	29.0%	2
Moldova	59.0%	83.0%	1
Poland	24.0%	39.0%	2
Romania	52.0%	77.0%	1
Serbia	20.0%	73.0%	1
United Arab Emirates	4.0%	10.0%	3
United Kingdom	5.0%	7.0%	4
CEE	27.0%	45.0%	1

Creating the leading digital platform

The use of digital tools, data and AI is accelerating exponentially across the board, and our industry is no exception. We are pleased with how our use of technology and digital assets across Wizz Air is evolving as cross-departmental collaboration continues to power digital innovation in our business.

This year, we focused on enhancing our digital assets in line with e-commerce best practice, improving the online customer journey, particularly on mobile, and collecting and interrogating data to ensure a continuous improvement cycle. We rolled out a digital chatbot powered by Gen AI, Amelia, enabling smoother customer interactions while also controlling costs. We have also largely automated the customer claims process, delivering a 37.5 per cent cost to serve reduction.

In certain markets, we introduced new ancillary products such as the WIZZ MultiPass, a subscription solution driving more frequent flying at a lower cost for our customers. Uptake of the product has grown through the year and the offer now has been extended to all Albanian, Italian and Polish routes. We introduced WIZZ Shop&Fly, in partnership with InterLnkd, a platform offering AI-driven personalised shopping based on travel destinations, enhancing customers' holiday preparation. We continue to explore ways in which we can scale this product and introduce more digital solutions.

Building on the model we introduced in F23, in F24 we delivered additional unit revenue through the deployment of new machine learning models across both ancillary and ticket pricing. We expect to develop this further in the coming year, deploying upgraded models.

During the year, we worked on development of our proprietary fleet management and planning system to support our evolved, multi-AOC setup. Secondly, we finalised the implementation of a direct cost management solution that delivers better control over fuel and navigation costs. In addition to this, we modernised our corporate finance and forecasting models to better support data-driven decisions, and our investment in data platforms and solutions continues.

We also significantly enhanced our cyber security capabilities and have more than 20 cyber security initiatives in train. Compared to industry benchmarks in this area, we are tracking circa 60 per cent higher than peers.

STRATEGIC REPORT

Focus on our people

We are immensely proud of the depth of talent across our business, and credit a large part of Wizz Air's success to our dynamic and diverse pool of human capital. Our workforce comprises expertise drawn from across the global industry, and home-grown talent nurtured in our training academies.

After the challenges of the pandemic, and as we continue to navigate ongoing geopolitical crises such as the conflicts in Ukraine, Israel and the Middle East, the safety and well-being of our people has remained at the forefront of our responses. During F24, we also faced unprecedented supply chain disruption as a result of the mandatory engine material inspections affecting our neo aircraft fleet. Despite these challenges, our 8,000-strong workforce delivered an exceptional service, reflected across operational, financial and people metrics. I would like to thank each one of our employees for embodying the WIZZ spirit through their perseverance, dedication, passion and commitment in F24.

During calendar year 2023, our senior management undertook 48 base visits, facilitating direct engagement between the CEO and other members of senior management, and our employees. Our People Council further supports these efforts on an ongoing basis. Pleasingly, in F24, our employee engagement score has improved to 7.1 from 6.4 the previous year, testament to our efforts here, and also reflecting how our improved incentives and benefits package, which was introduced during F23 and F24, gives us an advantage in a competitive talent market. We made tremendous progress with our career development initiatives, reflected in the large number of positions filled internally and promotions among our office employees, cabin crew and pilots.

At the start of the current financial year, we opened a second centre just outside Rome, complementing our existing centre in Budapest which has grown its throughput five-fold since before the pandemic. During the year, we also expanded our simulator capacity to cater to increasing training volumes and became a GCAA-approved training organisation in Hungary.

As an organisation spanning an increasing number of geographies, our diverse workforce includes employees representing over 100 nationalities, as we stay true to our mission to ensure that our workforce reflects our customer base. We maintain a balanced male-to-female ratio organisation-wide, with females representing 48 per cent of our workforce. We increased our Board gender diversity to 36 per cent with the appointment of Phit Lian Chong as Non-Executive Director in January 2024, and our management team diversity stands at 35 per cent. Our commitment to improvement here is reflected in our long-term incentive targets for our Executives, to reach 40 per cent female representation at managerial level by the end of F26. Improving the balance of women on the flight deck, a key challenge in our industry, also remains a focus for Wizz Air.

Outlook

While some of the external challenges we experienced throughout F24, including groundings due to GTF engine inspections and geopolitical instability, are expected to persist in the coming year, we have proven that our model is agile, highly resilient and well positioned to mitigate the impact of these ongoing issues. This includes the current scale and diversity of our network, which means we are incredibly well placed to react quickly to issues as they arise.

While our capacity expectations for the year have been moderated in response to these changes in the operating environment, new aircraft deliveries persist, and our efforts to drive productivity and utilisation continue to deliver results. As we enter F25, demand for air travel remains robust, with no sign of abating in the near term, supporting a higher yield environment as capacity across the whole industry remains constrained.

Our current trading indicators are positive, with selling load factors trending higher year on year in the first two fiscal quarters and unit revenue (RASK) performing equally well.

We will continue to use the levers available to us to mitigate challenges in our sector, while relentlessly moving forward with the execution of our growth strategy, operating one of the most sustainable fleets in the industry and delivering value for all of our stakeholders.

József Váradi
Chief Executive Officer
14 June 2024

FLYING TOWARDS SUSTAINABILITY



WIZZ AIR'S ANNUAL SUSTAINABILITY REPORT
Strategic report – financial year 2024

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I. REPORT OF THE CHAIR OF THE SUSTAINABILITY AND CULTURE COMMITTEE



“The Committee’s role is instrumental in aligning our actions with our commitment to both people and the planet. This alignment is demonstrated by ensuring robust disclosure, supported by third-party assessments.”

Charlotte Andsager

Chair of the Sustainability and Culture Committee

Introduction

Dear Shareholder,

I am pleased to present my second report of the Wizz Air Sustainability and Culture Committee for the year ended 31 March 2024. The Committee assists the Board by providing oversight and guidance in relation to Wizz Air’s ESG priorities. The Committee’s role is instrumental in aligning our actions with our commitment to both people and planet. This alignment is demonstrated by ensuring robust disclosure, supported by third-party assessments.

In 2023, for the second year running, the Wizz Air Group was named Global Environmental Sustainability Airline Group of the Year by the CAPA Centre for Aviation. This award is based on an evaluation of airline carbon emissions data, conducted by an independent and impartial third-party entity. This ensures the credibility and objectivity of the award and confirms Wizz Air as a leader in terms of its commitment to carbon reduction.

Compared to global airlines, Wizz Air boasts the lowest reported CO₂ per passenger kilometre – 52 grammes of CO₂ per passenger kilometre for the fiscal year 2024. This achievement can be attributed to the Company’s strategic fleet renewal approach.

Fleet renewal constitutes one important facet of our comprehensive approach, but the Committee also dedicated significant effort to another critical pillar: implementing a sustainable aviation fuel (SAF) strategy. For this, the introduction of a SAF blending mandate by the European Commission is pivotal. The Committee has been instrumental in supporting the Board’s oversight duties in ensuring compliance with emerging regulations. Our commitment extends beyond mere oversight. Therefore, the Committee fully supported and approved the Company’s aim to have at least 10 per cent of jet fuel sourced from sustainable origins by 2030, while considering future cost and availability.

As we observe the efforts outlined, it is essential to recognise that sustainability extends beyond numbers and metrics. Our commitment stems from organisational culture. The Committee welcomed reports of improvements in employee engagement following the annual survey and diligently monitored gaps and action items.

Membership, meetings and attendance

- Charlotte Andsager
- Dr Anthony Radev
- Andrew S. Broderick

The Committee consists of three Non-Executive Directors, including the Employee Engagement Director, appointed by the Board according to

experience, dedication and capacity. The Head of Legal acts as Secretary to the Committee and relevant members of the senior leadership team are invited to attend meetings.

More information is available at: <https://wizzair.com/en-gb/information-and-services/investor-relations/governance/board-committees>.

The Committee met six times during the year and focused on the following activities:

- review of the Group ESG strategy, including SAF strategy;
- review of ESG ratings, gap analysis and action plans;
- review of EU and international climate regulations, policies, and consultations;
- updates on sustainability projects, including electric turnarounds, SAF flights and the Sustainability Ambassadors Programme;
- review and tracking of targets and key metrics;
- review of the annual Sustainability Report;
- discussions of results of employee engagement survey and action plans;
- review of organisational five-year strategy; and
- updates from the Employee Engagement Director.

Furthermore, the Committee participated in a Company-wide training session to familiarise itself with the Company’s

STRATEGIC REPORT

upcoming requirements related to the Corporate Sustainability Reporting Directive (CSRD), EU taxonomy and various reporting frameworks. The Committee invited all Directors to participate in the training. This proactive approach ensures preparedness across the Company for evolving regulatory standards.

Key activities

ESG strategy, projects and initiatives

Our sustainability strategy is focused on the three Fs: flights, footprint and fuel. We care about the aircraft we fly, how we fly them, and the fuel we will use to power them in the future.

The Committee received regular updates on Wizz Air's ESG strategy, and engaged in discussions related to emissions reduction target tracking and plans for pathway status. In particular, it continued to monitor closely the Group's initiatives related to SAF, which included the first commercial SAF flights and progress on equity investments. The Committee approved the Group's aspiration to power 10 per cent of its flights with SAF by 2030.

The Committee endorsed the Company's decision not to submit a target to the Science Based Targets initiative (SBTi) for the time being following a change in methodology by SBTi. The Committee's oversight ensures that the Company maintained credibility in circumstances where submitting a target would have been unrealistic due to limitations in current technology and SAF availability.

By investing in SAF production, efficient operations and new aircraft, Wizz Air is contributing to the long-term viability and affordability of sustainable aviation solutions.

ESG ratings, reporting and consultations

The Committee received updates on enhanced scores in ISS and S&P Global. The Company improved its CDP score by a remarkable two grades. The Committee oversaw a gap analysis and action plan related to the scores.

The Committee welcomed the Company's first third-party assurance related to its report on GHG emissions for the Annual Report for the financial year ended 31 March 2023. The Company's inventory for F24 is also getting limited assurance.

The Committee was regularly updated about changes in climate regulation, in particular on incentives through the future SAF allowances and the zero-emissions factor in the European Union Emissions Trading System (EU ETS) attributed to the use of SAF. This plays a critical role in curbing emissions.

Diversity and culture

The great people of Wizz Air are the soul of the Company and their engagement is integral to the success of the business. The Committee regularly discussed the progress made with respect to employee engagement, as well as diversity and target tracking, with a focus on gender diversity in the flight deck and progress in relation to the Wizz Air Pilot Academy "She Can Fly" initiative.

The Committee reviewed several people initiatives, including comprehensive strategies for leadership and development training. The Committee was also pleased to observe the improved employee engagement scores from the annual survey, which were clearly linked to the actions taken by management. The Committee continuously reviewed these over the course of the fiscal year.

The Company's approach to employee engagement stands out due to its unique and innovative internal People Council. The Committee was updated on the newly elected People Council and its leadership and reports were received from the Employee Engagement Director who updated the Committee on his discussions with the People Council. The Committee was pleased to learn about the positive impact on employee well-being resulting from the stability in roster patterns – a direct outcome of actions taken based on last year's engagement survey.

I would like to thank all the Wizz Air employees, and in particular the WIZZ ESG team for its work throughout the past year.

Charlotte Andsager
Chair of the Sustainability
and Culture Committee
14 June 2024

II. ABOUT THE REPORT

INTRODUCTION

This report is the annual Sustainability Report of Wizz Air Holdings Plc (referred to as “the Company”) to present its strategies and practices within the framework of environmental, social and governance (ESG) management, its position on climate change and its decarbonisation efforts.

REPORT SCOPE

Time scope: This report covers the period from 1 April 2023 to 31 March 2024 (referred to as F24).

Business scope: Unless otherwise stated, the report includes all operating entities under the Company, namely Wizz Air Hungary Ltd., Wizz Air UK Ltd., Wizz Air Abu Dhabi LLC and Wizz Air Malta Ltd. and all related subsidiaries.

REPORTING GUIDELINES

This Sustainability Report has been prepared in alignment with the Task Force on Climate-related Financial Disclosures (TCFD), and in reference to the Global Reporting Initiative (GRI). The detailed indices with the relevant page numbers and external disclosure references can be found at the end of this Sustainability Report. The Company started preparations to ensure future compliance with the Corporate Sustainability Reporting Directive, and has already integrated some of the relevant work in the present report.

ASSURANCE AND DATA SOURCE

This report was reviewed and approved by Wizz Air’s responsible Executive Officer, as well as the Sustainability and Culture Committee of the Board of Directors. Independent assurance is a key part of our approach to reporting. This year, we engaged KPMG Hungary Ltd. to provide limited assurance on Wizz Air Group’s environment and greenhouse gas (GHG) metrics, for which the applicable certificate will be separately available on Wizz Air’s sustainability website, once their work is completed.. Emissions data from intra-European flights (EU and UK Emissions Trading Schemes) and all other flights falling under the scope of the UN Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is reviewed and verified by Verifavia, an independent third party, for the complete calendar year.

III. EMBRACING SUSTAINABILITY

WIZZ AIR'S ULTRA-LOW-COST BUSINESS MODEL AND RESOURCE EFFICIENCY

Wizz Air celebrates two decades of success this year, having gone from a small airline to a network spanning across Europe and beyond to Asia Pacific, the Middle East and Africa. Throughout the years, Wizz Air faced turbulence, surmounted obstacles and emerged as a beacon of resilience and innovation. With each challenge, Wizz Air transformed adversity into opportunity and not only elevated the passenger experience but has also been steadily reducing its environmental footprint per flight over the years.



But the journey does not end there. We dream of a greener horizon and, by 2030, we aim to reduce our carbon emissions intensity by 25 per cent. This commitment to the environment is etched in every take-off and landing. The Company's ultra-low-cost, low-fare business model is aligned with the pivotal elements of a low-carbon strategy. This synergy and a highly efficient operational framework allow us to provide affordable, safe and reliable air travel to more and more people every day. What sets Wizz Air apart as the greenest choice compared to other airlines?

Leading in fleet renewal

We are focused on technology and innovation and feel confident that fleet renewal is a key solution available here and now to reduce our emissions per flight. The Airbus A321neo offers a nearly 50 per cent reduction in noise footprint, a 20 per cent reduction in fuel consumption and a 50 per cent reduction in nitrogen oxide emissions compared to the previous generation aircraft. Replacing older aircraft with the newest Airbus A321neo models is part of our long-term fleet renewal strategy to reduce Wizz Air's carbon intensity by 25 per cent by 2030.

Fuel-efficient aircraft and engines

At Wizz Air, low cost and low fares do not mean low quality of service, quite the opposite. We operate the youngest and most carbon-efficient fleet in Europe, and the third youngest fleet in the world – among airlines with more than 100 aircraft in their fleet. Our aircraft fleet boasts one of the lowest environmental footprints per passenger kilometre. With a focus on fuel efficiency, we have significantly reduced our CO₂ emissions per passenger kilometre compared to the average in the industry.

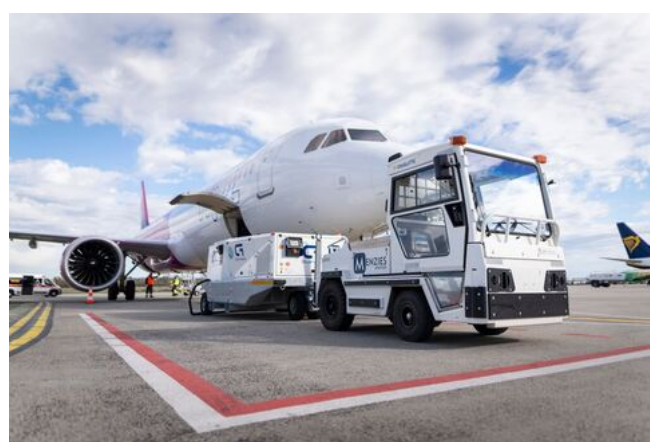
High seat capacity – low emissions per passenger

With the Airbus A321neo aircraft's 239-seat single-class configuration, Wizz Air is making strides in carbon efficiency. By maximising the number of passengers per flight, we are effectively reducing carbon emissions per passenger kilometre. This approach aligns perfectly with our commitment to sustainability and responsible air travel.

Wizz Air's ultra-low-cost, low-fare business model at a glance:



OUR PROUDEST MOMENTS IN F24



Carbon intensity performance (emissions per passenger kilometre)

52 grammes CO₂ emissions per passenger kilometre in F24 – further improvement since F23 and one of the best among industry peers.

Sustainable aviation fuel investments

Two equity investments into renewable fuel research and development (R&D) in F24, supporting new feedstocks and technologies.

Fleet renewal – 200 aircraft milestone

As part of the Company’s growth and fleet renewal strategy, Wizz Air’s fleet has grown to more than 200 aircraft by the end of the financial year.

WIZZ Sustainability Ambassadors Programme

The Company launched its pioneering WIZZ Sustainability Ambassadors Programme as part of which 24 Sustainability Ambassadors were selected to support local sustainability projects across our vast network.

First green turnarounds in our network

Wizz Air’s flights performed, for the first time, fully electric turns in Rome Fiumicino and Budapest airports thanks to the local ground handling companies’ commitment to electric ground support equipment.

STRATEGIC REPORT

Industry recognition and climate ratings

World Finance Sustainability Awards

In June 2023, Wizz Air was awarded the Most Sustainable Low-Cost Airline title for the third consecutive year at the World Finance Sustainability Awards 2023. World Finance praised Wizz Air's sustainability credentials and commitment to reducing emissions intensity by a further 25 per cent by the end of the decade. The judging panel recognised the airline's continued investment in the latest technology, renewal of its aircraft fleet, fuel efficiency initiatives, sustainable aviation fuel (SAF) partnerships, including investments in research and development, and exploration into hydrogen-powered aircraft with Airbus.

CAPA Environmental Sustainability Awards for Excellence

Last November, Wizz Air took home the award for Global Environmental Sustainability Airline of the Year for the second year running at the CAPA Aviation Summit. These awards and recognition underscore the airline's remarkable achievements in this critical domain. The CAPA Environmental Sustainability Awards for Excellence recognise airlines, airports and suppliers that put climate change at the forefront of their business. The awards are independently researched by CAPA's analysts and carbon reduction strategists at Envest Global.



Strategic Investment of the Year – Europe



Wizz Air was awarded Strategic Investment of the Year – Europe at the 2023 SAF Investor Awards in London in February 2024. The SAF Investor Awards recognise industry leaders taking steps to decarbonise aviation with significant transactions helping to move the industry forward. Wizz Air received recognition for its £5 million equity investment in Firefly, an innovative UK-based biofuel company, to support research and development into viable options for SAF production. Through this partnership, Wizz Air and Firefly will collaborate on research and development, working towards the optimisation of SAF production, to scale up SAF availability.

Carbon Disclosure Project (CDP)



In F24, Wizz Air furthered its commitment to environmental transparency by disclosing its environmental impact through CDP, a global non-profit that runs the world's leading environmental disclosure platform. In 2023, the Company completed CDP's Climate Change Questionnaire. Wizz Air received a "B" score in the 2023 climate ranking by CDP, reaching "management level". The result shows a two-band improvement from Wizz Air's 2022 score, which is a testament to the significant work Wizz Air is doing to manage its environmental impact, especially considering that CDP strengthened its criteria for scoring last year.

The overall "B" score in CDP ranking indicates that Wizz Air is taking coordinated action on climate issues. CDP awarded Wizz Air the highest scores for disclosure of Scope 1 and 2 emissions (including verification), emissions reduction initiatives and low-carbon products, risk management processes and climate governance. Wizz Air has participated in CDP disclosure since 2021. Fully aligned with the Task Force on Climate-related Financial Disclosures (TCFD), CDP holds the largest environmental database in the world. CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. Wizz Air's 2023 disclosure is available on CDP's website.

STRATEGIC REPORT

WIZZ AIR'S SUSTAINABILITY STRATEGY

At Wizz Air, our mission is to provide travel opportunities that enrich lives and foster global connections. We believe in bringing together nationalities, cultures and businesses through affordable air travel. Our commitment extends beyond transportation; we strive to set high standards in safety, customer experience, corporate citizenship and reliability.

Today, one critical task is to establish a sustainable business. We recognise the urgent need to mitigate the impact of climate change on our operations. To achieve this, we actively seek solutions to reduce our environmental footprint. Our sustainability efforts span four key pillars: environment, people, governance and economy.

THE COMPANY'S STRATEGIC PRIORITIES

Opportunity, consistent resource efficiency and service are the cornerstone of Wizz Air's success, and today this still inspires Wizz Air's mission and its key strategies. Wizz Air's key objective is to deliver leading Shareholder and stakeholder value in aviation. We recognise the unique challenges the aviation industry faces. As part of our long-term vision, we are dedicated to decarbonising the sector so we continuously explore innovative opportunities to facilitate a green transition within aviation. Our commitment extends beyond environmental stewardship. By maintaining a laser focus on resource efficiency, we not only benefit the planet but also enhance our cost structure. Moreover, we strive to win the hearts and minds of our valued customers while ensuring improved access to capital in the long run. Wizz Air remains determined in its pursuit of sustainability, a core value of our business.

Company goals:

- Deliver average 20 per cent annual growth in capacity in the long term
 - Deliver 13 to 15 per cent net income margin
- Reduce our CO₂ emissions intensity by 25 per cent by F30

The main ESG-related metrics are integrated into our key performance measures year on year.

Strategic priorities:

- A focused ultra-low-cost, low-fare business model
- Increasing and diversifying our geographical footprint
- Delivering leading sustainability in accordance with the Company's ESG strategy
 - Enabling our business by creating the leading digital platform
- Continuing to run a highly engaged, agile and entrepreneurial organisation

ESG-related metrics (indicated with pink) are integrated into our key performance measures, year on year:

1. Leading on cost	2. Increasing our geographical footprint	3. Leading sustainability	4. Leading digital platform	5. A highly engaged organisation
1.1. CASK performance	2.1. Market penetration	3.1. CO ₂ emissions intensity	4.1. Brand awareness	5.1. Employee engagement
1.2. Ancillary PAX revenue	2.2. Market share	3.2. Gender diversity	4.2. Web/app visitors	5.2. Staff attrition
1.3. Cash			4.3. Conversion	5.3. Promotion from within

Supporting the United Nations Sustainable Development Goals (SDGs)

By aligning with the UN SDGs that fall within our sphere of influence, we actively contribute to global progress. In this report, we meticulously pair relevant SDGs with specific business areas and material sustainability topics. Our unwavering focus on sustainability, resilience in the face of climate risks and fostering of an inclusive culture – built on gender diversity and career prosperity – drives our development and business conduct.

Wizz Air ESG pillars and contribution to UN SDGs via our relevant programmes:

ENVIRONMENT

- Our goal is to make air travel with Wizz Air the most carbon-efficient choice.
- We actively work on reducing our environmental footprint and carbon intensity.



PEOPLE

- Our focus is on our workforce and customers.
- We strive to enhance customer experience, support our communities and empower our employees to achieve their full potential.



GOVERNANCE

- The Sustainability and Culture Committee oversees our sustainability agenda.
- This Committee collaborates with the Board to review Company policies and practices related to sustainability and culture.
- The Sustainability Council executes projects and initiatives in accordance with Company strategy



ECONOMY

- Our Company’s mission centres around providing affordable travel for everyone.
- By driving tourism, we contribute to the GDP growth of WIZZ destinations, creating new jobs and business opportunities.



STRATEGIC REPORT

Our sustainability commitments

Our sustainability strategy is seamlessly integrated with Wizz Air's vision. By 2030, we aim to achieve our WIZZ500 fleet renewal plan – a milestone that reflects our commitment to growth and excellence. To realise this vision, we have set 15 specific objectives aligned with our sustainability ambitions.

The sustainability strategy tracker table below describes the key objectives and the current status of our targets (● = target achieved or in case of long-term target, the current trend is positive;

○ = target not reached but there is an action plan in place to reach it).

More details can be found on each commitment later in the Sustainability Report.

Sustainability pillar	Commitments	On target	Current status
Environment	Reduce CO ₂ /RPK (carbon emitted per passenger kilometre) from flight operations by 25 per cent until 2030 (F20 base year).	○	Significant reduction year on year, though the F24 annual sub-target has not been achieved due to external factors. More information can be found on page 41 .
	Qualify a sustainable aviation fuel (SAF) supply chain from 2025.	●	On target. Two equity investments in sustainable aviation fuel research, partnerships with SAF suppliers and aspiration to fuel flights with 10 per cent SAF blend by 2030. Details on pages 46–48 .
	Drive noise reduction by ensuring all our fleet is compliant with the applicable Chapter 14 noise emission standards by 2028.	●	On target. 80 per cent of our aircraft are compliant as of F24. See page 49 for more information.
	Qualify future technology building blocks and industry partnerships to enable decarbonisation by 2050.	○	Ongoing with the Board of Directors leading and the Sustainability Council stakeholders implementing actions. See pages 50–51 for key projects.
People	Continue to put safety first, in everything we do.	●	On target. Cross-functional safety council meets four times a year. Dedicated Safety, Security and Operational Compliance Committee of the Board since F23 for additional oversight. See pages 64–65 .
	Further improve gender diversity in the Board, management and flight deck to achieve: <ol style="list-style-type: none"> 33 per cent female gender diversity in the Board of Directors; 40 per cent female gender diversity in the management team by F26; and 7 per cent female gender diversity in the flight deck by F30. 	●	<ol style="list-style-type: none"> Board of Directors: 36 per cent – target reached. Management team: 35 per cent. Flight deck: 5 per cent. See pages 70–73 for all details.
	Develop and sustain employee engagement in the top 25 per cent of the industry benchmark.	○	Improvement in F24 but target not yet fulfilled. More on employee engagement on page 76 .
	Improve customer experience each year as measured by various customer satisfaction metrics.	○	Improvement in F24. Action plans in progress. See page 80 on customer experience-related initiatives.
Governance	Ensure effective Board oversight of all elements of the sustainability strategy.	●	On target. Details in the Sustainability Governance section, from page 25 .
	Continue to improve our climate-related disclosures, work on our decarbonisation roadmap, and report on all scopes of greenhouse gas (GHG) emissions.	●	Continuous work on climate disclosures and alignment with reporting frameworks such as the Task Force on Climate-related Financial Disclosures (starts on page 33); Global Reporting Initiative (page 90); Carbon Disclosure Project (page 18); and GHG inventory Scope 1, 2 and 3 reporting (page 55) with third-party assurance since F23.
	Environmental target integrated into the incentive scheme for the CEO and the entire management team.	●	Incentive scheme in place since 2021 (details in the F22 Annual Report).
	Gender diversity target for management integrated into the incentive scheme for the CEO and Officers.	●	Incentive scheme in place since 2021 (details in the F22 Annual Report).
Economy	Grow our fleet to 500 aircraft by 2030.	●	On target to achieve goal by F30. Current fleet: 208 aircraft. See page 42 .
	Increase the number of customers from 40 million in 2019 to 170 million by 2030.	●	On target to achieve goal by F30. Passengers in F24: 62 million (compared to 51 million in F23).
	Employ over 20,000 people directly and 125,000 people indirectly across the network.	●	On target to achieve goal by F30. New employees hired in F24: 2,357 (total employee number: 8,044).

IV. STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

The materiality assessment is a crucial step in Wizz Air's sustainability reporting process, as it helps us identify the environmental, social and governance (ESG) issues that are most significant to our business and stakeholders. Through extensive stakeholder engagement, we gather diverse perspectives to inform our assessment. This engagement not only ensures transparency but also deepens our understanding of stakeholders' evolving expectations, enabling us to identify priority areas and develop strategies that align with these expectations and broader societal needs. Wizz Air is using a materiality assessment method to identify those priority issues that matter most to each individual stakeholder group.

STAKEHOLDER ENGAGEMENT

Wizz Air identified its key stakeholder groups as follows: our customers, people, investors, partners and communities, as well as policymakers and regulators. For a comprehensive understanding of our stakeholders and their significance to our operations, as well as insight into their priorities and concerns, please refer to last year's detailed stakeholder analysis provided in [Wizz Air's F23 Annual Report on page 22](#).

Throughout the financial year 2024, we maintained close engagement with stakeholders through targeted communication, collecting direct feedback from all our stakeholders, primarily but not only through our digital materiality survey. Utilising a variety of communication platforms, including meetings, online surveys, social media and newsletters, we fostered dialogue with stakeholders such as customers, employees, policymakers and regulators. We regularly collaborate with business partners to showcase best practices, drive pioneering initiatives and foster sustainable innovation. In addition to surveys, in order to gain deeper insights into investor preferences, we actively collaborate with investor representatives through our Investor Relations team and direct meetings. Our discussions primarily revolve around environmental, social and governance (ESG) matters, climate change and sustainability agendas.



MATERIALITY ASSESSMENT

Our ongoing engagement with both internal and external stakeholders has played a crucial role in translating their expectations and needs into meaningful organisational goals and targets. In line with the GRI framework, Wizz Air also conducts an annual materiality analysis. We collected direct feedback from all stakeholder groups to identify the issues that they consider highly influential for the airline's business processes and success.

Similar to previous years, we've selected a diverse set of ESG topics, considering industry standards, stakeholder preferences, regulatory requirements and GRI guidelines. In addition, in anticipation for the CSRD regulation, going beyond climate change impacts, we have also conducted a high-level assessment of the environmental impacts caused by our operations and throughout our value chain, with a focus on critical areas such as biodiversity, water use, circularity and pollution. The aim of this initiative is to identify and mitigate risks in relation to these topics and enhance our contribution to environmental stewardship.

In F24, Wizz Air has utilised an enhanced systematic approach to prioritise the identified ESG topics through weighting our stakeholders' inputs. This updated rating method is a two-dimensional approach designed to consider both stakeholder influence and alignment with priority topics:

- **Influence assessment:** the Company assessed the potential impact of each stakeholder group on our strategic decisions.
- **Alignment assessment:** the Company measured how well stakeholders' priorities align with its own strategic goals through the analysis of survey data.

This approach facilitates the identification of potential risks and opportunities within the framework of ESG. Divergence between stakeholders' ESG priorities and a company's strategic goals can reveal risks that require strategic management and engagement. In contrast, areas of strong alignment offer opportunities for collaboration, innovation and improved ESG performance, ensuring that a company's efforts are effective and aligned with company and stakeholder expectations. During the stakeholder alignment assessment, we have discovered and are pleased to report a harmonious alignment between the priorities of our stakeholders and those of Wizz Air. The results of the materiality assessment underwent a review process with internal stakeholders, including senior management. Based on their feedback, the specific order of these topics was carefully streamlined to ensure a tighter alignment with the airline's strategic objectives, risk management priorities and regulatory compliance obligations, while preserving the integrity of the stakeholders' initial assessment. Following the revision, the material topics have been approved by the Sustainability and Culture Committee of the Board.

STRATEGIC REPORT

Materiality list and matrix – highest priority topics

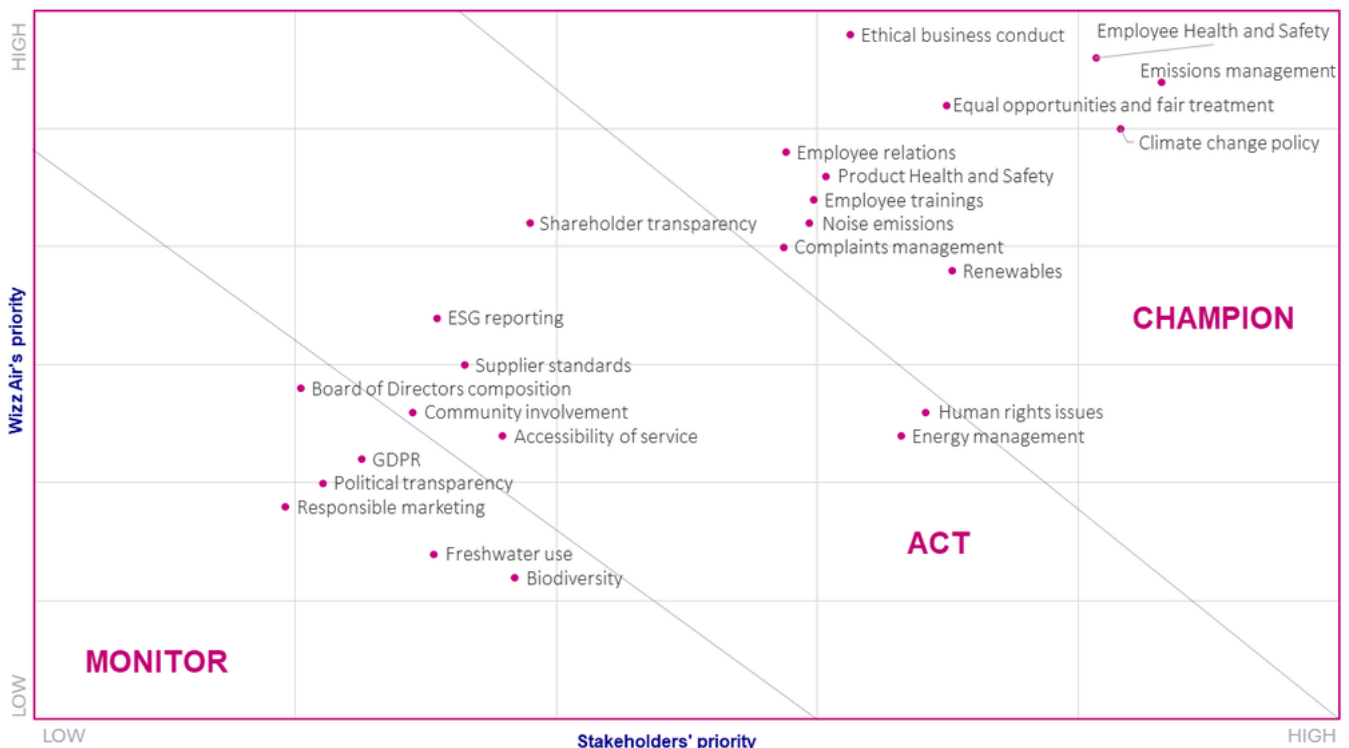
As a company committed to transparency, we continuously evolve our ESG reporting to provide stakeholders with a clear, actionable view of our sustainability efforts. In this year’s report, we have presented the result of our materiality assessment in a dual format. Our decision to employ both presentation tools is driven by a recognition that our stakeholders are diverse, with varying needs and preferences for information.

The table and the accompanying materiality matrix below present the ESG topics in separate categories based on the assessment by the Company and the engagement with stakeholders.

CATEGORY	ENVIRONMENT	SOCIAL	GOVERNANCE
CHAMPION	<p>The most material ESG issues that the Company strives to champion, integrates into its strategy and reports on consistently.</p> <ul style="list-style-type: none"> Emissions management Climate change policy Renewables Noise emissions 	<ul style="list-style-type: none"> Employee health and safety Equal opportunities and fair treatment Employee trainings Employee relations 	<ul style="list-style-type: none"> Ethical business conduct Product health and safety Complaints management
ACT	<p>Material issues that the Company recognises as important and is taking steps to manage appropriately.</p> <ul style="list-style-type: none"> Energy management 	<ul style="list-style-type: none"> Community involvement Human rights issues 	<ul style="list-style-type: none"> Shareholder transparency Accessibility of service ESG reporting Supplier standards
MONITOR	<p>Adequately managed – the Company is compliant with applicable requirements and regulations. Regular monitoring in place but no immediate actions required.</p> <ul style="list-style-type: none"> Freshwater use Biodiversity 		<ul style="list-style-type: none"> Board of Directors composition Political transparency Responsible marketing GDPR

We will provide further perspective in this report with regard to our goals, strategies and results connected to these issues and opportunities. Note, this Sustainability Report covers all of the below listed high-priority topics (listed in the Champion category), as discussed under the relevant ESG pillar disclosures, to ensure added transparency and detail on the topics most essential for our stakeholders.

Materiality matrix





GOVERNANCE PILLAR

V. OUR SUSTAINABILITY AND CLIMATE GOVERNANCE

BOARD OF DIRECTORS

Wizz Air operates under a robust governance framework. This structure comprises two key pillars: the Board of Directors and an internal governance system.

The Board plays a pivotal role in shaping Wizz Air's strategy. It does so through the collaboration of the Group Chief Executive Officer (CEO) and the Chairman of the Board. Together, they examine critical business objectives, and the Board, based on the proposal of the CEO, approves the key objectives and strategy of the business including those related to environmental, social and governance factors.

A dedicated Sustainability and Culture Committee assists the Board in ensuring that the Company's strategic goals align with sustainability principles. It ensures that the Company promotes long-term value creation and thus takes environmental issues into account in defining the Company's strategy by submitting recommendations to the Board.

Sustainability and Culture Committee responsibilities:

Strategy	It reviews and oversees the implementation of Wizz Air's sustainability strategy.
Risk assessment	The Committee examines extra-financial risks, particularly those related to environmental, social and societal issues.
Reporting and benchmarks	It oversees non-financial reporting processes, adhering to applicable legislation and international benchmarks.
Culture and diversity	Beyond sustainability, the Committee also evaluates the Company's culture, ensuring that it promotes diversity across the workforce and facilitates effective communication between management and employees.
Employee engagement	The Committee oversees employee relations, ensuring that Wizz Air fosters a diverse and engaged workforce.

The Board's Audit and Risk Committee also has a crucial role in overseeing the Company's risk assessment processes. This includes the approval of the processes around the Enterprise Risk Management (ERM) framework (outlined on page 34) and the annual comprehensive climate opportunity and risk analysis integrated into it. In addition to the regular, bi-monthly Board updates, the Committee receives a detailed briefing on the principal risks as well as the risk appetite and it reviews the action plans proposed by management.

Going forward, Wizz Air's Board of Directors remains steadfast in its commitment to position the airline as the most environmentally conscious choice for air travel. It actively endorses initiatives, innovation and investments aimed at minimising Wizz Air's environmental impact. As of F25, both the Board and the Sustainability and Culture Committee will consistently assess the execution of the Company's sustainability strategy and ensure continued compliance with ESG reporting frameworks during their six annual meetings. This review process will be overseen by the Corporate and ESG Officer, who serves as the Board Secretary, and is also the Chair of the internal Sustainability Council.

Similar to F23, the members of the Board's Sustainability and Culture Committee and other Board Directors, key members of Wizz Air's senior management (Leadership Team) and the responsible heads and managers participated in sustainability and ESG training by Deloitte sustainability experts in January 2024. The Wizz Air stakeholders received an update on the sustainability and climate-related reporting requirements, the applicable regulations and the ESG reporting frameworks impacting the Wizz Air Group in the short and medium term (e.g. the Corporate Sustainability Reporting Directive (CSRD), ESG value chain factors and EU taxonomy). The Board is confident in its understanding of climate change and the industry's transition while recognising the need for ongoing education in this rapidly changing landscape.

To maintain momentum and achieve our goals, the Board prioritises effective oversight of key sustainability initiatives. The focus remains on enhancing sustainability governance through additional training, ensuring environmental expertise, and staying informed about climate-related developments, risks and opportunities. Strengthening Wizz Air's sustainability strategy and governance is the initial step towards achieving sustainable aviation. This aligns with the Company's vision to: i) reach WIZZ500 by 2030; ii) be Europe's undisputed price leader; and iii) be Europe's top choice for environmentally conscious flying.

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LEADERSHIP TEAM AND SUSTAINABILITY COUNCIL

The Sustainability Council, led by the Corporate and ESG Officer, convenes regularly as a group and/or on individual working group level (such as the SAF strategy working group and the ESG reporting working group, etc.) to review our sustainability agenda, track new developments and assess ongoing projects. Additionally, the Council stakeholders analyse future plans related to the Company's decarbonisation pathway.

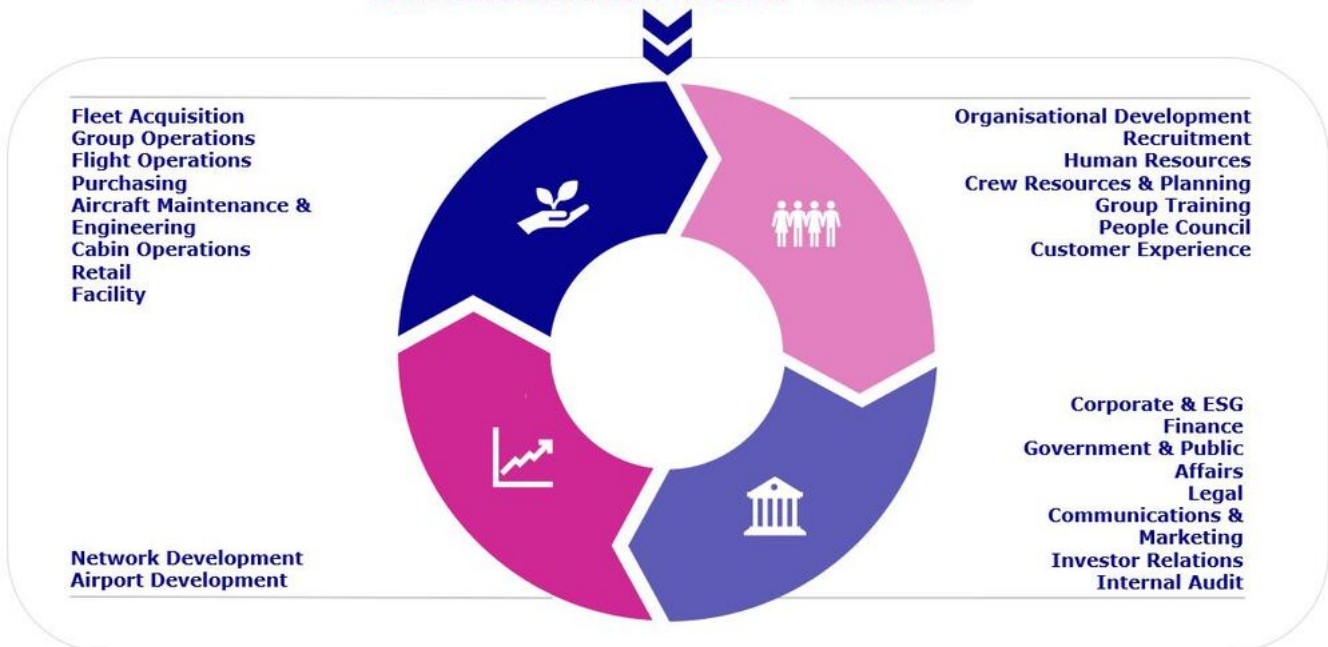
At the operational level, the Sustainability Council is overseen by the Group's Senior Sustainability Manager, and the overall responsibility lies with the Corporate function including the Corporate and ESG Officer, and the Executive Vice President and Chief Corporate Affairs Officer. The Council comprises key internal stakeholders such as the Executive Vice President and Chief Financial Officer, the People Officer, the Customer and Marketing Officer, the Managing Directors of airline subsidiaries, and all Heads of Function. Senior managers responsible for specific business areas also participate. Main stakeholders include leaders and experts from strategic functions such as Corporate and ESG, Finance, Government and Public Affairs, Investor Relations, Group Operations, Fleet Acquisition, Flight Operations, Purchasing (Supply Chain), Aircraft Maintenance and Engineering, Cabin Operations, Retail, Facility, Organisational Development, Recruitment, Human Resources, Crew Resources and Planning, Group Training, People Council, Customer Experience, Communications and Marketing, Legal, and Internal Audit. Their collective mission is to drive our Company's sustainability strategy and ensure its effective implementation throughout the organisation.

SUSTAINABILITY COUNCIL MAIN STAKEHOLDERS

EXECUTIVE VICE PRESIDENT AND CHIEF CORPORATE AFFAIRS OFFICER

CORPORATE AND ESG OFFICER - CHAIR

SENIOR SUSTAINABILITY MANAGER - COORDINATOR



The Company-wide, fully cross-functional Sustainability Council will continue to operate and provide updates to the full Leadership Team, including the CEO, regarding progress made in accordance with our strategic priorities. When necessary, adjustments to goals and strategies will be discussed and presented to the responsible Chief Officers or the Leadership Team. Subsequently, progress and future strategies will be coordinated with the Board's Sustainability and Culture Committee as well.

SUSTAINABILITY GOVERNANCE SUMMARY

Board of Directors Approval and supervision of strategic objectives	Sustainability and Culture Committee <ul style="list-style-type: none"> Objective: Aligns the Company's sustainability strategic objectives with industry best-in-class standards. Frequency: Meets at least six times per year, with an additional session dedicated to in-depth training on sustainability and climate-related matters each year.
Leadership Team Development and execution of strategies	Audit and Risk Committee <ul style="list-style-type: none"> Objective: Approval of the climate risk universe (including the physical and transition risk analysis), risk appetite and action plan to address these risks. Frequency: Meets at least six times per year. <hr/> Sustainability Council <p>The driving force behind sustainable practices, ensuring they are embedded throughout the organisation's operations and culture.</p> <ul style="list-style-type: none"> Strategic alignment: Supports the Leadership Team in defining sustainability objectives and corresponding strategies. Ensures alignment with industry best practices. Execution and prioritisation: Drives execution across the organisation by prioritising and allocating resources. Focuses on key priorities, including fleet renewal, fuel efficiency, climate regulation advocacy and sustainable aviation fuels. Expertise hub: Serves as a centre of expertise on ESG, sustainability and climate matters. Integration and action: Integrates functional leaders to swiftly deploy guidance into operations.

GOVERNANCE VIA THE ENTERPRISE RISK MANAGEMENT FRAMEWORK

Wizz Air's ERM framework evaluates environmental and climate change-related risks, among other risk types. This framework is reviewed biannually by the Board of Directors. The process of risk identification, which involves discovering, acknowledging and describing risks that could hinder Wizz Air's objectives, is crucial for updating the Company's risk universe and risk appetite semi-annually. Various methods such as meetings, interviews, group discussions, historical data and market information are used for risk identification. The identified risks are then analysed and evaluated based on their impact and likelihood.

In addition to these processes, the Group's ESG function also continuously assesses sustainability-related risks. It collaborates with experts to conduct an annual detailed climate scenario analysis, which is incorporated into the ERM. These risks are evaluated using the ERM classification methods for relevant business planning timeframes. More details about this process and climate risk mitigation can be found in the report's Task Force on Climate-related Financial Disclosures (TCFD) section.

The ERM encompasses several ESG-related risks, including climate-related risks. The primary and secondary risk owners are identified based on the required functional expertise. It is the risk owner's duty to appropriately assess the risks and provide information to the Internal Audit function during the annual update process.

As part of the Company's going concern and viability work, management maps principal risks into the planning horizon for going concern and viability. These horizons align well with the definitions of short-term (going concern) and medium-term (viability) risks. The main principal risks identified during our ERM work are mapped and discussed for their impact over one, five and ten years. The same approach is applied to climate risks. An assessment is documented for the short, medium and long-term horizons for each outlined climate risk – transition and physical risks. Where applicable, a quantified impact of that assessment is incorporated into the going concern and viability modelling for the Company.

Wizz Air is dedicated to consistently predicting and mitigating the effects of climate-related phenomena on the environment, our communities and our business. Therefore, climate considerations are integrated into our financial planning and controlling processes. Each year, when preparing the financial operating plan for the following year (and medium-term forecasts), the key risks are gathered from the Department Heads, indicating the potential financial impact of the risks. This information is continuously incorporated into financial planning, ensuring that the organisation remains prepared and resilient, calculating the most significant risks and their financial threat.

Risk governance structure

Wizz Air's risk governance is designed to identify potential risks and manage those risks within the organisation's risk appetite in order to enhance the outcome of the corporation's business objectives. The risk governance structure ensures well-defined roles and responsibilities for its members regarding Enterprise Risk Management.

The risk management process is channelled into the Company's Leadership Team, the Audit and Risk Committee and the Board of Directors, receiving robust support and priority for driving our business plans and implementing risk mitigation actions. The Internal Audit function and the Leadership Team report to the Board's Audit and Risk Committee. The Internal Audit function periodically updates the Leadership Team

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and the Audit and Risk Committee regarding any significant risk exposures. The Internal Audit function is accountable and reports functionally to the Board's Audit and Risk Committee, and administratively (i.e. day-to-day operations) to the Chief Financial Officer. The Internal Audit function is not involved in the decision-making process in relation to business matters, in order to ensure full independence.

The Internal Audit function's purpose is to provide independent, objective assurance and consulting services designed to add value and improve the operations of all entities within the Group. It also ensures that any internal auditing activity remains free from all conditions that may threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner.

MITIGATION OF ENVIRONMENTAL AND CLIMATE CHANGE-RELATED RISKS

A key focus area connected to climate change and ESG will be environmental regulation compliance. This entails the applicable current and future mandatory reporting frameworks related to corporate sustainability (like the Corporate Sustainability Reporting Directive (CSRD)), emissions reporting, ETS or CORSIA reporting, future environmental taxation compliance, or any other requirements that are not currently known but could potentially result in a cost increase in the future. The Company's responsible working groups are continuously working on ensuring compliance with existing regulation and preparing appropriately with resources, systems and processes for all emerging requirements.

Wizz Air is intent on strengthening its internal and Board-level sustainability governance with frequent reviews and updates of reporting requirements. All reporting and environmental compliance matters have ownership assigned to the responsible function within the Company, which then reports on the applicable risks and mitigation actions to the Leadership Team and then the Board of Directors.

The Company's risk mitigation actions and projects addressing climate-related risks are discussed in detail in this report's section VI. Climate-related targets and priorities, and can be found on pages [31-32](#).

OUR COMMITMENT TO ETHICAL BUSINESS CONDUCT

At Wizz Air, we hold our Board of Directors and entire workforce to the highest standards of integrity. It is our unwavering commitment to act in accordance with all applicable laws and regulations at all times.

Key policies:

- **Policy of Good Conduct**

Our cornerstone policy for ethical business behaviour, the Policy of Good Conduct, was reviewed and revised in F23. This comprehensive document outlines the precise expectations we have for all Wizz Air employees as they carry out their duties within their business and professional relationships.

- **Equal Opportunities and Fair Treatment Policy**

This policy underscores our dedication to fostering a secure and respectful workplace for all stakeholders. Rooted in principles of mutual respect, fairness and equality, we actively champion diversity. Our aim is to maintain an environment that remains untainted by any manifestations of discrimination, victimisation, vilification, bullying or harassment.

- **Whistleblowing Policy**

This covers any report made via whistleblowing channels of any infringement of the Code of Conduct of Wizz Air or the laws of any jurisdiction, where a Wizz Air entity is established. The summary of the new policy is available online at Wizz Air's sustainability website. Wizz Air believes that in order to ensure the continued integrity of its business there should be an effective reporting line for its employees. If the employees suspect any breach of Company policies, they can raise their concerns and report it to the relevant personnel anonymously via the whistleblowing programme, as detailed in the policy.

- **Anti-Fraud Policy**

This new policy released this year sets out Wizz Air's principles, restrictions and practical guidelines regarding fraud in order to prevent, detect and avoid any fraudulent, unethical or improper business practice. Wizz Air rigorously prohibits any act, behaviour or failure to act that is contrary to the values and principles of its Anti-Fraud Policy.

- **Anti-Corruption Policy**

Wizz Air's Anti-Corruption Policy prohibits corrupt or improper practices or bribery. It applies to interactions between Wizz Air personnel and third parties. The policy aims to prevent improper inducements or rewards related to relevant functions. Anti-corruption education and training are provided to Wizz Air personnel and third parties involved in business operations.

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- **Supplier Code of Conduct**

Wizz Air's partners and suppliers are expected to comply with the Company's Supplier Code of Conduct. The Supplier Code of Conduct outlines requirements for ethical business practices, social and labour standards, legal compliance, and environmental and commercial sustainability. During the tendering phase, all supplier candidates receive the Supplier Code of Conduct for complete awareness of the Company's expectations.

There are additional policies ensuring the ethical conduct of the Board of Directors and those in leadership positions.

- **Share Dealing Policy**

The Company has adopted a Share Dealing Policy. Directors and designated employees must obtain clearance from the Company's Chairman before dealing in the Company's shares. During certain periods, dealing in the Company's shares is strictly prohibited. Regular face-to-face training is provided to ensure Directors and affected employees can appropriately manage insider information and keep informed of continuing obligations.

Wizz Air has established a number of policies to safeguard business ethics; all of them are available to all employees in the Company's systems. As part of every new employee's general onboarding, there are multiple mandatory e-learning training courses on business ethics and all relevant policies Wizz Air has introduced, including conflict of interest training, the General Data Protection Regulation, competition law and information security management, to ensure that the workforce is aware of the key principles that govern the ethical and compliant conduct of Wizz Air. New and revised policies are always shared with employees via the Company's internal digital channels to ensure continued awareness and compliance.

Overall, it is the responsibility of the Internal Audit function and the Audit and Risk Committee of the Board to review compliance with the above mentioned business ethics principles.



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VI. OUR CLIMATE-RELATED TARGETS AND PRIORITIES

WIZZ AIR'S POSITION ON CLIMATE CHANGE AND NET ZERO

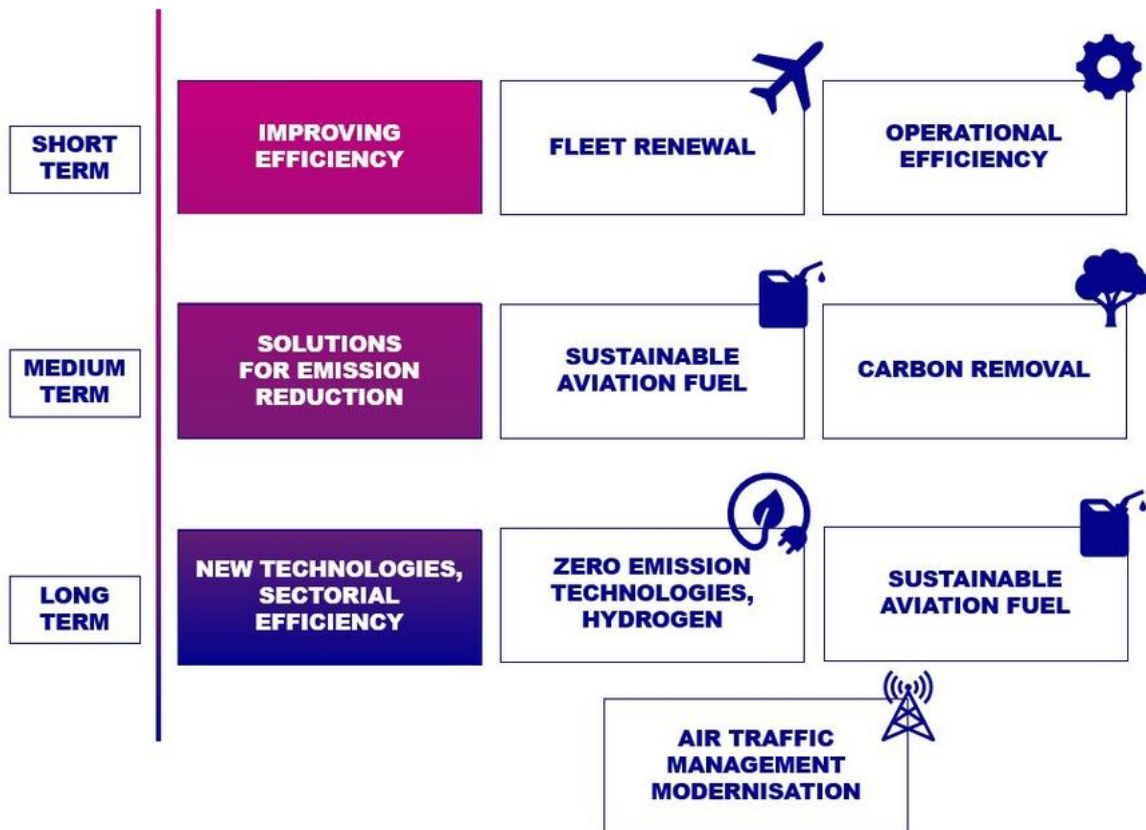
DECARBONISATION STRATEGY

As the industry is focused on actions and solutions for a sustainable transition, we also have a responsibility to create a pathway towards being an even greener airline. Wizz Air is committed to reducing climate change impact and our strategy includes renewing our aircraft fleet, continuously enhancing operational efficiency and investing in sustainable aviation fuels. Additionally, we collaborate with industry partners to ensure emissions decrease throughout the supply chain and wider operations.



HIGH MATERIALITY TOPIC

We remain committed to our 2030 goal of reducing emissions intensity by 25 per cent versus our F20 baseline. We have also dedicated significant resources this year to continuously assessing our potential pathways for an interim and final target for 2035 and 2050 respectively. Our aspiration to support the global efforts for a long-term target for aviation is clear, and we have identified the crucial elements on the path to achieve this: (1) short-term: fleet renewal and operational efficiencies; (2) medium-term: sustainable aviation fuels and carbon removal technologies; and (3) long-term: zero emissions aircraft technology, sustainable aviation fuels (still playing a key role until new aircraft technology achieves mass production) and air traffic modernisation.



Wizz Air leads the airline industry in terms of reduction of carbon emissions intensity (CO₂ per passenger kilometre). We aspire to continue to be the most carbon-efficient choice for flying and remain committed to our goal of radically reducing our emissions intensity, driving our ambition to support the airline industry's goal to decarbonise. These results have been achieved through our investment in best-in-class aircraft and engine technology. We strive to be transparent in our carbon disclosures and measure, verify and report our carbon and GHG emissions and CO₂ intensity performance.

In 2021, Wizz Air made a commitment to setting voluntary targets through the Science Based Targets initiative (SBTi). Since that commitment, SBTi's sector-based requirements for an interim net zero target submission and validation have changed considerably. Wizz Air has dedicated significant resources to continuously assessing potential pathways for an interim and final target for 2035 and 2050 respectively. However, there are several challenges to setting those targets, including: (1) no availability of zero emissions aircraft; (2) limitations with respect to availability and scale-up of sustainable aviation fuels; and (3) stalled reform of air traffic management.

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Due to these limitations, Wizz Air cannot set an SBTi target in a plausible way at the present time. The Company will continue to work on establishing a pathway for a potential target validation, and will also review how we can co-operate with other credible third-party validators. It should be noted that other airlines that have had their interim net zero targets validated by SBTi under the previous sector requirements (well below 2°C scenario) will need to submit a revised target in line with the 1.5°C global warming scenario within five years.

As always, Wizz Air is focused on remaining realistic in light of the current technology; therefore, we will commit to a net zero pathway once innovative technology develops and becomes industrialised.

WIZZ AIR SETS 10 PER CENT SAF GOAL

In April 2024, the Company announced its aspiration to power 10 per cent of its flights with sustainable aviation fuel (SAF) by 2030. The new goal will support the airline's commitment to reduce its carbon emissions per passenger kilometre by 25 per cent by 2030.

In 2023, Wizz Air took a significant step by investing in SAF companies, first Firefly, then CleanJoule, and partnering with various SAF suppliers, ensuring a reliable long-term supply chain. The Company is committed to achieving sustainable aviation growth while aligning with global aspirations. Our approach involves embracing a comprehensive strategy that addresses environmental impact, operational efficiency and long-term sustainability. This commitment includes leveraging technology, refining operational practices and adopting sustainable aviation fuels. While aircraft technology improvements hold promise, their impact will unfold over years and decades. SAF offers a direct pathway to reduce emissions; therefore, it is vital to increase SAF production and utilisation within the aviation sector as soon as feasible. The urgency to accelerate SAF production aligns with Europe's demand, and closing this gap is critical for achieving our shared environmental goals.



With this step, Wizz Air urges policymakers to address barriers to SAF deployment at scale by incentivising production, providing price support and embracing additional sustainable feedstocks for biofuel production. National SAF strategies, government incentives, green financing, investment and further ETS allowances for SAF uplift will be crucial. Today, several regions in Europe and its periphery lag behind in SAF production and availability. The urgency to accelerate renewable fuel production and closing this gap are critical for achieving our shared environmental goals.

The announcement was made at a recent press conference with Firefly, a pioneering biofuel company from the UK. Wizz Air has been a partner of and investor in Firefly since 2023. This collaboration will be crucial in the companies' journey to decarbonise, as Firefly's sustainable aviation fuel (SAF) solution can provide Wizz Air's UK operations with up to 525,000 tonnes of SAF over a span of 15 years, starting from 2028.

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TCFD-BASED CLIMATE RISK ANALYSIS

As an airline, we recognise our environmental impact and the industry's goal to achieve decarbonisation by 2050. We are committed to reducing our environmental footprint while ensuring affordable air travel for our customers and the communities we serve. We are continually enhancing our knowledge on mitigating our climate impact and remain vigilant in evaluating the effects of climate change on our operations. As part of the ERM process (more details on page 106 in the Annual Report's Emerging and Principal Risks and Uncertainties section), climate change is acknowledged as a potential risk to Wizz Air, affecting our business in the short, medium and long term. The Audit and Risk Committee has reviewed the climate related risks during the year as part of its regular review of principal risks, as set out in the Annual Report each year.

Wizz Air has been reporting based on the TCFD guidance since F21. Each year, the Company reviews and extends its disclosure and as such, ensures that we include the relevant industry-specific metrics, for example the fleet fuel use, the percentage of sustainable fuels, total emissions, the risk mitigation strategies related to the transition to more efficient aircraft, or research and development projects aimed at renewable fuels production ramp up. Wizz Air's disclosures are consistent with the recommended disclosures of the TCFD, taking into consideration the all-sector guidance and the supplemental guidance for non-financial groups for transportation. In terms of the Company's TCFD maturity, Wizz Air's management is comfortable with the consistency of our reporting regarding the core TCFD recommendations and recommended disclosures, and the TCFD all-sector guidance, including the supplemental guidance for non-financial groups for our industry, and has a clear timetable to develop further in the future.

DEFINING QUALITATIVE SUBSTANTIVE IMPACT FOR CLIMATE-RELATED RISKS

Wizz Air defines risk timelines as short-term (0–1 years), medium-term (1–5 years) and long-term (5–10 years). The Company has chosen this approach, as these timeframes are aligned throughout the ERM, the climate risk analysis and the Company's existing financial planning time horizons. Risks identified in the scenario analysis were compiled into materiality/likelihood heatmaps, following the logic and risk ranking framework of our in-house ERM. This heat-mapping allows Wizz Air to assess the impact of climate-related risks – substantive climate risks were identified if they had high impact in any time horizon, or at least a medium risk impact for each time horizon.

Horizon	Definition
Short	0–1 years
Medium	1–5 years
Long	5–10 years

To better understand the potential impacts, however, Wizz Air evaluated the impact of four possible global warming scenarios. We have looked at the impact on our business, projecting our current fleet plan and the WIZZ500 ambitions. To continuously develop our climate risk assessment approach, we have been working with expert sustainability and climate consultants from Deloitte Ltd. Hungary who helped improve our existing climate risk analysis approach. The methodology considered four different climate change scenarios, in accordance with the Intergovernmental Panel on Climate Change (IPCC). These scenarios are ~1.5°C, 2°C, 3°C and 4°C. The four potential scenarios had been previously chosen as they cover a broad spectrum of outcomes.

Scenario	Physical risks	Transition risks
Low-emissions scenario	SSP1-1.9-SSP1-2.6 (~1.5–2°C)	IEA Net Zero Emissions by 2050 (NZE)
High-emissions scenario	SSP3-7-SSP5.85 (~3–4°C)	IEA Stated Policies Scenario (STEPS)

Based on a heat-mapping process as part of the qualitative risk assessment, taking into account the aforementioned materiality threshold, Wizz Air identified the main climate risks and categorised them based on Wizz Air's ERM framework: low risk impact (accept risk); medium impact (action plan); and high impact (avoid, reduce or transfer risk).

The quantitative risk assessment was based on Wizz Air's business projections, current climate legislation and proposals, as well as up-to-date industry-specific reports and forecasts from EASA, ICAO and IATA sources. As risk calculation involves assumptions and estimates, and since the financial impact of risks is dynamically changing, it is crucial for the Company to have effective risk management processes to frequently review and adjust the financial impact estimations to the changing circumstances or policy environment. (Further details on the methodology and the four potential climate scenarios can be found in the [F23 Annual Report on pages 29–30.](#))

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The ERM framework and climate-related risks

For climate-related risks, management complements the ERM approach on a qualitative basis first as outlined below using two dimensions: 1) impact (low, medium, high) and 2) likelihood (low, medium, high). This leads to a risk and impact qualification called the TARA framework, which assists decision making on whether the risks can be accepted, need an action plan, or must be reduced, avoided or transferred. The Company and the Board have agreed to a low risk appetite for climate-related risks which means that essentially any climate-related risk needs an action plan.

Following the TCFD recommendations, the key risks retained are quantified afterwards and integrated in the going concern, viability planning and asset impairment analysis for the Company. This risk management process feeds into the Risk Council, into the Audit and Risk Committee and into the Board of Directors and, as such, has strong support and priority in terms of driving our business plans and the actions to mitigate the risks. As part of the going concern and viability work for the Company, management maps principal risks into the going concern planning horizon and into the viability horizon. These horizons align well with the definition of short-term risks (going concern) and medium-term risks (viability). This process is key to evaluate if any risks cast significant doubt on the Company's ability to continue as a going concern.

CLIMATE-RELATED RISKS AND THEIR SIGNIFICANCE AND MITIGATION MEASURES

Wizz Air, through the heat-mapping process described earlier, has pinpointed the main climate risks. The subsequent tables provide a description of the main physical and transitional climate risks identified, their potential effects on Wizz Air, and the mitigation strategies and actions implemented by the Company's responsible departments.

The risk assessment tables align with the Company's Enterprise Risk Management framework in terms of risk impact categories and colour coding in the first column. Here, green signifies low risk impact (risk acceptance), yellow indicates medium impact (requiring an action plan), and red represents high impact (necessitating risk avoidance, reduction or transfer). The visualisation of risk impact for the short, medium and long term demonstrates how the severity of the same type of risk can vary over time, transitioning from green to yellow or red. As the climate risk assessment is a recurring exercise each year, based on updated scientific forecasts or circumstances changing, the climate risks and their impact rating are reviewed and, if needed, revised.

Overall results and findings

Our comprehensive risk assessment included high-impact risks across all time horizons, as well as those with at least a medium impact for each timeframe. When considering global warming scenarios, the most severe potential impacts were taken into account for each risk category, specifically 1.5°C and 2°C for transitional risks.

The results of the climate scenario assessment imply that in the high-emissions scenario, the Company would incur revenue loss and increased fuel costs due to the operational disruptions caused by the physical risks-related phenomena. In the lower-emissions scenario, carbon pricing and offsetting mechanisms, the use of increasing volumes of renewable fuels, and disruptive low-carbon technology adoption would result in increasing Wizz Air's costs. In both low, and high emission scenarios, Wizz Air considers itself resilient in terms of operational preparedness, transition-related investments (fleet, sustainable aviation fuels) and financial planning.

The analysis also suggests that transitional and physical risks are inversely related. If climate policies prove to be ineffective, it could lead to scenarios of 3°C and 4°C, where physical risks would become more pronounced. However, these would only pose a moderate risk within our defined time horizons, with the really severe physical impacts expected only in the long term (from 2050 onwards). Conversely, effective regulation and policy implementation would reduce physical risks, but could lead to a significant increase in transition risks and therefore higher compliance costs for the Company.

Physical risks – detailed disclosure

The assessment below reveals that no high-impact physical risks were detected within the evaluated time horizon. The implications of physical risks become more significant as we project further into the future (2050 and beyond). We anticipate no substantial alterations in the next decade relative to current temperature or weather pattern changes. If the implementation of climate policies proves to be ineffective, physical risks could lead to disruptions in operations, markets and supply chains or cause damage to assets.

The most critical climate-related physical risks identified in this year's assessment are detailed on the next page:

Risk type and estimated significance	Risk description	Financial impacts	Mitigation measures
<p>More extreme heatwaves</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Extreme heatwaves can impact aircraft performance and flight operations because it may be necessary to reschedule departures for heavier aircraft or reduce the weight of the aircraft.</p> <p>As a result of heatwaves, airports can also decrease runway capacity due to the less dense warm air that can cause harm to runway surfaces or taxiways.</p>	<p>Disruption of regular revenue streams and increased operating costs.</p>	
<p>Increase in the frequency and magnitude of wildfires</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>In the future, wildfires may increasingly impact travel decisions, leading to more frequent cancellations and revenue losses. Attractive summer holiday destinations could be affected by these fires. Additionally, wildfire smoke can disrupt operations due to reduced visibility caused by particulate matter, potentially resulting in flight delays or cancellations.</p>	<p>Potential revenue loss and higher operating costs due to disruptions that cannot be prevented, avoided or planned for.</p>	
<p>Increase in frequency of more intensive storms</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Severe storms have the potential to disrupt airspace and airport operations, as well as cause damage to infrastructure. Additionally, they may lead to increased fuel consumption. Northern, North Western and Central Europe are likely to see a rise in severe storms. Meanwhile, in the Mediterranean, cyclone frequency may decrease, but their intensity could increase.</p>	<p>Lost revenue and increased operating and fuel costs.</p>	
<p>Acute flooding</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Heavy rainfall and pluvial flooding could occur across all regions. Flooding has the potential to harm airport infrastructure and runways, leading to reduced capacity, flight delays, cancellations and financial losses. Additionally, intense precipitation and flash floods may become more frequent at global warming levels exceeding 1.5°C, except in the Mediterranean. These weather events could disrupt ground operations and cause damage to airport facilities, resulting in flight disruptions.</p>	<p>Lost revenue and increased operating costs.</p>	<p>Ensuring operational readiness by following established procedures and policies for managing disruptions. Ongoing climate scenario analysis, aligned with the TCFD framework, allows the Company to evaluate risks and implement mitigation strategies in collaboration with the Operational and Network Development teams. Additionally, advancements in forecasting technologies, which better track historical disruption causes and locations, will enhance our operational planning in response to evolving weather patterns.</p>
<p>Change in weather patterns (general)</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Significant changes in weather phenomena (frequency and intensity) are likely in the long term (e.g. by 2050 and beyond); however, we expect no critical change within the next ten years.</p>	<p>Potential revenue loss and higher operating costs due to disruptions that cannot be prevented, avoided or planned for.</p>	

Transitional risks – detailed disclosure

- Policy – Emissions reduction regulation in general terms
- Policy – ETS carbon price increase and decrease of free allowances
- Policy – EU ETS Carbon Border Adjustment Mechanism (CBAM) regulation and increase in aircraft and manufacturing costs
- Policy – Energy taxation and the introduction of kerosene tax in the EU
- Policy – Sustainable aviation fuel mandate
- Policy – CORSIA and offsetting
- Policy – Uncertainties regarding the changing landscape of ESG reporting obligations

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- Technology – Disruptive aviation innovation
- Technology – Technological feasibility issues of SAF production
- Market – High price elasticity of demand
- Market – Reduced demand due to the increasing number of ESG-conscious customers
- Market – Growing green investor sentiment
- Liability – Emissions and climate damage litigation
- Reputation – Brand reputation

The most critical climate-related transitional risks identified in this year's assessment are the following:

Risk type and estimated significance	Risk description	Financial impacts	Mitigation measures
<p>Emissions reduction regulations</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>In a 1.5–2°C scenario, Wizz Air may face strict policies across the network to achieve emissions reduction. However, varying national policies without a standardised approach bears the risk of non-compliance due to regulatory complexities. Decarbonisation efforts, including fossil fuel taxation, aim to reduce carbon emissions, but they may increase operational costs. Additionally, differing timelines and reporting requirements pose risks to achieving adequate reductions.</p>	<p>Increased operational costs and possible penalties in the medium and long term, in case of failure to comply with the complex set of requirements in our operating environment (Wizz Air currently has four airlines: two within the EU, one in the UK and one in a UAE jurisdiction which results in added complexities in overall compliance).</p>	<p>Maintain strong emphasis on evaluating and ensuring compliance with tax and regulatory requirements related to emissions regulations (this involves cross-functional coordination to guarantee full review across the organisation). Additionally, we actively engage with government bodies, the European Union, and other essential stakeholders to establish a cohesive approach across different regions.</p>
<p>EU ETS – carbon price increase and decrease of free allowances</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>In a 1.5–2°C scenario, carbon price hikes are likely to occur in the medium and long term. The EU Emissions Trading System (EU ETS) is projected to significantly surpass existing policy mandates in the long term, post the IV phase (ending by 2030). Consequently, operational and upstream expenses will sharply rise due to the elevated carbon prices, resulting in more substantial costs. These price increases are expected due to the gradual elimination of free carbon allowances by the EU, with forecasts indicating that the EU ETS will exceed current policy requirements over the long term.</p>	<p>Additional compliance costs under UK and EU ETS. Operational costs will increase due to higher carbon prices per unit, and the elimination of free allowances.</p>	<p>Maintaining an effective carbon allowance/offset purchasing strategy to mitigate price volatility. Continuously forecasting carbon prices and cost increases to increase resilience, Wizz Air uses internal carbon prices to forecast ETS unit cost, to contribute to better budgetary and risk management decisions. Wizz Air would also rely on the EU's SAF-related support mechanisms, including free ETS allowances and/or lower annual carbon cost due to the use of SAF.</p>
<p>Energy taxation – introduction of kerosene tax in the EU</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>The EU intends to impose a mandatory tax on kerosene, appr. €0.4 per litre, as part of the ongoing revision of the Energy Taxation Directive. The proposal allows member states to introduce even higher tax rates under specific conditions. Originally planned for 2024, the approval and implementation have faced negotiation deadlock in the EU; however, an approval is expected later on to ensure alignment with the EU's ambitious climate package, if it wants to maintain alignment with 1.5–2°C climate pathways.</p>	<p>New fossil fuel and related taxes may impact overall taxation costs in the medium and long term. The financial impact would be even higher if the EU and its member states introduce carbon taxes in parallel, leading to double taxation.</p>	<p>Continuously and accurately assessing changes in tax legislation in Wizz Air's network is crucial. Advocacy measures to ensure a standardised approach globally, avoiding double taxation of emissions, via carbon pricing, and kerosene and carbon taxes, putting additional burden on operators.</p>

Risk type and estimated significance	Risk description	Financial impacts	Mitigation measures
<p>SAF mandates (ReFuelEU regulation)</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Regulations requiring the use of SAFs in aviation fuel are already operational in some countries. A new mandate is also set to be implemented in the EU by 2025 (mandatory SAF blend in departing flights: 2 per cent in 2025, 6 per cent in 2030, and 70 per cent in 2050 as per the ReFuelEU aviation regulation), while similar trends are anticipated in other regions.</p>	<p>Higher operational and upstream costs in the medium term due to the increase in minimum SAF blending volumes in aviation fuel. Non-compliance and continued dependence on fossil fuels could lead to penalties.</p>	<p>Wizz Air took a significant step by investing in SAF companies, first Firefly, then CleanJoule, and partnering with various SAF suppliers, ensuring a reliable long-term supply chain. Procurement efforts will keep focusing on ensuring compliance with current and future SAF mandates and supporting additional aspirations in SAF uplift later on.</p> <p>Resources have also been allocated to advocacy regarding the book and claim mechanism.</p>
<p>Uncertainties regarding the changing landscape of ESG reporting obligations</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>Compliance with new ESG-related (for example the EU's Corporate Sustainability Reporting Directive (CSRD)) reporting standards will require additional administrative capacities at various functions of Wizz Air, and investments in new processes and systems may be needed to satisfy all emerging transparency requirements. As Wizz Air operates in different geographies, the new and changing reporting expectations create parallel reporting obligations.</p>	<p>Ensuring compliance with emerging reporting requirements can increase administrative costs and take away capacity to implement strategic and value adding transitional actions for climate.</p> <p>Non-compliance with mandatory reporting requirements can result in penalties and reputational damage.</p>	<p>Wizz Air's responsible teams are working with various sustainability and ESG professionals to ensure continued compliance with all relevant transparency requirements. The relevant working group has been established to prepare for upcoming reporting needs.</p> <p>A new software solution has been implemented for an improved ESG supplier risk assessment and management process, while further initiatives are in progress.</p>
<p>Disruptive aviation innovation</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>The rate at which low-carbon technologies are embraced influences the competitiveness of airlines, the cost of operations, and the value of assets. Investments in capital expenditures (CapEx), research and development (R&D) and innovation need to strike a balance between risk and reward, fostering innovations that are both sustainable and profitable.</p>	<p>Failure to invest or investing in the wrong technology can be risky, leading to increased costs and/or a decrease in competitiveness.</p>	<p>Wizz Air signed a Memorandum of Understanding with Airbus in 2022 to explore the potential for hydrogen-powered aircraft operations. We have also joined the EU's Alliance for Zero Emission Aviation (AZE) to pave the way for next-generation sustainable aircraft. Based on the current understanding, zero emissions aircraft large enough to fit our business model (above 200 seats) are not feasible in the near future. While we are waiting for technological improvements, we continue to look into opportunities to accelerate the ramp-up of the European SAF market – as the most efficient short-term tool for the decarbonisation of the aviation sector.</p>
<p>Growing green investor sentiment</p> <p>Short Term</p> <p>Medium Term</p> <p>Long Term</p>	<p>In the medium term, investors may start pulling out from carbon-intensive sectors.</p>	<p>Disinvestment would lead to an increase in the Company's capital costs.</p>	<p>A robust environmental strategy including fleet renewal with the best available technology today, and fuel efficiency initiatives.</p> <p>SAF strategy execution (including investments in R&D) to ensure a steady supply of alternative fuels, helping to achieve our targets.</p> <p>Continued transparency regarding the Company's transition planning.</p> <p>Partnership with Airbus on its zero emissions aircraft project for long-term decarbonisation goals.</p>

STRATEGIC REPORT

With regard to the lower impact transitional risks (not included in the detailed risk table):

- Regarding the CBAM regulation that would limit carbon leakage, starting in 2026, iron, steel and aluminium products (aircraft manufacturing included) will face carbon pricing. Importers and producers will pay a fee under EU ETS allowances. The regulation's implementation has started and the impacts will be felt within five to ten years under each climate scenario.
- The CORSIA-related offsetting obligation would lead to higher operational and upstream costs, but only in the medium term.
- As for the technological feasibility of SAF, forecasts suggest that in situations where temperatures rise above 2°C, the ability to produce SAF may not meet the aviation industry's demand for it. However, with more investments, it could potentially lead to an adequate supply of SAF in the medium to long term.
- Price elasticity of demand: In a strict policy scenario, compliance with requirements would increase Wizz Air's unit cost due to the additional cost elements (carbon pricing, SAF and carbon taxes). However, from a competitive perspective, due to the ultra-low-cost carrier business model, the Company would still be a more affordable choice for customers than traditional airlines. This is because airlines operating with a traditional business model would also pass on the additional costs to customers, leading to higher fares. Therefore, even with increased costs, Wizz Air would maintain its competitive advantage in terms of affordability.
- Reduced demand due to ESG-conscious customers: Wizz Air's continued investment into fleet renewal and sustainable technologies/initiatives is helping the airline remain a high performer by keeping its emissions per passenger kilometre low, and an attractive option for those that must fly but want to limit their footprint.
- Brand reputation: Our ambitious fleet renewal plan by 2030, continued developments in fuel efficiency projects and SAF strategy will enable us to differentiate our brand by showing leadership and meet the expectations of the public.
- Emissions and climate damage litigation: When it comes to liability, as aviation is a carbon-intensive industry, the Company may face scrutiny from regulators, potentially resulting in liability-related expenses; however, Wizz Air has been highly transparent regarding emissions reporting towards authorities and the public as well.

QUANTITATIVE RISK ANALYSIS

Wizz Air's qualitative climate risk assessment identified the most critical climate risks for Wizz Air's business planning. Out of the above listed physical and transitional climate risks, the following most critical risks were selected for the quantitative analysis. The ETS, SAF and kerosene tax related risks were chosen because of their high-impact risk rating on the medium- and long-term time horizons (excluding the emission reduction regulations where clear forecasts on the applicable taxes and costs are not available), while the weather pattern changes were selected to ensure that physical risks are also reviewed in the quantitative review:

- ETS (carbon price increase);
- SAF mandate-related additional fuel cost;
- introduction of kerosene tax in the EU; and
- weather pattern changes and their impact on operations.

The quantitative risk assessment was based on Wizz Air's latest business projections, the current status of climate legislation and proposals, as well as up-to-date industry-specific reports and forecasts from EASA, ICAO, IATA and other credible third-party sources. As medium-term climate risk calculation typically involves assumptions and estimates, and since the financial impact of such risks is dynamically changing, it is crucial for the Company to have effective risk management processes to frequently review and adjust the cost assessment to the evolving external circumstances or policy environment. The results of the quantitative risk assessment have been shared with the responsible Finance teams of the Company, enabling the integration of the findings into Wizz Air's financial planning processes. This year, the potential financial impact of the most critical climate risks was quantified up to F29 as, by focusing on this time horizon, we could gain a better understanding of the potential risks that the Company may face in the medium term.

Complimentary disclosures: The detailed results of the F24 quantitative risk assessment will be disclosed in the Company's upcoming Carbon Disclosure Project (CDP) submission, the public version of which will be available next year. Note, Wizz Air's CDP disclosure from 2023 is already public (and also available on the Company's sustainability website), including a breakdown of the minimum and maximum financial impact, and potential impact calculation logic (section C2.3a); that disclosure reflects the results of the F23 assessment. Wizz Air considers the outcome of the potential financial impact assessment based on future scenarios as separate from financial reporting and as complementary information.

STRATEGIC REPORT

OPPORTUNITY ANALYSIS

Initiatives related to climate change mitigation can often contribute to opportunities for companies. Such climate-related opportunities will vary based on the industry, sector and level of the organisation in terms of the status of their decarbonisation roadmap. The following list includes the opportunities identified by Wizz Air, potentially bringing competitive or cost-related benefits in the short and medium term. In terms of the long-term opportunities, such as those connected to zero emission operations, due to the lack of clarity in terms of timelines, and the rate of disruptive technology adoption, the assessment of these scenarios will happen at a later stage.

EU ETS – phasing out free allowances – competitive advantage:	While the phasing out of free carbon allowances is a risk, it also presents competitive opportunity in the short and medium term. Wizz Air’s total free allowance compared to its emissions has been significantly lower than most of its peers in the sector. This provides additional resilience for Wizz Air, as the Company’s cost increase impact will be much smaller than that of the multiple airline competitors which currently have much higher volumes of free allowance.
Sustainable aviation fuel investments:	Wizz Air invests strategically in research and development (R&D) projects to secure its own sources of SAF. These investments ensure a reliable supply chain in the longer term, allowing us to meet future blending mandates effectively. As an example, Firefly (the Company’s first equity investment) has pioneered an integrated technology pathway for SAF production using sewage sludge as a feedstock – which is a sustainable and highly abundant source. This proactive approach to SAF investments ensures a sustainable and resilient fuel supply due to the higher SAF volumes provided by one producer, at a preferential price. This would ensure cost-efficient SAF access, at a lower price than available on the market, mitigating the cost increase resulting from the SAF mandates and opening up opportunities for additional SAF purchase and uplift if higher volumes are available after the production ramp-up.
Sustainability-conscious customers:	Wizz Air currently has and will continue to strive towards maintaining the lowest reported emissions intensity per passenger kilometre, compared to other major airlines in its network. Additionally, while currently there are misconceptions about the ultra-low-cost, low-fare business model, with the growing transparency on emissions per passenger and per flight, we expect climate change awareness to shift consumer sentiment to favour ULCC more than traditional airlines. In terms of a low-carbon strategy, flying more efficient aircraft and maximising the passenger numbers in the cabin are crucial, and the preferences of climate-focused consumers (who cannot avoid flying) will change towards more fuel-efficient flights and airlines. Consequently, this change could impact traditional airlines negatively, while already efficient carriers would benefit from it.
Industry collaboration opportunities in various geographies:	Wizz Air, operating across diverse geographies, faces varying legal jurisdictions and climate-related demands. Within the EU, UK, UAE (where the four Wizz Air airlines are headquartered), and other third countries, the airline encounters a range of approaches towards achieving net zero emissions and the related decarbonisation strategies. This exposure allows Wizz Air to learn from diverse technological innovations and national strategies, leveraging them to its advantage.
Enhanced ESG supplier risk assessment and management processes:	As a result of new climate-related transparency requirements, Wizz Air is already working on improving its third-party risk assessment and management approach, with special focus on ESG topics, including environmental and climate-related programmes of its business partners and vendors. Through the enhanced process, the Company will be able to receive more detailed information on its main suppliers’ environment and climate-related initiatives, which will provide opportunities for better cooperation for the future. The focused risk assessment will also help the Company to identify potential climate/environment risks during the tender phase with prospective service providers.

PRIORITY PROGRAMMES IN WIZZ AIR’S ENVIRONMENTAL STRATEGY

Wizz Air has four main environmental programmes with the ultimate objective to improve resource efficiency and continuously decrease our impact on the climate, by striving for lower emissions intensity and lower noise emissions, and establishing a sustainable aviation fuel (SAF) supply chain that can support our efforts to contribute to decarbonising aviation.



PRIORITY PROGRAMME

GOALS AND KEY LEVERS

1. FOCUS ON CARBON INTENSITY (CO₂/RPK) REDUCTION AND RESOURCE EFFICIENCY

Our most important environmental commitment is to gradually and radically reduce the emissions intensity generated by flight operations through:

- 1/A fleet renewal; and
- 1/B fuel efficiency.

2. SUSTAINABLE AVIATION FUELS

- Qualify a SAF supply chain by 2025.
- Invest strategically in SAF R&D.
- Partnerships and calls to action.

3. NOISE EMISSIONS REDUCTION

- Drive noise emissions reduction through increased Chapter 14 emissions standard compliance.

4. INDUSTRY COLLABORATION

- Qualify future technology building blocks and industry partnerships for innovation and cooperation, to enable decarbonisation.

The next section of the Sustainability Report provides detailed information about these integral elements of Wizz Air’s environmental pillar.

1. FOCUS ON CARBON INTENSITY (CO₂/RPK) REDUCTION AND RESOURCE EFFICIENCY

As we strive for more sustainable operations, it is crucial to continuously improve our carbon efficiency. Currently, no aviation fuel sources exist that are entirely devoid of environmental impact throughout their lifecycle. For Wizz Air, the primary environmental indicator is the intensity of carbon emissions, as the most substantial portion of our carbon footprint comes from Scope 1 CO₂ emissions during flight operations. This intensity metric, such as CO₂ emissions per passenger kilometre, quantifies emissions from a specific amount of activity, allowing for an objective comparison between companies of various sizes and business models. Changes in emissions intensity indicate shifts in the Company's resource efficiency, while total emissions reflect changes in economic performance. Therefore, a decrease in total emissions could merely be due to a reduction in economic activity, without any improvements in efficiency or related processes. For passengers seeking to minimise their CO₂ emissions, this metric offers a comparative measure among various options. Carbon efficiency reflects the energy efficiency of aviation operations, as CO₂ emissions are directly derived from the quantity of fuel consumed during flights. According to international conversion standards, burning one tonne of fuel results in the emission of 3.15 tonnes of CO₂.

Wizz Air has established a CO₂/RPK emissions target of 43 grammes vs its fiscal 2020 baseline of 57.2 grammes CO₂/RPK. We established this target in 2021 based on the WIZZ300 strategy, which has since been replaced by the WIZZ500 strategy that moved from a 300 aircraft by 2030 target to a more ambitious 500 aircraft by 2030 fleet renewal target. This was to take advantage of an opportunity to secure attractive fleet order positions when other airlines were hesitant or even reluctant to make such a commitment.

In F23, Wizz Air decreased its average carbon emissions intensity by 11.3 per cent year on year, and the Company's continued focus on decreasing its emissions per flight and per passenger kilometre has also been recognised by external stakeholders. In November 2023, Wizz Air received the award for Global Environmental Sustainability Airline Group of the Year for the second consecutive year at the CAPA Aviation Summit. The awards are independently researched by CAPA's analysts and carbon reduction strategists at Envest Global.

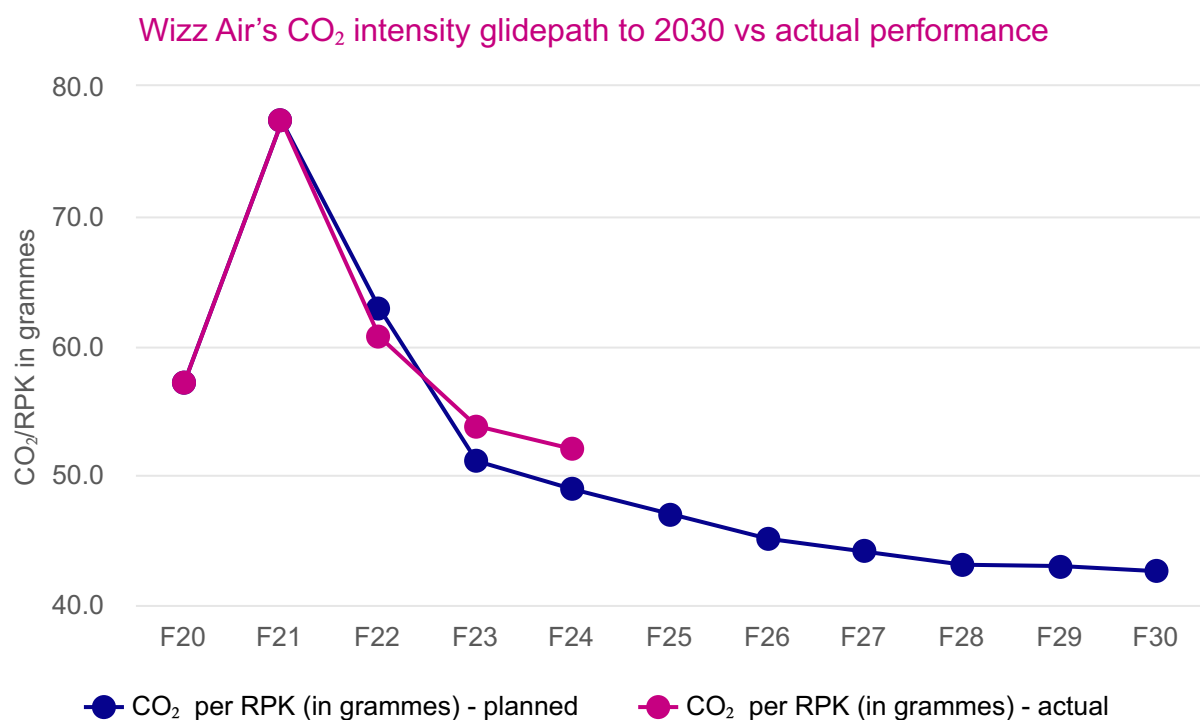


In financial year 2024, Wizz Air's carbon intensity continued to improve. The F24 average annual CO₂ per revenue passenger kilometre (RPK) was 52 grammes, which is unique in the sector. At the same time, our overall efficiency and CO₂ intensity were affected by unforeseen, external circumstances this year. At the start of the second quarter of F24, Wizz Air was informed by Pratt & Whitney that its GTF PW1100 engines would be subject to mandatory inspections over a period of two to three years, with engines being taken off wing for shop visits from September 2023. As a result, a portion of the Wizz Air fleet has been grounded continuously since the end of last summer and Wizz Air had to ground between 40 and 45 aircraft at the beginning of 2024. The aircraft groundings are expected to last for at least 18 to 24 months, so Wizz Air has extended multiple existing aircraft leases and taken on a few aircraft as dry leases to cover the affected period. As the Company is forced to lease older, less efficient engines to maintain its ability to operate with the planned capacity, this directly impacts our flights' fuel efficiency and CO₂ intensity as well.

During the year, we restated our commitment to doubling the fleet between 2025 and 2030, with the aim of establishing a predominantly neo fleet of 500 aircraft by the end of the decade. This fleet renewal, and our commitment to operating the most fuel-efficient aircraft in the market, is at the heart of our business model. As such, the airline's long-term fleet renewal plan remains unaffected by this issue; however, due to the grounding of a sizeable portion of our most efficient A320/321neo aircraft due to the above-mentioned mandatory engine inspections, the carbon intensity performance has already been affected in F24, which is the reason why the annual sub-target of our 2030 CO₂/RPK glidepath could not be achieved this year. As the groundings will altogether last for 18 to 24 months, our average carbon intensity is expected to be impacted in F25 as well.

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With increasing load factors, operational fuel efficiency measures, future SAF purchase commitments and restoration of future delivery rates, WIZZ maintains its commitment to the overall glidepath target of 42.6 grammes CO₂/RPK by F30 (a 25 per cent reduction over the decade) compared to 57.2 grammes CO₂/RPK in F20. The progress versus the ultimate CO₂/RPK decrease target remains part of the management incentive scheme for the Group CEO and all Officers.



	F20	F21	F22	F23	F24	F25	F26	F27	F28	F29	F30
CO₂ per RPK (in grammes) – planned	57.2	77.3	62.9	51.1	48.9	47	45.1	44.1	43.1	43	42.6
CO₂ per RPK (in grammes) – actual	57.2	77.3	60.7	53.8	52	–	–	–	–	–	–

Wizz Air's robust sustainability strategy includes aircraft fleet renewal, operational and fuel efficiency initiatives, and investments in sustainable aviation fuel (SAF), which also enable the delivery of our CO₂/RPK glidepath. Offset programmes are not included in the above presented glidepath.

1/A: FLEET RENEWAL – THE MAIN PILLAR OF CARBON INTENSITY DECREASE

For the past two decades, since its inaugural flight, Wizz Air has been operating the Airbus A320/321 family of aircraft. The Company takes pride in operating the largest Airbus A321neo fleet, and maintaining one of the world's youngest fleets, with an average age of just 4.3 years (with an average 224 seats per aircraft).

Wizz Air's fleet, comprising 208 Airbus A320/21neo and ceo aircraft, is significantly younger than the industry average of approximately ten years. Wizz Air is committed to maintaining this modern fleet, with plans to further reduce the average aircraft age to 3.1 years by 2027. As part of our WIZZ500 strategy, the airline is planning to have 500 aircraft by 2030, when 100 per cent of the fleet will be the A320/A321neo type of aircraft, flying with the most fuel efficient engines available. The projected average fleet age would be approximately three years by 2030.

Airline	Wizz Air	Ryanair	EasyJet	AF-KLM	IAG	LH	SAS
Average fleet age	4.3	9.0	9.9	12.1	12.0	13.4	8.6

Source: latest available public information.

STRATEGIC REPORT

Wizz Air has been continuously expanding its fleet with the addition of new Airbus A321neo aircraft while phasing out older models. By the close of the fiscal year, aircraft equipped with the advanced “neo” technology constituted 61 per cent of Wizz Air’s fleet. These state-of-the-art aircraft are capable of operating on a fuel blend containing up to 50 per cent SAF.

As Wizz Air announced in November 2021, the Company signed an agreement with Airbus for the purchase of a further 102 Airbus A321 aircraft, comprising 75 Airbus A321neo and 27 Airbus A321XLR aircraft, with the bulk to be delivered between 2025 and 2027. Airbus has also granted Wizz Air 75 A321neo purchase rights for deliveries in 2028–29, which can now be deemed to be completed, as the order has been approved by Wizz Air Shareholders. Hence, as of the date of publication, Wizz Air’s order book consists of 320+ aircraft of different aircraft models from the A320 family. As with previous orders, under the agreement Wizz Air has the right to substitute a number of the Airbus A321neo aircraft with the Airbus A320neo and/or A321XLR aircraft and vice versa, depending on its future requirements.



Introduced to the WIZZ fleet in 2019, the Airbus A321neo stands out as the most fuel-efficient single-aisle aircraft in its category with the lowest fuel consumption per seat kilometre. This next-generation Airbus A321neo, powered by a pair of Pratt & Whitney Geared Turbofan engines, offers a spacious single-aisle cabin with 239 seats in a single-class configuration. This design provides Wizz Air with unparalleled flexibility, fuel efficiency and reduced operating costs. Compared to the A321ceo, the A321neo achieves remarkable fuel savings, reducing fuel consumption by 10 per cent. The combination of these engines and Airbus’ fuel-conserving Sharklet™ wing-tip devices can lead to per-seat fuel improvements of up to 20 per cent.

Given the global net zero target by 2050, airlines’ reliance on current technology is crucial. We’re confident that our investment in cutting-edge, fuel-efficient aircraft will enable the ongoing reduction of passengers’ carbon footprint per flight, and meet our CO₂ reduction goal by 2030 and beyond.

Fleet disposal information

Wizz Air operates a very young fleet and is the first operator of all aircraft in the fleet (all aircraft are delivered to the Company brand new by Airbus). The Company leases its aircraft from reputable global lessors, and the aircraft are typically quite young (on average between eight and twelve years old) when the Company returns them to the aircraft lessors. Because of the young age and good performance (we are contractually committed to return the aircraft in a certain condition) of the aircraft at the end of their lease with Wizz Air, the lessors still have the option to potentially lease out these aircraft to other lessees before the aircraft would reach their end of life. Aircraft lessors may also re-sell the aircraft to other owners; consequently, the handling of the aircraft after the end of lease is out of Wizz Air’s control.

1/B: FUEL SAVING AND EFFICIENCY INITIATIVES

Wizz Air’s dedicated teams are constantly seeking innovative methods to enhance fuel efficiency, thereby reducing our environmental impact per flight by consuming less fuel. Utilising a new AI-driven digital solution, we have identified and classified up to 44 distinct fuel efficiency initiatives spanning various flight phases – from fuel policy to ground operations, departure, cruise and descent. Collaborating with StorkJet has facilitated the discovery of new fuel optimisation opportunities, even in areas previously assumed to be optimised.

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Emissions reduction impact of fuel saving initiatives during main flight stages



The infographic illustrates the reduction of the carbon dioxide equivalent (CO₂e) achieved through the implemented fuel saving and efficiency initiatives during the different flight stages in F24. Based on our fuel saving estimates, in F24 a total of 109,250 tonnes CO₂e emissions have been avoided. While carbon dioxide (CO₂) refers specifically to the greenhouse gas CO₂, CO₂e includes not only CO₂ but also other greenhouse gases like methane and nitrous oxide, converted into the equivalent amount of CO₂ based on their global warming potential.

Fuel data analytics – StorkJet cooperation

In 2022, StorkJet published a public case study detailing Wizz Air's utilisation of its AI-powered fuel efficiency software. Wizz Air had previously developed an internal fuel efficiency platform to process flight data and integrate it with other data sources to assess compliance with specific fuel-saving initiatives. However, the increasing demand for advanced data analytics and new fuel efficiency measures necessitated the adoption of a more comprehensive system. Collaborating with StorkJet, Wizz Air's fuel management team identified ten fuel initiatives with the greatest potential for savings, targeting improvements across various phases of flight operations, such as climb speed and statistical taxi time.

For the last six years we've been focusing on strengthening our strategic cooperation with StorkJet in aircraft performance and fuel efficiency. From the use of daily updates on performance factors in our Flight Planning System to the capability of estimating saving potential based on tail-specific performance models, we are dedicated to being at the forefront of innovation, leveraging the latest technologies to maximise fuel efficiency.

With this in mind, between December 2023 and February 2024, we successfully tested its latest solution aimed at optimising speeds during all phases of the flight and guiding pilots to fly at the most efficient altitude, powered by tail-specific performance models. The trial involved the dedicated cooperation of around 500 of our pilots who applied StorkJet's recommendations during more than 12,000 flights, gathering valuable information and feedback to further improve this promising tool.

Wizz Air's most impactful fuel efficiency initiatives

In total, we have been deploying the following high-impact fuel efficiency initiatives that, on an ongoing basis, are reducing consumption by 2.15 per cent:

Initiative	Efficiency gain	Total fuel saving	Total carbon saving
Performance/idle factors	0.1%	1,110 tonnes	3,520 tonnes
Zero fuel weight optimisation	0.1%	1,110 tonnes	3,520 tonnes
Reduced take-off flap configuration	0.2%	3,980 tonnes	12,560 tonnes
Single engine taxi-in	<0.1%	800 tonnes	2,510 tonnes
Calculated reserve fuel	0.2%	3,230 tonnes	10,200 tonnes
Lighter aircraft brakes	<0.1%	130 tonnes	400 tonnes
Sharklets	2%	15,110 tonnes	47,720 tonnes
Differentiated cost index	0.2%	2,940 tonnes	9,300 tonnes
Electronic Flight Bag (EFB)	0.1%	1,270 tonnes	4,020 tonnes
Fuel efficiency platform (FEP)	0.2%	3,580 tonnes	11,300 tonnes

STRATEGIC REPORT

Note, the savings are calculated against a fuel efficiency scenario where the Company is not performing the initiatives. On top of the measures listed above, which have the highest impact on fuel efficiency, there are various other initiatives and policies applied on an ongoing basis, to ensure the most efficient fuel consumption during operations.

For a comprehensive understanding of the Company's individual initiatives towards fuel efficiency, please refer to pages 36–38 of our report from last year: [Wizz Air's Annual Report 2023](#).

- ▶ **NEW! Statistical taxi fuel:** The statistical taxi fuel is one of Wizz Air's newest fuel efficiency initiatives, implemented in January 2024. The statistical calculation of taxi-out times in the Flight Planning System considers historical data for up to two years of operations (adjusted for seasonality) for each combination of airport/runway and aircraft type. Estimated taxi-out times are then converted to estimated fuel consumption by using specific taxi fuel-flow rates based on aircraft type (ceo/neo), resulting in a more accurate calculation of the planned taxi fuel consumption.
 - Efficiency gain: 0.1 per cent
 - Total fuel saving: 1,080 tonnes
 - Total carbon saving: 3,420 tonnes

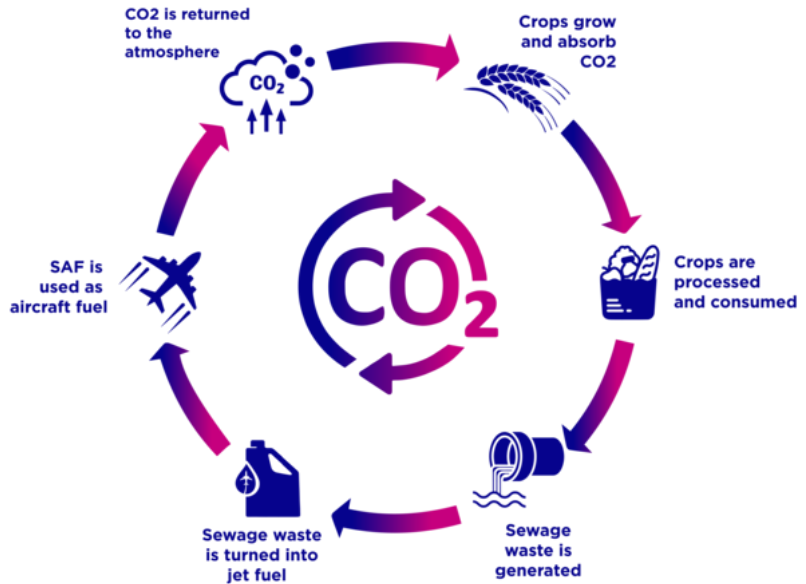
2. SUSTAINABLE AVIATION FUELS – INVESTING IN THE FUTURE



Wizz Air recognises the pivotal role of alternative fuels in decarbonising aviation. Alongside technological and operational enhancements, our SAF strategy encompasses a multifaceted approach. As production has only recently become viable with the support of governments and technological development, the sector needs significant investment to scale up. We invest strategically in research and development (R&D) projects to secure our own sources of SAF. These investments ensure a reliable supply chain in the longer term, allowing us to meet future blending mandates effectively. Furthermore, through Memorandums of Understanding (MoU), we collaborate with suppliers capable of delivering sufficient SAF quantities. This proactive approach ensures a sustainable and resilient fuel supply.

Our strategic SAF investments:

- In April 2023, our airline made a significant move by investing £5.0 million to support Firefly’s SAF process development, aiming to achieve ASTM qualification. Our strategic partnership with Firefly, a biofuel company, will enable us to supply SAF to our UK operations starting in 2028. Over the next 15 years, Firefly would deliver up to 525,000 tonnes of SAF. By doing so, we have the potential to mitigate approximately 1.5 million tonnes of greenhouse gas lifecycle emissions when compared to traditional fossil jet fuel. Firefly has pioneered an integrated technology pathway for SAF production using sewage sludge as a feedstock. Notably, this approach holds promise for enhanced sustainability compared to some other SAF types, with a remarkable 90 per cent reduction in greenhouse gas emissions across the lifecycle. Firefly’s SAF will undergo rigorous validation by the gold-standard sustainability assessor RSB, ensuring its alignment with environmental standards. Looking ahead, Firefly aims to operationalise its first commercial SAF plant within the next five years.



- Wizz Air’s second equity investment is in CleanJoule, a US-based startup dedicated to the production of SAF. The company secured a US\$50 million investment round with Indigo Partners LLC, private equity firm, as part of which three airlines – Frontier Airlines (US), Wizz Air (Europe), and Volaris (Mexico) – also participated. As part of their commitment, Frontier Airlines, Wizz Air and Volaris have signed binding agreements to purchase up to 90 million gallons of SAF. The funding consortium also included GenZero, a decarbonisation-focused investment platform under Temasek in Singapore, and Cleanhill Partners, a US-based private equity firm. While CleanJoule is a US-based company, Wizz Air has invested in the research and development with the aim that the technology can be rolled out at scale.

Wizz Air’s SAF MoUs:

- Wizz Air signed an MoU with Mabanaft/P2X Europe. This partnership focuses on the supply of power to liquid synthetic SAF, scheduled to commence in 2026.
- Our collaboration with OMV extends from 2023 to 2030. Under this MoU, Wizz Air would gain access to up to 185,000 metric tonnes of SAF (HEFA type).
- Our MoU with Neste allows the opportunity to purchase SAF across our European and UK route network from 2025.
- The latest agreement was signed with Cepsa, with the option to purchase SAF to supply the airline’s route network across Spain from 2025. Cepsa’s SAF will be produced from organic waste, such as used cooking oils or agricultural waste, among others. The cooperation follows Cepsa’s SAF test initiative in Seville in November 2022, when Wizz Air was among the airlines operating a total of 220 flights from the airport over one week using SAF produced by Cepsa at its La Rábida Energy Park in Huelva. This was the first time that the supply of SAF at this magnitude had been seen at an airport in Southern Europe.

HIGH MATERIALITY TOPIC



Wizz Air is also committed to industry collaboration, engaging with key external stakeholders. During the sustainable aviation fuel test in Hungary in 2023, Wizz Air took off from Budapest Airport for the first time with a 37 per cent blend of Neste MY Sustainable Aviation Fuel™ supplied by MOL. Wizz Air's five aircraft were supplied with a total of 23.5 tonnes of a fuel blend containing 37 per cent pure SAF and 63 per cent Jet A1 fuel.

The project supported broader efforts in aviation to reduce lifecycle CO₂ emissions and to prepare the supply system at Budapest Airport ahead of the SAF blending mandate. Our

relevant industry memberships also include the Alliance for Zero Emission Aviation (AZEA), and the Renewable and Low-Carbon Fuels Value Chain Industrial Alliance (RLCF). We have also been involved in discussions on national SAF strategies in our network, e.g. in Austria and in Hungary.

The cooperation with future SAF suppliers ensures that Wizz Air can progress in accordance with its plan to set up a SAF supply chain with adequate supplies to comply with all upcoming SAF blending mandates. In the short term, Wizz Air is primarily looking to secure SAF supplies to guarantee compliance and to ensure feasibility of additional commitments, while in the longer term, the Company is looking at the potential for achieving structural advantage in terms of cost and supply.

SAF availability in our network

The demand for SAF will be driven by pricing, availability and regulatory requirements. There are limitations with SAF in terms of accessibility (e.g. Eastern Europe) and pricing. SAF currently sells for much higher prices than conventional jet fuel because of the lack of scale and limits of the existing technological pathways. Production has only recently become viable with the support of governments and technological development; therefore, the sector needs significant investment to scale up.

The current geographic imbalances in SAF supply – especially in the Central and Eastern European region and parts of the European periphery – are of particular concern. Today, about 50 per cent of SAF in Europe is uplifted at approximately ten airports. In a situation where all European Union airports would need to be supplied with physically available SAF on location, this will add to the cost of SAF (due to logistics as blending facilities are usually not located near SAF production locations).

It is evident that SAF production will not be available in all Member States in the near future, and the related physical, mostly road transportation of SAF will create additional greenhouse gas emissions in the short and mid-term. Note, SAF can be transported as a blend only, so the number of trucks carrying fuel will increase exponentially.

As a result of this imbalance, airlines flying to smaller, secondary European Union airports will be disadvantaged, as these airports will expectedly be the last to offer SAF. As a key pillar of our low-cost business model, Wizz Air has a point-to-point network (as opposed to hub networks where operators transport passengers to their hubs via connecting flights), and we also predominantly serve secondary airports that are often regional, smaller airports. These secondary airports are expected to offer SAF later than primary airports in Europe, resulting in severely restricted SAF availability within our network. As a result, Wizz Air would be in an unfavourable competitive position regarding SAF-related support mechanisms, including free Emissions Trading System (ETS) allowances for airlines using SAF. Offering free ETS units for SAF use is a welcome step, but we need to make sure that allocation is fair.

Wizz Air bases and destinations in Europe – airports regularly offering SAF are highlighted with pink



Going further, achieving global aspirations to make aviation more sustainable requires a significant ramp-up of SAF production and deployment. We call on policymakers to address barriers to SAF deployment at scale by incentivising production, providing price support, and embracing additional sustainable feedstocks for biofuel production.

Wizz Air's aspirational SAF target

In 2023, Wizz Air took a significant step by investing in SAF companies, first Firefly, then CleanJoule, and partnering with various SAF suppliers, ensuring a reliable long-term supply chain. This year, Wizz Air decided to further emphasise our commitment by adopting an aspirational goal to fuel our flights with a 10 per cent sustainable aviation fuel blend by 2030. More details on this commitment are on page 32.

With this step, Wizz Air also initiates a call to action. The different circumstances and development levels of SAF production in our network will inform the airline's ability to contribute to the achievement of the SAF goal by 2030. Green growth and decarbonisation in the sector are only possible with the active support of the entire ecosystem. National SAF strategies, government incentives, green financing, investment and further ETS allowances for SAF uplift will be crucial. Today, several regions in Europe and its periphery lag behind in SAF production and availability. The urgency to accelerate renewable fuel production and closing this gap are critical for achieving our shared environmental goals.

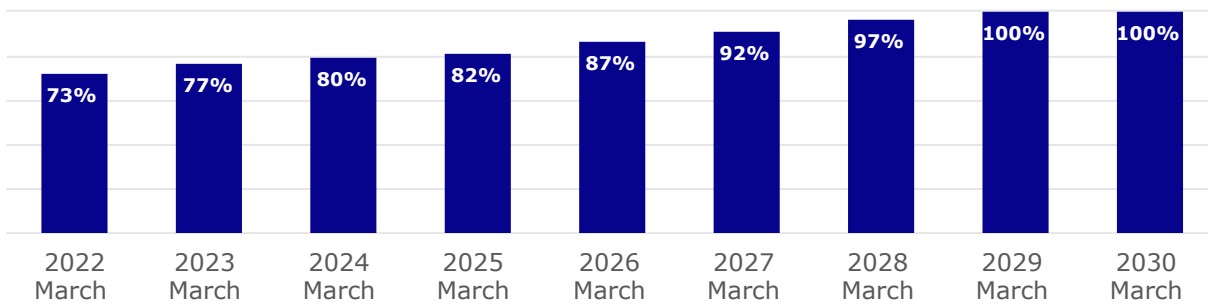
3. NOISE EMISSIONS REDUCTION

Wizz Air is committed to the ongoing reduction of noise from our fleet as we recognise the impacts of airline operations such as noise pollution and air quality on the communities living close to the airports as well as its significance to policymakers. Wizz Air’s fleet renewal programme will continue to yield substantial noise reduction benefits annually. The A321neo, for instance, offers nearly a 50 per cent decrease in noise compared to its predecessor, the A321ceo. This highlights a clear distinction in noise emissions between new and old generation aircraft.

Currently, all of our aircraft meet the ICAO Chapter 4 noise emissions standard, and 80 per cent meet the Chapter 14 emissions standard. The only exceptions are the 41 A321ceo aircraft, which do not meet the Chapter 14 noise emissions standard. However, we project that 100 per cent of our fleet will meet this standard by 2029.

The ICAO’s Chapter 4 noise emissions standard applies to aircraft certified from 31 December 2005, while Chapter 14 applies to aircraft certified from 31 December 2017. Chapter 14 mandates that aircraft be at least seven effective perceived noise decibels (EPNdB) quieter than Chapter 4.

Fleet compliance based on Chapter 14 noise emissions requirements



Data based on latest confirmed fleet plan.

For reference, the table below shows (in EPNdB) that Airbus neo aircraft deliver a strong margin versus the Chapter 14 ICAO requirements. Our A321neo EPNdB levels are like those of Boeing 737-8 with LEAP engines’ EPNdB, even with the A321neo transporting 42 more passengers per trip.

EPNdB	Lateral	Flyover	Approach	vs Chapter 4	vs Chapter 14
A320neo	86.6	79.7	92.3	-20	-13
A321neo	87.8	83.1	94.5	-15.6	-8.6
Boeing 737-8	88.5	82.6	94.2	-14.9	-7.9

Airports and noise abatement

With regard to airports’ increased focus on noise abatement, Wizz Air is supporting the application of the Noise Abatement Departure Procedure (NADP) 2 as opposed to the NADP 1. It is our understanding that these procedures are currently being reviewed in various countries and airports, with the aim of reducing the noise pollution impact on the communities living close to the airports.

Based on our estimates in fuel efficiency, comparing NADP 1 and NADP 2 for Wizz Air flights alone, there would be a significant increase in CO₂ additional emissions in a year if NADP 1 was applied instead of NADP 2. Furthermore, even though NADP 1 may be more beneficial for nearby communities, NADP 2 generates less noise pollution for the inhabitants of further areas overall; therefore, NADP 2 generally benefits more people. As such, it ensures the right balance between lowering noise emissions while minimising the environmental impact on communities at the same time.

Taking into account the considerations above, we firmly believe that NADP 2 has a wider positive impact on society, better aligned with and contributing more to the industry’s climate-related goals, so we recommend the application of the NADP 2 departure procedure at airports.

STRATEGIC REPORT

4. INDUSTRY COLLABORATION – FUTURE TECHNOLOGY BUILDING BLOCKS

Green growth and decarbonisation in the sector are only possible with the active support of the entire ecosystem. Wizz Air is committed to engaging with industry stakeholders in an effort to help drive sustainable change within aviation. We are cooperating with our suppliers, partners and other stakeholders on projects concerning technological and operational innovations.



Electrification of ground handling processes

Aeroporti di Roma and Aviation Services



In July 2023, Wizz Air had its first fully electric turnaround at Rome Fiumicino Airport, one of the largest bases in our network. Our sustainability efforts do not stop with fleet renewal, operational efficiencies and investing in sustainable fuels.

The turnaround process included a number of steps using electric equipment to prepare Wizz Air's aircraft for the next departure once it had landed. Aviation Services used all-electric baggage tractors and belt loaders, passenger steps, a ground power unit and a towbarless pushback.

Electric turnaround allows us to reduce carbon emissions from the ground handling process per aircraft by 85 per cent compared to using diesel-powered equipment. Industry collaboration is one of the most impactful ways to address the current climate challenge and we are pleased to work on this together with Aeroporti di Roma and Aviation Services to make our ground operations greener in Italy.

Menzies Aviation – Budapest

In November 2023, Wizz Air was the first airline to perform fully electric turnarounds at Budapest Airport thanks to our partnership with Menzies Aviation. The "green" turnaround at Budapest Airport is possible through the airport's provision of charging infrastructure necessary for electric equipment, with all energy from renewable sources. It is further supported by Menzies' "electric first" approach which includes a commitment to 25 per cent electric ground service equipment globally by 2025. Menzies' use of electric baggage tractors and belt loaders, passenger steps with solar panels, a ground power unit, a pushback, potable water and lavatory units is enabling Wizz Air to depart from Budapest Airport safely while improving energy use and operational efficiency.



These electric turns reduce carbon emissions from the ground handling process by around 80 per cent per aircraft when compared to using diesel-powered equipment. Currently, Menzies Aviation can provide fully electric turnarounds for two Wizz Air aircraft simultaneously at Budapest Airport. Wizz Air welcomes Menzies Aviation's investment to switch from diesel-powered to electric equipment. As Budapest Airport's largest operator, we are delighted to continue working with our local partners to find new solutions that help us reach our targets collectively as an industry.

European Union – industry collaboration

Alliance for Zero Emission Aviation (AZEA)



In September 2022, Wizz Air joined AZEA, a voluntary initiative launched by the European Commission to pave the way for next-generation sustainable aircraft. The objective of AZEA is to prepare the market for the entry into service of zero emissions aircraft. The Company is participating in two expert-level groups most relevant to our operations: one dealing with roll-out scenarios for electric and hydrogen-powered aircraft and related "figures of reference", and the other focusing on incentives, analysing the barriers and opportunities operators may face when integrating such aircraft into their fleet.

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Renewable and Low-Carbon Fuels Value Chain Industrial Alliance (RLCF)

The RLCF Alliance is working on tackling the lack of availability and affordability of renewable and low-carbon drop-in fuels for aviation (and waterborne transport), boosting production, increasing investor certainty, reducing investment risks and reducing price differential between conventional fossil fuels and alternative fuels. Wizz Air has been a member since September 2022, and we continuously provide information and industry expectations in the framework of targeted consultations.

European Aviation Environmental Report (EAER) – Advisory Group

The European Union Aviation Safety Agency (EASA) will publish its next EAER in 2025, as part of which EASA has invited Wizz Air as a key stakeholder to participate in the EAER Advisory Group that will provide input and guide the report process. The relevant content of the EAER 2025 will also be used as the basis for the European Common Section of the ECAC State Action Plans to quantify CO₂ emissions reductions from mitigation measures that are submitted by States to ICAO every three years. This will facilitate a harmonised approach on environmental reporting both within Europe and internationally towards ICAO.

Sustainable fuel R&D

Alongside technological and operational enhancements, our SAF strategy encompasses a multifaceted approach. As production has only recently become viable with the support of governments and technological development, the sector needs significant investment to scale up. We invest strategically in research and development (R&D) projects to secure our own sources of SAF.

Firefly

Our strategic partnership with Firefly, a biofuel company, will enable us to supply SAF to our UK operations starting in 2028. Over the next 15 years, we anticipate delivering up to 525,000 tonnes of SAF. By doing so, we have the potential to mitigate approximately 1.5 million tonnes of greenhouse gas emissions when compared to traditional fossil jet fuel. Firefly has pioneered an integrated technology pathway for SAF production using sewage sludge as a feedstock. Firefly's SAF will undergo rigorous validation by the gold-standard sustainability assessor RSB, ensuring its alignment with environmental standards.

CleanJoule

The company secured a US\$50 million investment round with Indigo Partners LLC, private equity firm, as part of which three airlines – Frontier Airlines (US), Wizz Air (Europe) and Volaris (Mexico) – also participated. As part of their commitment, Frontier Airlines, Wizz Air and Volaris have signed binding agreements to purchase up to 90 million gallons of SAF. While CleanJoule is a US-based company, it is planning to build plants in Europe in the future, which would support SAF availability within the EU.

Aircraft technology

Airbus – ZEROe Hydrogen Project

Wizz Air and Airbus signed a ZEROe Memorandum of Understanding in January 2022, to explore the potential for hydrogen-powered aircraft operations. Key topics of the cooperation are the evolution of the ecosystem, sharing insights on operational and infrastructure opportunities and challenges to determine how a zero emissions aircraft could be operated within Wizz Air's network.

Circularity

In-flight waste sorting at various bases across the WIZZ network

We previously launched an in-flight recycling trial programme in collaboration with Budapest Airport. The goal was to improve waste collection on-board, promote circularity and reduce landfill waste. The project involves our cabin crew in Budapest, local ground handling teams and the airport's waste sorting station. Wizz Air is expanding the programme to other bases in our network, including all of our Romanian bases.

ELeather – aircraft seat covers made sustainably

Wizz Air is not only active in finding ways to deliver fuel efficiency and decarbonisation initiatives, but also continues to support resource-efficient processes across the supply chain. The Company's aircraft have been outfitted with Gen Phoenix ELeather's seat covers ever since 2012. The ELeather manufacturing process is naturally sustainable – recycling waste leather, which would otherwise be destined for landfill, into a durable material with strong environmental credentials. Its innovation journey is continuing as ELeather is developing next generation materials with increased recycled content, as well as end-of-life (EOL) solutions for Wizz Air seat covers to ensure that these materials have a future life, even when no longer on our aircraft.

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Fuel efficiency

StorkJet

For the last six years, we've been actively collaborating with StorkJet to boost aircraft performance and fuel efficiency. We've innovatively used daily performance updates and tail-specific models to estimate fuel savings. A highlight of our engagement was a recent trial from December 2023 to February 2024, where we tested StorkJet's new solution for optimising flight speeds and altitudes. This trial saw the enthusiastic participation of around 500 of our pilots during more than 12,000 flights, applying StorkJet's recommendations and providing valuable feedback, demonstrating our commitment to continuous improvement.

OTHER CARBON-RELATED PROGRAMMES

Working towards a sustainable supply chain and enhanced third-party risk assessment

Wizz Air's operations rely heavily on supply chain services, which include valuable contributions from our partners and suppliers. Our supply chain encompasses around 2,500 suppliers across various categories related to airline operations, such as but not limited to:

- aircraft manufacturers (including companies providing spare parts and aircraft interior components);
- fuel suppliers;
- airports and ground handling providers;
- aircraft maintenance services;
- digital system and software companies supporting operations and other business processes (e.g. navigational systems, booking system, website, cyber security and procurement system);
- consultants and auditors; and
- other sub-contractors or service providers (e.g. financial services and contact centre services).

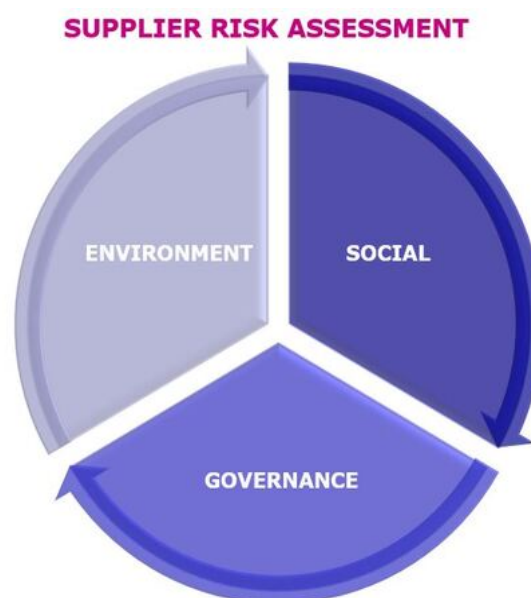
In F23, we implemented a Sustainable Procurement Policy to enhance oversight of indirect emissions, particularly within the supply chain. This policy mandates ongoing sustainability research and efforts, and requires suppliers to incorporate sustainability factors into their operations. We aim to gather and update data on our suppliers' greenhouse gas emissions and prioritise suppliers with strong environmental credentials during the tender selection process. We've streamlined the process of surveying our vendors about their environmental practices through our Supply Chain Innovation and Automation Centre of Excellence, enabling efficient review of supplier feedback.

In F24, as part of the Company's strategy to expand its comprehensive ESG risk assessments to its supply chain, Wizz Air entered into a partnership with a company specialised in third-party risk management. Its software solution allows assessments across various environmental, social and governance topics and enables an in-depth analysis of our supplier base in a thorough and efficient manner. This will help Wizz Air identify, monitor and successfully manage potential supplier ESG risks during tender evaluations and after contracting as well.

Carbon pricing and compliance markets

Wizz Air has been complying with the EU ETS since 2012 and later established its strategy and processes to manage data collection, verification and reporting, to support the Company's compliance with the new scope, including Switzerland ETS (reported together with EU ETS) and UK ETS. As part of ensuring compliance, the Tax, Treasury and Controlling teams all have dedicated internal resources to support the task. To ensure that all teams are up to date on applicable regulations, these Finance functions are coordinating with the relevant internal functions (EU Affairs and ESG teams) and external consultants on policy changes, while they also receive training from third-party experts. The responsible functions meet regularly as part of the ETS reporting project, and also via the Sustainability Council working groups, to understand the changes in the applicable EU and UK laws.

As a result of this process, Wizz Air has been able to comply with the applicable regulations and ensure high-quality data collection and ETS reporting processes. The final reports are processed by the Finance departments, then reviewed and verified by Verifavia SAS, a third-party assurance provider. As a result of the above described processes, Wizz Air is able to comply with the changing regulations and ensure ongoing compliance.



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The impact of carbon pricing changes is assessed regularly. Our risk mitigation strategies include: maintaining an effective carbon allowance/offset purchasing strategy to mitigate price volatility; forecasting carbon prices and cost increases continuously to increase resilience; and continued work on assessing a feasible decarbonisation pathway for Wizz Air for the long term.

Apart from ETS, Wizz Air also discloses its emissions through the UN Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), with the Company being subject to offset purchases under CORSA since January 2024.

The total offsets funded by Wizz Air are covering 52 per cent of emissions (ETS/CORSA offsets excluding free credits). The average price of a EU/UK ETS credit purchased during F24 has landed at €78.6, while Wizz Air's ETS unit cost was €67.18.

Note, Wizz Air has not included offsets in its F30 carbon intensity reduction glidepath.

Tonnes of CO₂ offset:	F24	F23
Scope 1 CO ₂ emissions with EU/UK ETS offsets	2,421,482	3,054,662
Scope 1 CO ₂ emissions with CORSA offsets	577,985	—
Scope 1 CO ₂ emissions with voluntary offsets by customers (CHOOOSE)	577.51	988
Scope 1 CO ₂ emissions without offset	920,953	700,976

Wizz Air's Treasury function is dedicated to managing the ETS and CORSA emissions reporting to the competent authorities, and it also manages the purchase and surrender of the required allowance volume within the allotted timeframe, whilst forecasting future ETS and CORSA costs. Wizz Air uses internal carbon prices to forecast ETS unit cost, to contribute to better budgetary and risk management decisions. The Management and the Controlling team use this input for short-term and medium-term budgets and business planning. The Treasury function balances liquidity and market risks in its forward planning and risk management activities.

Voluntary carbon offsetting available for passengers

Wizz Air has not included offsets in its F30 carbon intensity reduction glidepath. Wizz Air started a voluntary CO₂ emissions offset programme for its passengers in 2020. Wizz Air acknowledges that offsetting cannot counterbalance emissions and will not make flying sustainable. This voluntary option provides an opportunity for customers to support environmental projects certified to leading global carbon standards. The programme, in partnership with climate-focused technology company CHOOOSE, provides the option to support trusted, high-quality and high-impact climate projects around the world. We are working with CHOOOSE because it offers offsets from projects that are currently aligned with the Oxford Principles for Net Zero Aligned Carbon Offsetting ("the Oxford Offsetting Principles"). To account for their carbon emissions, passengers can make a payment supporting a verified carbon offset project and receive a certificate in return.

As part of the voluntary offsetting programme offered to customers, Wizz Air is supporting two verified carbon-reducing projects:

- The International Small Group and Tree Planting Programme (TIST) in Uganda, an award-winning and long-standing reforestation project:
 - The TIST is an innovative combined reforestation and sustainable development project carried out by subsistence farmers to combat the devastating effects of deforestation, poverty and drought. The farmers plant trees on their land and retain ownership of the trees and their products, which is creating a potential long-term income stream, and developing sustainable environments and livelihoods.
- Landfill gas extraction and electricity generation (Türkiye):
 - This project converts methane emissions from landfill waste into electricity in Türkiye. It involves developing and constructing two waste-to-energy facilities at both the Odayeri and Komurcuoda landfill sites, which capture the methane gas released from landfill waste and use it to generate electricity. The project objective is to build, operate and maintain these two landfill waste-to-energy systems consisting of landfill gas (LFG) collection systems, flaring stations and gas engines coupled with generators to produce electricity. The gas engines will combust the landfill gas to produce electricity, and any excess LFG will be flared.

These projects are certified by the Verified Carbon Standard to measurably reduce emissions. Since the start of the programme, only a very small percentage of bookings have elected to offset carbon.

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Biodiversity

Biodiversity is the lifeblood of our planet's ecosystems and human life itself. As an airline, it is important to consider the impact our actions can have on this delicate balance. As a preliminary risk assessment, Wizz Air matched the locations of its key supply chain operations, including our bases and destination airports, with significant biodiversity areas using the WWF's Biodiversity Risk Filter. This help us to proactively identify and mitigate potential impacts while also enabling resilience in terms of biodiversity risks in our supply chain. Based on this environmental risk assessment, our operations are not in very high biodiversity sensitive areas and Wizz Air identified no major biodiversity risks connected to its direct operations.

We also included the topic of biodiversity in our stakeholder engagement through the recurring materiality assessment process. Based on the results and considering the internal and external stakeholders' biodiversity ranking, it is not considered a highly material issue for Wizz Air.

At the same time, we recognise the impact that our operations and our passengers' decisions can make on biodiversity. Wizz Air launched a biodiversity educational campaign in March 2024, sharing useful information and recommendations with its passengers regarding the adoption of sustainable practices when travelling and during their vacations. The educational newsletters were sent out to 6 million subscribed customers, and they were shared with the Company's entire workforce as well.

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ENVIRONMENTAL AND GREENHOUSE GAS (GHG) METRICS Δ

Our climate strategy includes challenging objectives and ambitious targets to address climate risks across our operations. Since F22, CO₂ as measured in grammes per RPK (revenue passenger kilometre) has been included in the annual remuneration targets for all Officers at Wizz Air.

The Company's greenhouse gas emissions (GHG) were calculated based on the GHG Protocol's carbon accounting framework, while the report was prepared considering the guidance of the framework for carbon reporting.

CARBON INTENSITY AND GHG EMISSIONS

AREA	UNIT	NOTE	F24	F23*	F22	2030 TARGET
CO₂/RPK	g/RPK	Priority/1	52	53.8	60.7	43
EMISSIONS						
CO ₂ e Scope 1 (a + b + c)	t	2	5,771,643	4,811,337	2,646,742	—
CO ₂ e Scope 2 (market-based)	t	2	1,680	1,463	1,764	—
CO ₂ e Scope 3	t	3	1,773,193	1,381,602	787,825	—
CO ₂ Scope 1 (a)	t	Priority/4	5,719,535	4,763,307	2,620,321	—
CH ₄ Scope 1 (b)	t	5	3,986	2,964	1,631	—
N ₂ O Scope 1 (c)	t	6	48,122	45,066	24,792	—

* Wizz Air chose F23 as base year for the greenhouse gas emission calculations for the future, as it is the first year with our GHG inventory reporting that received third-party assurance.

(1) **CO₂/RPK**: See page [41-45](#) on carbon intensity reduction. Further, you can find emissions per FTE and per m² below.

GHG emissions	Final year-end emissions (tCO ₂ e)	
Total emissions	7,546,516	100%
Total average FTE (F24)	7,925	FTE
Total floor area	34,254	m ²
Emissions intensity per FTE	952	tCO ₂ e/FTE
Emissions intensity per m ²	220	tCO ₂ e/m ²

(2) **Scope 1 and Scope 2 CO₂e emissions**: Scope 1 emissions stem from sources owned, leased, or controlled by Wizz Air, with jet fuel being the primary source, while Scope 2 emissions result from purchased energy consumption in various ground facilities, including the rented offices, crew rooms, training centre, and hangars. The Company calculates both market-based and location-based emissions from electricity based on the GHG Protocol Scope 2 guidance. The methodology for accounting for natural gas has been modified in F24. This year, natural gas consumption at all sites is included in Scope 2, categorised as purchased heat. Scope 2 encompasses all heating systems that are not owned or operated directly by the Company compared to last year where natural gas usage was accounted for in Scope 1.

In the GHG table above, the market-based figure is provided. The location-based emissions are reported in Wizz Air's CDP responses and Greenhouse Gas Emissions Methodology and Additional Disclosures document, available on the Company's sustainability website.

CO₂ with Radiative Forcing Index: For the first time in F24, the Company is incorporating the Radiative Forcing Index (RFI) in its CO₂ emissions reporting as per the recommendation of the UK's Department for Environment, Food and Rural Affairs (DEFRA) 2023 methodology of GHG conversion factors for company reporting. The RFI is a metric that considers not only CO₂ but also non-CO₂ emissions from aviation. It is utilised to compute emissions related to air travel, reflecting the higher global warming potentials of these emissions, including the impacts of contrails and other high-altitude emissions.

As outlined by DEFRA (2023), this multiplier is exclusively applied to the CO₂ component of direct emissions, excluding other greenhouse gases like methane or nitrous oxide. This multiplier is uniformly applied to all flights, irrespective of their distance or altitude, and to all flight phases, while recognising the inherent approximations linked with this approach. However, current scientific research addresses aviation emissions as an aggregate, without the capacity to distinguish between effects at different altitudes or flight stages.

CO ₂ (tCO ₂ e)	Total (tCO ₂ e)
With RFI-factor 1.7	9,775,318
No RFI-factor	5,771,643

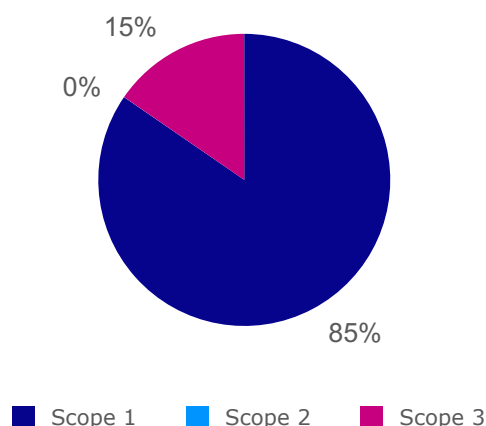
Wizz Air's primary source of emissions is jet fuel, accounting for a substantial portion of the total emissions. When considering both fuel production (Scope 3) and combustion in aircraft (Scope 1), jet fuel contributes to 92 per cent of Wizz Air's overall carbon footprint.

(3) **Scope 3 CO₂e emissions** encompass all other indirect GHG emissions originating from a company's value chain. Scope 3 emissions occur from sources not directly owned or controlled by Wizz Air. These emissions include activities upstream of Wizz Air's operations, primarily from Tier 1 suppliers during the reporting year. The following Scope 3 categories were considered relevant and included in the inventory calculation: purchased goods and services, capital

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goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, use of sold products, end-of-life treatment of sold products, and investments. Note, the investments category became relevant from F24 due to Wizz Air's investments into two companies, Firefly and CleanJoule, which are both focused on producing and developing sustainable aviation fuels. This category involves "financed" emissions, which are emissions stemming from financial services, and investments. The associated emissions were calculated based on the GHG Protocol. Other Scope 3 categories are not relevant as they are not part of the Company's business activity.

Wizz Air's total GHG emissions by Scope F24



Emissions breakdown (tCO₂e)

Scope 1: Jet fuel	5,771,643.00
Total Scope 2, market-based (including purchased electricity and heat and steam)	1,680.04
Total Scope 2, location-based	1,092.95
Scope 3: Upstream and downstream categories total:	1,773,192.98
Fuel and energy related activities (not in Scope 1-2)	1,202,266.88
Capital goods	372,984.21
Purchased goods and services	121,085.30
Upstream transportation and distribution	38,799.71
All other Scope 3 categories	38,056.88
Total GHG emissions	7,546,516

Wizz Air's residual emissions, once jet fuel is excluded, primarily stem from two sectors: capital goods and purchased goods and services. Although other emissions constitute a minor share of the total 4.5 per cent, their absolute significance (upstream transportation and distribution or employee commuting), Wizz Air considers their inclusion in our comprehensive long-term emissions reduction strategy.

The results indicate that Wizz Air's jet fuel emissions (upstream emissions and combustion in aircraft) account for 92 per cent of total carbon footprint, followed by capital goods 3.2 per cent, purchased goods and services 1 per cent and upstream transportation and distribution 0.3 per cent, with the remaining categories being immaterial and accounting for less than 1 per cent of total.

(4) **Scope 1 CO₂ emissions** (carbon dioxide): These emissions stem from jet fuel consumption and natural gas usage within our operations totalled 5,720,139 tonnes in F24. This also includes the fuel consumption of any wet lease aircraft. In alignment with the priority programmes highlighted earlier, we have outlined key initiatives undertaken by the Company to continually improve our performance in reducing carbon intensity per passenger kilometre.

(5) **Scope 1 CH₄ emissions** (methane): Such emissions by our operations are negligible. Emissions are calculated by multiplying the fuel and energy use by the applicable factors based on the UK Government's latest GHG conversion factors for company reporting (DEFRA 2023).

(6) **Scope 1 N₂O emissions** (nitrous oxide): Emissions are calculated by multiplying the fuel and energy use by the applicable factors based on the UK Government's latest GHG conversion factors for company reporting (DEFRA 2023).

More detailed descriptions of the emission categories, operational boundaries, calculation methodology and the base year chosen for the greenhouse gas emission calculations are included in Wizz Air's Greenhouse Gas Emissions Methodology and Additional Disclosures document, available on the [Company's sustainability website](#).

Independent assurance is a key part of our approach to reporting. This year, we engaged KPMG Hungary Ltd. to provide limited assurance on Wizz Air Group's environment and greenhouse gas (GHG) metrics, for which the applicable certificate will be separately available on Wizz Air's sustainability website, once their work is completed. For further supplementary information on Wizz Air's GHG emissions reporting, please refer to the Company's upcoming CDP disclosure (similarly, the Company's 2023 CDP report, which is already publicly available, includes the detailed F23 GHG report figures). Within this sustainability report, information that is expected to fall within KPMG's limited scope assurance report, work on which is ongoing as of the date of this report, is marked with a Δ symbol at its beginning and end, on pages 55 and 56. Δ

NOISE, WASTE, NATURAL RESOURCES

AREA	UNIT	NOTE	F24	F23	F22	2030 TARGET
Noise regulation compliance	Chapt.14	Priority/7	80%	77%	72%	100%
Waste-to-landfill	%	8	27.2	98	99	50
Freshwater use per sales	l/EUR	9	0.0038	0.00166	0.00295	—
Energy use per sales	GJ/EUR	10	0.0155	0.0179	0.023	—

STRATEGIC REPORT

(7) **Noise emissions:** See page 49, for more details on Wizz Air’s noise emissions reduction plan.

(8) **Circularity:** Waste is generated across various areas of Wizz Air’s operations, including aircraft, rented offices, and other facilities leased by the airline. While Wizz Air does not have direct operational control over waste management in these facilities, it is seeking to engage in dialogue with its suppliers to explore opportunities for implementing waste recycling initiatives.

In F24, Wizz Air has updated its methodology for waste-to-landfill reporting, now employing EU standards and statistical data to calculate the ratio of waste going to landfill. As Wizz Air doesn’t have direct operational control over waste management at its rented facilities, and as such, lacks data and data granularity, it relies on benchmark and proxy data for waste reporting.

In the aircraft we have galley waste and tank waste, with one hour of flying causing around 30kg of waste (5kg of galley waste and 25kg of tank waste), or a total of 20,995 tonnes during F24. Office waste for Wizz Air was estimated at a total 733 tonnes.

Wizz Air has introduced initiatives in order to reduce waste in our operations and across all our activities:

Office: Wizz Air’s HR Operations team has launched a fully digital solution for the employment-related documentation distribution and signature, eliminating the current paper-based process. Other than the technical benefits, this digital solution is part of a transition to a paperless environment, streamlining processes, reducing administrative burden, and reducing office waste.

On-board: Food wastage generated during flights has been a focal point for improvement. Wizz Air has implemented a machine learning tool that leverages historical data to predict the optimal number of sandwiches needed per route. Since its implementation, this data analytics tool has successfully enabled the reduction of sandwich waste by 10 per cent.

The Company previously launched an in-flight recycling trial programme in collaboration with Budapest Airport. The goal was to improve waste collection on-board, promote circularity and reduce landfill waste. Such projects need to involve the cabin crew, the local ground handling supplier and the airport’s waste sorting station and infrastructure, where available. Wizz Air has now also implemented in-flight waste sorting at the Company’s Romanian bases. Additionally, our Larnaca-based Sustainability Ambassador has initiated recycling practices on our aircraft, incorporating trial procedures into our in-flight operations.

Wizz Air prioritises looking at sourcing SAF or a significant portion of it from waste materials that do not compete with food sources like corn. Consequently, the Company focuses on recycled SAF feedstock rather than exploiting virgin materials. This strategy is in line with circular economy principles, as it involves repurposing waste products, thereby mitigating dependencies and the risks associated with food scarcity and inflated food and feed prices. For example, Wizz Air has made investments in projects like Firefly, where SAF is produced from sewage sludge. The feedstock for this process is an abundant and highly sustainable waste material.

Wizz Air is in the process of revising its ESG policy, considering the incorporation of elements in line with circular economy principles.

(9) **Water use intensity:** Water consumption at Wizz Air encompasses various activities across its rented facilities, including offices, crew rooms, training centres, hangars where engine washing occurs and at airports where aircraft de-icing happens. These activities are crucial for maintaining safe and efficient flight operations, as engine washing enhances performance by removing contaminants, while de-icing ensures safety by preventing ice build-up on wings and obstructing sensors and vents.

In F24, as part of Wizz Air’s commitment to enhance the level of detail and completeness of our natural resource use reporting, the Company conducted a comprehensive assessment of water usage across all its rented facilities, revealing a total consumption of 19,511,886 litres. The calculation employed a hybrid methodology utilising actual consumption data for water consumption and benchmark/proxy data. The calculation methodology was chosen due to the lack of data granularity at Wizz Air’s suppliers.

Moreover, Wizz Air is currently assessing its key suppliers based on the water stress levels in their operational regions, projected by the Aqueduct Water Risk Atlas for 2030 under a medium scenario. This effort aims to identify which parts of the supply chain are most vulnerable to water scarcity, enabling the Company to develop strategies to mitigate the impact of supply chain activities in these high-risk areas.

(10) **Energy use intensity:** Wizz Air uses electricity through leased contracts in its offices, bases, maintenance operations and training centre. The Company’s total energy use also includes the energy generated by the combustion of jet fuel. The Company’s new office headquarters in Budapest holds a BREEAM certificate with a “very good” rating.

OTHER OPERATIONAL METRICS

AREA	UNIT	NOTE	F24	F23	F22	2030 TARGET
Booked load factor	%	11	90.1%	87.8	78	95
Stage length	km	12	1,774	1,674	1,604	1,650
Sustainable aviation fuel	%	13	0.0005	0.005	0.0002	10%
Offsets	%	14	52	64	64	—
Aircraft age	Years	15	4.3	4.6	5.04	—
ICAO NOx compliance	CAEP/8	16	64%	50%	34%	100%

(11) **Passenger load factor:** This is a key operational metric, as Wizz Air operates a load factor-active business model, trying to maximise load factor, which maximises value creation. Our mid to long-term target is to reach 95 per cent load factor on our aircraft.

STRATEGIC REPORT

(12) **Stage length** for Wizz Air is on average 1,774 km with flights below 1,000 km accounting for less than 13.8 per cent of flights. Our stage length is significantly higher than our key competitors (see below the comparison for F20, pre-COVID-19, and the latest publicly available data).

Airlines	Wizz Air	Ryanair*	EasyJet**
Stage length F20 (km)	1,635	1,409	1,132
Stage length (latest available annual figures as of May 2024)	1,774	1,233	1,224

*The figure was converted from 766 miles reported by Ryanair to kilometres. Ryanair 2023 Annual Report and Accounts.

** EasyJet 2023 Annual Report and Accounts.

(13) **Sustainable aviation fuels:** The Company had one SAF fuel test in this financial year, at the same time we experienced growth in flight capacity, which led to a lower ratio of SAF used in F24 compared to F23. We are committed to being compliant with what we believe will be an increasing number of blending mandates over the region we operate in. Consequently, we have made significant efforts in ensuring a reliable long-term supply chain by investing in SAF companies and partnering with SAF suppliers. To underscore our commitment, Wizz Air is setting a goal to fuel our flights with a 10 per cent blend of Sustainable Aviation Fuel by the year 2030.

(14) **CO₂ emissions offsets:** See page 53 for more details. Note, the Company's operations outside of EU and UK ETS scope expanded, and the gradual phasing out of free allowances has begun. The proportion of offsets in F24 is therefore lower than last year.

(15) **The average age of aircraft** is 4.3 years; see also page 7 for more details on Wizz Air's fleet. Additionally, Wizz Air's average lease length is around ten years, after which the aircraft is returned in the contractually determined condition to the lessor.

(16) **ICAO NOx standard compliance:** Our entire fleet is in full compliance with the ICAO NOx CAEP/6 standards, while 64 per cent of our fleet meets the ICAO NOx CAEP/8 standards (all our neo-powered aircraft are compliant with the ICAO CAEP/8 standard). The emissions factor has been verified by the Eurocontrol European Aviation Fuel Burn and Emissions Inventory System on behalf of the European Environment Agency, using data from 2005, as per the 2018.01 version released on 20 July 2018.

% of fleet	Mar 20	Mar 21	Mar 22	Mar 23	Mar 24	Mar 25	Mar 26	Mar 27	Mar 28	Mar 29	Mar 30
CAEP-8	7%	20%	35%	49%	62%	67%	75%	86%	96%	100%	100%

Our neo fleet has a very wide margin in terms of NOx emissions versus CAEP/8 standards, significantly ahead of the Boeing 737-8200 (Max).

	NOx margin to CAEP/6 (%)	NOx margin to CAEP/8 (%)
Wizz Air A320neo	56	49
Wizz Air A321neo	44.6	37.2
Wizz Air A320ceo	7.4	-10.6
Wizz Air A321ceo	1.3	-13.9
Boeing 737-8200	16	6

VII. CLIMATE POLICY POSITIONS AND ADVOCACY

FIT FOR 55 CLIMATE PACKAGE

The European Commission published a comprehensive climate package called Fit for 55 in July 2021. Negotiations on most of the aviation-related proposals have concluded by now (except for the Energy Taxation Directive). The proposals put forward either modified existing legislation or established new initiatives with the aim of reaching at least 55 per cent greenhouse gas emissions reduction by 2030.

In general, Wizz Air has followed a consistent approach in advocacy along two main concepts. Firstly, Wizz Air has been active in highlighting the need for a level playing field as most of the proposals focused on intra-EU flights, ultimately punishing intra-EU traffic, while extra-EU flights represent the majority of emissions. Secondly, Wizz Air believes that sustainable aviation cannot be achieved without technology and has highlighted to the decision makers the efforts Wizz Air has made in the decarbonisation of the aviation sector and green growth, e.g. by investing in a young and efficient fleet with the best technology available on the market that allows the constant reduction of carbon emissions intensity.

ReFuelEU Aviation

Wizz Air has been closely following the negotiations of and supporting the ReFuelEU Aviation proposal to promote and develop the use of sustainable aviation fuels (SAF) for all flights in a fair and equal way. The new law entered into force at the end of 2023. The ReFuelEU Aviation legislation creates an obligation for fuel suppliers to provide gradually increasing amounts of SAF to airlines, so they can progressively increase their use of SAF and subsequently reduce the emissions of aviation.



It is Wizz Air's position that the inclusion of a book and claim system would contribute to reaching the EU's green goals and could be an important step towards ensuring a level playing field for access to alternative fuels as the market develops across the EU. We think that the current flexibility mechanism needs to be revised to include elements of a book and claim system, thus allowing flexibility for aircraft operators too. Current geographic imbalances in SAF supply and price levels – especially in the Central and Eastern Europe (CEE) region and parts of the European periphery – are of particular concern. A book and claim system could ensure that aircraft operators can purchase the requested amounts of SAF even if

not available at the specific airport they are operating from. The airlines that "purchased" the SAF must be able to claim proportional emissions reductions in the relevant EU-wide and international systems and report emissions accordingly. An SAF registry could ensure transparency and avoidance of double counting. Wizz Air is currently working on ensuring access to adequate supplies to comply with future mandates.

In connection with the ReFuelEU Aviation Regulation, several governments are working on their national SAF strategies and, in this framework, consulting stakeholders of the aviation industry. Wizz Air has been involved in the preparation of the Austrian and Hungarian strategies. Technology leads the way to more sustainable aviation; therefore, Wizz Air's approach to sustainability with the fleet renewal programme to replace older technology with new more efficient aircraft and engines is a good example for governments.

ETS Aviation

The EU Emissions Trading System (ETS) Aviation legislation was published in May 2023. During the discussions, Wizz Air has been advocating for the extension of the scope to all departing flights from the European Economic Area (EEA), as emissions do not stop at borders. We regret that the scope remained intra-EEA, excluding the most polluting flights. Extension of the scope would have contributed significantly to the joint European green goal.

We have been supporting the early phase-out of free ETS allowances to airlines and welcome that they will be fully auctioned from 2026. This is a step towards a level playing field in the European market.

We also agree with the introduction of the SAF allowances into ETS, to incentivise SAF uptake across Europe, as we believe this is the effective short to mid-term solution.

STRATEGIC REPORT

Energy Taxation Directive

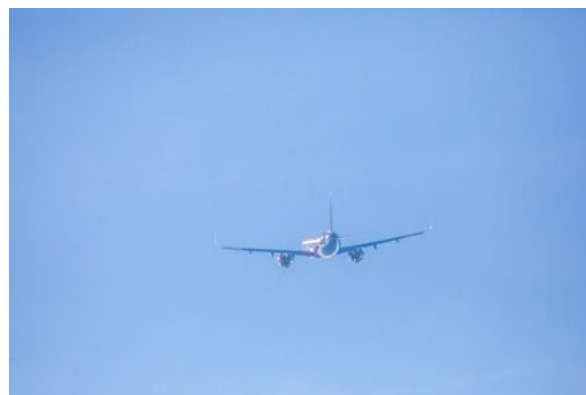
The European Commission proposed to end kerosene tax exemption for intra-EU flights over a period of ten years. Wizz Air cannot support an additional financial burden to be introduced for airlines. In case of the adoption of the proposal in its current form, the most polluting flights, namely intercontinental long-haul flights, will be excluded despite being the main source of European CO₂ emissions³.

Considering that the EU ETS already applies to intra-European flights, we believe that double taxation needs to be avoided. According to Eurocontrol's analysis⁴, there is no proof that taxing aviation will result in lower greenhouse gas emissions. However, there is a risk that such taxation would divert traffic from EU to non-EU airports (carbon leakage), threatening Europe's connectivity and competitiveness⁵.

SINGLE EUROPEAN SKY

Wizz Air has been supporting the Single European Sky 2+ (SES2+) proposal to reform the architecture of air traffic control in the EU, in order to meet future capacity and safety needs. Today, aircraft are flying longer than necessary routes which result in delays and additional emissions that could be prevented. All these contribute to increased costs and higher ticket prices.

New technology is at the heart of Wizz Air's sustainability policy; however, we could further reduce our emissions if the SES2 is effectively carried out. Wizz Air is already significantly contributing to the goals of the European Green Deal by offering only point-to-point routes, thus avoiding unnecessary CO₂ emissions. We will continue to take part in cutting emissions, but airlines' efforts must be supported by an efficient ATM system. Industry stakeholders have been waiting for decades for the SES2+ reform. The reform is needed to enhance the competitiveness, cost effectiveness, growth and sustainability of the European aviation industry.



The current framework does not support airlines to avoid longer flights, and related costs and emissions. Regrettably, the compromise reached in March seems to not be enough to deliver on the above. We will continue to follow the progress and be involved in making the skies more efficient.

NON-CO₂ EMISSIONS

In line with its targets, Wizz Air is fully committed to reducing its carbon emissions intensity. We operate one of the youngest, most efficient fleets in Europe using the Airbus A321neo, which reduces fuel consumption and CO₂ emissions by as much as 20 per cent – also leading to Wizz Air having one of the lowest CO₂ emissions per passenger kilometre in the industry. The A321neo also reduces NOx emissions by 50 per cent per flight and we are further mitigating non-CO₂ emissions impacts through route optimisation and jet fuel improvements.

With regard to a non-CO₂ emissions monitoring, verification and reporting EU scheme, Wizz Air recognises that accurately calculating the impact of such emissions and their effective radiative forcing (ERF) is still a challenge due to scientific uncertainties persisting about the actual contribution of non-CO₂ emissions per flight. As there is no single metric available to easily quantify the actual climate effects of a given flight when it comes to non-CO₂ (as opposed to CO₂) emissions, there is a risk that the establishment of a simple multiplier could lead to vastly overestimating such emissions. It is imperative to create a reporting methodology that is accurate and realistic regarding the actual climate impact of non-CO₂ emissions, while also preventing significant additional reporting and data assurance burdens for the airlines.

ADVOCACY IN THE UNITED KINGDOM

By the end of March 2024, Wizz Air UK Limited was operating a 100% A321neo fleet in the United Kingdom, with a fleet average age of 1.53 years. It is recognised both by the UK government and by stakeholders as the most environmentally friendly airline. The Company provides its business insight to the UK government, to support the mission of reaching net zero in the aviation sector by 2050. The Company is a member of the two delivery groups of the UK government's main advisory body on sustainable aviation, the JetZero Council. In the Zero Emissions Flight delivery group, the focus is on accelerating the design, manufacturing, infrastructure and commercial operation of zero emissions aircraft. The SAF delivery group provides advice on how government and industry can work together to deliver the UK SAF commitments (to have at least 10 per cent sustainable aviation fuel (SAF) in the UK jet fuel mix by 2030).

³ EUROCONTROL Data Snapshot on CO₂ emissions and flight distance | EUROCONTROL.

⁴ EUROCONTROL Data Snapshot on CO₂ emissions and flight distance | EUROCONTROL.

⁵ Does taxing aviation really reduce emissions? | EUROCONTROL.

ENGAGEMENT AND CLIMATE POLICIES IN THE UNITED ARAB EMIRATES

Wizz Air Abu Dhabi LLC is a UAE national airline and the second-largest carrier in Abu Dhabi. The Emirates was the first nation in the Middle East and North Africa to make a commitment to achieve net zero emissions by 2050. As a local airline, Wizz Air Abu Dhabi LLC is involved and has been participating in the UAE Aviation Environment Working Group (which was established by the local General Civil Aviation Authority to support the UAE's Net Zero 2050 Strategy for aviation and the related state action plan).



The airline is committed to sustainability and recently signed an agreement with the UAE Ministry of Energy and Infrastructure to promote sustainability and collaborate on a wide range of areas, raising awareness about more environmentally friendly practices amongst passengers. This includes online educational campaigns on both organisations' social media platforms, websites, forums and key stakeholder events and the endorsement of the "Switch Off, Take Off" initiative, a National Conservation programme.

POLITICAL DONATIONS AND ADVOCACY EXPENDITURES

Wizz Air works constructively with all levels of government across its network, regardless of political affiliation. Wizz Air believes in the right of individuals to engage in the democratic process. However, Wizz Air itself does not make any political donations and does not incur any political expenditure. Employees are also obliged to follow the Wizz Air Code of Conduct and Anti-Bribery Policy, and therefore may not improperly influence decisions about Wizz Air by any government, legislators, authorities or regulators. Any risk of significant violation of these policies and procedures is escalated by the Corporate and ESG Officer to the Audit and Risk Committee.

Wizz Air is politically neutral, and prohibits contributions to political parties, campaigns, political think tanks and any equivalent political donations on behalf of Wizz Air, either directly or indirectly, by its employees or contractors. On occasion, the Company offers non-financial support to public events which support issues of importance to the Company and the aviation industry. Any expenditure in this regard requires the approval of an Officer of the Group.

Since November 2021, Wizz Air has been collaborating with Penta (formerly Hume-Brophy) on advocacy issues in the European Union, with a special focus on climate or other regulation impacting aviation. Wizz Air is also listed in the EU Transparency Register.



SOCIAL PILLAR



VIII. PEOPLE PILLAR – WIZZ AIR CARES FOR ITS EMPLOYEES AND CUSTOMERS

CORE VALUES

Wizz Air remains steadfast in its commitment to its employees, fostering an inclusive environment where equal opportunities prevail. All team members benefit from an environment and tools that support their professional aspirations, enabling them to realise their full potential. Supported by strong policies against discrimination or harassment, everyone is afforded equitable chances to excel, develop and thrive.

Our social agenda and progress toward our self-imposed targets are regularly discussed with Wizz Air's Leadership Team, led by our Group Chief Executive Officer. Additionally, the Sustainability and Culture Committee of the Board actively monitors and discusses this critical topic, as outlined on page [14](#).

The WIZZ culture empowers our workforce to embody the five core values of Wizz Air, driving innovation and problem solving in our business endeavours. These values underpin our organisation's identity and ambition:



- ▶ Inclusivity – we embrace diversity, engaging and collaborating with all key stakeholders to achieve our goals.
- ▶ Positivity – we are an inspired and inspiring team, passionate about what we offer, using a positive mindset to unlock new ways to do things better and more efficiently.
- ▶ Integrity – doing what is right for passengers and stakeholders, holding ourselves to the highest possible standards in everything we do.
- ▶ Dedication – we have an entrepreneurial, “can-do” attitude, taking individual and collective ownership, and are accountable for everything we do.
- ▶ Sustainability – we strive to be the greenest choice of air travel and work hard on continuously decreasing our environmental footprint.

OUR SOCIAL STRATEGY AND PRIORITY PROGRAMMES

Wizz Air is committed to a well-defined social strategy as we firmly believe that our operations can significantly improve the lives of many people, including our team members, our passengers, and the inhabitants of the communities we cater to. We remain dedicated to our mission of “we will break down every barrier between people and air travel”. While our social strategy encompasses a wide range of initiatives, Wizz Air focuses on several key priority programmes:

1. Put safety first
2. Recruit and develop our employees
3. Improve and leverage diversity
4. Engage our employees and ensure effective communication through the People Council
5. Address challenges for the continuous improvement of the customer experience
6. Community programmes and charitable support

STRATEGIC REPORT

1. PUT SAFETY FIRST

Safety is the first priority in our work and the key to a successful business. It is through the personal commitment of all our employees that we will provide our customers with the highest level of safety possible. Wizz Air, including the Board of Directors, the Leadership Team and the entire employee community, is firmly committed to ensuring the safest operations possible, always keeping our people and our customers safe. Wizz Air's safety philosophy is to create and maintain an organisation which is healthy, safe and successful while we are fully committed to supporting the continuous improvement of the organisation and management system.

We are committed to complying with all applicable laws, regulations and standards, taking into consideration industry best practice including IATA Standards And Recommended Practices (ISARPs). Since August 2022, the Safety, Security and Operational Compliance Committee of the Board of Directors has been supporting the Board with additional oversight of the Group's policies, practices, objectives and performance on safety, security and operational compliance.

Safety Policy Statement

At Wizz Air, we are deeply committed to upholding safety management by allocating ample resources to ensure safe operations. Our senior leadership is dedicated to cultivating and endorsing an organisational culture that promotes safe work practices, encourages robust safety reporting and proactively oversees safety. We firmly believe that safety is everyone's responsibility, and all management levels and employees are held accountable for delivering the highest level of safety performance. This commitment starts from the top, with our Chairman of the Board of Directors and Wizz Air's Operations Officer.



We have put into place a comprehensive Safety Management System to manage the risks associated with our operations and activities. Our safety objectives and performance standards are designed to facilitate continuous improvement in our safety performance.

Our employees play a crucial role in maintaining a safe operation. It is vital that they report any actual or potential safety issues or concerns. We encourage every employee to contribute to the Safety Management System by reporting safety issues and concerns to the Safety and Compliance department. To support our employees in maintaining their mental fitness, we have initiated an employee support programme.

We strive to foster an atmosphere of trust through our Just Culture, where individuals are encouraged to report critical safety-related information. Our Just Culture Policy ensures that unintentional errors and unsafe acts will not be penalised.

However, those who act recklessly or take deliberate and unjustifiable risks will be subject to disciplinary action. This will be determined through a fair and consistent process that includes an independent review of the events, taking into account any human factors, human behaviour and mitigating circumstances as outlined in the Organisation Management Manual.

Safety compliance

Wizz Air is dedicated to adhering to all relevant laws and regulations on safety. We have a Compliance Monitoring System in place that persistently evaluates the effectiveness of our systems and processes. This ensures our operations are safe, meet the needs of our internal and external customers, and comply with national aviation regulations and Company-specific standards, including IATA ISARPs.

The Compliance Monitoring System aims to:

- guarantee safe operations and airworthy aircraft;
- continually monitor Wizz Air operations for compliance with all relevant standards, requirements and procedures, providing feedback to the Accountable Manager;
- retain our Air Operator Certificates and operating licences by meeting requirements;
- implement corrective and preventive actions in a timely and adequate manner in response to non-conformities identified during audits and inspections; and
- achieve the safety performance indicators set by the Accountable Manager at the management evaluation.



STRATEGIC REPORT

We are committed to consistently carrying out our duties in accordance with Part-ORO, Part-ORA, and Part-CAMO requirements, and to continually enhance our processes and performance to realise the objectives of the Compliance Monitoring System.

Wizz Air remains dedicated to adhering to all pertinent regulations issued by the responsible aviation safety agencies in all its operating environments. We ensure that our managers and operational personnel comply with all relevant laws, regulations and procedures wherever our operations take place.

Health and safety – employee healthcare management



In line with the World Health Organization's declaration marking the end of COVID-19 as an international public health emergency, we responsibly eased our relevant protocols. Although the virus no longer poses a global threat, we continue to prioritise the health of our passengers and crew, adopting a proactive stance in our health and safety measures, and are prepared to revise our policies and procedures as necessary.

In response to any viral or infectious diseases in the workplace, we provide on-time support to the affected employees. This includes effective communication strategies, executed in collaboration with our internal Communications team, ensuring timely and informative updates for all crew members.

• Health and safety – internal audits and service enhancement

Aiming for network-wide compliance and transparency, we concluded a network-wide health and safety audit in F24. This internal audit included visits to numerous countries and bases, reflecting our commitment to continuous improvement. We have upgraded our reporting services, underscoring our dedication to creating a safe and supportive working environment. Our initiatives have focused on streamlining communication, enhancing stakeholder alignment, and ensuring swift responses and actions. Our comprehensive training programmes have bolstered the confidence of our local representatives in health and safety matters. We maintain ongoing collaboration with local stakeholders to ensure a secure working environment. Furthermore, we have conducted thorough reviews of our internal processes, aiming for increased effectiveness and productivity to better support our employees in their roles.

• Environmental health and safety

As part of our efforts to improve the working environment, we engaged in extensive collaboration to establish the new office for our Budapest headquarters. The Health and Safety team supported projects and decisions that foster a safe and comfortable workplace. Throughout this process, the physical and mental well-being of our employees remained a top priority.

In F24, the Health and Safety team actively worked with various departments to update our corporate travel insurance coverage. The revised travel insurance policy ensures comprehensive medical care for our employees during their work-related travels abroad, offering them enhanced protection and peace of mind.

• Enhancing the Employee Assistance Programme

In our continuous effort to support our employees' well-being, we have expanded the scope of the Employee Assistance Programme (EAP). This expansion aims to provide comprehensive psychological counselling services, both on site and online, accessible to all employees across our network. We are committed to actively monitoring and supporting the mental health of our colleagues and we encourage them to participate in and benefit from the confidential resources offered by the EAP.

• WIZZ Aid

WIZZ Aid is designed to provide financial support to our colleagues who need urgent medical treatment or suffer from natural or man-made disasters outside of the coverage of life and travel and accident insurance. The WIZZ Aid policy sets out the criteria and process related to the funding granted to employees. This corporate initiative is open for any Wizz Air Group employee (both indefinite and fixed-term contract) facing such an emergency situation and temporary financial hardship, provided they have passed their probation period and are not pending a notice period. During F24, six applications were approved, in the amount of €61,170, for life-saving medical assistance, surgery and other related financial support.

OUR PEOPLE



"At Wizz Air, we firmly believe that the strength of any organisation lies in the exceptional qualities of its people. Our dedicated team embodies passion, resilience and kindness, thriving on the dynamic challenges inherent to our industry."

2. RECRUIT AND DEVELOP OUR EMPLOYEES – WIZZ AIR’S HUMAN CAPITAL DEVELOPMENT



At Wizz Air we are dedicated to recruiting top talent and providing them with essential tools, offering dynamic development opportunities through a specially tailored programme for all levels within the organisation, while promoting diversity and inclusion throughout the entire employee journey.

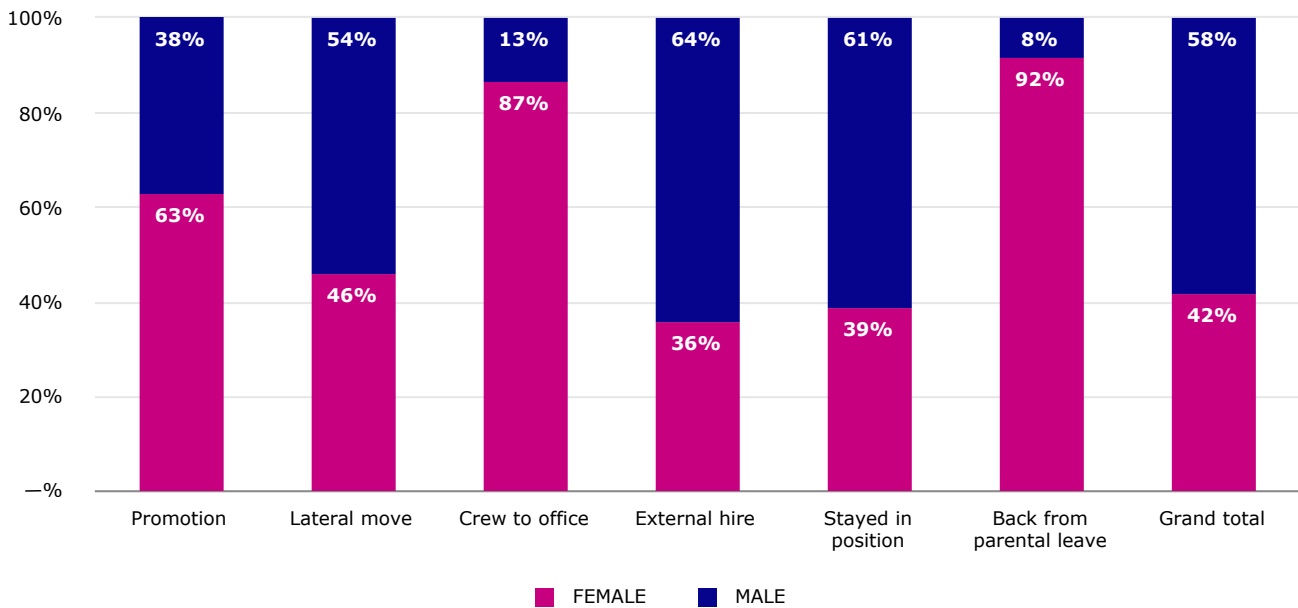
Since 2010, Wizz Air’s employee base has grown from 1,184 to 8,044 by the end of March 2024. Despite facing operational challenges during F24 due to the Pratt & Whitney engine issues and ongoing conflicts in Ukraine and Israel, Wizz Air recruited 2,357 employees.

As part of the ongoing Crew to Office Programme, Wizz Air transferred 13 employees from crew to office positions during F24. This initiative aims to provide active flight and cabin crew employees with opportunities to transition their careers and gain experience in the office environment.

We continue to offer new and alternative career opportunities for existing employees to further develop their expertise or explore new spheres within various departments. In F24, 21 per cent of open office positions were filled internally, with 16 employees promoted to higher positions and 68 employees moving laterally to different positions within the same or other departments.

Despite operational challenges, over the past twelve months, 19 per cent of the office population received internal career advancement opportunities, both at the employee and management team levels.

Wizz Air office career development and gender breakdown



Training our flight and cabin crew

Flight and cabin crew training is organised by a dedicated in-house training team, which consists of 354 flight deck and 286 cabin crew trainers across Wizz Air’s entire network. In F24, more than 380 pilots and over 1,300 cabin crew members joined the Company and had world-class initial training, while 2,080 pilots and 4,450 cabin crew members completed recurrent training.

Training is undertaken in the modern, state-of-the-art training facility in Budapest, equipped with three Airbus A320 CAE 7000XR Series full-flight simulators, a cutting-edge Cabin Emergency Evacuation Trainer, and a V9000 Commander Next-Generation Fire Trainer. In the five years since its opening, cadets and experienced pilots who take part in recurrent training have completed a total of more than 83,000 flight hours, i.e. roughly nine and a half years of flying on three simulators.



STRATEGIC REPORT

Wizz Air's crew training has successfully implemented a fully integrated digital Training Management System, which enables us to manage and control the entire lifecycle of pilot and cabin crew learning and qualifications in a single digital platform. The system will further enhance our training efficiency, organisational flexibility and performance, while ensuring guaranteed compliance with regulations.

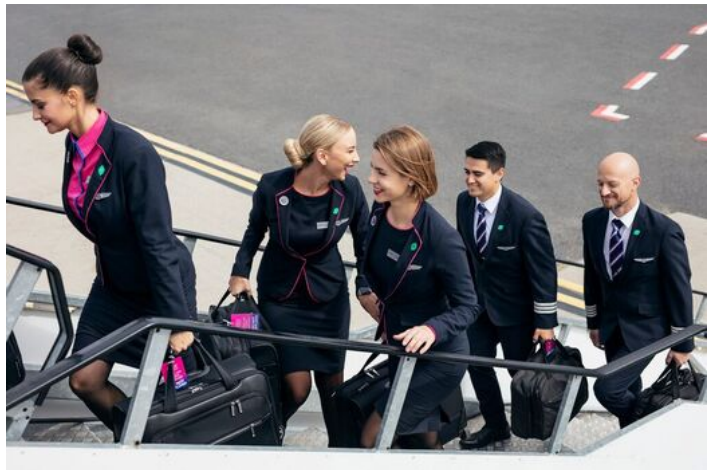
In February, Wizz Air announced that it will open its second training centre in 2024, which will be located in Rome, Italy. The new 2,500+ square metre facility will be within walking distance from T1 of Rome Fiumicino Airport, housing three full-flight simulators for recurrent training of over 4,800 Wizz Air pilots yearly.

Briefing rooms and rooms for theoretical training will take up 1,290 square metres on two floors, while nearly 600 square metres will be devoted to the simulator hall with three ultra-modern full-flight Airbus A320-family simulators. Each simulator can accommodate up to 135 pilots per month, ensuring recurrent training for up to 4,800 pilots per year. The construction has already begun, with facilities set to open for theoretical training in May 2024, while the simulators will be installed until the end of the year.

This marks Wizz Air's continued commitment to the highest standards of safety and continuous training with state-of-the-art equipment. At the same time, through this investment we continue to provide local direct job opportunities, building on our current team of 1,000 WIZZ employees in Italy.

We are also organising dedicated "Foundations of People Management" leadership training upon request for cabin and flight operations management in order to increase the leadership self-awareness necessary to lead and motivate others, as well as to equip managers with essential leadership skills and techniques such as constructive feedback, effective delegation, conflict management and impactful leadership communication.

As our WIZZ family is rapidly expanding, it is important that we maintain good relationships within our network, especially with the newly joined colleagues that might need assistance getting acquainted with their crew life and responsibilities. The myWIZZmentor programme was developed by the Cabin Operations team with the purpose of improving our working environment by supporting our new colleagues in their WIZZ journey, with the help of our valued and experienced cabin crew. The mentoring programme is currently available in our Budapest, Vienna, Warsaw, Sofia, Rome Fiumicino and Otopeni bases.



Wizz Air Pilot Academy (WAPA) Programme

The WAPA is a unique pilot training programme, giving a whole new generation of pilots with little to no previous aviation experience the opportunity to obtain a Commercial Pilot's Licence and the prospect of working as a pilot at Wizz Air thanks to high-quality pilot training, starting from scratch, with the support of an experienced flight school and in line with Wizz Air's training standards. Wizz Air has a training programme undertaken via one of the top EASA-approved flight training academies in Europe.

With our integrated training scheme, our aim is not only to provide training which fulfils the EASA requirements, but to train our cadets to become real team players. They must support their fellow cadets at all times, and move towards their goals together. In a multi-pilot environment – like an airline operation – this ability will be a huge asset. Next to investment in aircraft and equipment, we are continuously enhancing our training structure. We involve active airline pilots in the creation of the syllabus and they are also involved in progress checks, theoretical training and multi-crew cooperation training.



STRATEGIC REPORT

Developing our office workforce

This year, Wizz Air has introduced a comprehensive training programme tailored for all levels within the organisation. The programme commences with an assessment of competencies and performance, followed by feedback from peers and direct managers to facilitate the skill development necessary for success in current or future roles. Our primary focus is on nurturing the growth of every individual and ensuring the provision of appropriate development opportunities.

Over the past twelve months, 21 per cent of our office employees had internal career moves and progression across all levels within the organisation. We remain dedicated to continuous development to facilitate efficient career advancement and growth within respective fields or transitions to new functions within the Company for further development.

We conduct thorough onboarding sessions for new employees, led by the senior leadership team and key internal stakeholders, offering insights into the Company culture, principles, policies and procedures. These sessions aim to quickly integrate new hires and acquaint them with the Company, enabling them to be productive from day one. The onboarding process is continually refined based on feedback from new employees to ensure effectiveness and relevance.



This year, we celebrated 195 WIZZ Academy alumni completing five semesters as of the end of F24. The programme aims to provide both office employees and crew members with unique insights into the Company's strategy and objectives, presented by top executives, including the CEO. The Academy serves as a platform for increased interaction between employees and the Leadership Team, fostering a community of potential internal culture/brand ambassadors and expanding the talent pool based on participants' career aspirations. Each WIZZ Academy semester selects a diverse group of 40 employees to attend a series of eight bi-weekly, interactive lectures and training sessions with networking opportunities.

Building on the success of the WIZZ Management Trainee Programme in previous years, it has been further expanded this year. The programme aims to create diverse talent growth opportunities from the bottom of the organisation, enhance WIZZ brand and culture awareness in the market, strengthen our presence at top universities, and recruit and develop young talent with the potential to become future Managers and Senior Managers at Wizz Air. The programme has been extended with new recruitment waves, bringing the total number of selected new management trainees to 19, with 11 offered full-time internal Wizz Air positions this fiscal year. Within the programme, trainees join the office for a "one plus one" year with the possibility of full employment with Wizz Air upon completion and rotate every six months to a new department or function within the Company.

Leadership education

This year, we have also launched the Leadership Development Programme for all people managers to further enhance our leadership capabilities, including a Master of Business Administration from Corvinus University, offered to Heads and Officers based on exceptional performance ratings, with a partial scholarship provided by the Company; a SEED Business Management Programme, available to all Heads and Senior Managers with outstanding performance and potential for leadership growth; and a Leadership Development Programme, extended to all people managers below the Head level, fostering their leadership skills and managerial capabilities.

Digital learning solutions



In addition to traditional classroom training, our commitment to digital proficiency remains paramount. We actively utilise digital tools, platforms and customised e-learning solutions to empower our workforce. We have organised two webinars to support strategic planning, prioritisation, setting goals and feedback. Our partnership with LinkedIn continues, providing office and crew management employees with access to LinkedIn Learning with over 10,000 courses covering various domains. Department-specific learning paths have been developed for the management trainees to support their development and enhance their skills. The overall Company-wide

learning strategy is being revised to cultivate the culture of learning and to establish the right mix of learning opportunity types, better fitting the demands of the Company and the employees at all levels and ways of working.

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Regular performance and talent review

Wizz Air's annual People Cycle process ensures alignment of talent within the organisation through three stages: goal setting, performance appraisal and talent review. Goals are set collaboratively with the managers, performance is assessed against competencies and goals, and talent potential is evaluated every year. The process is facilitated digitally and promotes transparency and development across the organisation. All internal Wizz Air office employees and also crew Country Managers, Base Managers and Standardisation Instructors are included in this process. Calibration sessions then take place with Heads and Officers to finalise ratings at function and Company level. Final performance ratings and the feedback collected are later shared with all the employees during face-to-face discussions with their direct managers. The managers assign a potential talent rating for all direct reports and create a succession plan on the employees' talent profiles. Then, similar to performance, calibration sessions take place and final talent ratings are also shared and explained during face-to-face discussions. A more detailed description of the performance and talent review process can be found in last year's [Annual Report](#) on page 55.

3. IMPROVE AND LEVERAGE THE DIVERSITY OF OUR EMPLOYEES



As an airline, our approach to diversity and inclusion mirrors our mission to democratise air travel. In the past two decades since Wizz Air was founded, the Company has been committed to providing equal opportunities and an inclusive environment to all candidates, employees and partners regardless of their race, national and ethnic origin, social origin, gender, age, religion, political views, sexual/gender identity or expression, marital status, citizenship, disability or medical history, military status, employment status or any other legally protected factor.

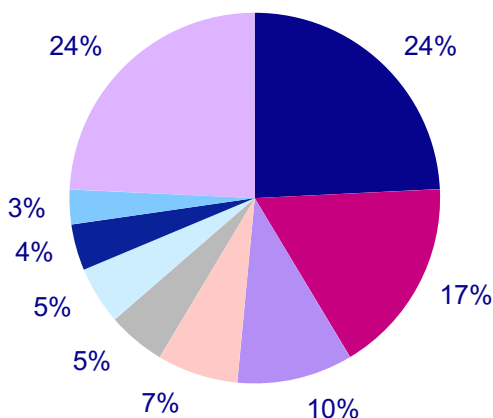
Decisions in all aspects of the Company's business operations are to be based on the merit – skills, performance and abilities – of a candidate/employee, in line with the given position's requirements, irrespective of any other personal characteristics.

The Company expects its workforce to adhere to its diversity and inclusion principles, which are set out in The Wizz Way, its Policy for Good Conduct, and its Equal Opportunities and Fair Treatment Policy, which has been revised this fiscal year, along with the expected standards of behaviour for every member of the Wizz Air team.

Nationalities

Wizz Air is an ethnically diverse and inclusive professional organisation with over 109 nationalities within its employee base (84 in cabin crew, 60 in the flight crew and 61 in the office). At Board level, eleven current Directors are from eight different countries, while the Company's 37 Heads of Function and 16 Officers and Executives represent 19 different nationalities. The following charts include detailed information on the nationality breakdown according to various employee categories.

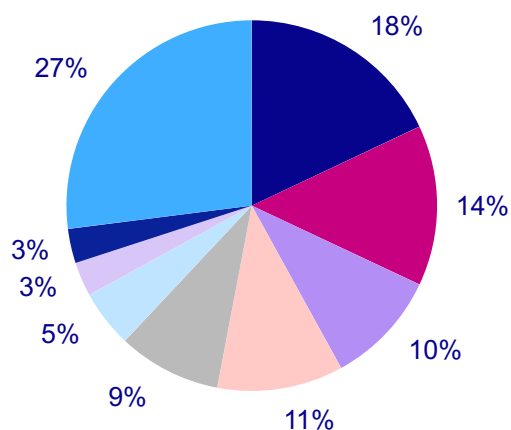
Cabin crew



National diversity ratio:

Romania	24%
Poland	17%
Italy	10%
Hungary	7%
Bulgaria	5%
Ukraine	5%
Albania	4%
Republic of North Macedonia	3%
All other nationalities (with 2% share or less)	24%

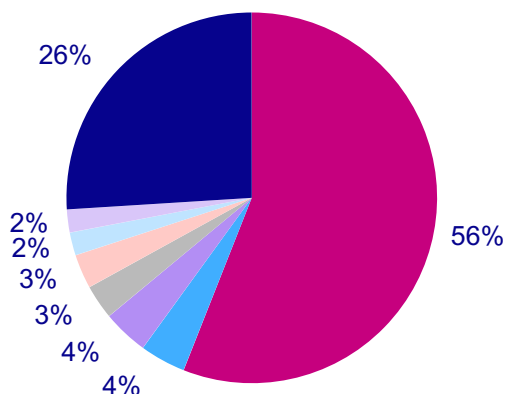
Flight crew



National diversity ratio:

Poland	18%
Hungary	14%
Italy	10%
Romania	11%
United Kingdom	9%
Bulgaria	5%
Spain	3%
Ukraine	3%
All other nationalities (with 2% share or less)	27%

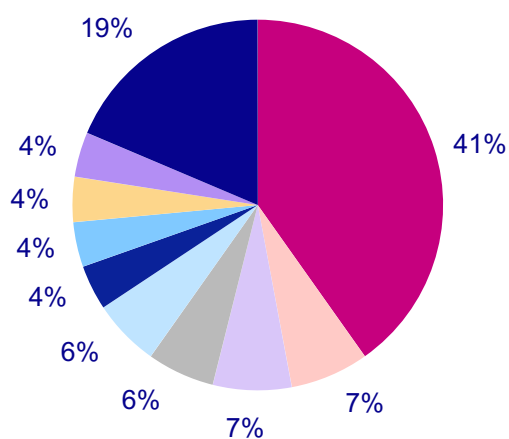
Office employees



National diversity ratio:

Hungary	56%
Poland	4%
Romania	4%
Russia	3%
India	3%
United Kingdom	2%
Ukraine	2%
All other nationalities (with 1% share or less)	26%

Management team



**National diversity ratio:
(Heads, Officers and above)**

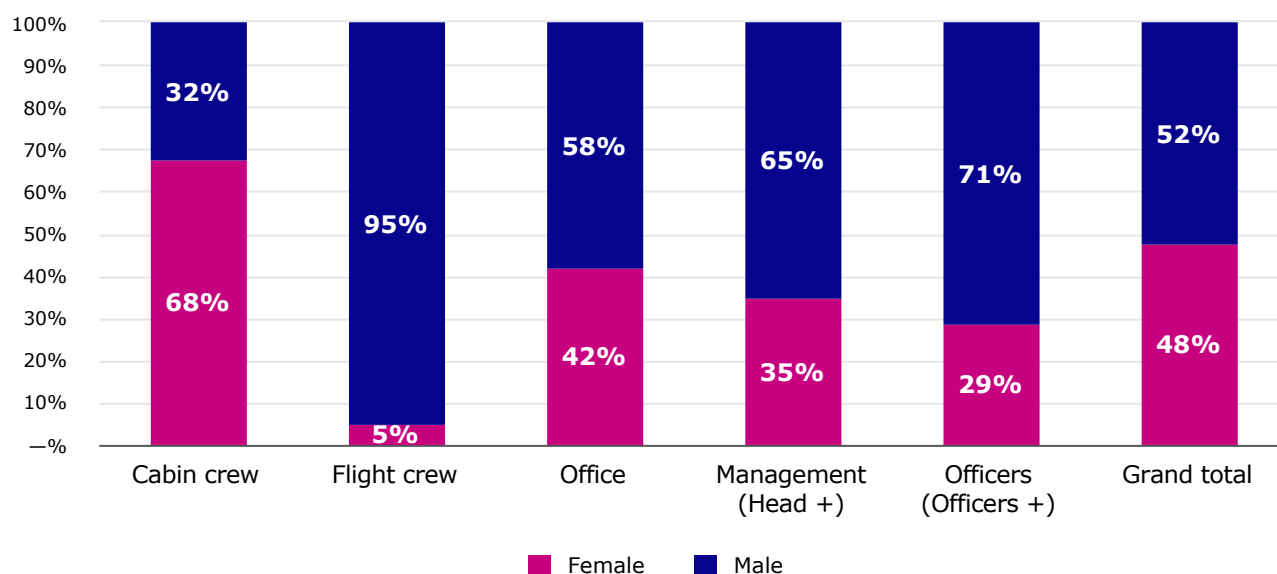
Hungary	41%
Romania	7%
United States	7%
Poland	6%
United Kingdom	6%
Spain	4%
Portugal	4%
Ireland	4%
France	4%
All other nationalities (with 3% share or less)	19%

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Gender diversity

At Wizz Air, we maintain a balanced male-to-female ratio organisation wide, with females representing 48 per cent of our workforce. However, we acknowledge the need for further enhancements in gender diversity within specific employee cohorts. As part of our ongoing commitment to diversity, we have set targets to enhance female representation in critical areas such as the flight deck, Leadership Team and Boardroom.

The table below showcases the male-to-female ratio within various employee groups at Wizz Air:



Wizz Air strongly believes that leadership diversity enables faster progress towards targeted growth and employee base diversity. The Company continues to adhere to its long-term set target to achieve 40 per cent gender diversity by F26 among its management team (Heads, Officers, EVPs and CEO level), which is broken down into yearly plans and actions, and regularly reviewed at Board level and by the Nomination and Governance Committee.

In this past financial year, Board gender diversity increased to a 36 per cent female ratio after Ms Phit Lian Chong joined the Wizz Air Holdings Plc Board of Directors, while the management team's gender diversity remained at a 35 per cent female ratio. Office female gender diversity has not changed compared to last year, with 48 per cent female to male ratio. Flight crew female gender diversity at F24 year end is at 5 per cent (in terms of the operating entities, Wizz Air UK Ltd. has the highest flight deck female diversity, with 8.15 per cent), whereas the female cabin crew number decreased slightly to 68 per cent, down from 69 per cent the previous year.

To improve gender diversity in the Company, we have established the following targets:

- 33 per cent female gender diversity in the Board of Directors – this was surpassed in F24 reaching 36 per cent;
- 40 per cent female gender diversity in the management team by F26; and
- 7 per cent female gender diversity in the flight deck by F30.

We have put in place actions to achieve our ambitious targets as part of our diversity initiative, Women of WIZZ. Recruitment is focused to ensure that there is always at least one female candidate on the shortlist for positions and recruitment panels are recommended to have female interviewees.

Female pilot initiatives

Wizz Air is focusing on gender diversity in its flight crew as a major opportunity and aims to be an industry leader. The Company has launched several initiatives to support this transformation:

Wizz Air's cabin or flight crew ambassadors are representing the Company at public events, and our Cadet Programme initiatives are key building blocks to support our flight crew transformation over the next few years. In addition, the Company's Equal Opportunities and Fair Treatment Policy supports our commitment to undertake initiatives fostering equal access to positions where certain protected groups (including, in particular, women) are underrepresented – always taking into account the particular personal circumstances of all applicants, respecting their fundamental and human rights and applying a diverse set of selection criteria for any position or entitlement.



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Several unique programmes have been launched to nurture talent and diversity in our flight deck:

- **She Can Fly Programme:** a sub-brand of the Wizz Air Pilot Academy (WAPA) Programme dedicated to women, aiming to increase women's flight deck crew diversity;
- **Internal Cadet Programme:** a self-sponsored programme for WIZZ employees who have completed their pilot training;
- **Cabin Crew to Captain Programme:** a Company-sponsored programme for WIZZ cabin crew to obtain a commercial pilot licence;
- **WAPA:** offers training and financial support to young, passionate candidates. Graduates can begin their employment at Wizz Air as pilot trainees; and
- **Self-Sponsored Cadet Programme:** designated flight schools will be selected for Wizz Air's growing UK, Italian and UAE bases.

Women on Air – inaugural event in 2024

In conjunction with this year's International Women's Day and Wizz Air's 20th anniversary celebrations, the Company hosted its inaugural "Women on Air" event in Budapest on 26 March. This event provided employees with a unique opportunity to learn directly from women who have achieved significant success in leadership roles within the aviation industry.

The forum, hosted by Wizz Air's CEO, József Váradi, and moderated by Yvonne Moynihan, Marion Geoffroy and Robert Carey from Wizz Air's Leadership Team, featured insightful sessions by inspiring speakers from various sectors of the aviation industry. These accomplished women, who have broken barriers and achieved great success in their aviation careers, shared their personal journeys, challenges and triumphs. They offered invaluable perspectives on leadership, innovation and overcoming obstacles in a traditionally male-dominated field.

The event was graced by the presence of the Ambassador of the Republic of Türkiye to Hungary, H. E. Gülşen Karanis Ekşioğlu, who was a guest of honour. She delivered an introductory address, discussing important topics such as the valuable skills women bring to diplomacy. The guest speakers included exemplary women from the WIZZ family, such as Charlotte Pedersen (a Wizz Air Board Member and the first female to join the military pilot programme in the Danish Air Force in 1989), along with numerous successful and inspirational women from Wizz Air's middle and senior management and flight deck.

A separate panel was dedicated to female leaders from across the entire aviation spectrum, including representatives from Wizz Air, aircraft manufacturing companies, the leasing industry, air navigation service providers, and regulators. This inaugural event, which showcased esteemed female professionals sharing stories about their challenges and insights, provided a unique opportunity for many aspiring WIZZ ladies to envision their future careers.



The speakers, panellists and moderators of the Women on Air event.

4. ENGAGE OUR EMPLOYEES AND ENSURE EFFECTIVE COMMUNICATION THROUGH THE PEOPLE COUNCIL

At Wizz Air, our workforce remains our most valuable asset. We recognise that our employees’ engagement and well-being are essential for consistently delivering on our mission. A significant 93 per cent of our staff directly interact with passengers, ensuring safety and an excellent customer service journey with Wizz Air. Our commitment to employee engagement is supported by key pillars, including the WIZZ People Council, regular engagement surveys and informative floor talks led by our CEO during base visits.

WIZZ People Council – empowering representation and communication

At Wizz Air, we firmly believe that the strength of any organisation lies in the exceptional qualities of its people. Our dedicated team embodies passion, resilience and kindness, thriving on the dynamic challenges inherent to our industry. Simultaneously, we recognise the critical importance of empowering our employees to shape their own career trajectories and professional growth in alignment with the Company’s vision.



The WIZZ People Council serves as a space where our valued team members feel secure sharing their insights, concerns and innovative ideas. Guided by a steadfast commitment to open dialogue, the Council plays a pivotal role in shaping both our airline’s trajectory and our identity as an employer, ensuring that the collective voice of our exceptional team resonates throughout the organisation.

The Council is led by its President, who serves for two years and is appointed by the former President. Within the People Council, eleven additional members play a pivotal role in ensuring representation across the airline’s network and diverse business divisions. These representatives are democratically elected for a one-year term, following an all-encompassing Company-wide application process. The selection is meticulously guided by transparent criteria, guaranteeing a balanced representation from all areas of business across all Air Operator Certificates (AOCs).

The key figures steering the WIZZ People Council’s work are:

- **Nikoletta Zima**, the Council’s current President, has been an integral part of the Wizz Air family since 2004. As the very first cabin crew member, she brings a wealth of experience and steadfast dedication. She also serves as a Cabin Crew Trainer and Training Centre Operations Manager, and is actively involved in the WIZZ Foundation and WIZZ Aid. Her passion for our Company’s corporate social responsibility (CSR) initiatives is unwavering.
- **Doloresz Szalay**, the Council’s Secretary General, joined Wizz Air in 2011. Her previous roles within the HR department have provided her with a deep understanding of our organisation. Doloresz previously served on the Council for two years in the same capacity before her maternity break.
- **Nikola Mitov**, our newly appointed Vice President, brings a decade of experience as a captain at Wizz Air. His insights and leadership contribute significantly to the Council’s effectiveness.

The Council’s structure and ways of working are:

- **Term and continuity:** Representatives may serve an additional year if approved by the President, but their tenure aligns with the current President’s mandate.
- **Committees and focus areas:** The Council’s work revolves around four major areas: benefit, well-being, engagement and policy. Four dedicated Committees – each led by a Chair appointed annually by the President – delve into a spectrum of topics, challenges and strategic initiatives. These Committees convene twice a month to deliberate and shape policies.
- **Facilitating effective communication:** The entire Council engages bi-weekly with the senior leadership team and separately with the Company’s CEO. These interactions foster open dialogue, enabling the Council to fulfil its core objective, bridging the gap between management and employees through robust two-way channels.



HIGH MATERIALITY TOPIC

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- Informed decision making and transparency: The Council provides critical insights on matters impacting the entire Wizz Air community. Every action and decision arising from monthly meetings is communicated back to employees by their dedicated representatives.

The key recurring agenda topics are:

- work-life balance;
- Company policies and process changes;
- working environment improvement;
- salary principles and policies;
- Company events;
- trends impacting safety; and
- initiatives enhancing employee diversity.

The WIZZ People Council actively contributed to a variety of projects throughout the year, providing detailed insights on specific employee groups' perspectives to support the work of other departments. To ensure effective communication with the WIZZ community, Council members go beyond regular meetings. They engage in frequent face-to-face sessions with employees, organise and host online employee meetings across all countries, and conduct regular base visits alongside the Wizz Air Leadership Team. These efforts aim to strengthen open communication between employees and management across the airline's entire network.

Additionally, as part of its direct engagement with office employees, the People Council arranges regular meetings at the Company headquarters. During these sessions, employees have the opportunity to interact with the Secretary General of the WIZZ People Council and the local office representative. Critical topics, including knowledge management, office environment enhancements and employee retention, are thoughtfully discussed and addressed.

Base visits, floor talks and management updates on Workplace

These events offer a unique platform for local crews to engage directly with Company management, allowing them to voice their opinions, ask questions about the business direction and express their concerns. In addition to the top management's "fly-around events", there are line operation base visits. During these visits, line management travels to each base once a year, and at least one representative from the People Council is present.

The People Council actively participates in base visits when the Leadership Team interacts with employees in the market – both formally and informally. In the past year (F24), the People Council's President, Secretary General and local Council Representative engaged in 17 personal base visits.



Furthermore, regular floor talks hosted by the Wizz Air CEO provide quantitative and qualitative insights into employees' work and life. These talks are live and accessible either in person or via Workplace, our internal social media channel available to all employees. Additionally, every Monday, a live leadership update is delivered to all Group employees via Workplace. The CEO, the President and other Chief Officers also issue written updates on Workplace for significant events impacting Company operations or when key information needs direct communication from management.

Wizz Air remains committed to directly engaging with its workforce, ensuring that all employees have direct access to the CEO and senior management through the channels mentioned

above. Based on employee feedback, the Company continually implements relevant actions, as evidenced in the section discussing employee engagement results. Moreover, Wizz Air complies with all applicable laws and regulations in every country of operation and actively participates in mandatory consultations where required.

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Employee engagement survey results and follow-up actions

During the period between 25 October and 8 November 2023, Wizz Air conducted its seventh employee engagement survey, yielding 4,467 responses, reflecting a participation rate of 53 per cent. Company wide, the overall satisfaction reached 7.3, with an engagement score of 7.1, marking a notable increase of 0.7 compared to the previous year. The employee Net Promoter Score (eNPS) for overall engagement soared to 10, showing a remarkable improvement of 19 from the previous year. Specifically, cabin crew members demonstrated an engagement score of 7.5 (eNPS 23), a 0.6 improvement from the previous year. Flight crew engagement increased to 6.5, an improvement of 0.9 (eNPS -14), while office staff reported an engagement score of 7.1, a 0.6 improvement from the previous year (eNPS 6).

The satisfaction survey includes a range of following key aspects that are meticulously addressed in the employee survey, serving as a valuable tool to gain insight into the sentiments and perspectives of the workforce:

- resources and support;
- freedom of opinions;
- engagement;
- reward; and
- health and well-being, including mental and social well-being.



Following detailed analysis and results discussions, EVPs, Officers and Department Heads submitted their action plans. Concurrently, the People Council conducted an exhaustive analysis, reviewing over 19,000 comments to propose additional action points.

Drawing from these insights, the Organisational Development team crafted a comprehensive action plan slated for completion over F25, aimed at further enhancing employee engagement and satisfaction across the organisation. All engagement survey results are annually reviewed by the Board of Directors, which enables the Company's highest decision-making body to also assess and monitor progress towards cultural objectives, identify priorities and set measurable goals for achieving the vision. Wizz Air also has a dedicated Board member, Dr Anthony Radev, who is responsible for overseeing engagement with employees.

At the Company level, the focus areas in order to improve engagement and the work environment are:

- enhanced roster stability and preferences (crew);
- a comprehensive appreciation programme;
- health and well-being-related initiatives;
- career progression (office); and
- reward.

The engagement and retention-focused actions already implemented are the following:

- Despite not meeting the share price increase target, we've made a discretionary decision to pay out 50 per cent of the target bonus under the All-Employee Bonus Scheme to eligible employees. This payout occurred with the July salary in early August 2023.
- We have completed our extensive salary review across all Wizz Air entities. Our aim was to bring salaries in line with market standards, ensuring competitive and equitable compensation for all employees.
- We have implemented guidelines to support employees returning from parental leave, including maintaining the same-level position, flexible work schedules and remote working arrangements.
- The Budapest Wizz Air headquarters has been relocated to a much larger office building, entirely refurbished, promoting enhanced collaboration.
- The Abu Dhabi team also upgraded to a larger, more collaborative office space, complete with spacious breakout rooms and a relaxing chill-out area.
- In the UK, our newly designed office is tailored specifically for WIZZ, providing a conducive work environment. Additionally, it offers communal areas to foster employee well-being.

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Compensation and salary

In terms of compensation matters, Wizz Air designed its remuneration practices with a focus on base salaries and providing a non-financial benefit that can factor in customer experience and employee experience. The Company makes Wizz Air's services available to all personnel at accessible, favourable and discretionary price for leisure travel as a token of appreciation for the diligent performance of their duties and for their continued loyalty to Wizz Air so that they all have the opportunity to experience Wizz Air flights together with their family and friends.

Pay is only part of the proposition to join and stay at Wizz Air. Whilst the yearly salary reviews – also supported by recurring market benchmark processes – allow adjustments, the best way to increase compensation is through performance and career progression, which stands as a core element in all of Wizz Air's HR processes (talent management, compensation, development and organisational development).

Company events supporting employee engagement

As social interaction and building strong, dedicated and efficient teams are an important part of the WIZZ culture, we make sure to offer opportunities to reunite with colleagues and celebrate our achievements together. For this reason, we will continue to organise corporate events and programmes, such as the annual Christmas and Wizz Air birthday parties, department away days and team building events, or other programmes such as the WIZZ Academy, to strengthen Company culture.



Employee engagement on sustainability

Our Company has consistently prioritised employee engagement in sustainability. By actively involving our workforce in sustainable practices, we not only contribute to a greener future but also create a sense of purpose and shared responsibility among our team members. We firmly believe that fostering a culture of responsibility and stewardship begins with education and awareness of sustainability developments within the workplace. By equipping our workforce with the necessary knowledge and resources, we continuously build a motivated and informed team, poised to tackle the challenge of creating a more sustainable future.



Wizz Air has introduced a groundbreaking WIZZ Sustainability Ambassadors Programme – a testament to our unwavering dedication to sustainability. Running from September 2023 to May 2024, this programme empowers WIZZ Sustainability Ambassadors to actively engage in local sustainability projects. These projects vary from recycling initiatives to charitable endeavours. Our Ambassadors play a vital role in fostering eco-friendly practices and sharing valuable sustainability insights with their colleagues. For more information on the Sustainability Ambassadors Programme please visit page [81](#).

For the second time, Wizz Air initiated its internal campaign, the "Sustainability Month", in November 2023. As part of this campaign, we launched a four-week-long network-wide competition to inspire our employees to adopt environmentally friendly practices and share their efforts on minimising their impact on the environment. The goal is to encourage more and more people at Wizz Air to take up eco-friendly habits and promote more sustainable daily routines.

Throughout this campaign WIZZ Sustainability Ambassadors have showed their enthusiasm and commitment to sustainability by taking an active role and encouraging employees to use green transportation, coordinating litter collection and tree planting events and providing assistance to those in need through charitable donations.

We recognise the significance of indirect emissions, which arise from sources beyond our direct control. One such source is employee commuting – the routine travel between their place of residence and the workplace. To comprehensively assess our environmental footprint, we conduct an employee commuter survey twice a year. This survey gathers information directly from our employees on how often they commute, their

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preferred modes of transport and the distance of their commute. By understanding these patterns, we can develop strategies to minimise our impact and promote sustainable commuting options.

PEOPLE METRICS – OUR TEAM MEMBERS

Below we have outlined our most critical employee health metrics:

PEOPLE	UNIT	NOTE	F24	F23
Work-related accidents	#	1	57	14
Fatal accidents	#	2	—	—
Contractor accident rate	%	3	1	—
Contractor fatal accident rate	%	4	—	—
Number of employees	Total/31 March	5	8,044	7,389
Staff costs	m EUR		507.8	373.9
Revenue/employee	k EUR		630	527
Staff costs/revenue	%		10	10
Survey scores	eNPS	6	10	-9
Survey participation	%	7	53	55
Average attrition	%	8	18.92	9.35
All-Company gender diversity	% female	9	48	48
Leadership gender diversity	% female	10	35	32
Flight crew gender diversity	% female	11	4.86	4.68
Cabin crew gender diversity	% female	12	68	69
Office diversity	% female	13	42	42
All-Company national diversity	# nationalities	14	109	93
Leadership national diversity	# nationalities	15	19	17
Part-time ratio	%	16	2.28	0.49
Training per employee	Hours	17	22.35	30.71

Notes:

(1) **Accidents:** measures work-related accidents (excluding travel to/from work) involving occurrences where employee has taken at least one day off from work. In response to a rise in work-related accidents, we have intensified our safety communication efforts to ensure all employees are well-informed about the necessary safety measures while on duty. This proactive approach aims to enhance workplace safety and mitigate potential risks.

(2) **Fatal accident:** number of accidents, as defined in Note 1, that result in fatality.

(3) **Contractor accident rate:** measures work-related accidents involving occurrences where contracted employee has taken at least one day off from work.

(4) **Contractor fatal accident rate:** number of accidents, as defined in Note 3, that result in fatality.

(5) **Number of employees:** total number of active employees as of 31 March 2024 (excluding employees on leave of absence, e.g. parental leave).

(6 and 7) **Survey scores:** the way of measuring your employees' satisfaction levels, based on NPS methodology, which is used to measure customer loyalty. The eNPS score is a number, calculated by subtracting the percentage of "detractors" (who gave a score of 0–6 on a scale of 10) from the percentage of "promoters" (who gave a score of 8–10 on a scale of 10), and can range from -100 to 100. In F24, the eNPS of Wizz Air was 10 and the participation rate was 53 per cent of all employees.

(8) **Attrition (average):** the reduction in staff numbers across the organisation that occurs as employees resign, retire or are dismissed – calculated as the total leavers in a financial year divided by the average headcount within that financial year. Note, the calculation methodology was adjusted in F24, hence the difference between the reported figures.

(9) **All-Company gender diversity:** percentage of total roles, including direct and indirect employment, occupied by women.

(10) **Leadership gender diversity:** percentage of leadership roles, Heads of Function and above (also called management), occupied by women.

(11) **Flight crew gender diversity:** percentage of flight deck employees, including direct and indirect employment, occupied by women. As the flight deck diversity target for F30 is 7 per cent, this figure is reported with decimals to represent the improvement year on year. In other publications, we refer to it as 5 per cent for simplicity.

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(12) **Cabin crew gender diversity:** percentage of cabin crew employees, including direct and indirect employment, occupied by women.

(13) **Office gender diversity:** percentage of office employees, including direct and indirect employment, occupied by women.

(14) **Ethnic diversity:** number of different nationalities, compiled based on declarations by employees at the time of hire.

(15) **Leadership ethnic diversity:** number of different nationalities, compiled based on declarations by Heads of Function and above.

(16) **Part-time ratio:** percentage of total employees who have reduced working time arrangements (not full-time employees).

(17) **Training hours per employee:** number of offline training hours per employee, calculated based on all the training sessions divided by average annual headcount in F24, not including outsourced or online training hours. Total offline training hours were 176,097, while all training hours including offline and online events were a total of 367,868 hours in F24. In terms of online training, the Company's cooperation with LinkedIn continues, offering office and crew management employees access to digital, flexible and individually tailored development opportunities with unlimited access via interactive, engaging courses. The flight deck and cabin crew also regularly receive digital training via e-learning solutions, on top of their offline training.

5. ADDRESS CHALLENGES FOR THE CONTINUOUS IMPROVEMENT OF CUSTOMER EXPERIENCE

At Wizz Air, we prioritise our customers, ensuring that their needs remain central to all our actions. In F24, our Passenger Care Centre remained unwavering in its commitment to providing timely and comprehensive support to our customers. We implemented early notifications regarding various events, including strikes and terminal changes, ensuring travellers were well prepared. Additionally, in times of unforeseen circumstances such as the Catania volcanic eruption or conflict escalation cases, our team promptly communicated with customers, enabling us to uphold customer satisfaction and effectively manage crises.

As part of the agreement with the UK Civil Aviation Authority in July 2023, Wizz Air made several commitments regarding the handling of claims for costs incurred following flight disruptions. In January 2024, the Civil Aviation Authority confirmed that Wizz Air is fully compliant with the agreement.

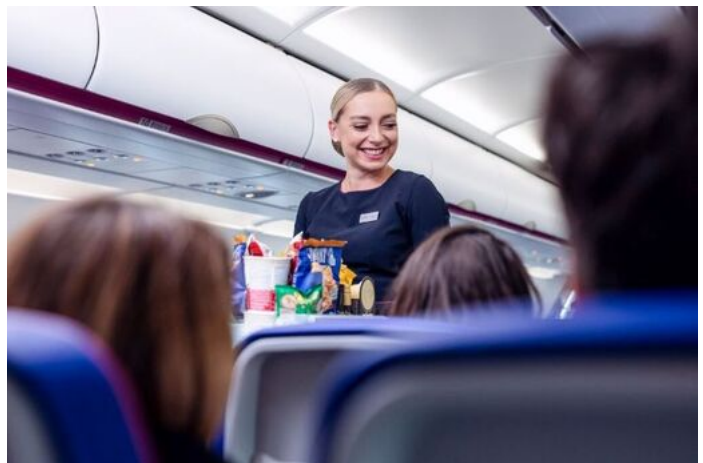


Throughout F24, Wizz Air faced a surge in official claims, primarily driven by activities from claim companies, reaching its zenith during the summer of 2023. However, our dedicated Customer Experience team diligently focused on reducing the number of open cases, successfully resolving 90 per cent of all official claims received in F24. In response to the escalating volume of claims, we implemented automated case allocation systems, with further development slated for F25. Negotiations commenced with major claim companies to ensure sustainable management of official cases. Technological advancements have played a pivotal role in achieving automation rates of 85 per cent in EC261-related customer case handling and 60 per cent

in third-party claim handling. Looking ahead to F25, we plan to introduce a host of new technologies, including a fraud detection module and a disruption management support system, to further enhance our customer service offerings. Expanding our contact centre capacity significantly reduced response times, enhancing customer service as travel resumed. Building on this success, we will continue to refine our operations, leveraging robust teams and advanced automated solutions to prioritise exemplary customer care. In F24, significant strides were made in enhancing self-serve capabilities and automated solutions, culminating in the development of a new Help Centre, which will be launched in Q1 F25, facilitating easy access to information and guidance for our customers.

Furthermore, a new chatbot solution was selected to enhance technical capabilities while reducing costs. The Customer Experience Quality Assurance project, initiated in Q3 F24, is expected to be completed in Q1 F25, further improving and standardising the quality of customer service. To enhance the quality of passenger interactions with our contracted ground handling partners, a recurring Conflict and Incident Management workshop has been launched to provide additional training for effective passenger communication and assistance during disruptions. Moreover, the implementation of a smart interactive voice recognition system will be launched pre-summer that aims to streamline flight status updates and disruption management.

Our dedication to soliciting and acting upon customer feedback is evident through the maintenance of a disruption-specific customer survey, which enables us to continuously refine our customer experience strategy. In line with our customer-centric approach, we introduced innovative subscription programmes such as WIZZ MultiPass and WIZZ MultiPass Unlimited, catering to the diverse needs of our customers and enhancing their travel experiences.



As we continue to navigate through challenges and embrace opportunities, our unwavering focus on improving customer service ensures that Wizz Air remains the airline of choice, both in F25 and beyond, for both current and future customers.

STRATEGIC REPORT

6. COMMUNITY PROGRAMMES AND CHARITABLE SUPPORT

As a responsible corporate citizen, Wizz Air has consistently risen to the occasion during challenging times. Throughout the pandemic, Wizz Air launched cargo and repatriation services, ensuring the safe transport of critical medical supplies and stranded passengers back to their homes. Additionally, in response to the conflict in Ukraine, the airline introduced a programme offering free seats on flights departing from Ukraine's border countries, facilitating the journey for refugees to their chosen destinations. Furthermore, the airline has been proactive in supporting local rescue efforts and swiftly organised emergency flights during natural disasters and political crises in various countries over the past few years.

Beyond crisis response, Wizz Air actively engages in regular initiatives that benefit the communities where we operate. Notably, this year's projects include the following:

WIZZ marathons

Like affordable travel, a healthy and active lifestyle should be available to everyone. Running is the most inclusive and affordable sport as one only needs a pair of running shoes – this sport is accessible and affordable for all, similar to the ultra-low-cost, low-fare business model. Wizz Air sponsored nine running events in seven countries, including our flagship event, the Budapest Half Marathon, and races in Bucharest, Cluj-Napoca, Sofia, Skopje, Venice, Debrecen, London, and Dubai. A record-breaking 72,982 runners challenged themselves with WIZZ last year, out of whom there were around 300 WIZZ runners participating.



WIZZ Foundation – Csodalámpa Foundation partnership

WIZZ Foundation has partnered with Csodalámpa Foundation in Hungary and Fundacja Mam Marzenie in Poland. The purpose of these wish-granting foundations is to fulfil wishes of children who suffer from a life-threatening disease. By making their wishes come true, the foundations hope to strengthen the children's and their families' belief in recovery and help them to persevere through times of adversity.

As part of the cooperation, the WIZZ Foundation provides flight tickets (and the applicable services) every year for children and their travelling guardians to support the foundations' projects where the surprise involves travelling to another destination by plane. In F24, Wizz Air supported the Csodalámpa Foundation, completing eight special wishes, with a total number of 22 flight tickets provided to children and their families, and Fundacja Mam Marzenie, completing six wishes, with a total number of 15 flight tickets provided.

Sustainability Ambassadors Programme

In September 2023, Wizz Air launched its first of its kind WIZZ Sustainability Ambassadors Programme as part of its long-term commitment to sustainability. Among the 7,000+ cabin crew and office employees at Wizz Air, initially 24 Sustainability Ambassadors have been carefully selected and 22 started their journey in September 2023. These ambassadors represent 20 bases and two offices across Albania, Austria, Bulgaria, Cyprus, Georgia, Hungary, Italy, Malta, North Macedonia, Poland, Romania, the UAE and the UK.

STRATEGIC REPORT

From September 2023 to May 2024, the WIZZ Sustainability Ambassadors actively supported local sustainability projects, ranging from recycling initiatives, waste collection and tree planting to charitable programmes at the airline's bases and offices. Their goal is to promote eco-friendly practices and share valuable sustainability insights with colleagues. By doing so, they play a pivotal role in developing green initiatives, raising environmental awareness and driving positive changes within the Company. Since September 2023, these 22 dedicated Sustainability Ambassadors have voluntarily embraced their roles and implemented several initiatives and projects that are truly an inspiration for all employees at Wizz Air:

Wizz Air UK

- With the lead of the exemplary local WIZZ Sustainability Ambassador, the London Luton team actively supports the communities around the airport through initiatives like litter collection, blood donation, food drives and tree planting. During a sustainability event organised by London Luton Airport and the Forest of Marston Vale, the ambassador-led WIZZ team came together and planted 97 trees. This collective effort has garnered significant participation, with almost 40 colleagues, including the Managing Director of Wizz Air UK Limited, actively contributing to sustainability initiatives at the Luton base.



Wizz Air Hungary

- One of the most engaged WIZZ Sustainability Ambassadors within the Wizz Air Hungary domain works at Larnaca base in Cyprus. He organised a local lake beach clean-up in collaboration with the local town hall to enhance area cleanliness and support biodiversity, particularly for the flamingos inhabiting the region. Another initiative introduced as part of the voluntary Ambassador Programme is a trial for in-flight waste collection for flights operating from Larnaca base.

Wizz Air Malta

- Within the network of Wizz Air Malta Ltd., notable initiatives have been introduced by the WIZZ Sustainability Ambassador from Cluj-Napoca base. A group of employees from the Romanian base, led by the Ambassador, participated in litter collection as part of a clean-up campaign at local parks. They have also been involved in donation initiatives to help those in need. In an effort to champion circularity, the team also repurposed its old WIZZ uniforms, transforming them into unique pillow covers for its crew room.

Wizz Air Abu Dhabi

- The local WIZZ Sustainability Ambassador is working on various initiatives, and an important achievement so far has been the desert renewal campaign he introduced. As part of this project, he gathered volunteers from both the crew and office employee teams in Abu Dhabi, who participated in the Company's first desert clean-up event.



ECONOMY PILLAR



IX. ECONOMY PILLAR

CONNECTING PEOPLE AND BOOSTING ECONOMIC GROWTH

Wizz Air’s impact extends far beyond air travel. It is not just about transporting passengers from one destination to another. It is about making people’s lives better and contributing to the economic well-being of the regions we serve. We are committed to making travel more affordable for everyone. While providing affordable flights to different destinations, Wizz Air also opens up new doors for businesses, and helps create new job opportunities, drive tourism and boost the economies of these countries and regions. Wizz Air’s key contributions in terms of connectivity are the following.



FOSTERING ECONOMIC GROWTH, JOB CREATION AND PERSONAL CONNECTIONS

Economic growth and job creation

- **Business opportunities:** Wizz Air’s affordable flights open up new avenues for businesses. By connecting diverse destinations, we facilitate trade, investment and collaboration across borders.
- **Job opportunities:** Our operations create employment opportunities directly and indirectly. From pilots and cabin crew to ground staff and maintenance personnel, Wizz Air contributes to job growth in the countries where we operate. We aim to serve 170 million passengers by 2030 and create jobs for over 100,000 people in our network.

Boosting local economies

- **Tourism:** Wizz Air plays a pivotal role in driving tourism. Our flights introduce travellers to captivating destinations, supporting local hospitality, attractions and cultural experiences.
- **Economic impact:** By connecting cities and regions, we stimulate economic activity. Our presence encourages investment, infrastructure development and prosperity.

Passenger-centric approach

- **Pay for what you use:** Our transparent pricing model ensures that passengers pay only for the services they need. This approach eliminates unnecessary costs and reduces waste.
- **Positive passenger experience:** Our highly trained workforce provides a welcoming environment on-board. We prioritise safety, comfort and efficiency.

Reuniting people and helping them explore new horizons

- For those working abroad, Wizz Air often bridges the gap by providing affordable flights, helping families reunite more frequently, strengthening bonds and creating lasting memories.
- Be it families, groups of friends or single travellers, they can explore destinations they’ve never been to. Whether it’s a weekend getaway or an extended vacation, low-fare flights open up new doors for adventure, culture and exploration.
- Many students within our network also rely on Wizz Air to pursue their studies abroad. We facilitate seamless travel to universities and educational institutions across Europe.



STRATEGIC REPORT

Environmental responsibility

- **Efficient point-to-point network:** Our network strategically connects destinations (including secondary airports) where other modes of transportation may be impractical or unavailable. By flying direct, we minimise emissions and enhance efficiency.
- **Carbon footprint reduction:** Wizz Air maintains one of the youngest aircraft fleets in the industry, resulting in lower CO₂ emissions per passenger kilometre. We invest in fleet renewal, sustainable aviation fuel, fuel-saving initiatives and paperless flight operations.

PASSENGER TESTIMONIALS

At Wizz Air, we believe in a future where everyone has the freedom to travel. We believe that travel provides opportunities that can make life and the world around us better. It is this vision that motivates us on a daily basis, and rewards our increasingly diverse team dedicated to achieving it. We work hard, we have fun and we get things done. For some, the sky is the limit; for us, the sky is where the fun begins. Over the years, our wings have carried more than just passengers, and their personal stories often resonate with gratitude and wonder:

"Thank you for making my last six years possible; "the sky is not the limit" is such a powerful and noble goal. Thank you for always having a friendly and kind crew and attendants, and for making many goals and dreams possible around the world!"

"The opportunity to explore such a remarkable city at an affordable cost meant a lot to us, particularly to my son, a young blind pianist with learning difficulties, who has always had a deep passion for music and a thirst to explore the world. The fact that Wizz Air provided him with a convenient and budget-friendly option to travel was a game-changer. Being able to access new places and experiences first hand is incredibly important for his growth and learning journey. I would like to commend your airline for its affordability, exceptional service and friendly cabin crew. Thank you from the depths of our hearts for making our journey not only feasible but also meaningful. We eagerly anticipate more journeys with Wizz Air in the future."

"You have helped me rather a lot with your prices, offering convenient timetables for me to fly home and back. I would like to say a warm thank you to the whole Wizz Air crew and staff for making my trips unforgettable, helping me achieve new memories."

"I had big dreams and high expectations on my first ever flight with Wizz Air. I was going to start a new job abroad, swapping a country where everyone speaks the same language for one where there's a variety of dialects, not to mention cultures, mentalities and habits. And, not only was this my first flight with WIZZ, it was my first ever flight with any airline, anywhere! I was nervous indeed, but the crew all made me feel totally at ease. I quickly developed a passion for aviation. I'm moving to a new country, again, but I still see the pink Wizz Air planes that helped me get where I wanted in my career."



STRATEGIC REPORT

OUR NETWORK PROGRESS IN F24

Wizz Air continued its significant capacity growth in F24, creating a number of new affordable travel options while also contributing to the growth of the local economy. After a large expansion during the previous fiscal years, we focused on offering more travel options in Central and Eastern Europe by remaining the region's largest carrier as well as densifying and diversifying our network in our newer ventures. We also keep growing in other regions such as the Middle East, Central Asia and North Africa with new routes and destinations.

In F24, we remained committed to bringing something new to our customers, as three new countries joined the vast WIZZ network: the Maldives, Uzbekistan and Iraq. Throughout the year, Wizz Air has expanded by 26 exciting new destinations and 62 fresh routes. Wizz Air Abu Dhabi LLC launched eight new destinations and carried a record-breaking 3 million passengers, more than doubling its capacity compared to the previous year.

Marking remarkable progress, the airline surpassed 90 million passengers carried at London Luton Airport, where Wizz Air is the largest carrier (eleven aircraft operating 50 return flights per day to 60 destinations in 28 countries in F24). We reached another historic milestone of carrying 100 million passengers in Poland in F24 after we greatly expanded our route network and established five operational bases in the country.



Wizz Air has announced its largest ever capacity and schedule for summer 2024, with a €400 million investment in the market, including four new Wizz Air aircraft,

six new routes and increased frequencies on existing routes in Italy. With this expansion, Wizz Air has a total of 14 aircraft stationed in Rome and eight in Milan, serving nearly 230 routes spanning over 40 countries and reinforcing its position as the go-to choice for travellers seeking seamless and diverse connections across Europe and beyond. Since establishing its first base three years ago, Wizz Air has introduced more than 50 new routes previously unserved in the market and created more than 1,000 direct jobs in Italy.

Airport leadership testimonials about Wizz Air's role in society:

- **Jonathan Rayner, Chief Commercial Officer of London Luton Airport, on reaching a milestone of 70 million passengers who have travelled through London Luton Airport with Wizz Air:**

"This is a fantastic achievement for Wizz Air at London Luton Airport and the latest key milestone in a partnership that has continued to flourish since its first flight from Katowice in Poland almost 20 years ago. Since then, London Luton Airport and Wizz Air have worked closely to achieve impressive, sustained growth in passenger numbers and an ever greater choice in destinations, as well as collaborating on new solutions that support the airport's commitment to sustainable aviation. We look forward to another busy year as we continue to focus on delivering a simple and friendly passenger experience and the next big milestone in our partnership."

- **Piervittorio Farabbi, Chief Operational Officer of Tirana International Airport:**

"Wizz Air's continuous commitment to Tirana International Airport has helped immensely to put Albania on the map and open the country to millions of passengers from more countries than ever before. In turn, our commitment and that of Kastrati Aviation Holding is to provide the right facilities and the capacity required to accommodate any future growth."

- **Roberto Barbieri, CEO of GESAC, Naples:**

"The new intercontinental flight to the capital of Saudi Arabia further strengthens the connectivity of Naples Airport to an emerging geographical area in terms of tourism and results in an increase of offer in the Middle East, where flights to Abu Dhabi, Dubai, Istanbul and Tel Aviv are already operating. With Wizz Air, we share investments in and commitments to sustainability: the flight is, in fact, operated by an Airbus 321neo with 239 seats, a latest generation aircraft with less environmental impact, both in terms of noise emissions and CO₂."

STRATEGIC REPORT

- **Irakli Karkashadze, Chief Executive Officer of United Airports of Georgia, on allocating a fourth aircraft at our Kutaisi base, consolidating Wizz Air’s position as the largest airline operating from Kutaisi:**

“We are delighted that we have a possibility to attract new destinations and increase the number of existing flights. Stationing of the fourth jet and increased flight frequencies will result in a huge growth in the number of tourists. The United Airports of Georgia’s goal is to offer quality services to passengers and with our strategic partner Wizz Air we have the opportunity to reach our mutual goals. Today, once again, we are able to see the result of a negotiation and strategy that we have done right.”

- **Maria Kouroupi, Senior Manager of Aviation Development and Communication of Hermes Airports, Cyprus:**

“Wizz Air’s successful establishment in the Cyprus market has been an important milestone for the development of air connectivity on a year-round basis. The continued growth of the airline is significantly contributing to the Cypriot economy and tourism, and we look forward to continuing our partnership approach in further developing the air connectivity in our region.”



Economy-related key metrics

We have previously outlined the role we see for the Company towards the communities and countries where we operate. Our related key metrics include:

COMMUNITIES	UNIT	NOTE	F24	F23	F22
Passenger numbers	m	1	62	51	27
Paid taxes	m EUR	2	809	632	304

Notes:

(1) **Wizz Air reported 62.015 million booked passengers in F24**, an increase of 21.4 per cent compared to F23.

(2) Wizz Air contributes to the communities **it operates in through the payment of taxes**. In F24, a total of **€809,478,216** of taxes were paid in the form of airport-related taxes, corporate income tax, local business taxes in Hungary, payroll taxes, social security and other contributions (yet excluding carbon credit-related fees), or a total of **16 per cent** of revenues. Wizz Air advocates for fair taxation policies, highlighting the disparity in tax treatment that often benefits national airlines. Many jurisdictions impose taxes not tied to carbon emissions intensity but rather based on past emissions, regardless of aircraft technology or noise levels. We are engaging with authorities and environmental agencies to ensure there are environmental taxes to incentivise the right behaviour in the industry.

X. CYBER SECURITY AND DATA PROTECTION

CYBER SECURITY

In today’s hyperconnected world, cyber security is paramount across all sectors. With the aviation industry relying heavily on interconnected digital systems for flight operations, reservations and communication, robust cyber security measures are essential to protect against cyber-attacks, data breaches and potential disruptions. Wizz Air is highly aware of this issue and places it, along with data privacy, at the forefront of its priorities, ensuring the highest level of regulatory compliance.

As cyber threats continue to evolve in sophistication and scale, the importance of robust cyber security measures cannot be overstated. Ultimately, we have continued to invest in and strengthen the relevant processes, systems and policies and have cooperated with the Data Protection function to further increase our security preparedness.

Wizz Air’s Cyber Security Programme is led by a Cyber Security team made up of skilled professionals with extensive experience in the field, focusing on the people, process and technology aspects of cyber by running multiple workstreams. This includes regular risk assessments, compliance audits and oversight of cyber security investments to align with industry best practices and regulatory requirements.

Wizz Air’s Cyber Security Programme is based on the NIST CSF, ISO 27001, Payment Card Industry (PCI) Data Security Standards and Open Web Application Security Project® (OWASP) Standards. Wizz Air holds the Cyber Certificate of Compliance from the Civil Aviation Authority (CAA) UK after going through the Cyber Assessment Framework audit.

The Company follows a layered approach to ensure proper hygiene in cyber and data protection matters. It involves safety mechanisms for prevention as the first line of defence, detection and response mechanisms as the second line of defence, and robust recovery procedures. To mitigate cyber risks and ensure the resilience of our digital systems, the Company employs a comprehensive testing regime that encompasses internal and external security tests, including vulnerability assessments, penetration testing and red team exercises. Our testing systems are designed to simulate real-world cyber threats, providing valuable insights into the effectiveness of our cyber security defences and informing ongoing improvements to our security posture.



As you're likely aware, **IT Security Awareness** plays a pivotal role in our defense strategy. In our tech-centric world, where information flows through electronic devices and services, potential risks lurk that can significantly impact our daily lives. Whether it's a scam or malicious code, these threats have the power to disrupt our financial stability, work processes, and the services we offer to our valued customers.

The increase of internet-based attacks, phishing schemes, and scams underscores the critical importance of IT security teams and defensive solutions. However, there are instances when these safeguards may not suffice. This is where your role as a technology user becomes crucial. Staying well-informed and adopting proper behavior in the digital realm is key to safeguarding yourself from becoming a victim.

Everyone can be subject to cyber threats, and so can you! As you are in the first line of defense, our teams are responsible for giving you proper information and tips on how to use different devices and services, even in your private life, ensuring you can navigate the digital landscape safely.

Cyber Awareness Initiative stands out as a primary channel for delivering crucial information, alerts, and warnings. Through this initiative, all users can elevate their level of protection and awareness, ensuring a safer digital experience for everyone.



Data Breach Awareness: Understanding Personal Data

As employees in the airline industry, it's crucial to understand what constitutes Personal Data. It's not only passenger's names and ticket numbers; it's any information that can identify a person, directly or indirectly.

Examples of what also constitutes as personal data:

Direct Identifiers:

- Passport numbers
- Frequent flyer IDs
- Email addresses for booking confirmations



Indirect Identifiers:

- Seat preferences (indicating personal comfort or medical needs)
- Meal choices (revealing religious or health-related information)
- Travel patterns (frequent destinations)
- Loyalty program data (spending habits, travel preferences)



Every piece of information, no matter how small, can be part of a larger puzzle that reveals a passenger's identity. Always handle all data with care and respect privacy!



Recognising that our employees are one of our first lines of defence against cyber threats, the Company regards employee cyber security awareness and training a crucial factor. As such, a comprehensive and compulsory e-learning training programme for all colleagues is maintained as a key educational and prevention measure, along with regular training sessions, online courses and simulated phishing exercises. Wizz Air’s cyber security and data protection experts have created a cyber security awareness campaign during which each month the team shares valuable insights and practical tips to strengthen the employees’ knowledge of the fast-developing digital landscape. Each October for the Awareness Month, Wizz Air Group holds internal cyber security awareness training including quizzes, one-pagers and informative posts. Fake phishing messages are regularly sent to employees to test situational awareness.

Our employees routinely rely on a well-established IT service desk that is the unified communication channel for reporting operational issues, including cyber relevant cases. Beside the materialised incident reporting, a centralised issue management platform absorbs findings. The reported items are thoroughly investigated and assessed according to our risk management rules and channelled into the operational risk management process.

Wizz Air possesses an end-to-end (E2E) incident management mechanism that manages all aspects of third-party, IT and cyber events and environmental changes and drives the escalation based on predefined impact thresholds, then triggering the appropriate response.

DATA PROTECTION AND DATA GOVERNANCE

Data protection is a fundamental aspect of our operations, guided by strict adherence to regulatory standards and internal policies to ensure the confidentiality, integrity and availability of sensitive information. Therefore, Wizz Air has comprehensive cyber security and data protection measures to mitigate risks, comply with regulatory requirements, and maintain the trust of our customers, employees and stakeholders. Our data protection management framework encompasses comprehensive policies, procedures and controls designed to safeguard personal information.

To ensure data security, Wizz Air has an appointed Group Data Protection Officer (DPO) who oversees our data protection efforts, ensuring privacy by design at all levels and compliance with EU standards such as the General Data Protection Regulation (GDPR) as well as with relevant international and national regulations and guidelines.

To foster comprehensive understanding and awareness across the Group, we uphold an Internal Data Protection Regulation. This regulation outlines the responsibilities of all employees and staff members. It encompasses the confidentiality, authenticity, integrity, availability and functionality of the personal data handled by the Group, safeguarding the privacy of employees, staff, customers, suppliers and business partners.

For the data transfer chain to be legally sound within the value chain, Wizz Air employs its own contract templates aligned with standard regulatory guidelines, primarily:

- the Guidelines 07/2020 of the European Data Protection Board on the concepts of controller and processor in the GDPR (“the EDPB Guidelines 07/2020”); and
- the Commission Implementing Decision (EU) 2021/915 of 4 June 2021 on standard contractual clauses between controllers and processors under Article 28(7) of Regulation (EU) 2016/679 (“the EU C2P Model Contract”).

These standards guarantee proper regulation of the flow of personal data, with suppliers formally committing to their obligations through written data processing agreements, thereby ensuring the protection of personal data transferred outside of the Wizz Air Group.

In addition to the Internal Data Protection Regulation, the Group maintains a set of internal policies accessible to all employees. These policies cover data of customers, suppliers, business partners and employees as well as data classification rules.

Customised, regularly updated data enquiry manuals are available and training sessions are conducted for customer service agents, focusing on the proper recognition and handling of data subject access requests received by Wizz Air Group entities. This tailored training programme features quarterly train-the-trainer sessions for supervisors, monthly multiple choice test-based training sessions, and personalised awareness-raising initiatives for a rotating selection of contact centre agents. Additionally, the Company has initiated an awareness-raising programme, including monthly posts on its internal Wizz Air Group website raising awareness on cyber security and data protection-related issues, e.g. identification of personal data, data breach and data subject access requests.

In case of a data breach, Wizz Air follows and complies with international and industry best practices and standards and its obligation to continuously keep its data breach registry up to date. Whenever there is a suspected data breach, Wizz Air prepares a risk assessment based on the European Union Agency for Cybersecurity’s (ENISA) scoring methodology guidelines to determine the actions needed. Employees have a written obligation to report any suspected data breach to the Group DPO. In order to facilitate the identification of possible data breaches, breach awareness is present throughout Wizz Air Group’s internal pages, as well as training and onboarding materials.

XI. INDICES

RESPONDING TO TCFD RECOMMENDED DISCLOSURES

Governance	Disclose the organisation's governance around climate-related risks and opportunities.
Recommended disclosure a) Describe the board's oversight of climate-related risks and opportunities.	Board-level oversight is with the Chief Executive and the Chairman of the Board, as well as the Sustainability and Culture Committee. See pages 25-28 .
Recommended disclosure b) Describe management's role in assessing and managing climate-related risks and opportunities.	Management defines strategies and drives progress through the Corporate and ESG Officer and the cross-functional Sustainability Council. See pages 25-28 .
<i>Our disclosure is consistent with the TCFD framework.</i>	
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.
Recommended disclosure a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	The ongoing development of our risk register including climate-related risks is integrated into the ERM process (see page 106), but independently researched and supported via our sustainability consultants at Deloitte Ltd. Hungary, as outlined further on pages 33-39 .
Recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	Addressed through our comprehensive climate strategy; see pages 34-39 , where we have outlined how climate risk analysis and risk management are embedded in our financial planning for the short and medium-term risks and opportunities.
Recommended disclosure c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Our climate strategy integrates climate risk assessments and is embedded in our short, medium and long-term planning process. Our climate scenario modelling processes include a qualitative and a quantitative analysis with the applicable risks under four different climate-related scenarios. Please refer to pages 33-39 .
<i>Our disclosure is consistent with the TCFD framework.</i>	
Risk management	Disclose how the organisation identifies, assesses and manages climate-related risks.
Recommended disclosure a) Describe the organisation's processes for identifying and assessing climate-related risks.	Climate-related risks are identified as part of our ERM process (page 106), based on cross-functional alignments and independently reviewed by third-party climate risk assessment experts (pages 33 and 34).
Recommended disclosure b) Describe the organisation's processes for managing climate-related risks.	By integrating sustainability and climate as key focus areas of our corporate strategies, we intend to be a pioneer on all relevant climate-related areas for the Company. See pages 31 and 32 , and 40-55 .
Recommended disclosure c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	We manage climate-related and ESG risks through our corporate ERM framework. The Company's risk register identifies a wide array of ESG-related risks, a sub-group of which includes climate risks. See pages 34 and 106 .
<i>Our disclosure is consistent with the TCFD framework. We are constantly working on developing our ERM framework and the applicable internal risk management processes, to ensure heightened resilience in the face of climate change.</i>	
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended disclosure a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	See pages 19 , and 40-58 for our environmental metrics and targets.
Recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	We report extensively on Scope 1, Scope 2 and Scope 3 emissions on pages 55 and 56 .
Recommended disclosure c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	See page 146 regarding the Directors' Remuneration Report and page 152 for climate-related metrics in CEO incentives.
<i>Our disclosure is consistent with the TCFD framework. We will continue to improve our greenhouse gas disclosure with increased data granularity regarding location-based emissions reporting in the short and medium term.</i>	

GRI Index

Statement of use	Wizz Air Holdings Plc. Registered seat: 44 Esplanade, St Helier, Jersey JE4 9WG, registration number: 103356.
GRI 1 used	The Sustainability Report includes all operating entities under the Company, namely Wizz Air Hungary Ltd., Wizz Air UK Ltd., Wizz Air Abu Dhabi LLC, and Wizz Air Malta Ltd.

GRI 2: GENERAL DISCLOSURE

DISCLOSURE	DETAILS AND LOCATION IN THE REPORT
2-1 Organisational details	Wizz Air Holdings Plc. Registered seat: 44 Esplanade, St Helier, Jersey JE4 9WG, registration number: 103356.
2-2 Entities included in the organisation's sustainability reporting	The Sustainability Report includes all operating entities under the Company, namely Wizz Air Hungary Ltd., Wizz Air UK Ltd., Wizz Air Abu Dhabi LLC, and Wizz Air Malta Ltd.
2-3 Reporting period, frequency and contact point	Reporting period: Financial year 2024 (F24) (1 Apr 2023–31 Mar 2024). Frequency: Annual. Date of publication: 14 June 2024. Contact: dissustainabilityteam@wizzair.com.
2-4 Restatements of information	For the first time in F24, the Company is incorporating the Radiative Forcing Index (RFI) in its CO ₂ emissions reporting as per the recommendation of the UK's Department for Environment, Food and Rural Affairs (DEFRA) 2023 methodology of GHG conversion factors for company reporting. The methodology for accounting for natural gas has been modified in F24. This year, natural gas consumption at all sites is included in Scope 2, categorised as purchased heat. Scope 2 encompasses all heating systems that are not owned or operated directly by the Company compared to last year where natural gas usage was accounted for in Scope 1. In F24, Wizz Air has updated its methodology for waste-to-landfill reporting, now employing EU standards and statistical data to calculate the ratio of waste going to landfill.
2-5 External assurance	Emissions data from intra-European flights (EU and UK Emission Trading Schemes) and all other flights falling under the scope of the UN Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) are reviewed and verified by Verifavia, an independent third party, for the calendar year 2024. Independent assurance is a key part of our approach to reporting. This year, we engaged KPMG Hungary Ltd. to provide limited assurance on Wizz Air Group's environment and greenhouse gas (GHG) metrics, for which the applicable certificate will be separately available on Wizz Air's sustainability website. The Company's F24 GHG reporting will be receiving independent limited assurance from KPMG Hungary Ltd., which will be made available on Wizz Air's sustainability website, once their work is completed.
2-6 Activities, value chain and other business relationships	Aviation and airlines. More details on the Company's supply chain are included in the "Working towards a sustainable supply chain and enhanced third-party risk assessment" section of the ESG Report on page 52.
2-7 Employees	Total number of employees in F24: 8,044. More information in the people metrics table on page 78.
2-8 Workers who are not employees	Data related to the indirect/contractor employee data and information is currently insufficient. The Company is actively engaged in compiling a more relevant and exhaustive set of data for future use.
2-9 Governance structure and composition	Wizz Air's sustainability governance is explained on pages 25–28. Wizz Air's central governance structure and composition is covered in the Corporate chapter on pages 114–171.
2-10 Nomination and selection of the highest governance body	Detailed under the corporate chapter, from page 144.
2-11 Chair of the highest governance body	William A. Franke – Chairman of the Board of Directors.

DISCLOSURE		DETAILS AND LOCATION IN THE REPORT
2-12	Role of the highest governance body in overseeing the management of impacts	Our sustainability and climate governance section can be found on page 25 . Corporate chapter, pages 114–171 .
2-13	Delegation of responsibility for managing impacts	The climate risk management section of the report starts on page 27 .
2-14	Role of the highest governance body in sustainability reporting	The Board of Directors, including the Sustainability and Culture Committee, has ultimate oversight of the Company's sustainability strategy, its TCFD reporting, climate-related issues and target setting, reported to it by the responsible Corporate and ESG Officer. The Audit and Risk Committee of the Board receives bi-annual updates about the climate-related physical and transition risks via the Enterprise Risk Management framework and the Group's Leadership Team. The Sustainability Report was reviewed and approved by Wizz Air's responsible Executive Officer, as well as the Sustainability and Culture Committee and the Board of Directors.
2-15	Conflicts of interest	Ethical business conduct section, pages 28–29 . Policy of Good Conduct.
2-16	Communication of critical concerns	Anti-Corruption Policy. Policy of Good Conduct.
2-17	Collective knowledge of the highest governance body	Corporate chapter, page 124 .
2-18	Evaluation of the performance of the highest governance body	Corporate chapter, page 122 .
2-19	Remuneration policies	Corporate chapter, pages 146–163 .
2-20	Process to determine remuneration	Corporate chapter, pages 146–163 .
2-21	Annual total compensation ratio	Corporate chapter, page 164 .
2-22	Statement on sustainable development strategy	Position on climate change section, page 31 . UN Sustainable Development Goals, page 20 .
2-23	Policy commitments	Anti-Corruption Policy. Policy of Good Conduct. Equal Opportunities and Fair Treatment Policy. Supplier Code of Conduct. Anti-Slavery and Human Trafficking Policy.
2-24	Embedding policy commitments	See 2-23.
2-25	Processes to remediate negative impacts	See 2-23.
2-26	Mechanisms for seeking advice and raising concerns	See 2-23.
2-27	Compliance with laws and regulations	Ethical business conduct section, page 28 .
2-28	Membership associations	Member of the European Commission's Alliance for Zero Emission Aviation, and the Renewable and Low-Carbon Fuels Value Chain Industrial Alliance, pages 50–52 .
2-29	Approach to stakeholder engagement	Stakeholder management section, page 22 .

STRATEGIC REPORT

2-30 Collective bargaining agreements

Wizz Air is not party to any third-party collective bargaining agreements. Wizz Air's approach to employee engagement is one of innovative direct dialogue, which is the most effective way to safeguard and promote: (i) the right to freedom of expression; (ii) the right to obtain or impart information necessary to make an informed choice on matters relevant to the workplace; and (iii) the right to protection against interference with privacy, family, home, correspondence or reputation.

Our approach is based on cooperation by relying on face-to-face interaction and communication through innovative technologies. This approach offers a better alternative to more contentious and outdated practices used by third parties.

We remain faithful to these convictions by relying on our People Council which provides a platform for discussions between management and employees. In addition, the Company has appointed a dedicated independent Board member responsible for overseeing engagement with employees. Feedback is periodically shared with the Board of Directors and transformed into actions relating to remuneration and work-life balance. Our executive management (including our CEO) conducts regular floor talks and base visits where all employees are invited to participate, raise any topic they may deem relevant and discuss it openly and transparently.

GRI 3: MATERIAL TOPICS

DISCLOSURE

	DETAILS AND LOCATION IN THE REPORT
3-1 Process to determine material topics	Materiality assessment section, pages 22-23 .
3-2 List of material topics	Materiality assessment section, pages 22-23 .

GRI 305: EMISSIONS

3-3 Management of material topics	Environment section, pages 40-58 .
305-1 Direct (Scope 1) GHG emissions	All environmental metrics section, page 55 .
305-2 Energy indirect (Scope 2) GHG emissions	All environmental metrics section, page 55 .
305-3 Other indirect (Scope 3) GHG emissions	All environmental metrics section, page 55 .
305-4 GHG emissions intensity	All environmental metrics section, page 55 .
305-5 Reduction of GHG emissions	Environment section, pages 40-58 .

CLIMATE CHANGE

3-3 Management of material topics	Our climate-related targets and priorities section, pages 31-39 .
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RENEWABLES

3-3 Management of material topics	Sustainable aviation fuels section, page 46 .
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NOISE EMISSIONS

3-3 Management of material topics	Noise emission reductions section, page 49 .
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GRI 401: EMPLOYMENT

3-3 Management of material topics	People section of the report, page 66-79 .
401-1 New employee hires and employee turnover	People metrics section, page 78 .
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People metrics section, page 78 .
401-3 Parental leave	<p>Wizz Air acknowledges the significance of striking a balance between work and personal commitments. Keeping this in mind, we offer flexible options (e.g flexible work schedule, home office arrangements) for employees returning from parental leave whilst also complying with all applicable local regulations.</p> <ul style="list-style-type: none"> • A total of 618 employees took parental leave during F24, comprising 602 females and 16 males. • A total of 246 employees returned to work after parental leave, 235 females and 11 males. • A total of 192 employees returned to work in F23 and are still working after 365 days of return, 170 females and 22 males. • In F24, the retention rate for employees who took parental leave was 82 per cent, with 81 per cent of females and 88 per cent of males retained.

GRI 403: OCCUPATIONAL HEALTH AND SAFETY

STRATEGIC REPORT

3-3	Management of material topics	Health and safety and operational safety section, page 64 .
403-1	Occupational health and safety management system	Health and safety and operational safety section, page 64 .
403-3	Occupational health services	Health and safety and operational safety section, page 64 .
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and safety and operational safety section, page 64 .
403-5	Worker training on occupational health and safety	Training of our flight and cabin crew, page 67 .
GRI 404: TRAINING AND EDUCATION		
3-3	Management of material topics	Recruit and develop our employees section, pages 67-73 .
404-1	Average hours of training per year per employee	People metrics section, page 78 .
404-2	Programmes for upgrading employee skills and transition assistance programmes	Recruit and develop our employees section, page 67 .
404-3	Percentage of employees receiving regular performance and career development reviews	Regular performance and talent review section, page 70 .
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
3-3	Management of material topics	The diversity of our employees section, pages 70-73 .
405-1	Diversity of governance bodies and employees	The diversity of our employees section, pages 70-73 .
ETHICAL BUSINESS CONDUCT		
3-3	Management of material topics	Our commitment to ethical business conduct, page 28 .
GRI 416: CUSTOMER HEALTH AND SAFETY		
3-3	Management of material topics	Health and safety and operational safety section, page 64 .
416-1	Assessment of the health and safety impacts of product and service categories	Health and safety and operational safety section, page 64 .
COMPLAINTS MANAGEMENT		
3-3	Management of material topics	Continuous improvement of customer experience section, page 80 .

MODERN SLAVERY ACT DISCLOSURE STATEMENT 2024

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and pertains to the fiscal year ended 31 March 2024. This statement is made by Wizz Air Holdings Plc, the parent of all four operating airlines, Wizz Air Hungary Ltd., Wizz Air UK Ltd., Wizz Air Abu Dhabi LLC and Wizz Air Malta Ltd., on behalf of the Group (together, "Wizz Air", "we").

Wizz Air is committed to acting ethically and with integrity in our business dealings. It is Wizz Air's expectation that our suppliers also conduct themselves in this manner. Wizz Air is committed to improving its practices to combat slavery and human trafficking and seek out where it exists in our dealings with third parties and suppliers, and in our supply chain in order to meet our commitments. As defined by the UK Modern Slavery Act 2015, "modern slavery" includes the offences of "slavery, servitude and forced or compulsory labour", as well as "human trafficking".

In accordance with section 54 of the Act, in this statement we refer to the following:

1. organisational structure and supply chain;
2. policies;
3. due diligence;
4. risk assessment;
5. our effectiveness in combating slavery and human trafficking; and
6. training.

1. Organisational structure and supply chain

a) WIZZ

Wizz Air offers low-cost, low-fare passenger air transportation services on scheduled short-haul and medium-haul point-to-point routes across Europe and to a number of destinations in the Middle East, as well as North Africa and Northwest Asia. A team of dedicated aviation professionals delivers superior service, making Wizz Air the preferred choice of 62.0 million passengers in the financial year F24 ended 31 March 2024. Its fleet consists of 208 aircraft and its network spans more than 924 routes across more than 50 countries. Wizz Air employs over 8,000 people across a network of 30 bases. Our Company is incorporated in Jersey. Wizz Air Holdings Plc has four airline subsidiaries: Wizz Air Hungary Ltd., Wizz Air UK Ltd., Wizz Air Malta Ltd. and Wizz Air Abu Dhabi LLC. For further details of Wizz Air's subsidiaries and corporate structure, please see page [216](#).

b) Our supply chain

Wizz Air expects its suppliers to adhere to the highest standards of business internally and in relation to their respective supply chains, and comply with their own human rights regimes and Modern Slavery Act obligations. Wizz Air operates in a highly regulated sector and our supply chain is predominantly service based within Europe. Our suppliers have to conform to the necessary aviation safety standards and certification. However, we recognise that we play a part in making a contribution to reduce the occurrence of modern slavery and human trafficking.

Whilst we have received no reports of incidents, we are taking steps to identify and detect human trafficking. We recognise that we need to update our processes to detect such incidents. Our Anti-Slavery and Human Trafficking Policy assists us in doing this. The policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, Directors, Officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.

2. Policies

We are committed to assessing any instance of non-compliance regarding modern slavery or human trafficking on a case-by-case basis. We have in place policies related to human rights principles, including our Anti-Slavery and Human Trafficking Policy. As well as this, our Code of Ethics, "The Wizz Way", applies to every Company employee regardless of seniority. These, along with our Supplier Code of Conduct, Whistleblowing Policy, Anti-Fraud Policy and Anti-Corruption Policy, help us to maintain an effective compliance environment across our supply chain. Actions in relation to these policies are reviewed by the Audit and Risk Committee of the Board.

These policies are part of employees' onboarding programme, and are also accessible via the Company's intranet site. New or revised policies are published on Wizz Air's internal Workplace site to raise awareness. Our Supplier Code of Conduct is included in all tenders and requires acknowledgement and acceptance as a prerequisite for all candidates.

STRATEGIC REPORT

3. Due diligence

Due diligence processes include management of compliance with our Supplier Code of Conduct and ensuring that the Company's Purchasing department incorporates dedicated contractual clauses into agreements, ensuring the prevention of slavery. Wizz Air has recently entered into a partnership with a company specialised in third-party risk management; its solution will allow assessments across various environmental, social and governance topics and enables a thorough analysis of our supplier base, to identify and successfully manage risks during tender evaluations and after contracting as well.

4. Risk assessment

Risk assessments are undertaken as part of our whistleblowing processes and Supplier Code of Conduct compliance. Our Whistleblowing Policy covers any report made via whistleblowing channels of any infringement of the Code of Conduct of Wizz Air or the laws of any jurisdiction, where a Wizz Air entity is established, or the European Union. WIZZ believes that in order to ensure the continued integrity of its business, there shall be an effective reporting line for its employees. If the employees suspect any breach of Company policies, they can raise their concerns and report it to the relevant personnel anonymously via the whistleblowing programme, as detailed in the policy.

5. Our effectiveness in combating slavery and human trafficking

We are committed to ensuring that collectively these measures will help to assist us in combating modern slavery and human trafficking. However, we recognise that we need to measure our effectiveness through the use of KPIs, and we will be looking to use indicators such as vetting procedures, supplier screening measures, sub-contractor inspections (particularly in known at-risk countries), whistleblowing reports, percentage of staff trained, and any remedial action taken following reports or incidents of slavery or human trafficking in the near future.

As part of our ongoing commitment to combating modern slavery and human trafficking, we will continue to review and develop our processes.

6. Training

Wizz Air delivers online compliance training relating to its Code of Ethics to every staff member. In addition, we are adding anti-slavery training to every crew member as part of their annual security training sessions. Furthermore, employees are encouraged to raise legal or ethical concerns through various channels, such as their managers or any member of the management team or Human Resources. This is a key feature of our Anti-Slavery and Human Trafficking Policy as well as our Whistleblowing Policy.

The above statement has been approved by the Board of Wizz Air Holdings Plc.

József Váradi
Chief Executive Officer
14 June 2024

FINANCIAL REVIEW

In F24, Wizz Air reported a net profit of €365.9 million, returning to a full fiscal year of profitable operations as it carried a record 62.0 million passengers (F23: 51.1 million). It was also a year in which Wizz Air delivered markedly improved operations, increasing on-time performance, aircraft utilisation and staff productivity. As the industry continued its post-COVID-19 recovery, Wizz Air recorded its third consecutive year of record capacity year-on-year growth, adding 24.5 per cent more capacity vs F23.

Total revenue increased by 30.2 per cent year on year, and unit revenue grew by 4.6 per cent, demonstrating that our choice of markets and fleet allocation programme are delivering amid another year of record capacity growth. We captured demand well across both the mature and maturing segments of our network, absorbing operational disruptions, including the emergence of the Israel–Hamas war in October of last year.

The resilience of the business was further tested with the grounding of a portion of our neo fleet for mandatory engine inspections. Despite the grounding of nearly a quarter of our fleet at the beginning of the fourth quarter, as a result of timely and decisive action in response to this challenge, we are confident that, in the current year, we will be able to operate capacity comparable to last year. We expect to achieve this through a combination of new aircraft deliveries, existing fleet lease extensions, securing additional aircraft capacity from the market and delivering higher utilisation.

The grounding of our neo fleet contributed to cost pressures, compounding the challenges of an already strained supply chain. However, we moved swiftly to secure a comprehensive support and compensation package from the OEM, mitigating the operational and financial impact on the business.

During the year, flight disruption charges were elevated, exacerbated by supply chain and geopolitical events. This further validates our resolution to continue to invest in both our operations and the customer experience, as the business continues to expand and to ensure greater resilience in the face of challenges. In terms of broader cost trends during F24, the structural advantages of operating a young fuel-efficient fleet (age 4.3 years) with high-density seating (224 average seat count), and our ultra-low-cost business model, were evident in our positive results. We delivered 7.8 per cent lower unit ex-fuel costs year on year, reaching €2.38 cents per ASK.

Total fuel costs, including the cost of carbon and the impact of hedging, were 5.0 per cent lower year on year, while fuel CASK decreased by 23.7 per cent, as market prices came down compared to the previous year. We also saw an improvement in fuel efficiency, measured in fuel consumption/ASK, which reduced by 1.6 per cent year on year. Our policies of hedging jet fuel and related foreign currency have equally protected the business well during the year, and we continue to take a considered approach to hedging going forward. During the year, we secured further EUR currency leases and have introduced new fleet ownership structures (in addition to JOLCO) that will impact deliveries in the current fiscal year.

The macro variables with significant influence on the financial performance of the Group:

	F24	F23	Change
Average jet fuel price (\$/metric tonne, including into-plane premium and impact of effective hedges)	1,000	1,218	(17.9)%
Average EUR/USD rate (including impact of effective hedges)	1.08	1.04	4.2%
Year-end EUR/USD rate	1.08	1.08	—

STRATEGIC REPORT

Financial overview

Summary consolidated statement of comprehensive income

€ million	F24	F23	Change
Total revenue	5,073.1	3,895.7	30.2%
Fuel costs	(1,855.7)	(1,954.4)	(5.0)%
Operating expenses excluding fuel costs	(2,779.5)	(2,408.1)	15.4%
Total operating expenses	(4,635.2)	(4,362.5)	6.3%
Operating profit/(loss)	437.9	(466.8)	n.m.
Operating margin	8.6%	(12.0)%	n.m.
Net financing expense	(96.8)	(97.9)	(1.1)%
Profit/(loss) before income tax	341.1	(564.6)	n.m.
Income tax credit	24.8	29.5	(16.1)%
Profit/(loss) for the year	365.9	(535.1)	n.m.

n.m.: not meaningful as a variance is more than (-)100 per cent.

Earnings/(loss) per share

Earnings/(loss) per share, EUR (Note 12)	F24	F23	Change
Basic earnings/(loss) per share, €	3.64	(5.07)	8.71
Diluted earnings/(loss) per share, €	2.96	(5.07)	8.03

Financial performance

Revenue

The following table sets out an overview of revenue streams for F24 and F23 and the percentage change in those items:

	F24		F23		Percentage change
	Total (€ million)	Percentage of total revenue	Total (€ million)	Percentage of total revenue	
Passenger ticket revenue ¹	2,804.2	55.3%	2,024.9	52.0%	38.5%
Ancillary revenue ¹	2,268.9	44.7%	1,870.8	48.0%	21.3%
Total revenue	5,073.1	100.0%	3,895.7	100.0%	30.2%

1. For further definition of non-financial measures presented refer to the Glossary of terms and Alternative performance measures (APMs) sections of this document.

Total revenue increased by 30.2 per cent to €5,073.1 million in F24 from €3,895.7 million in F23 driven mainly by the capacity increase year on year and a stronger load factor, supported by sustained customer demand. Passenger ticket revenue increased by 38.5 per cent to €2,804.2 million in F24 from €2,024.9 million in F23, and ancillary revenue increased by 21.3 per cent to €2,268.9 million in F24 from €1,870.8 million in F23. RASK increased by 4.6 per cent to 4.17 Euro cents in F24 from 3.98 Euro cents in F23. Ticket RASK increased by 11.2 per cent to 2.30 Euro cents in F24, reflecting improved load factor year on year and a favourable pricing environment, specifically during the peak periods. Ancillary RASK decreased by 2.6 per cent to 1.86 Euro cents, mainly driven by the impact of the Israel–Hamas war denting demand in markets with high ancillary spend.

Operating expenses

Total operating expenses increased by 6.3 per cent to €4,635.2 million in F24 from €4,362.5 million in F23. Total CASK decreased to 3.90 Euro cents in F24 from 4.58 Euro cents in F23, driven mainly by lower fuel charges in the period along with sale and leaseback gains and supplier compensations in the other expense line. Ex-fuel CASK decreased by 7.8 per cent to 2.38 Euro cents in F24 from 2.58 Euro cents in F23, reflecting improved aircraft utilisation and on-time performance, various savings in navigation and maintenance lines plus the effect of supplier compensations and gains from multiple spare engine financing in the last fiscal quarter (spare engines advanced to support GTF engine inspections).

STRATEGIC REPORT

The following table sets out for F24 and F23 the expenses relevant for the CASK measure and the percentage changes in those expenses:

	F24			F23			Percentage change of total cost
	Total (€ million)	Percentage of total operating expenses	Unit cost (€cts/ASK)	Total (€ million)	Percentage of total operating expenses	Unit cost (€cts/ASK)	
Staff costs	507.8	11.0%	0.42	373.9	8.6%	0.38	35.8%
Fuel costs	1,855.7	40.0%	1.52	1,954.4	44.8%	2.00	(5.0)%
Distribution and marketing	117.1	2.5%	0.10	91.5	2.1%	0.09	27.9%
Maintenance materials and repairs	285.0	6.1%	0.23	237.0	5.4%	0.24	20.3%
Airport, handling and en-route charges	1,210.1	26.1%	0.99	963.2	22.1%	0.99	25.6%
Depreciation and amortisation	755.3	16.3%	0.62	601.1	13.8%	0.61	25.7%
Net other (income)/expense	(95.8)	(2.1%)	(0.08)	141.3	3.2%	0.14	(167.8)%
Total operating expenses	4,635.2	100.0%	3.81	4,362.5	100.0%	4.46	6.3%
Net cost from financial income and expense	116.2		0.10	114.5		0.12	1.5%
Total	4,751.4		3.90	4,476.9		4.58	6.1%
<i>Total ex-fuel cost</i>	2,895.7	62.5%	2.38	2,522.6	57.8 %	2.58	14.8%

Staff costs were €507.8 million in F24, up by 35.8 per cent from €373.9 million in F23, reflecting a 16.4 per cent increase in staff numbers, higher aircraft utilisation and the cost-of-living adjustments to salaries year on year.

Fuel costs decreased by 5.0 per cent to €1,855.7 million in F24 from €1,954.4 million in F23 and fuel CASK decreased by 23.7 per cent to 1.52 Euro cents in F24 from 2.00 Euro cents in F23. The average fuel price, including hedging impact and into-plane premium, decreased by 17.9 per cent to \$1,000 per metric tonne in F24 from \$1,218 per metric tonne in F23. In addition to fuel price impact, fuel consumption (metric tonnes per ASKs) decreased by 1.6 per cent year on year, as the share of neo (more fuel-efficient aircraft variant) in the fleet reached 61.1 per cent.

Distribution and marketing costs increased by 27.9 per cent to €117.1 million in F24 from €91.5 million in F23 tracking in line with the revenue increase during the period.

Maintenance, materials and repair costs increased by 20.3 per cent to €285.0 million in F24 from €237.0 million in F23, due to larger fleet and greater number of maintenance events.

Airport, handling and en-route charges increased by 25.6 per cent to €1,210.1 million in F24 from €963.2 million in F23, reflecting the increase in passenger numbers versus last year.

Depreciation and amortisation charges increased by 25.7 per cent to €755.3 million in F24, up from €601.1 million in F23, driven mainly by larger fleet and the increased aircraft utilisation (operational utilisation in F24 was 12:25 hours versus 11:08 hours in F23).

Net other income of (95.8) million in F24, compared to a €141.3 million expense in F23, consists mainly of: gains on aircraft and engine sale and leaseback transactions of €244.8 million, credits and compensation received from suppliers of €198.6 million, flight disruption-related expenses of €186.9 million and various expenses related to crew and overheads amounting to €66.4 million and €83.2 million, respectively. For further details, please refer to Note 7.

Net financing income and expense

The following table sets out an overview of net financing expenses for F24 and F23 and the percentage change in those items:

€ million	F24	F23	Change
Net financial expense	(116.2)	(114.5)	1.5%
Net foreign exchange gains	19.4	16.6	16.8%
Net financing expense	(96.8)	(97.9)	(1.1)%

STRATEGIC REPORT

Net financing expenses decreased by 1.1 per cent to €96.8 million in F24 from €97.9 million in F23, of which:

- ▶ Financial income represents an increase of 287.2 per cent on the back of an increase in short-term cash deposits and higher interest rate environment in F24.
- ▶ Financial expenses increased by 45.4 per cent driven by the interest charges related to lease liabilities under IFRS 16 connected to the increased fleet size and the higher interest rate environment, PDP financing and ETS repurchasing.
- ▶ Net foreign exchange gains increased by 16.8 per cent due to a more favourable EUR/USD exchange environment during F24. The unrealised portion of the foreign exchange gain, mainly driven by revaluation of US Dollar denominated lease liabilities, amounted to a €34.2 million gain in F24, compared to a €9.1 million gain in F23.

Taxation

The Group recorded an income tax credit of €24.8 million in F24 compared to the €29.5 million credit in F23. The effective rate for the Group in F24 was negative 7.3 per cent compared to 5.2 per cent in F23. The main components of the tax credit in F24 were changes in deferred tax assets, partially offset by corporate income tax and local business tax charges in Hungary. For further details please refer to Note 11.

Profit for the year

The Group earned a net profit of €365.9 million in F24, compared to the net loss of €535.1 million in F23.

Other comprehensive income and expenses

In F24 the Group had other comprehensive income of €129.4 million compared to an expense of €88.8 million in F23. The change is mainly attributable to the favourable impact of fair values of the Group's open hedge positions in F24.

Return on capital employed and capital structure

Return on capital employed (ROCE)¹ is a non-statutory performance measure commonly used to measure the financial returns that a business achieves on the capital it uses. ROCE for F24 was 11.1 per cent, compared to (13.5) per cent for the previous year.

Two rating agencies, Fitch and Moody's, have issued updates during the third quarter with Fitch maintaining Wizz Air's BBB- investment grade profile with negative outlook, while Moody's issued a Ba1 rating with stable outlook.

The Company's leverage ratio¹ is 4.0 at the end of the 2024 financial year, while liquidity¹ decreased to 29.2 per cent from 36.2 per cent at the end of the 2023 financial year partially as a result of the Company repaying its January 2024 maturity €500 million bond obligation from cash on hand.

	F24	F23	Change
ROCE	11.1%	(13.5)%	24.6 ppt
Leverage ratio	4.0	29.0	(25.0) ppt
Liquidity	29.2%	36.2%	(7.0) ppt

1. For definitions of non-financial measures presented refer to the Glossary of terms and Alternative performance measures (APMs) sections of this document.

STRATEGIC REPORT

Cash flows and financial position

Summary statement of cash flows

The following table sets out selected cash flow data and the Group's cash and cash equivalents for F24 and F23:

€ million	F24	F23	Change
Net cash generated by operating activities	676.8	421.9	60%
Net cash (used in)/generated by investing activities	(360.0)	532.9	n.m.
Net cash used in financing activities	(1,016.1)	(311.2)	n.m.
Net (decrease)/increase in cash and cash equivalents	(699.3)	643.7	n.m.
Cash and cash equivalents at the beginning of the year	1,402.6	766.6	83%
Effect of exchange rate fluctuations on cash and cash equivalents	13.1	(7.7)	n.m.
Cash and cash equivalents at the end of the year	716.4	1,402.6	(49)%

n.m.: not meaningful as a variance is more than (-)100 per cent.

Cash flows from operating activities

The majority of Wizz Air's cash inflows from operating activities are derived from the sale of passenger tickets and ancillary services. Net cash flows from operating activities are also affected by movements in working capital items.

Cash generated by operating activities increased from €421.9 million in F23 to €676.8 million in F24 primarily driven by the following factors:

- ▶ Operating cash flows before adjusting for changes in working capital improved by €892.0 million year on year driven by the market recovery and increase in demand.
- ▶ Changes in working capital deteriorated by €626.7 million, primarily due to stabilised trading conditions. This stability led to smaller fluctuation in unearned revenue (tickets paid by passengers for future flights), following a significant increase in post-COVID-19 activity. Additionally, there were higher levels of trade and other receivables (payments pending for collection on tickets sold) and accrued credits from key suppliers.

Cash flows from investing activities

Investing activities resulted in €360.0 million net cash used in F24, compared to €532.9 million net cash generated in F23, due to the following:

- ▶ The net cash flows from advances paid and refunded in relation to aircraft deliveries increased by €121.8 million from a €12.1 million cash outflow in F23 to a €109.7 million cash inflow in F24.
- ▶ Cash outflows due to the increase in short-term cash deposits was €748.5 million in F24 compared to the cash inflow in the amount of €450.0 million due to the decrease in cash deposits in F23.
- ▶ Net cash flows from the purchase and sale of tangible and intangible assets including sale and leaseback transactions increased by €130.7 million from a €77.60 million cash inflow in F23 to a €208.3 million cash inflow in F24.

Cash flows from financing activities

Net cash outflow from financing activities increased from €311.2 million (F23) to €1,016.1 million in F24. The principal elements of the F24 outflow were as follows:

- ▶ Repayments of loans and other types of financing and interest on them amounting to €1,499.0 million (F23: €619.7 million) which includes bond repayment and interest payment on the bond of €511.8 million (F23: €11.8 million interest), less proceeds from new loans and other types of financing of €482.9 million (F23: €308.5 million) comprising aircraft and engine financing of €228.9 million (F23: €308.5 million) and a borrowing secured with emission trading scheme (ETS) units of €254.0 million (F23: €nil).

STRATEGIC REPORT

Summary consolidated statement of financial position

The following table sets out summary statements of the financial position of the Group for F24 and F23:

€ million	F24	F23	Change
ASSETS			
Property, plant and equipment	5,815.0	4,666.0	1,149.0
Restricted cash ¹	109.4	120.4	(11.0)
Derivative financial instruments ¹	36.9	1.2	35.7
Trade and other receivables ¹	706.7	411.4	295.3
Short-term cash deposits	751.1	—	751.1
Cash and cash equivalents	728.4	1,408.6	(680.2)
Other assets ¹	547.4	426.8	120.6
Total assets	8,694.9	7,034.4	1,660.5
EQUITY AND LIABILITIES			
EQUITY			
Equity	145.7	(357.9)	503.6
LIABILITIES			
Trade and other payables ¹	1,022.4	945.4	77.0
Borrowings (incl. convertible debt) ¹	6,269.7	5,301.4	968.3
Deferred income ¹	944.6	873.6	71.0
Derivative financial instruments ¹	0.7	108.4	(107.7)
Provisions ¹	274.3	156.1	118.2
Other liabilities ¹	37.5	7.3	30.2
Total liabilities	8,549.2	7,392.3	1,156.9
Total equity and liabilities	8,694.9	7,034.4	1,660.5

1. Including both current and non-current asset and liability balances, respectively.

Property, plant and equipment increased by €1,149.0 million as at 31 March 2024 compared to 31 March 2023, primarily driven by the investment made in JOLCO financed aircraft and sale and leaseback financed right-of-use assets (see also Notes 13 and 14 to the financial statements).

Restricted cash (current and non-current) decreased by €11.0 million as at 31 March 2024 compared to the year before. The majority of this balance is linked to Wizz Air's aircraft lease contracts, being cash deposits behind letters of credit issued by Wizz Air's banks related primarily to lease security deposits and maintenance reserves.

Derivative financial assets (current and non-current) increased by €35.7 million as at 31 March 2024 compared to 31 March 2023 (see also Notes 3 and 21 to the financial statements). These balances are related to fuel hedge instruments.

Trade and other receivables increased by €295.3 million as at 31 March 2024 compared to 31 March 2023. This was primarily driven by an increase in trade receivables as a result of increased sales and operational level.

Cash and cash equivalents amounted to €728.4 million at 31 March 2024 (2023: €1,408.6 million), and short-term cash deposits to €751.1 million at 31 March 2024 (2023: €nil).

Borrowings (including convertible debt) increased by €968.3 million as at 31 March 2024 compared to 31 March 2023. The increase was primarily driven by lease liabilities recognised during the fiscal year, and financing against aircraft pre-delivery payments (see Note 23 to the financial statements).

Deferred income increased by €71.0 million as at 31 March 2024 compared to 31 March 2023 (see Note 26 to the financial statements). This was primarily driven by an increase in unearned revenue and in deferred supplier credits.

Derivative financial liabilities (current and non-current) decreased by €107.7 million as at 31 March 2024 compared to 31 March 2023 (see Notes 3 and 21 to the financial statements). These balances are related to fuel hedge instruments.

Provisions increased by €118.2 million as at 31 March 2024 compared to 31 March 2023, in line with the planned aircraft maintenance schedule (see Note 29 to the financial statements).

In F24, the Group's financial position returned to positive, marking a significant recovery. This turnaround was driven by stabilised trading conditions, increased post-COVID-19 activity, and substantial capacity growth. These factors contributed to improved cash flows and a stronger financial foundation, positioning the Group for sustained growth and resilience.

STRATEGIC REPORT

Hedging strategy

Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit and Risk Committee. The hedging policy's objective is to establish a framework to identify, report and manage foreign currency and fuel exposures aiming to provide greater certainty and protection to the value of the Group's net income, net equity and related cash flows that are exposed to possible adverse movements in foreign currency exchange rates and jet fuel prices. This is achieved through disciplined programmatic and discretionary layering for a set time horizon (18 months) with regular rollover maintaining hedge coverage levels.

The hedges under the hedging policy will be rolled forward quarterly, 18 months out, with coverage levels over time reaching indicatively between 65 per cent for the first quarter of the hedging horizon and 15 per cent for the last quarter of the hedging horizon. Hedging instruments are zero-cost collars mostly but also jet fuel swaps are used for shorter dated exposures. In line with the hedging policy, Wizz Air also hedges its fuel consumption-related US Dollar exposure in a similar fashion. Hedge coverages as of 17 May 2024 are set out below:

Fuel hedge coverage

Period covered	F25	F26
	11 months	7 months
Exposure in metric tonnes ('000)	1,655.1	1,811.7
Coverage in metric tonnes ('000)	981.0	185.0
Hedge coverage for the period	59%	10%
Coverage by hedge types:		
Zero-cost collars in metric tonnes ('000)	934.0	185.0
Weighted average ceiling	\$859.0	\$850.0
Weighted average floor	\$750.0	\$737.0
SWAP in metric tonnes ('000)	47.0	—
Weighted average price	\$811.0	—

Foreign exchange hedge coverage

Period covered	F25	F26
	11 months	7 months
Exposure (million)	\$1,353.0	\$1,437.0
Coverage (million)	\$845.0	\$152.0
Hedge coverage for the period	62%	11%
Weighted average ceiling	\$1.1222	\$1.1249
Weighted average floor	\$1.0790	\$1.0820

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Near-term and full-year outlook:

The near-term and full-year outlook is summarised as follows:

- ▶ Capacity (ASKs): H1 F25 and F25 flat YoY;
- ▶ Load factors: F25 92 per cent;
- ▶ Revenue: F25 RASK up high single digit YoY;
- ▶ Cost: F25 ex-fuel CASK up high single digit YoY; and F25 fuel CASK “flattish” YoY;
- ▶ Net income: F25 in the range of €500-600 million, at current FX rates; and
- ▶ Group corporate effective tax rate (ETR): 14 per cent.

Certain information provided in this Annual Report pertains to forward-looking statements and is subject to significant risks and uncertainties that may cause actual results to differ materially. It is not feasible to enumerate all the factors and specific events that could impact the outlook and performance of an airline group operating across Europe, the Middle East, and beyond, as Wizz Air does. Some of the factors that are susceptible to change and could notably influence Wizz Air’s anticipated results include demand for aviation transport services, fuel costs, competition from both new and established carriers, availability of Pratt & Whitney GTF engines, turnaround times at Engine Shops, expenses related to environmental, safety, and security measures, the availability of suitable insurance coverage, actions taken by governments and regulatory agencies, disruptions caused by weather conditions, air traffic control strikes, revenue performance and staffing issues, delivery delays of contracted aircraft, fluctuations in exchange and interest rates, airport access and fees, labour relations, the economic climate within the industry, passengers’ inclination to travel, social, and political factors, including global pandemics, and unforeseen security incidents.

Ian Malin
Chief Financial Officer
14 June 2024

KEY STATISTICS

	F24	F23	Change
CAPACITY			
Number of aircraft at end of period*	208	179	16.2%
<i>Number of operating aircraft at end of period*</i>	160	179	(10.6%)
Equivalent aircraft*	190.8	163.8	16.5%
<i>Equivalent operating aircraft*</i>	176.4	163.8	7.7%
Utilisation (block hours per aircraft per day)	11:29	11:08	3.1%
<i>Utilisation (block hours per operating aircraft per day)</i>	12:25	11:08	10.2%
Total block hours	802,346	666,476	20.4%
Total flight hours	699,837	580,863	20.5%
Revenue departures	309,594	267,707	15.6%
Average departures per day per aircraft	4.43	4.48	(1.1%)
Seat capacity	68,813,271	58,190,317	18.3%
Average aircraft stage length (km)	1,769	1,680	5.3%
Total ASKs ('000 km)	121,749,697	97,779,087	24.5%
OPERATING DATA			
RPKs (revenue passenger kilometres) ('000 km)	109,962,210	86,807,338	26.7%
Load factor (%)	90.1%	87.8%	2.6%
Number of passenger segments	62,015,792	51,071,836	21.4%
Fuel price (US\$ per tonne, including hedging impact and into-plane premium)	1,000	1,218	(17.9%)
Foreign exchange rate (US\$/€ including hedging impact)	1.09	1.04	4.8%

* In F23 aircraft at end of period includes three Ukraine aircraft that were considered operational during F23 and therefore were also included in operating aircraft at end of period. In F24 aircraft at end of period includes three Ukraine aircraft although these aircraft are now excluded from operating aircraft at end of period.

EMERGING AND PRINCIPAL RISKS AND UNCERTAINTIES

This section of the Annual Report sets out our risk management process and provides an overview of the emerging and principal risks that could, if not appropriately dealt with, affect Wizz Air's future success. Risk management is a dynamic and ever evolving area, and the Company is committed to proactively identifying and effectively managing risks.

We continued integrating the lessons learned from the past few years, such as the ongoing war between Ukraine and Russia that caused high geopolitical instability, high fuel prices and high inflationary pressure together with a volatile overall business environment. The gained experience helped us to handle the Israeli conflict in a more effective and systematic way. In the meantime, Wizz Air faced a new type of challenge due to the unscheduled Pratt & Whitney GTF engine inspections, causing the grounding of aircraft from our fleet and requiring more rigorous risk monitoring.

The Company continued the periodic evaluation of the environmental risks. Given the EU's ambition to become climate neutral by 2050, the regulations on corporate sustainability are tightening, with the inclusion of directives such as the Corporate Sustainability Reporting Directive (CSRD) and EU Taxonomy. Both regulations require the assessment of climate risks (CSRD will require a scenario analysis-based assessment of both transitional and physical climate risks; meanwhile EU Taxonomy requires the assessment of physical risks for determining the sustainability of certain investments) and are putting increasing pressure on Wizz Air to take all required steps to reduce and eventually eliminate emissions from travel and, as a result, mitigate environmental risks.

Our risk management process

The Board is responsible for the Group's risk management and it has delegated to the Audit and Risk Committee the task of monitoring the adequacy and effectiveness of the Group's risk management systems. The Group has a comprehensive Enterprise Risk Management (ERM) process to support the achievement of business and strategic goals. As part of our ERM process, risks are identified and collected in our risk universe and individual risks are organised into risk categories. Risks are analysed for likelihood and impact using the qualitative approach. A risk response is determined depending on the risk category and the risk appetite which can range from "averse" to "actively seeking" depending on how much risk the Group assesses to be appropriate within our industry and business model.

The alteration in risk appetite of the Company compared to the F24 mid-year review was minimal, predominantly attributed to shifts in macroeconomic and geopolitical landscapes, as well as disturbances within supply chains. The majority of the Wizz Air risk categories have "averse" risk appetite due to their safety/compliance/regulatory nature. Similar to the prior year, in F24 we have also assessed environmental, social and governance (ESG)-related risks with an "averse" risk appetite in order to drive a deliberate agenda on sustainability – with respect to climate and communities served by WIZZ, and corporate governance – as it is becoming increasingly important to the Company. Those risk categories where our risk appetite is categorised as "cautious/open" are mostly risks related to growth and network expansion, where a healthy level of risk taking is part of the DNA of the Group to further our commercial agenda and deliver against our Shareholder value creation goals (e.g. major strategic initiatives, network management or our aircraft programme, and commodity and exchange rate volatility). Wizz Air's risk appetite for the category "aircraft utilisation" changed to minimal from open due to the fact that it became of utmost importance to maximise the utilisation of the existing aircraft and engines considering the unscheduled engine replacement. The risk appetite for hedging changed to minimal from open in line with the internal procedures to minimise the risk exposure resulting from exchange rates, jet fuel price changes and counterparties.

As part of this process, the Group's Leadership Team, as the final risk owners and decision makers, and the Senior Internal Audit Manager meet regularly (minimum two times per year), to consider and update the emerging and principal risks identified and the status of the response plans. The resulting risk report is then reviewed with the Audit and Risk Committee and presented to the Board. The Board is therefore satisfied that it has 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 or liquidity.

Risks relating to the Group

Introduction

The principal risks identified by the Group's Leadership Team fall into nine broad groupings which are largely consistent with the groupings of F23 and include a deeper assessment of external factors, ESG and global geopolitical risks. Additionally, climate risks have been separated from social and governance risks, facilitating enhanced risk and opportunity identification, as well as more effective action planning in each respective domain:

- ▶ **information technology and cyber risk**, including website availability, protection of our own and our customers' data, and ensuring the availability of operation-critical systems in a significantly escalating threat landscape;

STRATEGIC REPORT

- ▶ **external factors**, ensuring the Company has capabilities and resilience to deal with risks such as geopolitical risks, inflation, fuel cost, foreign exchange rates, risk of higher cost of doing business, competition, general economic trends, and the default of a partner financial institution;
- ▶ **fleet development**, ensuring the Company has the right number of aircraft available at the right time to take advantage of commercial opportunities and grow in a disciplined way without any supply chain disruption;
- ▶ **operations**, including safety events and terrorist incidents and employee and passenger security;
- ▶ **network development**, making sure that we are making the best use of our capacity, driving maximum utilisation and ensuring that we have access to the right airport infrastructure at the right price so that we can keep on delivering the superior Wizz Air service at low fares across an expanding network;
- ▶ **regulatory risk**, making sure that we remain compliant with regulations affecting our business and operations and we remain agile to react to the changing governmental actions due to a slowing economic landscape, ownership and control, loss of traffic rights, and changing policies due to sustainability (taxation, etc.);
- ▶ **human resources**, ensuring we are able to recruit the right quality and the right number of colleagues to support our ambition to grow and, once recruited, that they remain engaged and motivated and that the Company has appropriate succession management in place for key colleagues;
- ▶ **social and governance risks**, making sure we operate in accordance with our core values and our value of integrity, respected throughout our business processes and deals, and providing transparency to all our stakeholders through responsible reporting and disclosure; and
- ▶ **environmental risk**, ensuring that we are able to answer the growing need of environmental protection and consciousness, mitigate the emerging transition and physical risks and create a sustainable, climate-friendly service for our customers at all times, respecting the planet.

Principal risks requiring the most attention in F25

Out of the principal risks the following will need the most attention in F25:

- ▶ **Information technology and cyber risk** – due to increasing IT dependence and the complexity of the IT landscape, cyber security, data protection and security are highly critical elements of our operations, and one of the areas also closely and regularly monitored by our Board. As cyber security is a constantly evolving challenge, we have continued to invest in and strengthen the relevant processes, systems and policies, a comprehensive and compulsory e-learning training programme for all colleagues is maintained and the Company's Cyber Security team is made up of skilled professionals with extensive experience in the field, focusing on the people, process and technology aspects of cyber by running multiple workstreams.
- ▶ **External factors**, of which the most critical are the changes in oil prices affecting fuel costs, as well as adverse movements in the EUR/USD exchange rate or in other currency pairs. Both factors can have a significant negative impact on Wizz Air's net profit. Given the sustained and ongoing volatility in commodity prices Wizz Air maintains its hedging policy and ensures its policy is aligned to those of its peers. The Company maintains hedge coverage at broadly similar levels to its main peers via a Board approved systemic hedging policy rolling positions forward quarterly, 18 months out.
 - The ongoing war between Ukraine and Russia creates further challenges and a hostile business environment, especially for WIZZ, whose flight operations must accommodate restricted airspace and other related air traffic effects. All Russian operations continue to be suspended indefinitely and all contracts and third-party providers are reviewed to ensure there are no Russian or otherwise sanctioned ties.
 - Tel Aviv (TLV) operations were suspended due to the safety and security reasons as a result of the emerged conflict zone in Israel and Palestine. After due consideration and detailed risk assessments, Wizz Air resumed flights to TLV as of 1 March 2024. Our dedicated teams will continue assessing the Israeli airspace as well as the overall state of geopolitics in the region as we are committed to taking immediate necessary actions to uphold safety standards.
- ▶ **Fleet development-related risks**, because of which our long-term plans were facing a temporary challenge due to the Pratt & Whitney GTF engine inspections, causing the grounding of aircraft from our fleet. Given the prevailing challenges in achieving our main targets (like completion rate, aircraft utilisation, crew productivity and on-time performance), we have decided to follow a wide range of risk mitigation measures, including increasing the number of spare engines, extending the leases of existing unaffected aircraft and securing additional aircraft from third parties. Aircraft manufacturers still suffer supply chain related delays in the production as a result of COVID-19 and geopolitical material sourcing constraints. Wizz Air is in constant dialogue with Airbus ensuring sufficient capacity to deliver the planned growth.

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- ▶ **Human resources risks** pose a large challenge, which the Company had to face during the engine inspection period while trying to maintain the utilisation of the fleet and the crew at the same time, as well as to keep up with the continued growth of the airline within the upcoming and forecasted ramp-up period once the engine inspections are completed, which will require a constant supply of staff. An insufficient number of flight crew and the inability to find, develop and retain the appropriate office staff represent one of the most critical risks in this area.
- ▶ **Environmental/climate-related risks** require significant focus from the Company. Climate change is acknowledged as a potential risk to Wizz Air, affecting our business in the short, medium and long term due to the physical and climate policy risks as well as the related reporting requirements. During F24 we continued to improve our existing climate risk assessment approach, working with expert sustainability and climate consultants from Deloitte Ltd. Hungary. Through a detailed assessment, which was supplemented by interviews and a data collection exercise covering all key business areas (such as Wizz Air's services, operations and supply chain), the main climate risks were identified including those categorised as high-impact risks in any time horizon, or those that have at least medium risk impacts for each time horizon. Taking into consideration the latest scientific findings and relevant literature, we also evaluated Wizz Air's vulnerability with regard to key operational areas, critical airport bases within our network, and the location of our tier one suppliers.

Information technology and cyber risk

As in prior years, over 90 per cent of bookings were made directly on our website (at wizzair.com) and via our mobile app in F24 and refunds were mostly handled through digital channels. The Wizz Air flight crew leverages a recently implemented Electronic Flight Bag solution to optimise flight performance. We are therefore dependent on our information technology systems to enable and manage ticket reservations and other payments and we need to handle and protect data in compliance with industry standards and GDPR requirements. We leverage technology to check in passengers, manage our traffic network, perform flight operations and engage in other critical business tasks. Our website and our mobile app are our shop window and therefore it is critical that they are functional, reliable and secure.

As cyber security is a constantly evolving challenge, we have continued to invest in and strengthen the relevant processes, systems and policies and have cooperated with the Data Protection Officer to further increase our security preparedness. Wizz Air follows a multi-layered approach to ensure stringent standards in both cyber security and data protection matters. It involves safety mechanisms for prevention as the first line of defence and detection and response mechanisms as its second line of defence, while implementing robust recovery procedures.

Besides employing an experienced internal IT and Cyber Security team, we continue to involve external cyber security experts and service providers. This option delivers a more stable cyber security capability, which is more important to deliver continued progress on strengthening cyber security to protect business-critical systems and data. Beyond Wizz Air, we focus on supplier processes and practices to ensure all possible gaps are adequately identified and addressed where needed.

During F24 as part of the continuous improvement efforts, several of the Company's business continuity plans were reviewed and updated to ensure they remain appropriate and sufficient for the Company's continued growth. The up-to-date state and the operability of the business continuity plans are ensured through regular testing and maintenance. Business continuity and crisis management plans were activated and are used with success due to the ongoing war between Ukraine and Russia.

The recently established IT Service Continuity Management (ITSCM) workstream acts as an enabler to achieve the Company's business continuity objectives via seamless integration into the organisation-wide Business Continuity Management (BCM) Programme.

Cyber risk is a hugely important consideration for our business and is one of the areas closely monitored by the Board. Our systems could be attacked in a number of ways and with varying outcomes – for example, unavailability of wizzair.com or operation-critical systems or theft of our customers' data that could result in considerable loss of customer confidence. Regarding customer card data handling, we successfully passed the annual PCI DSS accreditation audit again in January 2024.

During F24, we have continued to invest in and strengthen such processes, systems and policies and have closely worked together with the Data Protection Officer. Cyber security is a constantly evolving challenge and one of the key issues related to cyber security is our colleagues' awareness of the risk and of the possible ways in which our business could be attacked and, therefore, a comprehensive and compulsory e-learning training programme for all colleagues is maintained. Training, tests and exercises conducted by the Digital team were continuous in F24 and will be ongoing in F25 as well. Our IT Security department continues to review emerging threats and the Board oversees the actions being taken to safeguard our Company.

Regional conflicts during F24 further changed the cyber security landscape. The cyber security threat level increased in all industries around the world. Threats include website attacks, end-user phishing, ransomware attacks, compromises via a trusted third party and many others.

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A growing business, both in headcount and geographic reach, combined with more distributed working patterns, places more pressure on Wizz Air's IT infrastructure and its reliability is more important than before in ensuring business continuity. The Company strengthened its Cyber Security team by adding additional resources and hiring a new digital leader with several decades of experience gained in the telecommunications and banking sectors.

External factors

The International Air Transport Association (IATA) announced stabilised profitability projections for the global airline industry for the calendar year 2024. However, net profitability at the global level is expected to be well below the cost of capital. Very significant regional variations in financial performance remain. In 2024, the airline industry is expected to reach net profit of \$25.7 billion – a 2.7 per cent net profit margin. That will be a slight improvement compared to profit and margin figures achieved.

According to IATA's forecast released on 6 December 2023, jet kerosene is expected to average \$113.8/barrel in 2024. Regardless, the actual jet kerosene price remained slightly above \$100/barrel in the first quarter of 2024.

We are exposed to global political, economic and epidemic events and trends. A worldwide economic downturn affects demand for air travel. Our business extends beyond the borders of the EU and into regions including the Caucasus, North Africa, Central Asia and the Middle East.

The ongoing war between Ukraine and Russia not only closes two emerging markets for Wizz Air but also borders other significant WIZZ base countries. Additionally, the war between Israel and Gaza further increased the extent of the conflict zones affecting Wizz Air's operational activities. The conflict activated the crisis management protocols and the continuous and active monitoring of the situation. Employee and passenger security is of utmost importance for Wizz Air and our Company adjusts its internal protocols and policies to protect its employees and passengers while flying with Wizz Air.

Some of the other regions we operate in have, in the past, experienced, and may also in the future be subject to, further potential political and economic instability caused by changes in governments, political deadlock in the legislative process, contested election results, tension and local, regional or international conflicts, corruption among governmental officials, social and ethnic unrest and currency instability. Certain countries were more affected by COVID-19 than others and may have a longer path to recovery, requiring us to diversify our network and approach. We maintain close relationships with local authorities and, as an organisation, we are able to react quickly to adverse events.

Given the sustained and ongoing volatility in commodity prices, Wizz Air decided to continue trading based on the reinstated hedging policies that were aligned to those of its peers. These revised policies were approved by the Board and are being rolled forward quarterly, 18 months out. As a result, the Company will:

1. maintain hedge coverage at broadly similar levels to its main peers; and
2. put jet fuel price caps in place, according to the policy limiting the exposure for the Company should further extreme volatility in jet fuel prices be observed in market.

We are an international business and, while we report in Euros, we transact in over 20 currencies. A large proportion of our payments are denominated in US Dollars. Appreciation of the US Dollar against the Euro may negatively impact results and margins. The Company's hedging policies call for similar hedging of transactional USD exposure with regard to jet fuel. In all cases, hedging transactions are subject to the approval of the Audit and Risk Committee.

During F24 fuel including ETS and into-plane premium (IPP) accounted for 40 per cent of our total Group operating costs and a rise in fuel prices will significantly affect our operating costs.

Competition is one of the key risks to our business. Our competitors continuously strive to protect or gain market share in markets in which we operate, by offering discounted fares or more attractive schedules. States are often large and/or majority shareholders in competitive airlines. Competition can adversely affect our revenues and so we constantly monitor our competitors' actions and the performance of our route network to ensure that we take both reactive and proactive actions in a timely manner. Ultimately, our key competitive strength is our commitment to driving our costs ever lower while delivering a superior service and building a loyal customer base. We firmly believe that in tough market conditions lowest cost ultimately wins and therefore we are relentlessly committed to the strictest cost discipline day in and day out.

Regardless of the future discussions, we believe diversification of our network and markets is a key part of a sustainable business strategy and we remain confident that CEE, Western Europe, the Middle East and their surrounding regions are large addressable markets which will continue to provide opportunities for profitable growth.

Financial counterparties

We believe that a strong cash position is a vital foundation for the Company's continued aggressive growth and its ability to capture commercial opportunities as they arise. Therefore, we actively manage the safeguarding of our financial assets and monitor the viability of our banking and hedging counterparties. In fact, all of the Company's cash is invested in accordance with a Board-approved counterparty risk policy which assigns investment limits to each counterparty based upon its credit rating.

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Network development

During F24 Wizz Air Group continued its market expansion and diversification strategy. Wizz Air Group has reported net fleet growth by 29 ACs in F24, further expanding its market footprint.

Additional capacity has been deployed to existing as well as new markets across the network (like Türkiye).

Fleet development

In order to support its growth plans, Wizz Air requires additional aircraft. Wizz Air puts emphasis on new aircraft – currently operating one of the youngest fleets in Europe with an average age of just 4.3 years. Having a modern and reliable fleet means Wizz Air can utilise it for over twelve hours a day in normal circumstances. For the business it means lower unit operating costs and, for Wizz Air customers, lower prices. Since early 2019 the Company started to take delivery of the A321neo aircraft and currently operates these narrow-body aircraft which are the most efficient technology today and likely to remain that way over the next few years. As at 31 March 2024, Wizz Air's delivery order book comprises a firm order for 13x A320neo, 266x A321neo and 47x A321XLR aircraft, a total of 326 aircraft.

Aircraft deliveries materially continued during the pandemic which will allow Wizz Air to gain advantage in the near future. A large aircraft order is a significant financial commitment and requires financing. During F24 delivered aircraft were financed through 30 sale and leaseback arrangements and 9 Japanese Operating Leases with Call Options (JOLCOs). In the upcoming few years, Wizz Air will take delivery of a record number of aircraft per year and as a Company is focused on multiple possibilities to finance its future fleet to ensure it secures the most cost competitive terms. Wizz Air is confident that, given both the A320 family's desirability as a result of its superior operating economics and Wizz Air's established strong financial track record, financing will be readily available on competitive terms for the foreseeable future.

Due to a worldwide cycle-driven mandatory inspection programme issued by Pratt & Whitney for its GTF PW1100 engines, Wizz Air had to ground between 40 and 45 aircraft at the beginning of 2024. Because of the groundings, which are expected to last for at least 18 to 24 months, Wizz Air has extended multiple existing aircraft leases and taken on a few aircraft as dry leases to cover the affected period. This includes 13 secured lease extensions for calendar year 2024 and Wizz Air is working to secure a further eleven, subject to internal approvals and contracting. The lease extensions range between two and four years and are being agreed at both discounted and original lease rates. Wizz Air also secured three former Wizz Air aircraft on dry lease (to be delivered in F25), while also adding eight wet leased aircraft for periods ranging from six to twelve months, providing additional capacity in F25. In addition, the continuous stream of new aircraft from Airbus ensures that Wizz Air can offer the same seat capacity to the market in 2025 compared to 2024 and will continue its growth plans from 2026 onwards. Wizz Air is in constant dialogue with Pratt & Whitney to mitigate the impact on its operations and has concluded a compensation agreement with Pratt & Whitney to mitigate the financial impact of the grounded aircraft until the end of the 2024 calendar year. The extension of the agreement for the following period is currently being negotiated with Pratt & Whitney.

With the advances in technology, aircraft computer technology intended to make flight operations safer is becoming more sophisticated and may sometimes fail. Similarly, design flaws of aircraft components may lead to costly delays of aircraft delivery. Wizz Air is in close contact with its key suppliers, such as Airbus and Pratt & Whitney, to ensure sufficient capacity to deliver its planned growth and that crews are trained to the highest standard possible and are adept at using the latest aircraft technology innovations in order to avoid such failures and delays.

Regulatory risks

Aviation remains a highly regulated industry. Wizz Air Group's operations are reliant on the Air Operator Certificates (AOCs) and operating licences (OLs) issued by competent national and EU-level authorities. Wizz Air Hungary Ltd. was the first airline to obtain an AOC from the European Union Aviation Safety Agency (EASA), while its OL was issued by the Hungarian Civil Aviation Authority. Wizz Air Malta Ltd.'s AOC was also issued by the EASA, while its OL was granted by the Maltese Civil Aviation Directorate. Wizz Air UK Ltd.'s AOC and OL were granted by the UK Civil Aviation Authority. Finally, Wizz Air Abu Dhabi LLC's issuance of an AOC and grant of an OL were obtained from the General Civil Aviation Authority of the United Arab Emirates.

In each airline's case, an AOC is needed to operate air services while observing the aeropolitical agreements between the designating and destination country. In terms of traffic rights, the most common requirement to meet is that the given airline's substantial ownership and effective control are vested in the Contracting Party designating the airline, or its nationals. In the European Union (EU), as long as the departing and arriving points fall inside the EU's borders, the airline is allowed to fly the desired frequencies.

Furthermore, the European Union is continuously engaging with third countries to negotiate and sign air services agreements (so-called "open skies" or "horizontal" agreements). These agreements reduce some of the administrative burdens when accessing a third country's market; however, in some cases, the concept of EASA AOC (Wizz Air as a "European airline") can be challenging to get accepted. These EU agreements are not applicable to the UK and UAE operations; those airlines' operations are dependent on the bilateral air services agreements (ASAs) of their respective countries.

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Operational risks

The Company's Crisis Management team and several business continuity plans remain on alert due to the conflict zones which fall under our spectrum of operation. One of the conflict zones which is under constant monitoring is Russia's war in Ukraine. The ongoing war contributed to several principal risks for Wizz Air. Therefore, the Company adjusted and revised its internal protocols and policies to ensure maximum employee and passenger security and minimise the damage of property and equipment as much as possible. The Security team reviewed contingency planning, revised the scope and business intelligence capabilities, and enforced the Group Security and Standardisation department's internal resources. Our Security team also maintains close contact with relevant authorities and intelligence experts in order to assess any potential security or other threats to our operations. Any serious threat will be escalated to senior management. Since F23, we also suspended operations to destinations where the safety of our passengers, crew and aircraft could not be guaranteed.

Another conflict zone which is under constant monitoring is Israel. Tel Aviv (TLV) operations were suspended due to safety and security reasons. However, as operations became stable for the TLV Ben Gurion Airport, we resumed flights as of 1 March 2024. We maintain the close contact with the relevant authorities and we are getting support from intelligence providers. Furthermore, risk assessments are updated according to geopolitical changes, complemented by recommendations and mitigation actions.

Although the operations to TLV resumed, we still refrain from operating from the northern part of the Gulf of Aqaba, due to the ongoing military activities. Accidents, incidents or terrorist attacks can adversely affect an airline's reputation and customers' willingness to travel with that airline.

Safety is our utmost priority at Wizz Air. We maintain a young and dependable aircraft fleet, partnering with top-tier maintenance organisations, and fostering a robust safety culture. A dedicated safety council, comprising both senior management and operational staff, convenes quarterly to address any issues from the preceding three months and review corresponding actions taken. Furthermore, we meticulously collect operational data to discern patterns, with biannual meetings held within our Operations department to address identified trends. Our anonymous safety reporting system empowers our flight and cabin crew to raise concerns confidently. We maintain rigorous entry standards for our operating crew, ensuring that all pilots undergo training of the highest calibre through our Approved Training Organisation (ATO). As a participant in the International Air Transport Association's Operational Safety Audit (IOSA) programme, we continuously uphold best-in-class airline safety management and control systems.

Wizz Air has also joined the campaign launched by the European Union Aviation Safety Agency (EASA) aiming to reduce the number of unruly passengers on all European flights and protect passengers' right to a peaceful travel experience.

Human resources

Wizz Air is a people business and remains persistent in its commitment to its employees, fostering an inclusive environment where equal opportunities prevail. Our team thrives in a supportive environment with tools that fuel professional growth, backed by anti-discrimination policies for equitable opportunities. Wizz Air is dedicated to recruiting and attracting top talent, providing essential tools, offering tailored development at all levels, and championing diversity and inclusion across our organisation. Wizz Air is:

- ▶ Continuing recruitment to attract additional key experts from the airline sector. In addition, Wizz Air is putting special focus on offering new and alternative career opportunities for existing employees (like through the Crew to Office Programme) to further develop their expertise or explore new spheres within various departments. Internal career advancement opportunities also played an important role at both the employee and management team levels.
- ▶ Focusing on the development of the workforce to increase the values inherent in knowledge. Flight and cabin crew training is organised by a dedicated in-house training team and a fully integrated digital Training Management System has been successfully implemented. The Wizz Air Pilot Academy (WAPA) Programme has been continued and a comprehensive training programme tailored for all levels within the organisation has been introduced. Different management and development programmes have been launched and continued fostering leadership skills and managerial capabilities.
- ▶ Performing regular performance and talent reviews through the annual People Cycle process, ensuring alignment of talent within the organisation through goal setting, performance appraisal and talent review.
- ▶ Committed to providing equal opportunities and an inclusive environment to all candidates, employees and partners, with over 109 nationalities within its employee base. We have a strong commitment to close the diversity gap in our boardroom and at leadership level and have included management diversity in our reward structure, with a target to have 40 per cent female Officers by 2026. Equal opportunities are also presented during recruitment and relevant management KPIs are integrated into the incentive plan of all managers. Wizz Air is focusing on gender diversity in its flight crew as a major opportunity and aims to be an industry leader.

STRATEGIC REPORT

- ▶ Still continuing to value employee engagement, which is supported by key pillars, including the WIZZ People Council – which serves as a space where team members feel secure sharing their insights, concerns and innovative ideas – regular engagement surveys, base visits, informative floor talks and management updates on Workplace.
- ▶ Designing its remuneration practices with a focus on base salaries and providing a non-financial benefit that can factor in customer experience and employee experience. The yearly salary review is supported by recurring market benchmark processes and adjustments are possible through performance and career progression.
- ▶ Re-evaluating processes, making them more effective with complex platform development including internal solutions monitoring and boosting careers and opportunities, crew lifecycle management and implementing new digital solutions to make onboarding more effective.

Social and governance

At Wizz Air, we are committed to transparency. Our passengers trust us every day to operate a safe service at the lowest cost to bring them to their desired destination. Equally, stakeholders trust Wizz Air to operate a sustainable business model, not only from an environmental point of view but equally operating with high integrity with regard to all other stakeholders, our passengers and how we treat them, communities of people and how our service may affect their daily life, investors and how we make the most out of their investments, and how we partner with suppliers and governmental bodies.

Our core values include integrity. We have strong governance for the operation through our Board of Directors and the Sustainability Council established and led by the Corporate and ESG Officer. We continue to invest in being a more transparent organisation and have significantly improved our disclosure around sustainability, environmental, social and how the Company is governed. We have laid out mid and long-term targets and have incentivised management to deliver the highest priority targets.

For more information please see our dedicated Sustainability and Governance sections of the Annual Report.

Environment/climate

Climate change is one of our principal risks and it may impact our business in the short (0–1 years), mid (1–5 years) and long (5–10 years) term. Risks identified in the climate scenario analysis were compiled into materiality/likelihood heatmaps, following the logic and risk ranking framework of our in-house ERM. The methodology considered four different climate change scenarios, in accordance with the Intergovernmental Panel on Climate Change (IPCC). These scenarios are ~1.5°C, 2°C, 3°C and 4°C. The four potential scenarios had been previously chosen as they cover a broad spectrum of outcomes.

The qualitative scenario analysis of transitional and physical risks considered the IPCC's Atlas and climate change map for additional insight into key risks within the Wizz Air network. The 1.5°C and 2°C scenarios are based on an ambitious decarbonisation pathway, with more stringent climate policies, leading to increased transition risks. These scenarios, as regulation and policy implementation is effective, would reduce the impacts of physical climate risks, but at the same time could lead to a significant increase in transitional risks and higher compliance costs for the Company. On the other hand, in the 3°C and 4°C scenarios, the world falls short of achieving ambitious climate targets, due to the less efficient implementation of climate policies worldwide, causing more severe physical risks in the long run.

The potential physical and transition risks identified by Wizz Air are outlined in detail in the Sustainability section of this Annual Report.

Environment/climate – transitional risks

Policy changes and new legislation by governments have been and will be implemented in order to price and penalise GHG emissions. Adverse movements in carbon pricing (including ETS and CORSIA) might have a negative impact on Wizz Air's portfolio. A reform in tax policies to incentivise carbon-efficient technologies would double the overall level of taxation in the mid-term. Increased taxation will slow industry growth.

Emissions reduction regulations and varying national policies without a standardised approach may increase operational costs while the differing timelines and reporting requirements across the network pose risks to achieving adequate reductions. New fossil fuel and related taxes may impact overall taxation costs in the medium and long term, especially considering the potential risk of double taxation through national policies. Sustainable aviation fuel mandates will lead to higher operational and upstream costs in the medium term. Non-compliance and continued dependence on fossil fuels could lead to penalties. Compliance with new ESG-related (for example the EU's Corporate Sustainability Reporting Directive (CSRD)) reporting standards will require additional administrative capacities at various functions of Wizz Air. As Wizz Air operates in different geographies the new and changing reporting expectations create parallel reporting obligations with different requirements. The rate at which low-carbon technologies are embraced influences the competitiveness of airlines, the cost of operations, and the value of assets. Investments in capital expenditures (CapEx), research and development (R&D) and innovation need to strike a balance between risk and reward. Failure to invest or investing in the wrong technology can be risky, leading to increased costs and/or a decrease in competitiveness. In terms of market and reputation-related transitional risks, potential disinvestment could lead to an increase in the Company's capital costs in the long term in case of a growing green investor sentiment.

STRATEGIC REPORT

Environment – physical risks

While the potential impacts connected to physical risks have more relevance the further we look into the future, the awareness and careful analysis of such risks are key for the Company to guarantee continued resilience and preparation of applicable risk mitigation plans in the long run.

The climate scenario analysis for physical risks reveals no high-impact physical risks within the evaluated time horizons, i.e. within ten years. Based on climate science and the current forecasts, the implications of physical risks become more significant around 2050 and beyond. We anticipate no substantial alterations in the next decade relative to current temperature or weather pattern changes. If the implementation of climate policy proves to be ineffective, physical risks could lead to increased disruptions in operations, markets and supply chains, or cause damage to assets.

Extreme heatwaves may impact aircraft performance and flight operations, while airports can also decrease runway capacity due to damaged runway surfaces or taxiways. Based on the past years' trend, wildfires may increasingly impact travel decisions, leading to flight cancellations and revenue losses. Severe storms have the potential to disrupt airspace and airport operations, as well as cause damage to infrastructure, while also leading to increased fuel consumption. Heavy rainfall and flooding could occur across all regions, which have the potential to harm airport infrastructure and runways, causing reduced capacity, flight delays or cancellations. Overall, significant changes in weather phenomena, in terms of frequency and intensity, are likely in the long term; however, we expect no critical change within the next ten years.

Wizz Air aspires to be the greenest choice for flying. Today this is a key strength and contributor to our competitive advantage, as also proven by our recent awards. However, in view of climate change, our responsibility towards the environment is our single biggest opportunity in creating a pathway towards decarbonisation. This is why we have aligned ourselves to our goal of reducing emissions intensity to 43 grammes per RPK by the end of the decade, while also aiming to have at least 10 per cent of jet fuel sourced from sustainable origins by 2030.

For more information, please see our detailed Sustainability section of the Annual Report. The Group's going concern and viability statements are included in the Directors' Report.

József Váradi
Chief Executive Officer
14 June 2024

GOVERNANCE



“The Board and I are proud of the Company’s ability to deliver strong financial, operational and commercial results despite the challenges of the global political and economic environment.”

William Franke
Chairman of the Board of Directors

CHAIRMAN’S STATEMENT ON CORPORATE GOVERNANCE REPORT

Introduction

Dear Shareholders,

On behalf of the Board I am pleased to present the Corporate Governance Report for the year ended 31 March 2024. The report aims to demonstrate Wizz Air’s corporate governance framework and highlights how this governance has effectively led the Company throughout the fiscal year, contributing to Wizz Air’s long-term success.

The Board and I are proud of the Company’s ability to deliver strong financial, operational and commercial results despite the challenges of the global political and economic environment and unexpected and uncontrollable supply chain issues. On the occasion of the Company’s 20th anniversary, I would like to thank the Directors and management for ensuring rigorous corporate oversight and employing agile leadership in response to evolving changing circumstances, ensuring the safety of the Group’s operations.

The Company’s approach to safety and sustainability remain key enablers to driving long-term sustainable growth. The Board has placed significant emphasis on sustainability leadership. This commitment is evident through ongoing investments in cutting-edge technology aircraft and alternative fuels. Additionally, increased transparency initiatives have led to industry-leading results in ESG ratings and substantial reductions in emissions intensity.

Wizz Air’s strategic foundation rests on rigorous corporate governance standards. The diligent efforts of the Board and its Committees play a pivotal role in upholding this framework.

Activities in F24

Strategy

During F24, the Company continued its strategic growth despite challenges presented by conflict in its markets and the unexpected grounding of aircraft due to engine manufacturing defects outside of the Company’s control.

In the current fiscal year, we achieved profitability, settled one of our two outstanding €500 million bonds, and confirmed our investment grade rating with Fitch at BBB-. Additionally, our cash position strengthened significantly, reaching €1,588.9 million by the end of the fiscal year. This remarkable result, in light of the supply chain and geopolitical events globally, is a testament to management and the Board.

The Wizz Air fleet grew to 208 aircraft including 39 additional game-changing Airbus A321neo aircraft, taking the Company’s total Airbus A321neo fleet to 121 aircraft at the end of March 2024. The Board approved a class 1 transaction approving a firm contract for an additional 75 aircraft in July 2023, ensuring the Company maintains its fleet strategy which enables sustainable growth and long-term profitability.

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People and culture

Wizz Air has a diverse and inclusive culture, and these values are embedded within the Company. Creating a diverse and inclusive culture remains a focus. The Company is on track to reach its targets of 40 per cent female representation in management and the Board by 2026. We are proud that two of our Board Committees are chaired by women. This fiscal year, in accordance with the Parker Review and targets set by the UK Listing Rules, the Board appointed a Director from an ethnic background.

On engagement, a number of Non-Executive Directors embarked on engagement activities with employees across the Group, including from corporate, customer and operational functions, in addition to interactions with crew and the People Council. Non-Executive Directors participated in running events and the Company's inaugural "Women on Air" gender diversity forum, featuring accomplished female leaders from various roles within Wizz Air and related industries. Throughout these interactions, Directors received direct feedback from employees enabling a better understanding of the employee experience at Wizz Air.

The Board maintained regular communication with the Employee Engagement Director and People Officer, actively integrating employee feedback into decisions related to remuneration outcomes for F24. This inclusive approach extended to the revised Remuneration Policy, comprehensively outlined in the Directors' Remuneration Report. When it comes to executive pay, the Board deliberately considers the employee experience and the perspectives of key stakeholders. Their unwavering commitment lies in sustaining workforce investment, ensuring the Company's competitive edge and market attractiveness. Ultimately, the Board takes a considered and responsible approach to decisions on remuneration.

Board composition

In accordance with the UK Corporate Governance Code 2018 ("the Code"), the Nomination and Governance Committee considered the enhancement of the Board through the appointment of an additional Director, adding to the diversity of the Board and strengthening the Board skills. Further information can be found on pages [124-129](#).

Board performance

As always, Wizz Air is committed to corporate governance that is in line with the Code. The Company engaged Lintstock to facilitate an evaluation of the performance of the Board, its Committees, the Chairman and individual Directors. Lintstock is an advisory firm that specialises in board reviews and provides no other services to the Company. The Nomination and Governance Committee oversaw the evaluation. Further detail is provided on page [122](#).

Stakeholders and investors

The Board remains committed to upholding rigorous corporate governance standards and actively engaging with stakeholders and investors. In its decision-making process, the Board carefully assesses the implications on the workforce, customers, suppliers, society and Shareholders.

The Board has direct engagement with investors and as Chairman I have had several meetings and exchanges with Shareholders on matters concerning ESG, governance and strategy.

A statement on how the Directors have considered the issues outlined in section 172 of the Companies Act 2006 can be found on page [117](#).

The subsequent pages of the Corporate Governance Report detail Board and management composition, the governance framework and Board and Committee activities during the year.

On behalf of the Board, I extend heartfelt gratitude to the dedicated Wizz Air workforce, our investors, and other stakeholders who place their trust in us. I also want to express my sincere appreciation to my colleagues on the Board for their unwavering support to the Company and their commitment to maintaining high standards of corporate governance over a period of 20 years.

William A. Franke
Chairman of the Board
14 June 2024

GOVERNANCE FRAMEWORK

THE BOARD

**CHAIRMAN –
WILLIAM A. FRANKE**

- Chairs the Board and sets direction.
- Ensuring highest standard of corporate governance.
- Responsibility for setting the agenda and strategic discussion.
- Responsible for ensuring engagement with investors and stakeholders.

**GROUP CHIEF EXECUTIVE OFFICER –
JÓZSEF VÁRADI**

- Accountable to the Board and the Chairman.
- Responsible for the Group's senior leadership team.
- Responsible for strategic, financial and operational performance of the Group.

**SENIOR INDEPENDENT DIRECTOR –
BARRY ECCLESTON**

- Acts as a sounding board for the Chairman.
- Acts as intermediary for the other Directors.
- Available to Shareholders to address concerns.

**NON-EXECUTIVE DIRECTORS –
ANNA GATTI
ANDREW S. BRODERICK
ANTHONY RADEV
BARRY ECCLESTON
CHARLOTTE ANDSAGER
CHARLOTTE PEDERSEN
ENRIQUE DUPUY DE LOME CHAVARRI
STEPHEN L. JOHNSON
WILLIAM A. FRANKE
PHIT LIAN CHONG**

- Responsible for key reserved matters:
- overall strategy and management;
 - structure and capital;
 - financial reporting and controls;
 - internal control and risk management;
 - approval of significant or material contracts;
 - approval of Shareholder communication and communication relating to Board decisions;
 - Board membership and appointments;
 - determining the executive remuneration plan and incentive plans;
 - reviewing corporate governance matters; and
 - reviewing Group safety, security and operational compliance.

**EMPLOYEE ENGAGEMENT DIRECTOR –
ANTHONY RADEV**

- Acts as link between the workforce, the People Council and the Board.
- Provides regular updates to the Board on employee engagement, incorporated into decisions.

**COMPANY SECRETARY –
YVONNE MOYNIHAN**

- Supports the Chairman, the Group Chief Executive Officer and Chairs of Committees in agenda setting and minute taking.
- Liaison between senior management and the Directors and responsible for timely delivery of materials.
- Advises the Board on corporate governance and is responsible for compliance with the Share Dealing Code.
- Works with the Chairman on the Board training plan, Board reviews and corporate governance improvements.

GOVERNANCE



Statement of Compliance with UK Corporate Governance Code

The Directors support high standards of corporate governance and it is the policy of the Company to comply with current best practice in UK corporate governance to the extent appropriate for a company of its size. The Company welcomed the publication by the Financial Reporting Council of its new UK Corporate Governance Code in July 2018 and its focus on the themes of corporate and board culture, stakeholder engagement and sustainability, which are critical factors for us as we partner with our stakeholders to build an enduring business. The Corporate Governance Code is available for review on the Financial Reporting Council's website: www.frc.org.uk. The Board complied with the requirements of the Corporate Governance Code during the financial year. The only exception to this is that William A. Franke, the Chairman, does not meet the independence criteria set out in the Corporate Governance Code (Provision 10), given that he is the Managing Partner of Indigo. In addition, he has also exceeded the nine-year limit imposed by the Code (Provision 19). However, Mr Franke has unrivalled knowledge of developing ultra-low-cost airlines such as the Company and has exceptionally broad experience of the airline industry from both executive and non-executive roles across many regions of the world. As the Company continues to grow and to expand into different geographies, the Board believes that Mr Franke should continue as Chairman, given his recognised experience in the airline industry and his alignment with the interests of Shareholders. The Board is of the view that Mr Franke's role in no way compromises his independence of judgment and character.

Application of the principles of the UK Corporate Governance Code

Board leadership and company purpose

Chairman's Statement, p.[5](#)

Corporate culture, p.[118](#)

Investment in workforce, p.[118](#)

Board activities, p.[118](#)

Stakeholder interests, p.[118](#)

Board decisions, p.[118](#)

Section 172 Statement, p.[118](#)

Whistleblowing, p.[95](#)

Conflicts of interest, p.[121](#)

Division of responsibilities

Board of Directors' division of responsibilities, p.[121](#)

Directors' independence, p.[130](#)

Governance framework, p.[116](#)

Board and Committee attendance, p.[135](#)

Board and Committee meetings, p.[135](#)

Composition, succession and evaluation

Board composition, p.[124](#)

Appointment, re-election, resignation and removal of Directors, p.[122](#)

Nomination and Governance Committee Chairman's Statement, p.[144](#)

Board evaluation, p.[122](#)

Board biographies, p.[124](#)

Audit, risk and internal controls

Audit and Risk Committee Report, p.[136](#)

Risk management and internal control, p.[137](#)

Confirmation and reassessment of emerging principal risks and uncertainties, p.[137](#)

Fair, balanced and understandable confirmation, p.[137](#)

Remuneration

Directors' Remuneration Report, p.[146](#)

Remuneration Committee Chairman's Statement, p.[146](#)

Alignment with provisions of UK Corporate Governance Code, p.[151](#)

GOVERNANCE

1. Board leadership and company purpose

The Board plays a crucial role in setting the Company's strategic direction and ensuring alignment with long-term value creation. It actively participates in the development, review and approval of corporate strategies, business plans and major initiatives.

The Board upholds the highest standards of corporate governance and provides effective leadership and oversight for the Group. Our values – integrity, dedication, inclusivity, positivity, and sustainability – guide our decisions.

The Company's purpose revolves around providing no-frills travel that is accessible to everyone, everywhere, at the lowest price possible, while maintaining a strong commitment to environmental consciousness. The Board continually reviews its strategic decisions to align with this mission.

Corporate culture

Culture is a core focus of the Board and the Sustainability and Culture Committee. Our corporate culture nurtures engagement and excellence. The Board closely monitors employee engagement feedback, including the results of surveys and action plans. Our employee engagement is a dynamic strategy that evolves with our changing needs and aspirations.

Our Company's purpose is simple yet profound: no-frills travel for everyone, everywhere, at the lowest price possible and with the lowest emissions possible. We're democratising the skies, making adventure accessible.

Investment in workforce

The Board's commitment extends beyond strategy and governance – it reaches the very heart of our organisation: our people. The Board works to ensure fair terms and conditions for employees, in addition to relevant training and development. Through the Board Committees the Board ensures Wizz Air remains an attractive and competitive employer.

We don't settle for mediocrity. Our commitment to diversity, inclusion and sustainability sets us apart.

Stakeholders

The Board engages with both Shareholders and investors and the workforce. The Chairman and Chair of the Remuneration Committee have ongoing dialogue with investors. The Board receives regular updates from the Employee Engagement Director who is a link between the Board and the workforce and People Council. There was further engagement with other Directors and the workforce during the year.

Board activities

The Board met on seven occasions during the year. The agenda for each meeting is agreed with the Chairman, the Group Chief Executive Officer and the Company Secretary. Regular updates are provided by the President, Group Chief Financial Officer, Group Chief Operations Officer, Group Chief Commercial Officer and Group Corporate Affairs Officer. The Board reviewed and approved a number of significant and material contracts. The Board also approved a class 1 transaction, which was subsequently approved by the Shareholders at the Annual General Meeting in August 2023.

The Board receives updates from the Committee Chairs throughout the year. Further, it deliberates on a number of matters of strategic importance to the Company. In addition, all meetings include an agenda item to cover a private executive session for Non-Executive Directors.

The Company Secretary maintains minutes of the Board and Committee meetings and reviews all minutes with the Chairman and Chairs of the Committees.

Section 172 Statement

The UK Companies Act 2006, section 172(1), provides that "a director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in

doing so have regard (amongst other matters) to:

- 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 suppliers, customers 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".

The Company has multiple stakeholders. The Board considers the most significant stakeholder groups to be employees, customers, Shareholders and investors, suppliers, governments and regulators including the European Union institutions. As part of their induction, the Directors of the Company are briefed on their duties and can access professional advice about them as appropriate. Input from stakeholders received by different business units contributes to the decision-making process overseen by the Board.

Section 172 considerations included:

- Shareholder engagement: Over the course of the past year, the Company's Investor Relations department has arranged a number of roadshows, timed around the release of financial results, as well as other meetings with investors. This included a dedicated Capital Markets Day held in Budapest. Ahead of the 2023 Annual General Meeting, the Chairman, the Senior Independent Non-Executive Director, and the Chairs of the Audit and Risk Committee and of the Remuneration Committee were available to answer questions from investors. At the Company AGM held on August 2023 all resolutions proposed were approved by Shareholders.

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- **Community and environment:** The Board received regulator reports from the Corporate and ESG Officer and Group Chief Corporate Affairs Officer highlighting key policy and government affairs issues and engagement with authorities. The Board considered ESG positions and strategy and investment decisions were taken considering the impact on the environment.
- **Safety:** The Board received regular updates regarding discussions with safety regulators and authorities regarding the war in Ukraine, Israel, fatigue management, engine reliability, cabin odour issues and operational ramp-up and disruption matters.
- **Employee interest:** The Board reviewed and received regular updates on employee engagement and consideration of remuneration and incentive plans. The Board was updated and considered actions taken through People Council initiatives and general culture topics. There were relevant discussions about organisational changes in senior management and talent succession.
- **Customers:** There was ongoing consideration of the customer proposition, in particular with respect to customer care handling. The Board was updated about relevant discussions and engagement with authorities.

Our key Shareholders

As at 31 March 2024, the Company had been notified pursuant to DTR 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules (DTRs) that the following Shareholders held more than 3.00 per cent of the Company's issued Ordinary Shares:

Shareholder	Reported shareholding	Reported number of shares
Indigo Hungary LP	18.3 per cent	18,950,611
Capital International Investors	7.4 per cent	7,666,713
Indigo Maple Hill LP	5.5 per cent	5,734,284
Artisan Partners Limited Partnership	4.9 per cent	5,014,531
Fidelity Management & Research Company LLC	4.6 per cent	4,729,210
Baillie Gifford & Co.	4.2 per cent	4,343,882
Fidelity International	4.1 per cent	4,268,812
Capital Research Global Investors	3.8 per cent	3,885,735
Platinum Asset Management	3.5 per cent	3,590,469
BlackRock Investment Management (UK) Ltd.	3.3 per cent	3,412,761

Between 1 April and 15 May 2024 Capital International Investors bought 24,130 shares, Artisan Partners Limited Partnership bought 53,147 shares, Fidelity Management & Research Company LLC sold 380,039 shares, Baillie Gifford & Co. bought 850,759 shares, Fidelity International sold 7,106 shares, and BlackRock Investment Management (UK) Ltd. sold 667,595 shares.

Changes in interests that have been notified to the Company pursuant to DTR 5 of the DTRs can be found in the Regulatory News section of the Investor Relations page of the Company's corporate website: http://corporate.wizzair.com/en-GB/investor_relations/news/press_releases.

GOVERNANCE

Our relationship with Indigo

As at 31 March 2024, Indigo (Indigo Hungary LP and Indigo Maple Hill LP together) held 23.9 per cent of the Company's issued Ordinary Shares. Indigo holds a number of Convertible Notes which may be converted into Ordinary Shares, provided that the Company's ownership remains compliant with EU ownership and control rules.

The terms of these Convertible Notes are governed by a note purchase agreement dated 24 February 2015 and entered into between the Company, Wizz Air Hungary Ltd. and Indigo. Our Chairman, William A. Franke, is the Managing Partner of Indigo.

According to the Financial Conduct Authority's Listing Rules ("the Listing Rules"), any person who exercises or controls the exercise, on their own or together with any person with whom they are acting in concert, of 30 per cent or more of the votes able to be cast on all or substantially all matters at general meetings of a company are known as "controlling shareholders". During its preparation for its initial public offering in February 2015, the Company discussed with the UK Listing Authority that, in the circumstances, Indigo would be treated as a controlling shareholder of the Company for these purposes. The Listing Rules require companies with controlling shareholders to enter into a written and legally binding agreement, which is intended to ensure that the controlling shareholder complies with certain independence provisions.

The agreement must contain undertakings that:

- ▶ transactions and arrangements with the controlling shareholder (and/or any of its associates) will be conducted at arm's length and on normal commercial terms;
- ▶ neither the controlling shareholder nor any of its associates will take any action that would have the effect of preventing the listed company from complying with its obligations under the Listing Rules; and
- ▶ neither the controlling shareholder nor any of its associates will propose or procure the proposal of a Shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Wizz Air entered into a relationship agreement with Indigo dated 24 February 2015. The key terms of this relationship agreement are set out below.

Independence

Indigo has undertaken to exercise its voting powers in relation to the Company to ensure that the Company is capable of operating and making decisions for the benefit of the Shareholders of the Company as a whole and independently of Indigo at all times. In addition, Indigo has undertaken that it will not, and will procure that none of its associates will: (a) take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and (b) propose or procure the proposal of a Shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Board

Indigo may nominate: (a) three Directors to the Board if Indigo and its associates hold in excess of 30 per cent of the fully converted share capital of the Company (i.e. assuming the conversion in full of all Convertible Notes); (b) two Directors to the Board if Indigo and its associates hold in excess of 20 per cent of the fully converted share capital; or (c) one Director to the Board if Indigo and its associates hold in excess of 10 per cent of the fully converted share capital (each an "Indigo Director"). If Indigo and/or its associates no longer hold at least 30, 20 or 10 per cent, respectively, of the fully converted share capital of the Company, then Indigo has agreed to procure, insofar as it is legally able to do so, that the appropriate number of Indigo Directors resigns from the Board unless a majority of the independent Directors resolve that any Indigo Director should remain on the Board.

Indigo may not nominate any person to be an Indigo Director whose re-election has been proposed to, but not approved by, the holders of Ordinary Shares in a general meeting, or who has been removed from office by a resolution of the holders of Ordinary Shares.

The Board shall manage the Company independently of Indigo in accordance with the articles of association, the Listing Rules and applicable law. The parties have also agreed that at least half of the Board (excluding the Chairman) shall comprise independent Non-Executive Directors, the Nomination and Governance Committee shall consist of a majority of independent Directors, and the Remuneration and Audit and Risk Committees shall consist only of independent Directors.

The Board confirms that since the entry into the relationship agreement on 24 February 2015, the Company and Indigo have complied with the independence provisions provided in the relationship agreement.

GOVERNANCE

Arm's length transactions

All transactions and relationships between the Company and Indigo or any of their associates shall be conducted at arm's length, on a normal commercial basis and in accordance with the related party transaction rules set out in Chapter 11 of the Listing Rules.

Provision of information and confidentiality

Indigo shall, subject to the Company's obligations under all applicable laws (including, without limitation, the Listing Rules and the DTRs), be provided with financial, management and/or other information relating to any member of the Group as Indigo (or any of its associates) may reasonably require for the purposes of any internal or external reporting requirements which the relevant party is required by internal compliance, law or regulation to make. Indigo may disclose any such financial, management and/or other information to its associates provided that: (a) Indigo will (and will procure that any associate to whom any information is passed will) keep confidential any such information; (b) such information does not include information relating to any transaction between the Company and Indigo or any of their associates obtained as a result of an Indigo Director's position as a Director; (c) disclosure would not result in the breach by the Company of the DTRs or require the Company to make a public announcement; and (d) the name of such persons to whom information is disclosed is added to the Company's insider list.

Annual General Meeting

The AGM was held in Geneva on August 2023. All resolutions put to the Shareholders were passed. There were some resolutions that were opposed by more than 20 per cent of voting Shareholders. This resulted in further consultations with Shareholders regarding the low votes and subsequent reporting on the matter to the market. Further information can be found in the Directors' Remuneration Report on page [146](#).

2. Division of responsibilities

Roles

The role of the Board is to uphold the highest standards of corporate governance and ensure effective leadership and oversight of the Group's strategy and performance.

The Board retains a Schedule of Reserved Matters which sets out the Board's responsibilities. The Board has delegated the day-to-day management of the Company to the Chief Executive and the senior leadership team.

Matters in the Schedule which the Board considers suitable for delegation to its Committees are contained in the terms of reference of its Committees.

The Board has four Committees comprised of Non-Executive Directors and, in the case of the Nomination and Governance Committee, the Chairman. At each Board meeting, Committee Chairs report to the Board in relation to the Committee meetings and decisions. The Committee activities are referred to in the individual Committee Chair reports.

The roles of the Chairman and Chief Executive Officer are clearly separated. The Chairman is responsible for maintaining the efficient performance of the Board. The Chief Executive Officer and the senior leadership team are responsible for the day-to-day management of the Group and the implementation of its strategy.

Board meetings and attendance

The total number of Board meetings held during the year was seven. A number of key strategic and commercial decisions require Board approval and, as and when any such decision is needed outside the scheduled meeting cycle, an ad hoc Board meeting may be arranged. The Board also engaged in a number of dinners and extra curricular activities with the senior leadership team.

Prior to Board meetings, each Director receives an information pack containing a comprehensive review of the Company's business as well as detailed proposals for approval of transactions and developments

falling within the Board's remit. The Company believes that this enables each Director to properly discharge his or her responsibilities. At each Board meeting, Directors who have a conflict of interest in any agenda item declare that interest and are not entitled to vote on that agenda item.

At each Board meeting, the Board approves the minutes of the previous Board meeting. At the end of each Board meeting, there is a private session for Non-Executive Directors to meet with the Chairman to discuss any relevant matters.

Directors are encouraged to attend all Board and Committee meetings, but in certain circumstances meetings are called at short notice and due to prior business commitments and time differences Directors may be unable to attend. If a Director is unable to attend a meeting because of exceptional circumstances, they continue to receive the papers in advance of the meeting and have the opportunity to discuss with the relevant Chairman or the Company Secretary any matters on the agenda which they wish to raise.

The Board and Committee attendance can be found on page [135](#).

External appointments

In accordance with the UK Corporate Governance Code Non-Executive Directors are required to seek approval for additional external appointments. The Directors' external appointments are outlined in the Board biographies.

During the year the following external appointment was approved:

- Enrique Dupuy's appointment to Mobicco Group plc.

GOVERNANCE

3. Composition, succession and evaluation

The Nomination and Governance Committee has responsibility for all appointments to the Board. The selection and appointment process is detailed in the Nomination and Governance Committee Report. The Committee approved a change in the term of appointment from one year to three years, in line with the UK Corporate Governance Code recommendation. Appointments and re-appointments are subject to annual performance reviews and AGM re-election.

There was one new appointment to the Board during the financial year. There were a number of changes to the composition of the Board, which are outlined on page [129](#).

Upon appointment new Non-Executive Directors follow an induction process to ensure an overview of the strategy and business environment, and to become familiar with the key areas of business. The induction process also includes meetings with relevant stakeholders across the business and training on handling of inside information and share dealing.

Re-election

All Directors will offer themselves for re-election at the Company's next AGM. This is in line with the Company's articles of association and is subject to satisfactory performance.

Training

All Directors are offered training in accordance with their needs. During the year training opportunities were provided through workshops and seminars where internal and external advisers participated. During the year there was a focus on ESG for the entire Board, and safety training for the Safety, Security and Operational Compliance Committee.

The Company has adopted a Share Dealing Policy. As a consequence, the Directors are continually reminded of their obligations in accordance with this policy. Face-to-face training on handling inside information and obligations in relation to the Listing Rules was also provided to the Board by the Corporate Secretary.

Board performance

In line with the Code, the Company engaged Lintstock to facilitate an evaluation of the performance of the Board, its Committees, the Chairman and individual Directors. Lintstock is an advisory firm that specialises in board reviews and provides no other services to the Company.

The evaluation comprises the preparation and completion of questionnaires and the collation of responses, followed by interviews if necessary. Once all stages of the review are completed the Board reviews the findings and implements any relevant actions. Lintstock was invited to the Board meeting to present its findings and answer any questions from the Board members.

Support materials were made available and provided by the Company Secretary, including minutes and supporting Board and Committee materials.

The Chairman discussed the main conclusions of the evaluation with the Evaluation team and subsequently with the Board.

The overall conclusion of the evaluation was positive and that the Board and the Committees satisfactorily fulfilled their duties and responsibilities and adequately addressed the strategic priorities of the Company. The key recommendations from the evaluation were:

(i) general feedback:

- Board satisfaction with the composition, expertise and performance of the Board; and
- opportunity for reduction in materials and less focus on past performance;

(II) composition:

- continue focus on diversity and inclusion;

(III) strategy:

- continue focus on planning; and
 - increase focus on the customer proposition; and
- (IV) Company Secretariat:
- improved support; and
 - focus on high quality material.

Case study of relevant Board decision – transforming operations systems

In August 2023 the Board approved the commencement of a multi-year project with the aim of improving Wizz Air's operations software solutions. This project is expected to transform business processes and introduce optimisations to the airline's operations management to support growth plans for the Company's WIZZ 500 strategy.

The Board was provided with a detailed analysis of the proposal, cost analysis and feasibility and risk assessment. The Company identified operational and financial risks in managing individual airline systems independently. Taking into consideration industry headwinds including challenges in ground operations and air traffic control, it was understood that there was additional pressure on planning and disruption recovery solutions. Therefore, a new approach to software solutions was considered by the Board to deliver the optimal efficiency at market appropriate cost to allow the airline operations software solutions to scale. The Board had the following section 172(1) considerations:

- alignment of the Group's strategic objective of maintaining a ULCC airline model and growing both the airline and systems at scale;
- significant customer benefits through less disruption due to system improvements and enhanced operations;
- significant employee benefits through less disruption due to system improvements and enhanced operations;
- ensuring good governance through resource management and phasing of rollout of project;
- benefits for investors in better understanding operational performance, having an impact on CASK and RASK; and
- benefits for consumer and other authorities to understand improvements in operational performance.

BOARD COMPOSITION

Board of Directors membership

Effective oversight of Wizz Air's business is the key function of the Board. Key to this oversight is the approval of the Company's long-term strategy and commercial objectives and these matters are reserved to the Board, along with the approval of annual operating and capital expenditure budgets and any changes thereto.

Other key areas also reserved to the Board include financial reporting and controls, internal controls, the review and approval of key contracts, Board membership, the remuneration of Directors and senior executive employees, corporate governance including ESG matters and the review of safety issues.

Wizz Air's Board currently comprises one Executive and ten Non-Executive Directors.

The current Directors bring a wealth of experience from both the worldwide aviation industry and other international industries and so together bring to the Company an appropriate breadth, depth and balance of skills, knowledge, experience and expertise.

The Directors who have served during F24 and since year end are:

Name	Position	Committee membership (as at 31 March 2024)
Executive Director		
József Váradi	Chief Executive Officer	
Non-Executive Directors		
William A. Franke	Chairman	Nomination and Governance Committee
Stephen L. Johnson	Non-Executive Director and Deputy Chair	
Barry Eccleston	Non-Executive Director	Nomination and Governance Committee, Remuneration Committee, Safety, Security and Operational Compliance Committee, Senior Independent Director
Charlotte Pedersen	Non-Executive Director	Safety, Security and Operational Compliance Committee
Andrew S. Broderick	Non-Executive Director	Sustainability and Culture Committee, Safety, Security and Operational Compliance Committee
Dr Anthony Radev	Non-Executive Director	Sustainability and Culture Committee, Remuneration Committee, INED overseeing employee engagement
Charlotte Andsager	Non-Executive Director	Nomination and Governance Committee, Sustainability and Culture Committee
Enrique Dupuy de Lome Chavarri	Non-Executive Director	Audit and Risk Committee
Anna Gatti	Non-Executive Director	Remuneration Committee, Audit and Risk Committee
Phit Lian Chong	Non-Executive Director	Audit and Risk Committee

GOVERNANCE

William A. Franke Chairman



Nationality: US

Appointed: 2015

Key skills:

Airlines, legal and regulatory

Current external appointments:

Chair, Frontier Airlines Holdings, Inc.; Chair, Lynx Air; Chair, JetSMART Airlines SpA; Chair, APiJET LLC.

Relevant experience:

Founder and Managing Partner of Indigo Partners LLC, a private equity fund focused on investments in air transportation, including Wizz Air.

Served as Chair and Chief Executive Officer of America West Airlines from 1993 to 2001, as Chair of Spirit Airlines Inc. from 2006 to 2013 and as Chair of Tiger Aviation Pte. Ltd, a Singapore-based airline, from 2004 to 2009. He was a Director of Volaris (Concesionaria Vuela Compañía de Aviación S.A.B. de C.V.), a Mexican airline, from 2012 to 2023.

József Váradi CEO



Nationality: Hungarian

Appointed: 2015

Key skills:

Airlines, sales and marketing, finance

Current external appointments:

Board Member, JetSMART Airlines; Trustee, Corvinus University of Budapest.

Relevant experience:

One of the founders of Wizz Air in 2003.

Worked at Procter & Gamble between 1991 and 2001 and became Sales Director for global customers where he was responsible for major clients throughout eleven EU countries.

Served as Chief Commercial Officer and Chief Executive Officer of Malev Airlines from 2001 to 2003. He also held board memberships with companies such as Lufthansa Technik Budapest (Supervisory Board, 2001–2003) and Mandala Airlines in Indonesia (Board of Commissioners, 2007–2011).

Stephen L. Johnson Deputy Chair



Nationality: US

Appointed: 2011

Key skills:

Airlines, legal and regulatory

Current external appointments:

Vice Chair and Chief Strategy Officer, American Airlines Inc; Board Member, Executive Advisory Board, University of Berkeley Center for Law and Business.

Relevant experience:

Mr Johnson served as Executive Vice President of Corporate Affairs from 2009 to 2022. In that role, he was responsible for corporate governance and legal affairs, government and regulatory affairs, labour relations, and real estate and airport affairs. From 2003 to 2009, he was a Partner at Indigo Partners LLC, a private equity firm specialising in investments in the airline industry.

Between 1995 and 2003, held positions at America West Airlines, including Executive Vice President of Corporate. Prior to that, Steve served as Senior Vice President and General Counsel at GPA Group PLC and practised law at the Seattle-based law firm Bogle & Gates.

GOVERNANCE

Barry Eccleston Senior Independent Director



Nationality: British/US

Appointed: 2018

Key skills:

Aviation, safety, manufacturing

Current external appointments:

None.

Relevant experience:

Recently retired as Chief Executive Officer of Airbus Americas Inc., where he was responsible for all aspects of Airbus' commercial aeroplanes business in North America, a position he held from 2005. Prior to this, Mr Eccleston was VP/GM for Honeywell's Propulsion Systems Enterprise and had earlier served as Honeywell's VP Commercial Aerospace.

Before joining Honeywell in 2002, he was Executive VP of Fairchild Dornier Corporation, a provider of regional aircraft. He started his career with Rolls-Royce where he held several senior positions, culminating as CEO of International Aero Engines, a joint venture with Pratt & Whitney. He is past Chairman of the British-American Business Association in Washington DC, and past President of The Wings Club of New York, as well as being appointed an OBE in 2019 by Her Majesty the Queen.

Charlotte Pedersen Non-Executive Director



Nationality: Danish/
Luxembourgish

Appointed: 2020

Key skills:

Aviation, safety, regulatory, ESG

Current external appointments:

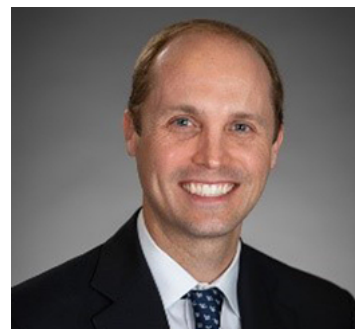
CEO/Owner, Pegasus Consilium SarL; Board Member, Alpha Trains Group SarL; Board Member, Air Greenland A/S.

Relevant experience:

Ms Pedersen started her career as an Air Force Officer and Helicopter Search and Rescue Pilot, graduating in the US Navy on the Commodore's List with Distinction. After 17 years of military service she joined the Civil Aviation Authority in Luxembourg as a Flight Operations Inspector. She supported the initial EASA regulatory working groups as a Helicopter Safety Team and Human Factors Expert.

She joined Luxaviation in 2012 and was appointed Chief Operating Officer of the Group in 2014 before becoming the President of Helicopter Services and Chief Executive Officer of Luxaviation Helicopters. Ms Pedersen holds an MBA with Honours and is a certified INSEAD International Director as well as an Institut Luxembourgeois des Administrateurs (ILA) certified Director. She is an Elected Fellow of the Royal Aeronautical Society. Ms Pedersen is actively supporting "Women in Aviation, Maritime and Racing" initiatives.

Andrew S. Broderick Non-Executive Director



Nationality: US

Appointed: 2019

Key skills:

Airlines, finance

Current external appointments:

Board Member, JetSMART Airlines SpA; Board Member, Frontier Airlines Holdings Inc.; Board Member, APiJET LLC; Board Member, Controladora Vuela Compañía de Aviación, S.A.B. de C.V.

Relevant experience:

Has served as Managing Director of Indigo Partners LLC, a private equity fund focused on air transportation, since 2008. Has served on the board of directors of Frontier Airlines Holdings, Inc., an airline based in the United States, since January 2018; JetSMART Airlines SpA, an airline based in Chile, since September 2018; APiJET, LLC, a software company focused on providing real-time cost saving analytics to airlines, since November 2020; and Controladora Vuela Compañía de Aviación, S.A.B. de C.V., an airline based in Mexico doing business as Volaris, since April 2023.

Prior to joining Indigo, Mr Broderick was employed at a macroeconomic hedge fund and a stock-option valuation firm.

GOVERNANCE

Anthony Radev Non-Executive Director



Nationality: Bulgarian

Appointed: 2021

Key skills:

Listed company, finance

Current external appointments:

President, Corvinus University of Budapest; Board Member, MOL Hungarian Oil and Gas PLC; Board Member, Hungary Football Federation; Board Member, DSK Bank PLC.

Relevant experience:

For over 20 years, Dr Radev has been involved with McKinsey & Co., in various roles, the last one culminating in a Senior Partner role from 2001 until 2013. His engagement has spanned many sectors of the economy and included leading McKinsey's financial institutions practice in Central and Eastern Europe as well as being a member of the senior leadership team in European banking practice. Today, Dr Radev is a Director Emeritus of McKinsey (honorary membership). In 2014, Dr Radev founded the School for Executive Education and Development (SEED) in Budapest to serve the needs of Central and Eastern European companies.

Charlotte Andsager Non-Executive Director



Nationality: Danish

Appointed: 2020

Key skills:

Airlines, aviation, regulatory

Current external appointments:

None.

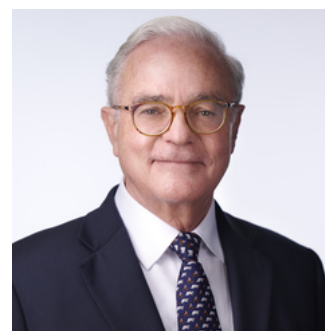
Relevant experience:

Ms Andsager has held multiple regulatory roles within the Ministry of Transport and Communications of Norway as well as Telenor, the Norwegian majority state-owned multinational telecommunications company.

In 2005, Ms Andsager served as Vice President, European and US Public Affairs for SAS Group. In this capacity, Ms Andsager advised SAS Group on European and US public affairs and maintained contacts with the European institutions and the US Administration.

In 2010, Ms Andsager joined Rolls-Royce Plc as Vice President EU Affairs where she served until 2014. Prior to joining the Wizz Air Board, Ms Andsager served six years as an independent Director on the board of Avinor Flysikring AS, the state-owned air navigation services provider in Norway.

Enrique Dupuy de Lome Chavarri Non-Executive Director



Nationality: Spanish

Appointed: 2020

Key skills:

Airlines, finance

Current external appointments:

Board Member, Nadisla investments SL; Senior Adviser, A.T. Kearney; Senior Adviser, Bluepeak Aviation; Board Member, Mobico Group plc.

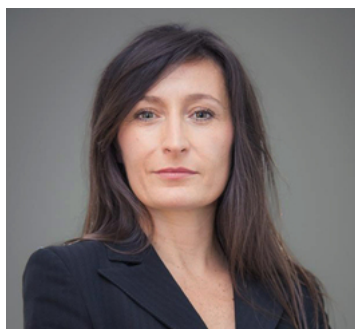
Previous experience:

Served as Finance Director, and ultimately Chief Financial Officer, at Iberia. He also played a key role in the merger of Iberia with British Airways in 2011 and the creation of the International Airlines Group (IAG). He became Chief Financial Officer at IAG, a position he held until he retired in June 2019.

During his time at IAG, he led the financial strengthening and expansion of IAG, driving a significant improvement in its market capitalisation, profitability and returns. He also played a critical role in the Group's acquisitions of BMI, Vueling and Aer Lingus and the creation of Level.

GOVERNANCE

Anna Gatti Non-Executive Director



Nationality: Italian

Appointed: 2021

Key skills:

Digital, consumer, sales and marketing

Current external appointments:

Board Member, Intesa Sanpaolo S.p.A; Board Member, WiZink Bank S.L.

Previous experience:

Served as digital sales executive driving customer success at scale for companies such as Google, YouTube and Skype. She worked at launching YouTube in more than 22 countries and she built an entirely new advertising product business for Skype that laid the foundation for the company's planned IPO and eventual sale to Microsoft.

Ms Gatti is also an active angel investor. In Silicon Valley, where she has been living for over 20 years, she co-founded two start-ups leveraging artificial intelligence applied to big data. Prior to her career in technology, Ms Gatti spent years in research and public policy, working at the World Health Organization and at the University of Berkeley, California, Goldman School of Public Policy.

Phit Lian Chong Non-Executive Director



Nationality: Singaporean

Appointed: 2023

Key skills:

Airlines, aviation, manufacturing, lifestyle and leisure

Current external appointments:

Board Member, Rokt Inc; Board Member, Eu Yan Sang International Ltd.; Chair, Singapore Science Centre Global Pte Ltd.

Previous experience:

Ms Chong has held multiple senior roles in aviation, travel and logistics. Ms Chong was the CEO of award-winning low-cost carriers Jetstar Asia Airways and ValuAir from 2006 to 2012. Ms Chong also served as an independent Board Director on the board of Tiger Airways Ltd, a low-cost subsidiary of Singapore Airlines. Other previous commercial roles included CEO/ Board Member of Singapore Mint, Safe Enterprises Group, Avis Car Rental, Pacific Internet and SingBridge Corporate.

Ms Chong holds an Honours Degree in Production Engineering and Manufacturing Technology and an Honorary Doctorate of Science. She also pursued a Master's in Business Administration.

Changes to the Board during F24

The Nomination and Governance Committee, acting on behalf of the Board, conducts a regular review of the Board's composition. During this review, it identifies areas where skills, experience and knowledge can be further strengthened. The Committee gives due consideration to all aspects of diversity, including gender, ethnicity, age, sexual orientation, disability, education, professional backgrounds, socio-economic backgrounds and personal strengths.

Creating a diverse and inclusive culture was a focus for the Board in F25. It was decided to enhance both gender and ethnicity in the Board composition.

Phit Lian Chong was appointed to the Board as a Non-Executive Director in July 2023 and subsequently to the Audit and Risk Committee in January 2024.

In connection with the addition of Phit Lian Chong to the Audit and Risk Committee, Charlotte Pedersen stepped down from the Committee.

GOVERNANCE

Independence

The UK Corporate Governance Code recommends that at least half the members (excluding the chairman) of the board of directors of a company with a premium listing should be non-executive directors, determined by the board to be independent in character and judgment and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgment.

The Board has considered the independence of the Company's Non-Executive Directors and has concluded that:

- a) William A. Franke, the Chairman, does not meet the independence criteria set out in the Corporate Governance Code, given that he is the Managing Partner of Indigo (a significant Shareholder). However, given the benefits to the Company of his recognised experience in the airline industry, the Board believes that it is in the Company's best interest that Mr Franke should continue as Chairman of Wizz Air;
- b) Stephen L. Johnson is not considered to be an independent Non-Executive Director given his past position with Indigo; and
- c) Andrew S. Broderick, who was appointed effective from 16 April 2019, is not considered to be an independent Non-Executive Director as he is a Managing Director of Indigo.

In all cases, the Board is assured that the roles of the aforementioned Non-Executive Directors are in no way compromised of independence of judgment and character.

Other than William A. Franke, Andrew S. Broderick and Stephen L. Johnson, the Company regards all of its Non-Executive Directors who are currently serving or have served on the Board during F24, Barry Eccleston, Charlotte Pedersen, Charlotte Andsager, Enrique Dupuy de Lome Chavarri, Anthony Radev, Phit Lian Chong and Anna Gatti, as independent Non-Executive Directors within the meaning of "independent" as defined in the Corporate Governance Code and free from any business or other relationship which could materially interfere with the exercise of their independent judgment.

Accordingly, as an absolute majority of the Directors are independent Non-Executive Directors, the Company complies with the requirement of the Corporate Governance Code that at least half of the board (excluding the chairman) of a company with a premium listing should comprise independent non-executive directors.

Senior Independent Non-Executive Director

The Corporate Governance Code recommends that the Board should appoint one of its independent Non-Executive Directors as the Senior Independent Non-Executive Director. The Senior Independent Non-Executive Director should be available to Shareholders if they have concerns that contact through the normal channels of the Chairman or Chief Executive Officer has failed to resolve or where such contact is inappropriate. On 28 January 2022, Barry Eccleston was appointed as the Company's Senior Independent Non-Executive Director.

GOVERNANCE

Independent Non-Executive Director overseeing engagement with employees

In order to strengthen workforce engagement, Wizz Air decided to appoint an independent Non-Executive Director to oversee engagement with employees.

The key purpose of the role is to ensure that the employee voice

reaches the boardroom. The relevant Non-Executive Director is expected to engage independently of management with the Company's employees and to report back to the Board any issues arising which could affect employees' ongoing engagement with the Company.

Dr Anthony Radev was appointed as the Company's independent Non-Executive Director

overseeing engagement with employees. In that role, Dr Radev also sits on and reports regularly to the Sustainability and Culture Committee. During F24, Dr Radev attended a number of engagement events with employees, as well as engaging through the Wizz Air People Council members.

Data on the diversity of the Board and executive management for the year ended 31 March 2024

Gender diversity

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, SID and Chairman)	Number in executive management	Percentage of executive management	
Men	7	64%	3	10	67%	The data on gender and ethnic diversity of the Board and executive management was collected on a confidential and voluntary self-reporting basis.
Women	4	36%	—	5	33%	
Other categories	—	—	—	—	—	
Not specified/prefer not to say	—	—	—	—	—	

Ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, SID and Chairman)	Number in executive management	Percentage of executive management	
White British or other White (including minority White groups)	10	91%	3	15	100%	Wizz Air is fully committed to promoting equality and diversity to enhance decision making, which is crucial for the long-term success of Wizz Air and its stakeholders. The Company's commitment to diversity is set out in the Sustainability and TCFD Reports. The Board is mindful of the Listing Rule requirements in relation to gender and ethnic diversity of the Board and executive management. The targets set out in LRs 9.8.6R (9)(a)(i), (ii) and (iii) have not been met in respect of gender diversity. Ethnic diversity has been met. While diversity criteria are taken into consideration during recruitment processes, decisions are subject to the principle of merit. Addressing diversity remains a priority for the Nomination and Governance Committee in F25.
Mixed/multiple ethnic groups	—	—	—	—	—	
Asian/Asian British	1	9%	—	—	—	
Black/African/Caribbean/Black British	—	—	—	—	—	
Other ethnic group, including Arab	—	—	—	—	—	
Not specified/prefer not to say	—	—	—	—	—	

GOVERNANCE

Senior management team

The Group Chief Executive Officer and the senior management team are responsible for the management of the Group's business and implementation of the Group's strategy on a day-to-day basis.

As of 1 April 2024, the Group's senior management team, in addition to the Group Chief Executive Officer, is:

Wizz Air Hungary Ltd.:

Name	Position
Robert Carey	President
Michael Delehant	EVP and Group Chief Operations Officer
Ian Malin	EVP and Group Chief Financial Officer
Owain Jones	EVP and Group Chief Corporate Affairs Officer
Silvia Mosquera	EVP and Chief Commercial Officer
Janos Pal	Revenue Officer
Ervin Banyai	Digital Officer
Yvonne Moynihan	Corporate and ESG Officer
Veronika Jung	People Officer
Zsuzsa Poós	Customer and Marketing Officer
Boris Rogoff	Central Operations Officer
Roland Tischner	Officer Wizz Air Hungary Operations

Wizz Air UK Limited:

Name	Position
Marion Geoffroy	Managing Director

Wizz Air Abu Dhabi Ltd.:

Name	Position
Johan Eidhagen	Managing Director

Wizz Air Malta Ltd.:

Name	Position
Diarmuid O'Conghaile	Managing Director

Robert Carey, President

Mr Carey joined Wizz Air in June 2021 as President. Mr Carey is an American and French citizen who has a Bachelor of Science degree in Industrial Engineering from Arizona State University as well as a Master's in Business Administration degree from Harvard Business School. Mr Carey started his career in aviation 20 years ago with America West Airlines, followed by Delta Airlines, after which he has spent over a decade at McKinsey & Company, where he was a Partner prior to joining easyJet as Chief Commercial and Strategy Officer in 2017. As President, Mr Carey has oversight of both the commercial and operational functions.

Ian Malin, Executive Vice President and Group Chief Financial Officer

Mr Malin joined Wizz Air in 2022 with over 24 years of finance experience. Most recently, he served as the Chief Strategy and Commercial Officer of Unical Aviation in Los Angeles, after ten years as Chief Financial Officer for the UK-based AJW Group, where he directed overall financial strategy and corporate development. He also served as CEO of AJW Leasing, the group's aircraft, engine and component leasing platform. Prior to AJW Group, Ian served as a Senior Vice President at Seabury Aviation & Aerospace Asia Limited, an investment bank based in Hong Kong where he opened and developed the firm's first office in Asia. Ian also spent eight years in asset finance with the Allco Finance Group of Australia, having joined it as a tax manager from KPMG. Ian attended New York Law School where he earned his Juris Doctorate and holds a Bachelor's degree from Middlebury College in Vermont. Mr Malin has oversight of financial operations, purchasing and digital functions.

GOVERNANCE

Michael Delehant, Executive Vice President and Group Chief Operations Officer

Mr Delehant joined Wizz Air in April 2021 as Executive Vice President, Operations. Mr Delehant is an American citizen who has a Bachelor's degree in Psychology from the University of Michigan and obtained his MBA from Southern Methodist University in Dallas. He brings two decades of executive airline experience and a long track record of leadership, strategy and corporate transformation. After a long career at Southwest Airlines in the US, he joined Wizz Air from Vueling in Europe. In his last role at Vueling, Mr Delehant was the Chief Strategy and Network Officer. Mr. Delehant has oversight over the group operations of the Company, including central operations, safety management, security, maintenance and engineering, and the operations of the Group's four AOCs.

Owain Jones, Executive Vice President and Group Chief Corporate Affairs Officer

Mr Jones joined Wizz Air as General Counsel in September 2010. He was promoted to Chief Corporate Officer in June 2014 before becoming the Managing Director of Wizz Air UK Ltd. in September 2018 and Development Officer in September 2021. He was promoted to his current role as the Group's Executive Vice President and Chief Corporate Affairs Officer, with oversight of legal, government affairs, ESG and people matters, together with fleet procurement and fleet finance, in February 2023. Mr Jones is a Solicitor of the Senior Courts of England and Wales. Having trained at Nicholson Graham and Jones (1994 to 1996), Mr Jones joined Wilde Sapte (now Dentons LLP) in 1996 as a Solicitor in its aviation group, specialising in finance and regulatory matters. He spent time in the firm's Paris and Hong Kong offices before being appointed a Partner in 2006, following which he spent three years in the firm's Abu Dhabi office, becoming acting Managing Partner of the office. He left the firm in 2009 to spend 18 months training for a frozen air transport pilot's licence with CTC Aviation Training. Mr Jones holds a Bachelor of Laws degree from University College London.

Silvia Mosquera, Executive Vice President and Chief Commercial Officer

Silvia Mosquera joined WIZZ on 13 July as EVP and Chief Commercial Officer from her current position as Chief Commercial and Revenue Officer at TAP Air Portugal. Silvia is a seasoned executive with over 20 years of experience in the airline industry and consulting to airlines with leadership roles across commercial functions including network, revenue management, sales, marketing and customer experience. She started at Clickair and moved through various commercial roles in the IAG Group (Clickair, Vueling and Iberia Express), culminating in CCO of Iberia Express. From there, she moved to Avianca, and then most recently to TAP Air Portugal where she was the Chief Commercial and Revenue Officer responsible for the commercial area, including pricing and revenue management, distribution, sales, branding and marketing, ancillaries, customer service and the loyalty programme. She holds a Chemical Engineering degree from Santiago de Compostela University and postgraduate certifications from APICS (The Educational Society for Resource Management) and IESE Business School – University of Navarra.

Yvonne Moynihan, Corporate and ESG Officer

Ms Moynihan joined Wizz Air in July 2022 as Corporate Officer, leading the Legal, Regulatory and Government Affairs functions. She took over ESG in March 2023. Ms Moynihan is an Irish lawyer with Law degrees from University College Cork and The Honourable Society of Kings Inns. She has practised as a litigator in the Irish Courts and held roles as a researcher for the Irish Superior Courts and the European Court of Justice. Ms Moynihan pivoted into aviation and has a track record in the low-cost industry, having held legal roles in Ryanair and Vueling where she held the position of General Counsel and Board Secretary. Ms Moynihan leads the legal, government affairs, regulatory and ESG teams, in addition to performing the role of Corporate Secretary to the Board of Directors.

Veronika Jung, People Officer

Ms Jung joined Wizz Air as the Head of Human Resources in March 2021. Between 2000 and 2011 Ms Jung held various human resources roles at Nicholson International and HBO. In 2012 she joined Telenor as the Human Resource Business Partner and was later promoted to the role of Human Resource Regional Manager and from September 2018 to Chief Human Resource Officer at Telenor Common Operation. Before joining Wizz Air Ms Jung worked as the Chief Human Resource Officer of Ceting Hungary, a telecom network infrastructures operator with a CEE footprint. In her new role as Wizz Air Group's People Officer, Ms Jung will be responsible for the Group's human resources, recruitment and organisational development. Ms Jung holds an MSc degree in Economics from Corvinus University of Budapest.

Zsuzsa Poós, Customer and Marketing Officer

Ms Poós joined Wizz Air in April 2017 as Head of Marketing and moved to the role of Head of Retail and Customer Experience in April 2019. Ms Poós was appointed Chief Customer and Marketing Officer in July 2020. Prior to Wizz Air, Ms Poós built an extensive career at Procter & Gamble and strengthened the management capacity of Hungarian Telekom. Ms Poós is a Hungarian national and holds a Master's degree in Business, Management and Marketing from Corvinus University of Budapest. Ms Poos is responsible for the marketing, customer experience, ancillary and e-commerce teams.

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Boris Rogoff, Central Operations Officer

Boris joined Wizz Air in October 2023 as the Central Operations Officer. Prior to joining Wizz Air he was a Technical Director at Vueling Airlines in Barcelona, Spain, for five years where he was responsible for the maintenance and engineering function at the airline. Before moving to Europe, he spent 15 years at various maintenance and engineering leadership roles at JetBlue Airways. Earlier in his career he worked in several engineering positions at Boeing, Raytheon Technologies, and U.S. Navy. Boris holds a Bachelor of Science degree in Aeronautical and Astronautical Engineering from the University of Washington and an MBA in Technology Management from the University of Phoenix.

Ervin Banyai, Digital Officer

Mr Banyai joined Wizz Air in February 2024 as a Digital Officer, responsible for e-commerce, data analytics and automation, IT innovation and infrastructure and cyber security functions reporting to the Company's Executive Vice President and Group Chief Financial Officer. Mr Banyai was formerly a member of the managing board of Raiffeisen Bank Hungary responsible for IT and operations. Prior to this role, Mr Banyai worked in executive IT roles at various multinational companies including GE Budapest Bank, OTP and Citibank.

Roland Tischner, Officer Wizz Air Hungary Operations

Mr Tischner joined Wizz Air as Head of Human Resources in November 2011. Between 1998 and 2009 Mr Tischner held various human resource leadership roles at General Electric in Hungary and in the United States. In 2009 he joined NBC Universal in the United Kingdom as Vice President of Human Resources. At Wizz Air, following the human resource role, he was appointed to Head of Cabin Operations in 2016, and four years later to Head of Ground Operations. He was named Officer Wizz Air Hungary Operations in June 2022, responsible for flight, cabin and ground operations, crew training, continuing airworthiness management organisation and safety and compliance. Mr Tischner holds a Bachelor of Arts degree in Business Studies from Oxford Brookes University.

Marion Geoffroy, Managing Director, Wizz Air UK Ltd.

Ms Geoffroy joined Wizz Air as Head of Legal and General Counsel in March 2015. Between 2000 and 2011, Ms Geoffroy held senior leadership roles in the Legal department of Air France-KLM. In 2011, she joined Verlingue Insurance Brokers where she served as General Counsel for four years. She was appointed Chief Corporate Officer of Wizz Air in September 2018 overseeing the Legal, Data Protection and Health and Safety departments. Ms Geoffroy holds a Master of Laws (LLM) from Paris XI University (France), a Lawyer-Linguist Master from ISIT (Paris, France), a law degree from Philipps University (Marburg, Germany) and a Master of Laws (LLM) from McGill University Institute of Air and Space Law (Montreal, Canada).

Johan Eidhagen, Managing Director, Wizz Air Abu Dhabi

Mr Eidhagen joined Wizz Air in January 2015 as Head of Brand and Marketing, became Chief Marketing Officer on 1 February 2016 and was named Chief People Officer on 1 November 2019 and ESG and People Officer on 1 June 2021. Starting from 1 April 2023, Mr Eidhagen took the position of Managing Director, Wizz Air Abu Dhabi Ltd. Before joining Wizz Air, Mr Eidhagen built an extensive sales and marketing career at Nokia, holding several senior global and regional marketing positions. He joined Nokia in 1998 from a background in retail and was Head of Marketing for the Nordic region until 2004, when he moved to Nokia HQ in Finland to run global marketing services for the entertainment category. Between 2005 and 2007 he was based in New York as the Director of Marketing for Nokia Multimedia in North America before returning to Finland where he was Director and Head of Marketing for the Nokia Nseries category. In 2009 he became Country Manager for Nokia in Sweden and was appointed as Managing Director for the Scandinavian region in 2011. Mr Eidhagen is a native of Stockholm and is a DIHM marketing graduate from the IHM Business School in Stockholm.

Diarmuid O'Conghaile, Managing Director, Wizz Air Malta

Mr O'Conghaile joined Wizz Air as Managing Director of Wizz Air Malta Ltd. on 1 November 2022. Mr O'Conghaile has a long background in aviation, having served as Chief Executive of the Irish Aviation Regulator, 2021–2022, and with Ryanair from 2016–2021 as Chief Executive of Malta Air (Ryanair Group) and before that Director of Public Affairs. Mr O'Conghaile was General Manager of Strategy, Pricing & Economic Regulation with Dublin Airport Authority from 2011–2016. He holds BA Mod, MA and MLitt degrees from Trinity College Dublin in Economics and a postgraduate diploma in EU Competition Law from King's College London. Prior to entering the aviation sector, he worked in a number of industry and government positions, including with the European Commission and the Irish Department of Finance.

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Attendance at Board meetings

The following table sets out the attendance by Directors at the Board and Committee meetings held during the 2024 financial year. For completeness, the total for each Director represents the total number of meetings during the year.

	Board attended/total	Audit and Risk attended/total	Remuneration attended/total	Nomination and Governance attended/total	Sustainability and Culture attended/total	Safety, Security and Operational Compliance attended/total
Executive Director						
József Váradi	7/7	6/6*	8/8*	5/5*	6/6*	6/6*
Non-Executive Directors						
William A. Franke	6/7	—	—	5/5	—	—
Stephen L. Johnson	7/7	6/6	8/8	5/5	—	—
Barry Eccleston	6/7	—	7/8	5/5	—	5/6
Andrew S. Broderick	8/8****	6/6	—	—	6/6	6/6
Charlotte Pedersen	7/7	5/5**	—	—	—	6/6
Charlotte Andsager	8/8****	—	—	5/5	6/6	—
Enrique Dupuy de Lome Chavarri	8/8****	6/6	—	—	—	—
Dr Anthony Radev	7/7	—	8/8	—	6/6	—
Anna Gatti	7/7	6/6	8/8	—	—	—
Phit Lian Chong	5/5***	2/2***	—	—	—	—

* The Executive Director was invited to attend these various Committee meetings in order to discuss certain matters but did not have a vote. Occasionally Non-Executive Directors also attend meetings of Committees that they are not a member of – these cases are not reflected in this table.

** Ms Pedersen stepped down from the Audit and Risk Committee in January 2024.

*** Ms Chong joined the Board in August 2023 and the Audit and Risk Committee in January 2024.

**** There were seven scheduled Board meetings. An eighth Board meeting was delegated by the Board for a special purpose Transaction Committee to approve a class 1 transaction. Three members of the Board were delegated to the Transaction Committee.



Wizz Air Board of Directors

REPORT OF THE CHAIRMAN OF THE AUDIT AND RISK COMMITTEE



“The Audit and Risk Committee evaluates and manages financial risks, ensures accurate financial reporting and maintains the integrity of the internal control environment.”

Enrique Dupuy de Lome Chavarri
Chairman of the Audit and Risk Committee

Introduction

Dear Shareholder,

I am pleased to present the Audit and Risk Committee (ARC) Report for the financial year ended 31 March 2024.

F24 marked a turning point for Wizz Air, which included several notable achievements, including a return to profitability after three years of losses, strong cash flow generation, a deleveraging of the business and the retirement of certain debt obligations. We were able to harness record consumer demand, capacity growth, higher asset utilisation, cost control and a solid fuel hedging policy to deliver this result. This is despite unprecedented challenges – predominantly manifested through a combination of: a) engine durability issues; b) a lack of a reliable supply chain to support contractual spare engine obligations; and c) a manufacturer’s service bulletin that introduced an engine inspection programme that caused almost a quarter of our fleet to be grounded. This hampered operational performance during the first half of the financial year, which Wizz Air restored in the second half.

In the autumn, Wizz Air signed a compensation framework agreement with Pratt & Whitney that will mitigate the costs of grounding aircraft in F24 and F25 and deliver significant economic improvement to the business.

Main functions of the Audit and Risk Committee

The Audit and Risk Committee focuses on developing leading

financial policies, practices, internal controls and risk management systems, with consistent evolution to improve performance and controls as the Company expands its fleet over the next decade. Key recurring topics focus on liquidity management, hedging strategies, financing, counterparty risk, cyber risk management, finance systems, oversight of Internal Audit, and our relationship with external auditors. These are discussed bi-monthly in the Audit and Risk Committee meetings and, after each, I provide a Board update on the key issues discussed in our meetings. In addition to the members of the Audit and Risk Committee, our meetings are routinely attended by the Group Chief Financial Officer, the Head of Accounting, the Senior Audit Partner and other senior members of the External Audit team from our auditors, PwC. In addition, other senior executives are invited to attend meetings, as required, to provide the Committee with a deeper level of insight on relevant matters.

Membership, meetings and attendance

The Committee consists of three Non-Executive Directors, appointed by the Board according to experience, commitment and capacity. The Company Secretary acts as Secretary to the Committee and relevant members of the senior leadership team are invited to attend meetings.

During F24, the composition of the Audit and Risk Committee was subject to change. With effect from 24 January 2024, Charlotte Pedersen stepped

down from the Audit and Risk Committee and, in the meantime, Phit Lian Chong, Non-Executive Director, has been appointed as a member of the Audit and Risk Committee with immediate effect. Ms Chong was the CEO of award-winning low-cost carriers Jetstar Asia Airways and ValuAir from 2006 to 2012. Ms Chong also served as an independent Board Director and member of the audit committee on the board of Tiger Airways Ltd, a low-cost subsidiary of Singapore Airlines.

The Corporate Governance Code recommends that the Audit and Risk Committee should comprise at least three members, who should all be independent Non-Executive Directors, and that at least one member should have recent and relevant financial experience. During the financial year ended 31 March 2024, the membership of the Committee comprised three members:

<https://wizzair.com/en-gb/information-and-services/investor-relations/governance/board-committees>

- a) Enrique Dupuy de Lome Chavarri (Chairman)
- b) Anna Gatti
- c) Charlotte Pedersen (four out of six meetings)
- d) Phit Lian Chong (two out of six meetings)

All the members are independent Non-Executive Directors, have appropriate knowledge and understanding of financial matters, and have commercial expertise gained in industries with similar characteristics, giving the ARC as a whole

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competence relevant to the sector in which the Group operates. No members of the Company have links with the Company's external auditors. The Company therefore considers that it complies with the Corporate Governance Code recommendation regarding the composition of the Committee.

Activities

Risk management

Details of our governance structure can be found in the Risk Management section of this Annual Report. While the Board is responsible for the Group's risk management, the Audit and Risk Committee supports the Board in the role of monitoring the adequacy and effectiveness of the Group's systems to ensure they are effective and operate as intended. This Committee carries out the review on behalf of the Board ensuring that the Board maintains effective oversight of financial reporting and risk management and that it deems the internal controls to be sufficient and effective, ensuring the long-term integrity and viability of the business. The day-to-day management of risk is delegated to the Leadership Team, which is responsible for implementing risk management procedures, ensuring compliance with these procedures and reporting back to the Committee on risk exposures and mitigation activities.

The Group's comprehensive Enterprise Risk Management (ERM) process, which identifies and collects risks within our risk universe and groups them into risk categories, allows risks to be analysed for likelihood and impact. In particular:

- ▶ each risk identified was considered in detail in terms of the inherent risk, existing mitigating measures and residual risk, along with a determination of how each risk should be dealt with in accordance with the Company's risk appetite;
- ▶ the resulting risk register was then used to prepare a Principal Risk Report. Each risk owner is required to review each risk at least semi-annually;

- ▶ key members of the Company's senior management team review the risk register and the emerging and principal risks and uncertainties report at least semi-annually and share them with the Board;
- ▶ the Committee, among other things, approves changes to the emerging and principal risks and uncertainties report, including updates and consequent mitigating actions; and
- ▶ the principal risk report, once approved by the Committee, is delivered to the Board as a whole for approval.

The Committee reviews the Company's risk register twice per year and assesses whether its risk management systems accord with the Financial Reporting Council's (FRC) Guidance on Risk Management, Internal Control and Related Financial Business Reporting.

Both at the half-year review and at the full-year review, the Committee concluded that the Company's risk management and internal control systems are in accordance with applicable guidance. No significant failings or weaknesses were identified in the review process.

Climate risks

The Company's financial disclosures follow the recommendations established by the Task Force on Climate-related Financial Disclosures (TCFD), for use by companies in providing information to investors and other stakeholders about their climate-related financial risks and opportunities. Since F21 the Company has been aligning its disclosure with the recommendations of the TCFD and during F24 we have further improved our disclosures. These improvements versus last year include amongst others:

- ▶ the continuous development of our climate risk assessment approach and its effectiveness in supporting the organisation's resilience. We continue to work with expert sustainability and climate consultants from Deloitte Ltd. Hungary who

support our materiality and heat mapping processes. Climate risk assessment is a recurring exercise, and based on updated scientific forecasts or new policies, the risks and their impact evaluation were revised. Following qualitative scenario analysis, based on TCFD recommendations, the key risks retained were also quantified;

- ▶ the cooperation with third-party sustainability consultants Climate Partner to assess Wizz Air's greenhouse gas inventory and calculate its emissions (Scope 1, 2 and 3) based on recognised standards; and
- ▶ the appointment of a third party, KPMG Hungary, for the limited assurance of the Company's carbon footprint and greenhouse gas emissions reporting for F24.

The Company's ESG team has also begun preparations to ensure compliance with the EU's Corporate Sustainability Reporting Directive (CSRD) from next year. As part of that, to expand ESG risk assessments to the supply chain, Wizz Air entered into a partnership with Integrity Next, a company specialised in third-party risk and supply chain sustainability management. This will help Wizz Air to identify and manage potential supplier ESG risks before and after contracting.

While the Company's emissions intensity (emissions per passenger kilometre) is among the lowest in the industry and on that critical metric the Company leads the industry, as evidenced by the CAPA sustainability award, the Board recognises that more progress needs to be made to work towards climate transition planning ensuring we keep our pace in emissions reduction in line with set goals. The Company's target to reduce emissions intensity by at least 25 per cent by F30 is supported by a combination of new technology adoption, fuel-saving initiatives and a robust SAF strategy (see pages 46 to 48 of the Sustainability Report).

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Cyber Risks Review

The Committee continued to review regular updates from management on the Company's position with respect to cyber security and on the actions implemented or planned to mitigate cyber risks, even more so given a continued rise in cyber activity in the industry and in the Company's supply chain.

The Digital Officer provides an update on cybersecurity at each Committee meeting, with ad hoc updates as needed. These reports provide the Committee with information on compliance progress, cyber monitoring and any notable incidents.

Internal Audit and effectiveness

The purpose of Wizz Air's Internal Audit function is to provide independent, objective assurance and internal consulting services designed to add value and improve operations of all the entities and functions within the Group. The Senior Internal Audit Manager is responsible for the proper operation of Wizz Air's Internal Audit function and actively involves outsourced service provider(s) to perform mainly assurance projects and to a limited extent consulting services.

The Internal Audit Plan

The Senior Internal Audit Manager prepares a risk-based plan of internal audits for the upcoming year, which is approved by the Audit and Risk Committee.

This Internal Audit Plan also covers:

- ▶ internal audits over operational processes;
- ▶ fraud-specific audits to be performed by the designated Anti-fraud and Investigations Manager under the supervision of the Senior Internal Audit Manager; and
- ▶ periodic review of the Internal Controls over Financial Reporting (ICFR) project. The plan is supervised by the Senior Internal Audit Manager, who has direct responsibility to the Chairman of the Committee as well as an administrative reporting line

to the Company's Chief Financial Officer.

Each audit and project is preceded by a detailed scoping and resource planning exercise which forms the basis of the procedures. Following the completion of an internal audit or a fraud-specific audit, a report is compiled which sets out findings, makes recommendations for control improvements and presents the improvement actions already undertaken by management. These reports are submitted and presented to the Audit and Risk Committee for discussion, input and approval. The Chairman subsequently provides the Board with detail of the internal audit and fraud investigation reports completed.

Internal Audit tracks and verifies that any recommendations as a result of the Internal Audit Plan or the external audit work are being implemented, and reports back to the Audit and Risk Committee on the status of such implementation.

To expand the Internal Audit function's perspective, in January Wizz Air entered the International Association of Airline Internal Auditors (IAAIA) for the first time since the association's foundation to exchange information on challenges and best practices. Currently, 45 airlines are members of the association. The association offers many benefits with the membership, such as audit tool licence, airline industry specific benchmarks, key Internal Audit department initiatives across education, automation and methodology pillars, and audit plan priorities.

Based on all the interactions with the Senior Internal Audit Manager and the reviews of the internal audit work, the Committee concluded that the Company's Internal Audit function is effective in the context of the Company's overall risk management system.

Anti-Fraud

Wizz Air's Anti-Fraud function continued the development of its anti-fraud framework to be aligned with international anti-fraud requirements and good practices. These requirements and good practices were

provided in F23 by EY Hungary which was commissioned as an independent consulting service provider to review and analyse the Company's anti-fraud strategy and related internal policies. As a result of its analysis, recommendations related to the development of the anti-fraud framework have been presented and agreed.

The Anti-Fraud and Investigations Manager functions as the second line of defence while monitoring and supporting other Wizz Air personnel and departments in ensuring business operations and performing operational tasks that align with the established anti-fraud programme and policy.

To complement the development of our anti-fraud framework, we decided to enter the European Airlines Fraud Prevention Group and the Anti-Fraud and Investigations Manager increased her involvement in the UK Airlines Fraud Forum as well to exchange information on challenges and best practices. The regular meetings focus on discussing fraud trends and exploring methods to counter or prevent emerging fraudulent activities.

Reporting procedures and controls

Management is responsible for internal controls over financial reporting for the Group. Each week, the Board receives an update on key performance metrics and each month an outline of the Group's financial results (actual and forecast) is shared. At least annually, the Board reviews the strategic plan for the Company and, following that strategic review, in a separate review will review the mid-term financial plan for the Company.

The controls over the integrity of financial reports include, amongst others, reconciliation of key balances, variance analysis to forecast and prior year results, and review meetings within the Finance and Accounting team and with the respective business owners including the Leadership Team.

The Annual Report is produced by the Group Accounting team based on the reports from

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several departments across the Company, including Investor Relations, Financial Planning and Controlling, Treasury, Internal Audit, Legal, HR, Corporate Office, Commercial and Customer Experience, Sustainability and Operations. Their submissions are thoroughly reviewed prior to inclusion and independently validated by the Accounting team and reviewed by the respective Officers.

The Company has continued to work to improve its financial reporting operation with a focus on digitalisation of manual transactions allowing higher pixelation of data and shorter lead times, leveraging the opportunities highlighted as part of the Company's ICFR project and some of the best technology available. During F25, EY Hungary will continue to provide consultancy services regarding ongoing ICFR projects supporting management and the Audit and Risk Committee to maintain effective oversight on financial reporting, risk management and effective internal controls and to prepare for and adopt the improved FRC internal control, assurance and resilience requirements over the course of F25.

Financial information flow

An annual operating plan (OP) is produced and monthly results are reported against this. The OP is prepared using a bottom-up approach, determined by a high-level assessment of market and economic conditions. Reviews are performed and ultimately approved by the Leadership Team and the Board. The Plan is also compared to the top-down Mid-Term Plan that projects the business' performance over a three-year period to March 2027 (MTP) as a sense check.

Management performs Group consolidation monthly with a month-end pack produced that includes the income statement, balance sheet analysis along with key performance indicators and a cash flow statement for every quarter, which are reviewed by the Leadership Team and the Board. Actual results are compared against the Group's plan and a monthly forecast is prepared and compared against both the plan and the prior

forecast. A narrative is provided by management to explain significant variances.

The Audit and Risk Committee reviews and approves all interim and annual financial statements, as well as the content of the Company's Annual Report. The Company's external auditors provide the Audit and Risk Committee with a briefing on any issues arising during their audits. The Committee also reviews and approves any regulatory announcements that are made in connection with such financial information. It is only after the Committee's approval that statements are put to the Board as a whole for approval.

With regard to our reporting procedures and the financial controls over these procedures, the Committee concludes that the Company produces comprehensive financial statements and other financial reporting and disclosure, leveraging adequate and effective reporting processes, systems and controls.

Assess the Group's going concern and viability statements

The Directors must satisfy themselves as to the Group's viability and confirm that they have a reasonable expectation that it will continue to operate and meet its liabilities as they fall due. The period over which the Directors have determined it is appropriate to assess the prospects of the Group has been defined as three years. In addition, the Directors must consider if the going concern assumption is appropriate.

The Committee reviewed management's schedules supporting the going concern assessment and viability statement.

These included the Group's Mid-Term Plan (MTP) and cash flow forecasts for the period to March 2027. The Committee discussed with management the appropriateness of the three-year period, and discussed the correlation with the Group's principal risks and uncertainties as disclosed on pages [106](#) to [113](#). The feasibility of mitigating actions and the potential speed of implementation to achieve any

flexibility required were discussed. Scenarios covering events that could adversely impact the Group were considered. The Committee evaluated the conclusions over going concern and viability and the proposed disclosures in the financial statements and satisfied itself that the financial statements appropriately reflect the conclusions.

Corporate Reporting Review

In F24, the Committee received notice from the Financial Reporting Council (FRC) that it had carried out a review of the Company's annual report and accounts for the F23 financial reporting year, in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The FRC's review was not to verify the information disclosed, but to assess compliance with reporting requirements. The letter stated that, based on their review, there were no questions or queries the FRC wishes to raise with the Company and only a limited number of disclosure improvements were recommended for the benefit of users of the accounts. The Audit and Risk Committee has discussed the findings of the Corporate Reporting Review with PwC and management and is satisfied where appropriate disclosure enhancements have been made.

Relationship with external auditors

With the completion of the F24 audit, PricewaterhouseCoopers LLP have been the auditors of the Company for 17 years uninterrupted, covering the years ended 31 March 2008 to 31 March 2024. The Committee carefully considered the performance of the external auditors and the quality and effectiveness of the external audit process. In line with the FRC's Audit Quality Practice Aid for audit committees, the Committee reviewed materials from independent sources, including the Adviser Rankings Guide, to gain additional insights into the effectiveness and quality of the external auditors.

As a normal responsibility of the Audit and Risk Committee, we

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have regular correspondence and discussions with the engagement partner of the Group's external auditors, Mr Jason Burkitt, of PricewaterhouseCoopers LLP (PwC), outside the formal cycle of Committee meetings.

External audit plan and fees

The Committee approved the fees to be paid and the external audit plan for the F24 financial year and reviewed the reports of the auditors on the half-year review and annual audit.

The audit of the F24 financial statements and the review of the half-year financial statements were all completed on time and to a high standard and addressed the key issues arising from the Company's business that could have a material impact on the financial statements.

The Committee has had a number of interactions with PwC during the audit process and has obtained feedback from the Group Finance team on their performance. Based on this the Committee noted that PwC's focus was aligned to their audit plan, which the Committee had previously approved. The Committee is satisfied that PwC have appropriately challenged management, robustly but constructively, during the audit process and remained sceptical in their approach as well as reporting their findings transparently to the Committee.

Audit fees further increased in F24 compared to prior years. The increase reflects professional pay inflation rates in the UK and in Hungary and the growth in size and complexity of the Company.

External audit non-audit services and independence

A primary focus of the Committee is to ensure the independence of the Company's external auditors. The Committee reviewed the independence letter of the auditors and considered in particular the non-audit services performed and the non-audit fees paid to the external auditors during the year (see Note 7 to the financial statements). The Audit and Risk Committee was satisfied that non-audit

services and fees did not compromise the objectivity and independence of the auditors:

(i) the engagement leaders from the relevant assurance departments are not part of the audit team; and (ii) no such services were ordered by the Company that carried a self-review threat for the auditors. Furthermore, non-audit fees have been on a declining trend for several years, both in terms of their absolute amount and as a proportion to audit fees. As a result, non-audit fees earned by PwC in F24 were materially less than the audit fees. Details of non-audit fees paid to the auditors are set out on page [208](#).

The last external audit services tender was conducted in the summer of 2017, when PricewaterhouseCoopers LLP were re-appointed to perform the external audit for five years (2018–2022). The Company confirms compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation Order 2014 relating to tendering. The Company tested the market early again in 2021 and concluded that PwC will be proposed to remain as auditors for F24 and the next tender process will be scheduled during 2026, to award the auditors in charge for the year ending 31 March 2028.

Significant matters relating to the Annual Report

In the course of the preparation of the Company's financial statements, the following issues, among others, were considered by the Committee, relying on its professional and industry experience, and constantly challenging management's judgment:

- ▶ The continued uncertainty around the geopolitical situation including the impact on commodity markets required a review of the going concern assumptions and the viability statement. The Committee participated in rigorous reviews and analysis of the assumptions and methodologies used by management in undertaking the work required to provide

the forecasts to underpin the going concern and viability statements. At the conclusion of this process, which included frequent interaction with the engagement partner of the external auditors, the Committee determined that the positions adopted by management on these issues were appropriate.

- ▶ The review of the hedging policy for jet fuel pricing and associated USD foreign exchange exposure for the Company. The Board approved a reinstatement of its hedging policy in F23 and this remains in effect. The Committee is briefed each time management proposes adding additional hedges, including the details of such hedges, the conformity of these hedges with policy and the achieved outcome of any prior approved hedge requests. The policy and its efficacy are reviewed at each Committee meeting.
- ▶ Capital commitments and financing: the Committee undertook a detailed review of the Company's capital commitments including the required repayment of the Company's bond in January 2024. The Committee and the Board of Directors reviewed in detail the working capital assessment led by the Company and noted that management had secured, or will generate, sufficient trading cash flow over the term covered by the going concern period to meet its obligations.
- ▶ The Committee reviewed treasury risk management policies and suggested enhancements around controls over counterparty credit limits.
- ▶ The Committee reviews the status of the Company's tax returns and tax audits in the key jurisdictions it operates in.

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- ▶ The impact of the war in Ukraine: in February 2022, the airspace of Ukraine, Russia and Moldova was closed until further notice as a result of the war in Ukraine. Three of Wizz Air's aircraft were stranded in Kyiv while all of the engines affixed to these aircraft have been exported and after due maintenance rejoined the Wizz Air fleet as spare engines effectively utilised in daily operations. While three airframes remain grounded on Ukrainian territory, management is actively pursuing all safe options to facilitate the return of these assets to support the Wizz Air fleet while at the same time carefully evaluating impairment calculations should such efforts be unsuccessful.
- ▶ The impact of the latest Israel-Hamas War: The Committee increased its scrutiny towards the Group's financial forecasts and the ongoing geopolitical disruption in Israel and Palestine and the impact thereof to the affected Wizz Air destinations including Jordan, Egypt and the Middle East and the Group's financial performance as a whole.

The Committee also considered whether the Annual Report, as written by the respective business or subject matter owners, taken as a whole, was fair, balanced and understandable and whether it provided the necessary information for Shareholders to assess the Company's financial position, performance, business model and strategy. In reaching its judgment the Committee reviewed all the issues that had been raised by both management and the external auditors during the audit process and at other times during the year and debated whether they had been fully, fairly and clearly disclosed and discussed in the Annual Report. The Committee also considered whether appropriate emphasis was placed on each issue. At the conclusion of this process the Committee determined that the Annual Report taken as a

whole is indeed fair, balanced and understandable and recommended it to the Board for approval.

Other matters considered and monitored during the year

- ▶ The Committee noted the redrawing of a \$211.6 million pre-delivery payment (PDP) facility in multiple stages starting from November 2023 and a €253.6 million ETS sale and repurchase agreement in December 2023.
- ▶ The Company retained its investment grade rating with Fitch (BBB-).
- ▶ The Committee tasked the Internal Audit department with an IT recovery readiness and disaster recovery plan audit as well as a third-party risk management audit – both of which are currently underway.
- ▶ Work continues on anti-fraud and ICFR matters.
- ▶ The Committee was regularly briefed on matters pertaining to Pratt & Whitney engine performance challenges and agreements negotiated to mitigate the costs to the Company.

Enrique Dupuy de Lome Chavarri
Chairman of the Audit and Risk Committee
14 June 2024

REPORT OF THE CHAIR OF THE SAFETY, SECURITY AND OPERATIONAL COMPLIANCE COMMITTEE



“The robust reporting practices within the organisation reflect a strong commitment to aviation just culture, enhancing our confidence in the Company’s safety management. It is testament to the collective efforts towards a safer and more resilient aviation environment.”

Charlotte Pedersen

Chair of the Safety, Security and Operational Compliance Committee

Dear Shareholder,

I am pleased to present the report of the Wizz Air Safety, Security and Operational Compliance Committee for the year ended 31 March 2024. Our Committee was established on 26 July 2022, with a clear mandate: to reinforce Wizz Air Group’s robust safety culture and enhance oversight of safety, security and compliance performance across the organisation.

Safety lies at the core of Wizz Air’s operations and remains our highest priority. In the current fiscal year, Wizz Air was honoured to be recognised once again as one of the safest airlines in the world by AirlineRatings.com – in the top ten safest low-cost airlines globally. Safety in aviation assumes paramount importance, especially during times when the industry faces heightened scrutiny due to recent incidents that have cast doubts on aviation safety. Engine defects and aeroplane manufacturer events have raised legitimate concerns, necessitating a renewed focus on safety. The robust reporting practices within the organisation reflect a strong commitment to aviation just culture, enhancing our confidence in the Company’s safety management system.

The year did not pass without significant security challenges across the Wizz Air network as a result of geopolitical instability impacting the airspace. The outbreak of war in Israel and Gaza on 7 October 2023 resulted in the temporary suspension of Group operations to Israel.

The Company also faced a unique challenge as a result of the recall of engines by its engine supplier, Pratt & Whitney, leading to the grounding of 45 aircraft. The Committee oversaw the Company’s approach to managing the system of engine removals and inspections, as well as the mitigations introduced to ensure safe operations.

The Committee, in collaboration with the Chief Operations Officer, the Operations department, the Safety, Security and Compliance Managers, and the Managing Directors of the AOCs, plays a crucial role in maintaining the Group’s impeccable safety record. We assist the Board by overseeing the Group’s policies, practices, objectives and performance related to safety, security and operational compliance management. This responsibility became even more critical during times of geopolitical insecurity, which directly impacted our operations.

The Wizz Air Group is comprised of four airlines and Aircraft Operator Certificates (AOCs) with individual safety responsibilities, regulatory frameworks and reporting obligations.

The respective AOCs are regulated by the European Union Aviation Safety Agency, the UK Civil Aviation Authority and the General Civil Aviation Authority of the United Arab Emirates (UAE). The Committee carries out oversight of the effectiveness of the Group’s safety systems and standards in respect of AOC

structures, facilitating the Group’s safe expansion.

In my role as Chair I provide regular updates to the Board and provide my fellow Directors with safety materials and information to allow comprehensive knowledge sharing of safety matters and the Group safety management system.

Membership, meetings and attendance

- Charlotte Pedersen (Chair)
- Barry Eccleston
- Andrew S. Broderick

The Committee consists of three Non-Executive Directors, appointed by the Board according to experience, dedication and capacity. The Company Secretary acts as Secretary to the Committee and relevant members of the senior leadership team and the different AOCs are invited to attend meetings.

The terms of reference of the Committee are available at: <https://wizzair.com/en-gb/information-and-services/investor-relations/governance/board-committees>.

The Committee had six meetings during the year. The Committee focused on the following activities:

- received regular updates on risks related to airspace security and geopolitical matters;
- received regular updates on the measures implemented to mitigate the grounding of

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aircraft as a result of the recall of Pratt & Whitney engines;

- reviewed the Group safety and security principles;
- reviewed risks relating to safety, security and compliance management and emergency response;
- received regular reports on safety performance, audit findings and incidents; and
- received regular updates from the AOC Managing Directors.

In addition, the Committee received training on the Group Safety Management system; Security Management; and Directors' liability in the event of a serious incident.

Key activities

Operational stability

Following a challenging operational year in F23, the Committee was pleased to oversee significant improvements in the stability of the Group's operations, leading to robust operational results and ultimately less disruption for its valued customers.

The Committee was updated about investment in the decentralisation of operations and consequent strengthening of operations at each of the Group's respective AOCs – adding additional resources and operational buffers. The Committee reviewed the Company's response which included identifying mitigating strategies which led to these structural changes.

In addition, the Company introduced fixed roster patterns, eliminated complex flying and implemented buffers in the flying schedules. These collective efforts resulted in industry leading completion rates and minimised disruptions in a safe manner.

Despite notable improvements in operational performance, the Company encountered significant disruptions due to the grounding of aircraft from the recall of engines by Pratt & Whitney, a critical event that impacted flight schedules and reliability. Additionally, a prolonged process of scheduled engine removal and inspection further strained

operations. In response, the Committee collaborated closely with management to mitigate the impact; evaluate the risks associated with prolonged engine inspections; and ensure effective contingency planning. The Committee receives regular updates on the status of the engine issues.

Risk management

The Committee was updated about safety risks and incidents and how they were managed by the Group and the respective AOCs. The Committee reviewed the performance of the risk mitigation strategies and corrective actions in response to audit findings.

The Committee observed the number of mandatory and voluntary occurrence reports and reported to the Board that the reporting balances were indicative of a healthy safety culture. The combination of both types of reports indicates that the organisation encourages open communication and values safety over silence, fostering a learning environment. The positive levels of voluntary reporting indicate that Wizz Air actively mitigates risks by acting on reported issues. It also signifies a commitment to continuous improvement and resilience in the face of challenges.

The Committee's recognition of positive reporting levels to the Board reinforces the Company's commitment to safety, transparency and a culture of continuous learning. It's a testament to the collective efforts toward a safer and more resilient aviation environment.

Security challenges

Due to several ongoing conflicts, the Committee was updated about continuous monitoring and risk management related to physical security risks due to the proximity of the Group's network to various wars. The Company constantly reviews and updates its security risk assessment and mitigation process and seeks to improve its intelligence gathering and sharing capabilities.

The Company continued to monitor events in Ukraine where the airspace remains closed to

date. A further war broke out in the Middle East. The Company activated a crisis management process to deal with adjustments in the operation. While the airspace was still technically open, for security reasons the Company made the decision to stop operating to Israel on 7 October. Following a detailed risk assessment, reviewed by the Committee, the Group airlines restarted operations to Israel in March 2024. The Company continues to react and mitigate risks in line with safety recommendations from authorities to ensure safe operations during a constantly evolving situation.

The Committee observed an increase in bomb threats, particularly at airports, and encouraged management to work with airports to establish effective handling in case of disembarkation or crisis management.

Going forward

The Committee will continue to focus on the adoption of policies, standards and processes in accordance with best practices of the airline industry, particularly in light of the Group's ambitious growth plans to new regions with differing safety and regulatory frameworks.

The Pratt & Whitney engine situation will continue to be a focus, as will the continued monitoring of security risks arising from geopolitical volatility which can have a significant impact on airline operations.

Finally, I would like to thank the great people of Wizz, in particular the Group operations team and AOC management, for their steadfast dedication to running a solid operation and providing safe and reliable service for our customers, despite the many challenges facing the Company in terms of disruption from engineering and geopolitical matters.

Charlotte Pedersen
Chair of the Safety,
Security and Operational
Compliance Committee
14 June 2024

REPORT OF THE CHAIRMAN OF THE NOMINATION AND GOVERNANCE COMMITTEE



“Over the course of the year, the Committee significantly contributed to strengthening the Board through... a steadfast dedication to fostering diversity within the organisation.”

William A. Franke

Chairman of the Nomination and Governance Committee

Introduction

Dear Shareholder,

I am pleased to present the Nomination and Governance Committee Report for the financial year ended 31 March 2024. Over the course of the year, the Committee significantly contributed to strengthening both the Board and the senior management team. This was realised through supervision of talent development, strategic succession planning, and a steadfast dedication to fostering diversity within the organisation.

The Nomination and Governance Committee assists the Board in discharging its responsibilities relating to the composition of the Board and senior management. The Nomination and Governance Committee is responsible for evaluating the balance of skills, knowledge and experience on the Board, the size, structure and composition of the Board, and retirements and appointments of additional and replacement Directors, and makes appropriate recommendations to the Board on such matters.

This year, the Committee prioritised diversity and one of the areas we focused on was ethnicity. We are satisfied that the composition of the Board aligns with the objectives regarding gender diversity and ethnic representation outlined by the UK Listing Rules, the UK FTSE Women Leaders Review and the UK Parker Review.

Succession planning was also a key focus of the Committee to ensure the balance of skills, knowledge, experience, diversity and independence to implement the Company's strategic priorities.

The Committee conducted an internal evaluation of the effectiveness of the Board, its Committees, members and processes in accordance with corporate governance standards. Further details of the reviews, conclusions and recommendations can be found on page [122](#).

Membership, meetings and attendance

- William A. Franke (Chairman)
- Charlotte Andsager
- Barry Eccleston

The Committee consists of three Non-Executive Directors, appointed by the Board according to experience, dedication and capacity. Stephen L. Johnson attends the Committee as an observer. The Company Secretary acts as Secretary to the Committee and relevant members of the senior leadership team are invited to attend meetings.

The terms of reference of the Committee can be found at: <https://wizzair.com/en-gb/information-and-services/investor-relations/governance/board-committees>.

The Committee had five meetings during the year and focused on the following activities:

- reviewed and approved changes to the Board Committees;
- considered and approved the appointment of a female Director from Singapore, Phit Lian Chong, to the Board;
- approved changes to the senior leadership team and recruitment of new Officer appointments;
- reviewed and recommended to the Board the amendment of Board reserved matters;
- commenced an annual Board review process; and
- considered talent, succession planning and diversity of the senior leadership team.

Key activities

Board composition

In accordance with the UK Corporate Governance Code, the Committee considered and proposed a number of changes to the Board, including the appointment of Phit Lian Chong and changes to the composition of the Committees.

In connection with the appointment of Ms Chong, the Board approved a number of changes to the membership of Board Committees:

- Charlotte Pedersen stepped down from the Audit and Risk Committee, but continued her other commitments; and
- Phit Lian Chong was appointed to the Audit and Risk Committee.

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Management changes

In ensuring the development of a solid talent pipeline, the Committee oversaw the strengthening of the senior leadership team. The Company welcomed Silvia Mosquera to the Group as Executive Vice President and Group Chief Commercial Officer. The Committee considered the appointment of Boris Rogoff as Central Operations Officer, Janos Pal as Revenue Officer and Ervin Banyai as Digital Officer.

Re-election

In accordance with the UK Corporate Governance Code and the Company's articles, each Director is required to retire by rotation and seek election or re-election annually at the Company's AGM. The Board, on the support of the Committee, recommends the re-election of all Non-Executive Directors at the upcoming AGM. The Committee and Board are satisfied that the Non-Executive Directors have discharged their duties effectively and demonstrate the requisite mix of skills and time commitment relevant.

External appointments

After a Director is appointed, any proposed additional external roles are subject to review by the Committee. The purpose is to ensure that these additional responsibilities will not hinder a Director's ability to fulfil their role within the Company. The Board also regularly assesses Directors' interests and commitments during Board meetings. Based on this evaluation, it has determined that each Non-Executive Director has adequate time to fulfil their duties, considering their external appointments and commitments. External appointments were considered and approved during the course of the year for Enrique Dupuy de Lome.

Induction and training

Our standard induction procedures for newly appointed Directors involve personalised meetings with senior executives. Additionally, Directors visit the headquarters in Budapest.

The induction programmes are customised to align with each Director's unique background and experience. These procedures complement existing practices, where Non-Executive Directors engage in relevant business activities such as employee interactions, and participation in brand events.

Diversity and inclusion

Consistent with the Company's Diversity and Inclusion Policy, the Board and Committee are committed to improving diversity on the Board and supporting female representation on the Board and senior leadership team. Due consideration is afforded to all aspects of diversity, including gender and social and ethnic backgrounds. The Committee is mindful of the recommendations of the Financial Conduct Authority, the UK FTSE Women Leaders Review and the Parker Review. In line with the Company's policy on diversity, new appointments to the Board will track best practice guidelines.

The Board has 36 per cent female representation, two of whom are Chairs of the Sustainability and Culture Committee and the Safety, Security and Operational Compliance Committee, respectively. There is a commitment to have no less than 40 per cent female representation on the Board and have at least one Director reflecting ethnic diversity. The Committee is pleased to confirm the latter objective has been met with the appointment of Phit Lian Chong. The Committee continues to strive to prioritise the former objective.

Diversity and inclusion is embedded in the senior management's incentive programme; the Committee recognises the value of broader diversity including nationality. With over 100 nationalities already working for the Company – and with eight nationalities represented on the Board and eight on the Company's strong Leadership Team – the Committee will continue to ensure that the Company remains a diverse organisation that represents the communities both within the Company and which we serve.

In March 2024, to celebrate International Women's Day, the Company launched its first Women on Air event, to promote gender diversity in the aviation industry to support and thank the accomplished female leaders from various roles within Wizz Air. The event underscores Wizz Air's broader commitment to fostering diversity and inclusion.

William A. Franke
Chairman of the Nomination
and Governance Committee
14 June 2024

DIRECTORS' REMUNERATION REPORT



“Our employees’ dedication and effort have been instrumental in achieving this year’s robust results – a €900 million earnings improvement year over year; this is reflected in the Committee’s approach to remuneration matters.”

Barry Eccleston

Chair of the Remuneration Committee

Introduction

Dear Shareholder,

I am pleased to present the Directors’ Remuneration Report (DRR) for the financial year ended 31 March 2024. This report includes a detailed account of how we implemented the Company’s Remuneration Policy over the past financial year and the planned policy implementation for the financial year ending on 31 March 2025 (F25).

Our employees’ dedication and effort have been instrumental in achieving this year’s robust financial results – a €900 million earnings improvement year over year – despite the lingering impact of the COVID-19 pandemic and persistent volatility facing the industry. The Committee considers it essential to recognise that context and the dedication of our management and employees, and this is reflected in the Committee’s approach to remuneration matters.

In common with the worldwide airline industry, the Company’s operations were almost entirely grounded during the pandemic but, with strong leadership and its entrepreneurial spirit, the Company restored operations and exploited opportunities very successfully, even though demand remained unpredictable and affected by short-notice restrictions across all markets. Indeed the Company emerged in a strong position from the pandemic, having relied on its own financial strength, rather than government bailouts which were the lifeline for many other airlines.

However, subsequently, the Company has faced a number of unique challenges: first, the Russia-Ukraine war, which brought to an immediate end the Company’s operations in Russia and Ukraine; second, the removal from service of a large number of aircraft following the recall of virtually all of the new generation of engines manufactured by Pratt & Whitney; and third, as the result of the Israel-Palestine conflict, the Company was forced to cease service to Israel and neighbouring countries. In addition to impacting the Company’s financial performance, these black swan events made our management team’s work meaningfully more challenging.

Notwithstanding this external context, for F24, the Group reported a profit of €365.9 million, a positive swing in earnings of almost €900 million compared to F23. Those earnings allowed the Company to pay down debt to further strengthen its balance sheet, which has remained investment grade with strong liquidity; increase capacity by 24.5 per cent and grow its fleet with an additional 39 latest-technology Airbus A321neo aircraft, all successfully and competitively financed; regain its position as one of Europe’s most reliable airlines with a schedule completion rate of 99.8 per cent in March 2024; and achieve record carbon emissions intensity reductions and improved sustainability ratings, extending its lead with the lowest emissions per passenger kilometre in Europe and globally. Despite the external challenges and at the same time as delivering the Company’s remarkable recovery, management has been resolute in its focus on driving down unit costs, with the aim to re-establish the Company’s position as the most efficient airline operating in Europe: at the end of F24, ex-fuel CASK had been reduced by 7.8 per cent, year on year.

These are exceptional results, delivered by our management team and all our employees under the most challenging of circumstances. However, these results have not resulted in corresponding financial rewards. Given the STIP and LTIP for our senior management team together account for some 75 per cent of the earning potential of senior management, remuneration outcomes have been below our airline peer group for a number of years. Over those same years, significant inflation has reduced the value of incentives created by our compensation programmes and created significant retention risk among the Company’s management team.

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One of the core principles underpinning the Company's remuneration schemes is pay for performance, and this principle has been consistently applied by the Committee over the years. In designing the schemes, the Committee benchmarks salaries each year, with the various elements together, including performance-based elements, to ensure we are delivering market-competitive remuneration packages. However, the various black swan events already discussed have adversely affected the Company's financial performance and, so, the outcomes of management's and employees' remuneration schemes. As a result, for F24 and F25, the Committee has approved changes in executive remuneration to restore the management team's incentives, to reflect shifting market dynamics and volatility, and to ensure competitiveness of pay outcomes and ensure retention, all while having regard to the interests of Shareholders amidst the prevailing economic unpredictability. The Committee believes that these interests continue to be served by ensuring that the Company's remuneration schemes are highly leveraged to drive performance and attract entrepreneurial talent, maintain a strong link between pay and performance and incentivise through high rewards for stretch performance, but with a realistic prospect of achievement.

Key activities

“One of the core principles underpinning the Company's remuneration schemes is pay for performance. Remuneration outcomes have been below our airline peers for a number of years during highly volatile external market events. Against this backdrop, the Committee needs to take into account talent management and retention.”

Workforce engagement

Every member of Wizz Air's dedicated team has played and continues to play a pivotal role in the Company's success, the emergence from the pandemic, the managing of geopolitical and supply chain challenges, and the return to full year profit. The Committee recognises the need to attract, motivate and retain the most talented management and workforce as the Company continues on its trajectory to its "WIZZ500" ambition, which will see the Group operating a fleet of 500 aircraft by the end of the decade. Regular updates from the Chief Corporate Affairs Officer, the People Officer and the Employee Engagement Director informed remuneration strategies aimed at supporting employees. Additionally, direct feedback from employees through an engagement survey led to targeted particular remuneration interventions including the exercise of discretion to authorise a payout under the Company's All Employee Bonus Scheme (explained in more detail below), to recognise the flexibility, resilience and loyalty of the Company's non-management employees in responding to the various external events which had adversely affected the Company's operations and financial performance.

Shareholder engagement

At the 2023 Annual General Meeting (AGM) held on 2 August 2023, all resolutions were approved by Shareholders. While the Board was pleased that the majority of Shareholders approved all AGM proposals, the Company conducted a consultation exercise following the meeting to solicit further feedback from Shareholders on the Directors' Remuneration Report, the Remuneration Policy and the amendments to the Value Creation Plan (VCP) which were supported by 69.02, 71.83 and 75.30 per cent of votes, respectively.

Based on the feedback from Shareholders the Committee is committed to ongoing consideration of the most appropriate executive remuneration structure for the CEO and the wider management team. The Company has also committed to a year of stability and therefore no amendments to the long-term incentive structure for the CEO will be made at this AGM. Nonetheless and with a view to the need to retain and re-create incentives for the senior management against the recent history of underperformance of remuneration schemes, the Committee has approved changes to the LTIP for F25, which operates for management below the CEO, as described below.

Remuneration outcomes for F24

The Committee paid careful attention to the inflationary impact on employees. Accordingly, the Committee supported the introduction of several actions, including:

- **Wider workforce**

As inflation varied substantially by market, the Committee supported average salary increases for the wider workforce ranging from 3 per cent to 12 per cent, depending on region with additional increases based on role and pay band.

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• Pilots and Flight Attendants

Wizz Air introduced new compensation programmes to compensate Crew for longer flights alongside several other interventions to ensure wider workforce remuneration was reflective of the economic environment and employee effort.

• All Employee Bonus Plan

While the Company's share price performance did not meet the threshold for payment under the All Employee Bonus Plan, the Committee supported management's recommendation to recognise the sustained hard work of employees through the payment of a bonus proportionate to the average payout under the F24 STIP. It should be noted this plan only applies to employees below Head level and therefore the CEO, the Senior Management and Head level do not participate in the All Employee Bonus Plan.

• CEO and senior management STIP

For the CEO, in F24 85 per cent of the STIP award was subject to underlying profit after tax and 15 per cent was subject to an individual performance rating. The F24 formulaic outturn of each measure was 41.5 per cent of 200 per cent and 75 per cent of 200 per cent respectively. As such, the bonus payout as a percentage of maximum was 46.5 per cent. The Committee, considering the STIP scorecard along with the wider business performance, did not believe it necessary to exercise discretion on the STIP and therefore the formulaic outcome was followed.

Senior management colleagues (EVPs, Officers) and Heads participated in the F24 STIP but under different performance criteria to the CEO. The Committee again did not make any discretionary adjustments to the payout of these awards.

Remuneration implementation – changes for F25

• CEO base salary

Before the F23 salary increase of 7 per cent, the CEO last received an increase in base salary during the fiscal year ended March 2019. The Committee aims to maintain a competitive salary for the CEO in a dynamic market. Simultaneously, the Committee takes into account the current economic climate, broader stakeholder perspectives, and feedback from investors and proxy advisers. High inflation has continued to drive salaries and the Committee believes that the proposed increase reflects this, while not detracting from the emphasis on performance pay to realise a market-competitive remuneration outcome.

During F24 the Committee reviewed his base salary and those circumstances in detail and approved a 9 per cent base salary increase for the CEO for F25. The salary increase was determined having taken account of relevant comparator data, reflecting the increased breadth and complexity of the role during a period of significant uncertainty driven by external factors.

• CEO and senior management STIP

Wizz Air has always maintained a strong focus on financial performance, which is reflected in the Company's philosophy of pay for performance and incentivised through the STIP. Wizz Air's management team is crucial to the delivery of strategic and financial objectives and therefore is vital to retain. However, the recent financial unpredictability brought about by a parade of black swan events has impacted recent STIP payouts which rely heavily on financial performance. Consequently, the cash outcome for the Company's management has been significantly below market for some time. This has raised significant incentive and retention issues within our management team.

The external uncertainty also has made setting financial targets extremely challenging. As STIP measures for F25, the Committee chose to emphasise the delivery of strategic measures that will create value for Shareholders in the long term and individual performance which together will represent 75 per cent of the STIP. Financial outcomes – adjusted EBIT margin and ex-fuel CASK – will continue as metrics and represent 25 per cent of the award. This re-weighting aligns with existing typical market practice at other airlines in the context of continuing uncertainty.

• CEO VCP and management LTIP

Whilst the Committee discussed the CEO's sole long-term incentive, the Value Creation Plan (VCP), this was amended last year and we agreed at that time a year of stability; consequently no changes are proposed.

However, for the senior management team, Shareholders will recall that the Committee transitioned in F24 to an LTIP award for EVPs, Officers and Heads in the form of 50 per cent performance shares and 50 per cent time vested restricted shares, an action that was disclosed and explained in the F23 DRR. Given the continued external pressures for talent, the continuing volatile external environment and the resulting likely non-performance of LTIP grants for senior management made in prior years, the Committee determined that the LTIP grant to be made in F25 for EVPs, Officers and Heads would be in the form of 100 per cent time vested restricted shares. Although unusual, the Committee believes this one-off 100 per cent restricted stock award is appropriate given the current external environment, retention issues and target setting challenges. The Committee will continue to review its approach for future LTIP grants, to ensure that it remains appropriate to the needs of the Company and its various stakeholders.

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Next steps

We aim for our DRR to be straightforward and transparent when explaining the implementation of our Remuneration Policy during F24 and our intended implementation for F25. We also remain committed to a continued dialogue with Shareholders including the investor feedback received following the F24 AGM. We trust that we have provided the information you need to be able to support this DRR at the Company's 2024 AGM.

Our ongoing dialogue with Shareholders and other stakeholders is valued greatly and, as always, we welcome your feedback on this DRR.

Barry Eccleston

Chair of the Remuneration Committee

14 June 2024

Membership, meetings and attendance

- Barry Eccleston (Chair) (6/7)
- Anthony Radev (7/7)
- Anna Gatti (7/7)
- Stephen L. Johnson (observer)

The Committee comprises three Non-Executive Directors, appointed by the Board according to experience, dedication and capacity. The Company Secretary acts as Secretary to the Committee and relevant members of the senior leadership team are invited to attend meetings.

The Committee had seven meetings during the year and focused on the following activities:

- engaging with Shareholders with regard to low vote outcomes for remuneration resolutions at the 2023 AGM;
- reviewing and recommending base salary increases for management and the CEO for F25;
- reviewing and approving the performance measures for the F25 Short-term Incentive Plan (STIP);
- assessing the performance of each in-flight Long-term Incentive Plan (LTIP) and finalising vesting outcomes of the LTIP granted during the financial year ended March 2021;
- considering and recommending the conditions of the F25 LTIP for Executive Vice Presidents (EVPs), Officers and Heads;
- considering and approving remuneration packages for new Officer and EVP appointments; and
- reviewing Chair and Non-Executive Director fees.

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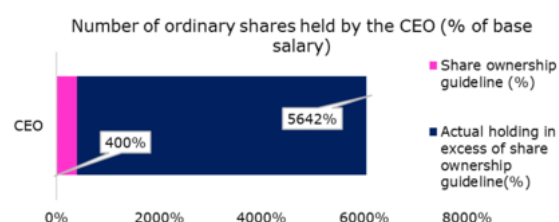
Remuneration at a glance

CEO remuneration		F24 earnings	F25 looking ahead
Base salary		€710,534	€775,000
Short-term Incentive Plan (STIP)	Maximum opportunity	200% of base salary	
	Performance metrics (weightings)	Underlying profit after tax (85%) Individual performance rating (15%) Threshold payout requires a performance rating "A" Targets set on yearly basis	Financial: Adjusted EBIT margin – 12.5% CASK ex-fuel (normalised for wet leases) – 12.5% Non-financial: Utilisation – 12.5% Completion (without extraordinary events) – 12.5% Customer satisfaction – 12.5% ESG (diversity) – 12.5% Individual rating – 25%
Value Creation Plan (VCP)	Opportunity	One-off award granted in F22 – seven-year performance period with 40% vesting in year seven, and 20% vesting per year in years eight, nine and ten Maximum payment of £100 million for delivery of end share price of £119.34	
	Performance metrics (weightings)	Increase in share price (90%) ESG (10%)	
Share ownership guidelines		Holding requirement: 400% of base salary	
Post-cessation share ownership guidelines		Holding requirement: 100% of share ownership guideline for one year after leaving and 50% of share ownership guideline for the second year	

What our CEO earned

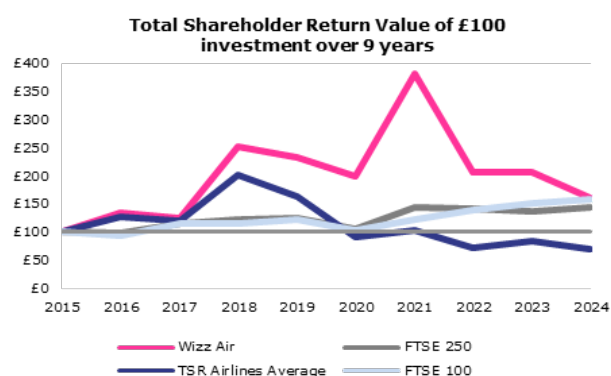


How our CEO is aligned with Shareholders



Actual shareholding calculated using number of Ordinary Shares and the spot price at 31 December 2023.

Performance remains strong for Wizz Air (TSR)



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Remuneration Policy

Introduction

The key elements of the Wizz Air Executive Director Remuneration Policy are summarised in this section. The full policy was approved by Shareholders at the Company's 2023 AGM held on 2 August 2023 and can be found in the 2023 Annual Report which is available on our website at www.wizzair.com.

How our Remuneration Policy addresses the factors set out in the UK Corporate Governance Code

Clarity	Remuneration arrangements should be transparent and promote effective engagement with Shareholders and the workforce.	The Remuneration Committee has incorporated transparency into the design and delivery of our Remuneration Policy. We believe our remuneration structure is simple to understand both for participants and Shareholders. We aim for disclosure of the policy and how it is implemented to be in a clear and succinct format.
Simplicity	Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Our remuneration arrangements for our Executive Director are simple and easy to understand, comprising fixed pay (base salary and benefits), a Short-term Incentive Plan (STIP) and a one-off long-term arrangement in the form of a Value Creation Plan (VCP).
Risk	Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	<p>The Remuneration Policy includes a number of points to mitigate potential risks:</p> <p>There are defined limits on the maximum opportunity levels under incentive plans.</p> <p>Performance targets are calibrated at appropriately stretching but sustainable levels.</p> <p>The Remuneration Committee has the ability to use discretion to ensure that a fair and balanced outcome is achieved, taking into account the overall performance of the Company and the experience of Shareholders.</p> <p>Incentive plans, including the VCP, include provisions to allow malus and clawback to be applied, where appropriate.</p> <p>Recent introduction of in-employment and post-employment shareholding requirements ensures that there is an alignment of interests between our Executive Director and Shareholders and encourages sustainable performance.</p>
Predictability	The range of possible values of rewards to individual Directors and any other limits or discretion should be identified and explained at the time of approving the policy.	We believe our disclosure is clear to allow Shareholders to understand the range of potential values which may be earned under the remuneration arrangements. Our Remuneration Policy clearly sets out relevant limits and potential for discretion.
Proportionality	The link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	The majority of our Executive Director's potential reward is linked to performance through the VCP with a clear line of sight between business performance and the delivery of Shareholder value. The Remuneration Committee may adjust formulaic outcomes of incentive arrangements to ensure that a fair and balanced outcome is achieved, taking into account the overall performance of the Company and the experience of Shareholders.
Alignment to culture	Incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	The incentive arrangements and the performance measures used are strongly aligned to those that the Board considers when determining the success of the implementation of the Company's purpose, values and strategy.

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Policy table: Executive Director

Element	Purpose and link to strategy	Operation and opportunity	Framework used to assess performance and provisions for the recovery of sums paid
Base salary	<p>To provide the core reward for the role.</p> <p>To attract, retain and motivate high-calibre executive management.</p>	<p>Salaries are reviewed annually, with any increase being awarded at the discretion of the Remuneration Committee.</p> <p>The Remuneration Committee may take into account a number of factors in deciding whether an increase should be made, including benchmarking against selected comparator companies, the individual's skills and experience, internal relativities, and the Executive's personal performance contribution.</p>	<p>The Remuneration Committee will consider the individual salary of the Executive Director at a meeting each year.</p>
Benefits	<p>To attract, retain and motivate executive management without paying more than necessary.</p>	<p>The benefits to the Executive Director are in line with those provided to employees and those deemed necessary for the role or job to be taken. They include the following:</p> <p>The Executive Director is covered by the Company's group personal accident and life assurance cover, which is in place for all employees (2x salary).</p> <p>Free return tickets usable on the route network of the Group, consistent with the number of free tickets made available for all employees.</p> <p>At its discretion, the Committee may provide reasonable support for costs associated with relocation where required at Company request and other benefits as deemed necessary by the Remuneration Committee.</p>	
Pension	<p>Not applicable.</p>	<p>Not applicable. The Company does not provide a pension scheme for the Executive Director (unless contributions are required by law).</p>	<p>Not applicable.</p>

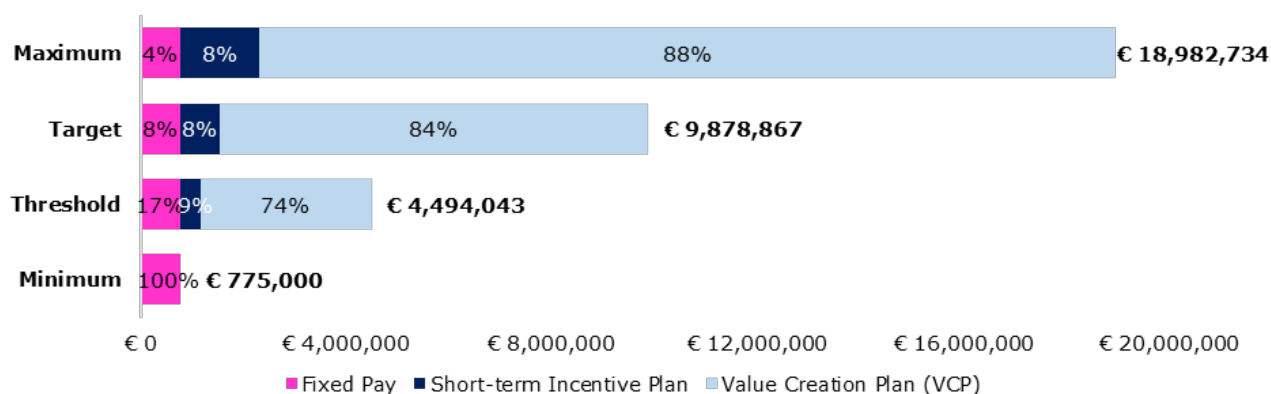
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Element	Purpose and link to strategy	Operation and opportunity	Framework used to assess performance and provisions for the recovery of sums paid
Short-term Incentive Plan (STIP)	<p>To incentivise the successful execution of the Company's business strategy.</p> <p>To reward the achievement of annual financial and operational goals.</p>	<p>Payments under the STIP are made in cash and/or shares, subject to certain specified performance requirements as determined by the Remuneration Committee being met and up to a maximum STIP set as a percentage of base salary by the Remuneration Committee. The maximum payout is 200 per cent of base salary. A threshold level of performance is specified in 50 per cent of at target bonus; if performance falls below this level, there will be no payout for that proportion of the award.</p>	<p>Performance requirements are determined by the Remuneration Committee. They are intended to align the performance of the Executive Director with the Group's near-term objectives of delivering against its strategy. The Committee may use its discretion to ensure that a fair and balanced outcome is achieved, taking into account the overall performance of the Company and the experience of Shareholders.</p> <p>The STIP is based on a combination of financial and non-financial measures as selected by the Committee in any given year. Financial measures would typically represent no less than 50 per cent of weighting. The Committee has concluded, for the purposes of the F25 STIP that, given the continued effects of a number of uncontrollable external events, a balanced portfolio of measures will be used for F25. These include a number of operational and personal performance metrics but also financial measures.</p> <p>The annual STIP is subject to malus and/or clawback in the event of serious misconduct which could have served as a reason for termination of the employment for cause, or if the employee was involved in fraud, dishonesty or other types of illegal activity. The policy does not determine the timeframe of the malus and/or clawback.</p>
Value Creation Plan (VCP)	<p>To retain the Chief Executive Officer and deliver Shareholder value.</p>	<p>One-off award of shares granted in 2021 (F22). Award vests after a seven-year period (40 per cent of the overall award at the end of year seven and 20 per cent per year after years eight, nine and ten).</p> <p>The award is based on the following performance conditions:</p> <p>90 per cent share price growth; and 10 per cent ESG (5 per cent based on CO₂ emissions reduction goals; and 5 per cent based on gender diversity target).</p> <p>Maximum payout is capped at £100 million. Threshold payment is £20 million for delivery of share price of £77.24.</p> <p>ESG criteria are independent of share price growth criteria.</p> <p>Straight-line vesting in between.</p> <p>The award will pay out at 100 per cent if the maximum share price is achieved during two consecutive quarters before end date.</p>	<p>To ensure that vesting outcomes are consistent with superior Shareholder experience, the Remuneration Committee has discretion to adjust the level of vesting downwards (including for the avoidance of doubt to nil) where it considers that the level of vesting resulting from applying a performance condition would not be a fair and accurate reflection of the performance of the Company, the Group, any Group member or the participant and/or such other factors as the Remuneration Committee may consider appropriate.</p> <p>If the participant ceases to be employed by reason of ill health, injury, disability, death, retirement with the agreement of the Remuneration Committee, or for any other reason at the discretion of the Remuneration Committee, 40 per cent of the award will vest as soon as practicable after the cessation date and 20 per cent in each of the next three years, to the extent that the performance conditions have been met. The award will lapse in all other circumstances.</p> <p>Malus and clawback may be applied at any time before an award vests or for three years after the fifth anniversary of the grant date in the following circumstances: material misstatement of the results of the Company, errors or inaccuracies or misleading information leading to incorrect grant or vesting of the award, gross misconduct, material failure of risk management by the Company, corporate failure (e.g. administration or liquidation) or any other circumstance which in the opinion of the Remuneration Committee could have a significantly adverse impact on the Company's reputation.</p>

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Scenario chart

The annualised value of the VCP is demonstrated in the chart below showing the payout scenarios in the breakdown of total compensation.



The scenario chart presented above shows the VCP: at nil value where the performance conditions are not met (minimum); at a threshold value of £20 million annualised over the seven-year performance period; and at the maximum value of £100 million annualised over the seven-year period should the maximum share price and ESG performance conditions be met. In addition to this, target value has also been presented which reflects 50 per cent of the maximum value of the award. The VCP is based on a number of shares and the Pound Sterling value has been translated into Euro at 1.17 for the purposes of this chart, which represents a three-month average as of the time of drafting. The illustration does not provide a bar for additional share price growth as the value is capped at the maximum £100 million regardless of any future share price growth.

The chart above shows the annual illustration of the application of the Executive Directors' Remuneration Policy for F25 at minimum, threshold, target and maximum levels, where minimum reflects base salary only as benefits are negligible and Wizz Air does not provide provisions for retirement to the Executive Director. The chart presents the annualised value over a seven-year period as only one VCP award was made in 2021 with the time horizon now extended to run over seven years.

At the maximum level of remuneration, the share price will have reached £119.34 and the ESG portion of the award will have to be achieved in full. If the share price increases beyond the target of £119.34, the value of the award will not exceed the maximum, as the value of the VCP is capped. If the value of Wizz Air's share price does not reach the threshold share price of £77.24 no value will be delivered under this portion of the award. Similarly, if the threshold ESG criteria are not met then no value will be delivered under this portion of the award.

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Non-Executive Director remuneration

The Non-Executive Directors are only paid fees.

Element	Purpose and link to strategy	Operation and opportunity	Framework used to assess performance and provisions for the recovery of sums paid
Fees	To remunerate Non-Executive Directors to reflect their level of responsibility.	<p>Each Non-Executive Director receives an annual fee which is inclusive of one Committee fee. Additional fees are paid: for chairing Committees; to the Senior Independent Director; to the Vice Chair; and to the Director responsible for employee engagement. Fees for Non-Executive Directors, other than the Chairman, are determined by the Chairman and the Executive members of the Board. Fees for the Chairman are determined by the Remuneration Committee without the Chairman being present. In both cases, there is flexibility to increase fee levels to ensure that they appropriately reflect the experience of the individual, time commitment of the role and fee levels in comparable companies. Non-Executive Directors receive an additional fee for sitting on more than one Committee. The Non-Executive Directors will also be reimbursed for all proper and reasonable expenses incurred in performing their duties.</p> <p>Fees are made in cash and/or shares which are not subject to performance.</p>	Not applicable; there are no provisions for the recovery of sums paid or the withholding of any payment relating to fees.

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Annual Report on Remuneration

The Remuneration Committee is responsible for setting the Remuneration Policy for all Executive Directors and the Chairman, including pension rights and any compensation payments, and recommending and monitoring the remuneration of the senior managers. Non-Executive Directors' fees are determined by the full Board.

A summary of the Remuneration Committee's terms of reference can be found on our corporate website. Further details about the Remuneration Committee are set out on pages [114](#) to [115](#) of the Corporate Governance Report.

Barry Eccleston (Chairman), who joined the Committee in September 2020 in the Chairman position, remains in post. Both Anthony Radev (effective 1 September 2022) and Anna Gatti (effective 28 January 2022) remained Committee members during F24.

In order to monitor the consistency between the remuneration of the CEO and his direct reports, the Remuneration Committee is frequently updated and consulted on any remuneration changes. All external hires and internal promotions to senior-level positions require the prior approval of the Remuneration Committee on their future remuneration package. Only after the approval is received can the offer be extended to the candidate. The Remuneration Committee is also consulted on and needs to approve remuneration changes for existing Senior Executives. This includes salary revisions linked to new market benchmark information as well as revisions arising from internal organisational changes. József Váradi, Chief Executive Officer; Veronika Jung, People Officer; Owain Jones, Chief Corporate Affairs Officer; Stephen L. Johnson, Non-Executive Director; and Yvonne Moynihan, Corporate Officer and Company Secretary, attend meetings by invitation and assist the Remuneration Committee in its deliberations as appropriate, though they are not present when their own compensation is discussed.

The Remuneration Committee is advised by WTW, as appointed by the Remuneration Committee. WTW was re-contracted as remuneration consultant following a competitive tender process in 2020. It attends Committee meetings as and when required. During F24, WTW received fees based on time and materials totalling £171,900 for advice to the Remuneration Committee related to the Remuneration Policy, governance, developments in Executive pay, benchmarking and performance analysis. Besides support on remuneration advice, no other services were provided by WTW to the Company in F24.

WTW is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the Remuneration Consultants Group Code of Conduct in relation to executive remuneration consulting in the UK. The Remuneration Committee is satisfied that WTW offers independent, impartial and objective advice and brings a high degree of expertise to the Remuneration Committee's discussions.

Shareholders' vote on remuneration

At the 2023 AGM the Directors' Remuneration Policy was supported by 71.83 per cent of Shareholders and the Directors' Remuneration Report was supported by 69.02 per cent of Shareholders.

AGM 2023 (during F24) – Directors' Remuneration Report voting results:

	Directors' Remuneration Policy		Directors' Remuneration Report	
Votes for	13,109,922	71.83%	12,596,781	69.02%
Votes against	5,142,656	28.17%	5,653,578	30.98%
Total votes	18,246,383		18,244,164	
Votes withheld	671		2,889	

The Company received Shareholder approval for our Remuneration Policy and Remuneration Report at the 2 August 2023 AGM. Ahead of the vote, the Chair of the Remuneration Committee and Company management engaged with key Shareholders through numerous meetings on the Directors' Remuneration Policy. We were pleased that the majority of our Shareholders supported both the Remuneration Report and our new Remuneration Policy, which effectively extended the timeline of the VCP, and SLGP, by two years aligned with an extension of the CEO's contractual commitment to Wizz Air.

However, the votes of 71.83 per cent in favour of the policy and 69.02 per cent in favour of the report both represented less than 80 per cent support and, as such, the Chair of the Remuneration Committee and management again met a range of Shareholders within a six-month window following the AGM vote, as required by the Corporate Governance Code. The key points of these discussions were: in respect of the report, the changes made to the short-term bonus structure during the financial year; and for the policy, both the continuance of the VCP and SLGP and, in particular, debates around the VCP's reliance on share price. During these discussions, the Board highlighted that the rationale for the bonus structure adjustment was to appropriately incentivise the CEO and broader management team, while managing the business through a highly volatile trading period. The Company also reiterated that, given prevailing circumstances at that time, previous plans in place were unlikely to pay out in the timeline proposed, so an alternative approach was required to ensure effective incentives for the CEO and management.

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In these meetings, we heard support for the VCP and especially in relation to the extension of the performance period of the plan. However, some Shareholders queried whether the plan's reliance on the share price was appropriate given its sensitivity to market forces which are outside of management's control. External factors will always influence the market, but over the long term the share price provides a fair measure of Wizz Air's performance and growth potential. The Board believes that the VCP, in combination with other remuneration and incentive plans, acts to align the CEO and the wider management team to the interests of all stakeholders and will continue to keep the plans under review given the continuing volatile market conditions. The Board appreciates the time and engagement of its shareholders during this process and acknowledges and respects the views expressed by some Shareholders. The Board would like to thank all Shareholders that took part in engagement and values the feedback and insight it has gained through the process.

Executive Director's remuneration

Full details of the Chief Executive Officer's remuneration for F24 and F23 are set out below (in Euros):

Single total figure of remuneration table (audited)

József Váradi								
	Fees and salary €	Benefits €	STIP €	LTIP €	Pension €	Total €	Total fixed remuneration €	Total variable remuneration €
F24	710,534	23,000	660,868	—	1,530	1,395,932	735,064	660,868
F23	687,292	8,978	568,759	—	1,482	1,266,511	697,752	568,759

Base salary

The Chief Executive Officer had voluntarily taken a reduction to his base salary for F22 and for F21 from his contracted base salary of €664,050 in response to the long, drawn-out COVID-19 pandemic. The Chief Executive Officer's salary was reinstated at the beginning of F23 back to the level of his contracted salary before COVID-19. During F23 the Remuneration Committee reviewed and approved a 7 per cent increase to a salary of €710,534 annually with an effective date of 1 October 2022. There was no increase to this level during F24 and the Chief Executive Officer's salary remained at €710,534. Prior to this the last salary increase that was not derived from restoring pre-COVID-19 status was in April 2018.

Short-term Incentive Plan F24 – audited

During F21 and F22 the maximum bonus opportunity was reduced to 100 per cent of base salary to acknowledge the impact of COVID-19. In F23 the maximum opportunity was reinstated to 200 per cent of base salary, but the Committee decided that due to the unstable external environment of supply chain issues and cost of living crisis, the performance conditions should be tested on a quarterly basis, keeping the practice of the uncertain COVID-19 years. Although in F24 the tight labour market and the fierce competition for talents remained in place, the Committee determined to return to the annual valuation of the performance year instead of the quarterly valuation. The Committee established that 85 per cent of the STIP award would be subject to underlying profit after tax and 15 per cent of the STIP will be subject to the individual performance rating for the CEO. The entire bonus (both financial and individual portions) is subject to a minimum achievement of an "A" individual rating. The bandwidth (minimum to maximum) for the profit target was +/-25 per cent of target. More information on the target and achievement result can be found in the table below. At target, the STIP pays out the annual base salary of the CEO (i.e. 100 per cent of salary). Threshold payout is 50 per cent of target and maximum payout is 200 per cent of target. As per the policy, payout for performance between threshold and target and between target and maximum has been calculated by using linear interpolation (straight-line percentage performance). For individual performance, threshold payout is provided for performance rating "A", target payout for performance rating "AA", 150 per cent payout for performance rating "AAA" and maximum payout for performance rating "1".

Weighting	Performance indicators	Threshold (50% payout)	Target (100% payout)	Stretched (150% payout)	Maximum (200% payout)	Outcome	Formulaic outcome
85%	Financial performance						
	Underlying profit after tax (million EUR)	300	400	450	500	365.9	70.5%
15%	Individual performance^{1,2}						
	Individual performance rating	Rated A	Rated AA	Rated AAA	Rated 1	Rated AAA	22.5%

- The CEO's performance is assessed by the Nomination and Governance Committee (between 0 per cent and 200 per cent) and payout approved by the Remuneration Committee.
- Threshold payout requires a performance rating "A".

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The evaluation of the Chief Executive Officer's personal performance during F24 has primarily been measured against his response and leadership throughout another challenging year. He has managed to drive growth and has continued to evolve over the course of the full financial year by swiftly adjusting capacity to match demand in the event of both upside and downside, while focusing on maintaining the Company's strong cash position.

The individual performance of the CEO was remarkable, given the number of challenges that the business faced, and Wizz Air returned to profitability under his management in F24. With his team he led successful negotiations and battled the grounded aircraft challenges due to the GTF engine inspections hitting the Company. At the same time and following significant investment in resources, a number of operational metrics such as on-time performance and operational reliability recovered, placing the Company once again in the higher echelon of the European airlines. F24 was a year of building a strong and maturing pipeline of leadership capacities, while the engagement scores in the wider workforce also increased.

As part of our sustainability commitment, we want to comply as a minimum with the Hampton-Alexander Review guidelines calling out the need for one-third female Board members and a 40 per cent to 60 per cent gender split by the end of F26 at management level (Head level and above). As per the current status, we have 36 per cent female representation among the Board of Directors and 35 per cent female representation at management level. The number of employed nationalities further grew by 17 per cent, reaching 109 nationalities at Company level, of which Wizz Air is rightly proud.

Based on the individual performance demonstrated above, the Chief Executive Officer received a performance rating of "AAA" and therefore achieved 150 per cent of target against the individual performance measure, which has a weighting of 15 per cent under the Short-term Incentive Plan. This, combined with the financial performance set out above, resulted in a 93 per cent annual salary payout (47 per cent of maximum).

Benefits

The Company covered certain accommodation expenses of Mr Váradi amounting to €23,000 and €8,978 in F24 and F23 respectively. The F23 figure disclosed last year has been restated to correctly include the value of this benefit.

Long-term Incentive Plan (LTIP) vested during F24 with respect to F23 (audited)

An award under the LTIP (of 250 per cent of base salary) was made to the Chief Executive Officer during F21 (in June 2020), which was due to vest during F24. This award included 42,562 performance options, valued at £34.75 per option at the date of grant. Vesting was on 30 May 2023. The award was subject to relative total shareholder return (TSR) performance versus selected European airlines (100 per cent weighting) as per the below criteria:

- 25 per cent of the award will vest for median performance and 100 per cent of the award will vest for performance equal to or exceeding the upper quartile. There will be no vesting of this portion for performance below median and linear interpolation will apply for performance between the median and upper quartile; and
- the TSR group consists of the following entities: Ryanair and easyJet (50 per cent weighting), Air France-KLM, Deutsche Lufthansa, Finnair, IAG and SAS.

Under the F21 LTIP, the award vesting in F24 paid out at 0 per cent of maximum, as the relative TSR condition was not met. Wizz Air's TSR translated to 5.6 per cent, whilst the median of the peer group was 9.2 per cent and the upper quartile was 30.4 per cent.

Long-term Incentive Plan (LTIP) with respect to F24 (audited)

Since the introduction of the VCP in F22, no further awards have been granted to the Executive Director under the LTIP; therefore, no LTIP awards are due to vest with respect to F24.

Pensions

The value of pension contributions in both years represent contributions as required by law. The F23 figure disclosed last year has been restated to correctly include the value of this contribution.

Payments to past Directors (audited)

No payments were made to past Directors.

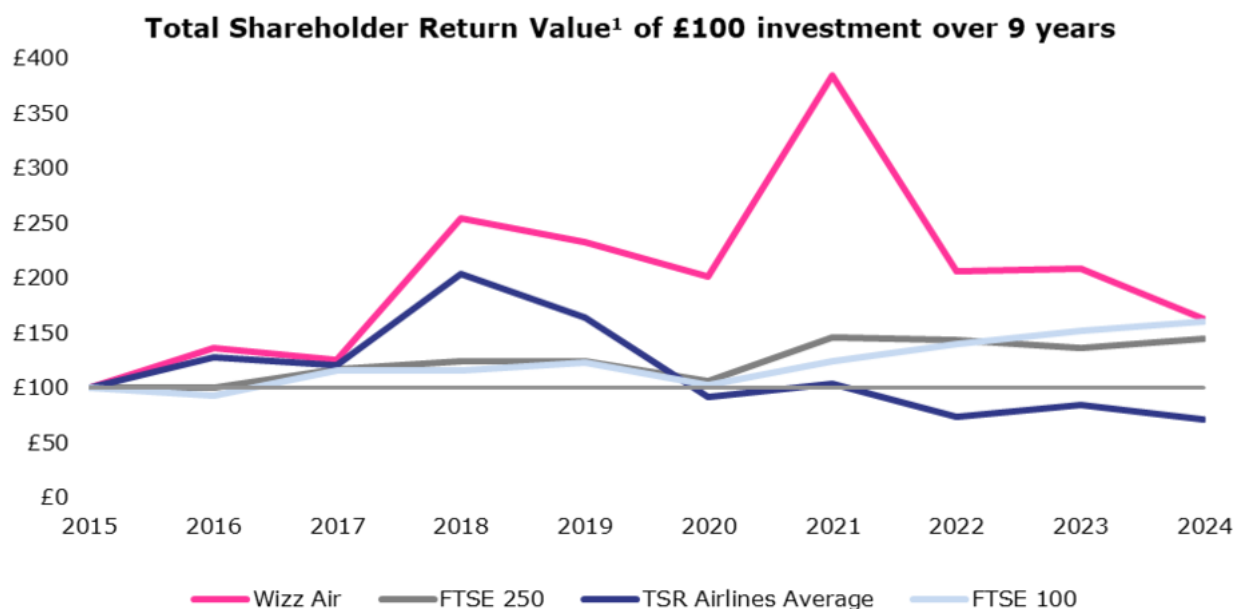
Payments for loss of office (audited)

No payments were made for loss of office.

Historical TSR performance¹ – value of hypothetical £100 holding

The following performance graph shows the Company's total shareholder return compared to the FTSE 250 index and the FTSE 100 index, as well as a selection of airlines for the financial years following IPO. TSR is defined as share price growth plus reinvested dividends.

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1. Growth in the value of a hypothetical £100 holding over nine years, in comparison with the FTSE 250, the airline peer group used for measurement of relative TSR and the FTSE 100. Data based on one-month average of trading day values. Source: S&P Capital IQ.

This graph is re-based to 100 at the start of the relevant period. As a constituent of the FTSE 250, this index represents an appropriate reference point for the Company. To provide Shareholders with additional context we have also included a "TSR Airlines Average" reflecting the TSR of the comparator group used for the TSR measurement under the LTIP awards including easyJet, Ryanair, Air France-KLM, Lufthansa, Finnair, IAG and SAS. Information is also included of a comparison to the FTSE 100 given Wizz Air's fully diluted market capitalisation would place it within the FTSE 100 index.

In the tables below we provide a ten-year overview of the Chief Executive Officer's remuneration and the change in the Chief Executive Officer's remuneration compared to that of all employees.

Ten-year overview of Chief Executive Officer remuneration

Financial year	Executive Director	Single figure of total remuneration (€) ¹	Performance STIP achieved against maximum possible	LTIP shares vesting against maximum possible ¹
F15	József Váradi	1,607,587	91%	n/a
F16	József Váradi	1,812,883	95%	n/a
F17	József Váradi	1,240,812	48%	n/a
F18	József Váradi	1,281,304	58%	n/a
F19	József Váradi	4,056,438	26%	100%
F20	József Váradi	2,640,666	26%	50%
F21	József Váradi	1,620,409	0% ²	50%
F22	József Váradi	1,771,652	50%	50%
F23	József Váradi	1,266,511	41% ³	0%
F24	József Váradi	1,395,932	47%	0%

- The single figure of remuneration for the CEO has been updated to include the value of benefits provided during F23 as explained on the previous page.
- There were no options vesting in F16–F18 under either the old (ESOP) or the new (LTIP) share option plan. In F21, although targets were achieved in three out of the four quarters based on the cash targets, management's recommendation and the discretionary decision of the Remuneration Committee was to pay no STIP for F21 to the Chief Executive Officer or any other employee eligible for the scheme. This voluntary decision of the management was in line with the overall industry and Company performance for the twelve-month relevant period which was heavily impacted by the COVID-19 pandemic and the significant drop in air traffic.
- The F23 STIP payout was misstated as a percentage of target instead of maximum in last year's DRR; this has now been updated to reflect the STIP payout as a percentage of maximum in F23.

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Change in the remuneration of the Directors compared to that of all other employees

The table below shows the year-on-year percentage change in salary, benefits and annual STIP for the Directors, compared to the average earnings of all other Wizz Air employees. This is provided for F24, between the year ended 31 March 2023 and the year ended 31 March 2024, as well as F23, F22 and F21.

	F24			F23			F22			F21		
	Salary and fees	Benefits ¹	Annual STIP	Salary and fees	Benefits ¹	Annual STIP	Salary and fees	Benefits ¹	Annual STIP	Salary and fees	Benefits ¹	Annual STIP
József Váradi	3%	156%	16%	16%	100%	85%	19%	0%	(100)%	(22)%	0%	(100)%
William A. Franke	12%	0%	0%	38%	0%	0%	19%	0%	0%	(20)%	0%	0%
Stephen L. Johnson	30%	0%	0%	25%	0%	0%	20%	0%	0%	(21)%	0%	0%
Simon Duffy ⁵	—	—	—	(100)%	0%	0%	9%	0%	0%	(21)%	0%	0%
Andrew S. Broderick	28%	0%	0%	12%	0%	0%	28%	0%	0%	(14)%	0%	0%
Barry Eccleston	27%	0%	0%	35%	0%	0%	32%	0%	0%	(27)%	0%	0%
Peter Agnefjäll ⁶	—	—	—	(100)%	0%	0%	(98)%	0%	0%	(26)%	0%	0%
Maria Kyriacou ⁶	—	—	—	(100)%	0%	0%	(78)%	0%	0%	(26)%	0%	0%
Guido Demuynck ⁷	—	—	—	—	—	—	(100)%	0%	0%	(83)%	0%	0%
Susan Hooper ⁸	—	—	—	—	—	—	(100)%	0%	0%	(87)%	0%	0%
Charlotte Pedersen	24%	0%	0%	14%	0%	0%	60%	0%	0%	0%	0%	0%
Enrique Dupuy de Lome Chavarri	21%	0%	0%	26%	0%	0%	158%	0%	0%	0%	0%	0%
Charlotte Andsager	31%	0%	0%	21%	0%	0%	148%	0%	0%	0%	0%	0%
Dr Anthony Radev ³	30%	0%	0%	16%	0%	0%	0%	0%	0%	0%	0%	0%
Anna Gatti ⁴	28%	0%	0%	155%	0%	0%	0%	0%	0%	0%	0%	0%
Phit Lian Chong ⁹	—	—	—	—	—	—	—	—	—	—	—	—
Average pay based on all employees ²	20%	0%	22%	22%	0%	84%	30%	0%	(100)%	(42)%	0%	(100)%

- Benefit value change from F23 to F24 for the CEO includes the value of benefits provided during F23 as explained on page 158. For employees benefits represent an insignificant part of the total compensation. The Non-Executive Directors do not receive any benefits.
- The average employee figures are based on the average earnings of Group-level employees as Wizz Air Holdings Plc has no employees.
- Joined as of 13 April 2021.
- Joined as of 4 November 2021.
- Resigned as of 28 January 2022.
- Resigned as of 27 July 2021 (did not stand for re-election).
- Resigned as of 28 July 2020.
- Resigned as of 3 June 2020.
- Joined as of 6 July 2023.

There was no salary increase implemented for the CEO in F24; the increase from F23 to F24 is derived from the salary change during F23. The STIP payment for F24 resulted in a 16 per cent increase of the Short-term Incentive Plan for the Chief Executive Officer versus the previous financial year.

In F21, in line with a commitment to cost restriction and alignment with stakeholder experience, the Company's Non-Executive Directors took no fees for the month of April 2020 and reduced all fees by 15 per cent between 1 May 2020 and 31 March 2021. During F22, Non-Executive Directors also accepted a reduction in fees of 7.5 per cent to recognise ongoing cost pressures. At the start of F23, the Committee decided it was no longer necessary for the fee reduction to be in place and the fees for the Chairman and Non-Executive Directors were reinstated to the contracted amount. The Remuneration Committee reviewed and approved a change in fee structure during F23 for the Non-Executive Directors, with an effective date of 1 September 2022. Prior to reductions made in relation to COVID-19 the last time the Non-Executive Director fees were changed was in F19.

Similar COVID-19 pay cuts were taken by the wider employee population. The salaries of cabin crew and office employees (Heads of Functions and below) were restored to pre-reduction levels in January 2021, and the pilot salary reduction was reversed to the original pre-COVID-19 levels in October 2021. In order to tackle the difficult business environment represented by high inflation and by shortage of talents, the management recommended and got an approval for a modest adjustment to base salaries of 5.4 per cent on average across EVPs, Officers and Heads and implemented a salary increase for office staff to the extent of 13 per cent on average in F23. In F24 for the wider employee population following the market movements and considering the different job levels and pay bands on average a 3–12 per cent salary increase was implemented depending on region and role.

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Relative importance of spend on pay

There were no dividends or share buybacks in either F24 or F23, and therefore disclosure of “relative importance of spend on pay” has not been included.

Scheme interests (audited)

There were no scheme interests awarded in either F24 or F23.

Non-Executive Director remuneration

The Chairman and Non-Executive Directors are paid only Directors’ fees. The full details of the annual compensation of the Non-Executive Directors are set out below:

Single total figure of remuneration table – audited

	Salary and fees €	
	F24	F23
William A. Franke	336,000	298,917
Stephen L. Johnson	120,000	92,500
Andrew S. Broderick	112,500	88,125
Barry Eccleston	157,500	123,750
Charlotte Pedersen	125,000	100,627
Enrique Dupuy de Lome Chavarri	125,000	103,232
Charlotte Andsager	125,000	95,419
Dr Anthony Radev ¹	117,500	90,625
Phit Lian Chong ³	75,000	—
Anna Gatti ²	112,500	88,125
Total	1,406,000	1,081,320

1. Joined as of 13 April 2021.

2. Joined as of 4 November 2021.

3. Joined as of 6 July 2023.

The Committee agreed that the basic Non-Executive Director fee would be €100,000 and that all Committee Chairs would receive an additional €25,000. For secondary Committee membership an additional fee of €12,500 would be paid. The Senior Independent Director and Vice Chair would receive an additional €20,000 and the Director responsible for employee engagement would receive €2,500 per physical employee event attended. The Committee also agreed that fees would be paid quarterly.

The Committee also reviewed the Chairman fee and agreed that going forward as Chairman, William A. Franke will receive a fee of €336,000 (all inclusive) per annum for taking on that role.

In F24, the fees of the Non-Executive Directors remained unchanged.

Total Directors’ remuneration (Executive and Non-Executive)

Total remuneration of Directors for F24 was €2,801,932 (2023: €2,347,831). This is the sum of the total Chief Executive Officer’s compensation and the total fees paid out to the Non-Executive Directors. The increase against F23 was driven by the increased fees of the Non-Executive Directors for the full financial year, because the fees were increased in Q2 F23.

Our conflict of interest policy prohibits any other employment (for all employees) on top of the employment at Wizz Air. Therefore, in the case of the Chief Executive Officer any additional directorship would require specific permission of the Chairman of the Board. The Chief Executive Officer joined the board of JetSMART SpA in March 2018 as a Non-Executive Director, with the approval of the Board. The Chief Executive Officer does not receive any fee for his role as a Non-Executive Director of JetSMART.

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Statement of Directors' shareholdings and share interests (audited)

For Executive Directors the shareholding requirement is equivalent to 400 per cent of base salary. The Chief Executive Officer holds a significant shareholding in the Company through a family trust and is also eligible to participate in the Company's Value Creation Plan. Wizz Air considers the shareholding requirement to have been met.

The Company therefore believes that the interests of the Directors are well aligned with those of the Shareholders. Full details of the Directors' and their connected persons' interests in the Company's shares as of 31 March 2024 are set out below:

Director ¹	Direct ownership	Options (performance measures based)		Interests ²	
	Number of Ordinary Shares	Vested, not exercised yet	Unvested ³	Number of Ordinary Shares	Additional number of Ordinary Shares (if full principal of outstanding Convertible Notes is fully converted)
William A. Franke	212,917	—	—	24,759,645	24,246,715
József Váradi ^{3, 4}	1,494,472	—	837,943	1,494,472	—
Stephen L. Johnson	52,750	—	—	—	—
Anthony Radev	5,000	—	—	—	—
Charlotte Andsager	4,000	—	—	—	—
Charlotte Pedersen	685	—	—	—	—
Enrique Dupuy de Lome Chavarri	1,421	—	—	—	—
Andrew S. Broderick	5,090	—	—	—	—
Phit Lian Chong	395	—	—	—	—
Barry Eccleston	5,000	—	—	—	—

1. Directors not included in the table did not have any direct ownership or interest in shares as at 31 March 2024.
2. Mr Franke is deemed to be interested in all of the Ordinary Shares held by Indigo Hungary LP, Indigo Maple Hill LP, Indigo Hungary Management LLC and Bigfork Partners LLC for the purposes of section 96B of the Financial Services and Markets Act 2000. Indigo Hungary LP and Indigo Maple Hill LP also hold Convertible Notes that, subject to certain conditions, are convertible to Ordinary Shares of the Company.
3. Mr Váradi has 837,943 options under the VCP.
4. Mr Váradi exercised 43,539 share options on 23 June 2023 with a share price of GBP 26.45 and GBP/EUR exchange rate of 0.85479.

During F24 the Board began recommending that Non-Executive Directors should invest in the Company and show support through holding shares in the Company to encourage alignment with Shareholder values. The recommendation is such that Non-Executive Directors should build up their share ownership in Wizz Air over a three-year period which is equal in value to one year's basic fee. The CEO already has a significant number of shares over and above the normal requirement.

GOVERNANCE

Application of the Remuneration Policy in F25

Application of the policy: Chief Executive Officer

a) Chief Executive Officer's base salary

There is a 9.1 per cent increase planned to the Chief Executive Officer's base salary for F25. The base salary will rise from €710,534 to €775,000.

b) Short-term Incentive Plan

The Chief Executive Officer is eligible to receive a cash bonus of up to 200 per cent of base salary for F25. The amount payable will depend on the achievement of the Balanced Scorecard:

- ▶ Financial measures will represent 25 per cent weighting of the award:
 - adjusted EBIT margin (12.5 per cent); and
 - CASK ex-fuel normalised for wet leases (12.5 per cent).
- ▶ Non-financial measures will represent 75 per cent weighting of the award:
 - utilisation – percentage of how many hours an AC flies per day (12.5 per cent);
 - completion (without extraordinary events) – percentage of operated flights compared to total number of scheduled flights (12.5 per cent);
 - customer satisfaction (12.5 per cent);
 - ESG – diversity (12.5 per cent); and
 - individual rating (25 per cent).

There will be a straight line of payment between threshold and over-performance. Payout will be calculated based on the performance against the above measures, requiring at least an "A" individual performance rating or higher for payment to be made under the plan. Targets are set on a yearly basis and were decided at the start of the performance period; however, they are not yet disclosed due to commercial sensitivity but will be disclosed retrospectively in next year's Remuneration Report alongside the outcome.

c) Long-term incentive awarded to Chief Executive Officer

No LTIP will be made to the Chief Executive Officer in F25.

d) VCP awarded to Chief Executive Officer

As referenced in the policy, the one-off VCP award was made during F22 and included an award of 837,943 shares.

e) Chairman and Non-Executive Directors' fees

There is no planned increase to the Chairman and Non-Executive Directors' fees for F25. The Remuneration Committee has reviewed and benchmarked the fee components and kept a positive dialogue with the Chairman and Non-Executive Directors in regard to their compensation.

Application of the policy: wider workforce

a) Short-term Bonus Plan (F25)

For senior leaders, the performance criteria under the F25 STIP for Heads, Officers, EVPs and the President are aligned to that of the CEO.

For all employees below Head level, they are eligible for an annual award in cash subject to select performance criteria.

b) Long-term Incentive Plan (F25)

Heads, Officers, EVPs and the President are eligible to receive the F25 LTIP. For F25, this will be a one-off shift whereby 100 per cent of the award will be delivered in restricted stock and subject to the participants remaining in employment to receive vesting at the end of the three-year performance period. The Committee has approved this F25 LTIP taking into account the extraordinary uncontrollable challenges faced by the Company over the past four years and the resulting underperformance of remuneration outcomes against market of the Company's remuneration schemes. The Committee considers the F25 LTIP to be an important tool in the retention of senior management, given the non-performance of recent LTIP grants.

c) Senior Leadership Growth Plan (SLGP)

Officers, EVPs and the President are eligible to receive a one-off award in shares under the SLGP, which was first granted in 2021. The award is subject to a seven-year performance period. This plan will continue to operate and there are no changes to this scheme for F25.

GOVERNANCE

Other disclosures

Chief Executive pay ratio

The table below sets out the Chief Executive Officer to worker pay ratios for the year ended March 2024. The ratios compare the single total figure of remuneration of the Chief Executive with the equivalent figures for the lower quartile (P25), median (P50) and upper quartile (P75) UK employees.

We have used the Option A methodology as of 31 March 2024 for the Chief Executive Officer and employees over the financial year to provide the most accurate comparison. The total FTE remuneration paid during the year for each employee was calculated on the same basis as the information set out in the "single figure" table for the Chief Executive on page 157.

In calculating the figures, the following considerations were made:

- ▶ the single total figure of remuneration of our colleagues was calculated using a year's worth of remuneration up to and including March 2024 payroll;
- ▶ where employees joined part way through the reporting period, pay was pro-rated to determine the full-year equivalent; and
- ▶ this data then identified those employees at the 25th (lower quartile), 50th (median) and 75th (upper quartile) percentile points.

Financial year	Method used	Pay ratio		
		P25 (lower quartile)	P50 (median)	P75 (upper quartile)
F24	Option A	49:1	40:1	23:1
F23	Option A	44:1	36:1	22:1
F22	Option A	80:1	59:1	29:1
F21	Option A	80:1	62:1	37:1

For F23 the table has been updated to include the value of benefits provided during F23 as explained on page 158. For F20 the Company was exempt from reporting pay ratios for that financial year.

The table below summarises the identified employees in 2024:

Financial year	P25 (lower quartile)		P50 (median)		P75 (upper quartile)	
	Base pay	Total pay	Base pay	Total pay	Base pay	Total pay
F24	€21,711	€28,526	€24,881	€34,544	€34,963	€60,857
F23	€21,121	€28,878	€23,987	€35,231	€31,705	€56,272
F22	€13,479	€24,981	€15,670	€34,022	€43,101	€70,413
F21	€16,269	€24,569	€24,044	€31,587	€36,235	€53,903

Unlike the total remuneration for the majority of employees, total remuneration for the CEO is mostly dependent on business and share price performance over time. As a result, our ratios in the future may vary from year to year subject to the number of shares vesting in the given financial year. The Remuneration Committee considers the median ratio to be representative of the pay and progression policies at the Company. For F24, the calculations reflect the impact of the salary increase implemented in F23 for the Chief Executive Officer and the bonus payment made to the Chief Executive Officer that resulted in a higher payout due to better performance and higher target value for the CEO.

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Directors' service agreements and letters of appointment

Executive Director

Since 2 August 2023 Mr Váradi has a contract with Wizz Air UK Ltd. The Company has the right to terminate Mr Váradi's employment with immediate effect by payment in lieu of notice. The service agreement contains post-termination restrictive covenants preventing Mr Váradi from competing with the Company or any of its business partners in the EU as well as those non-EU countries where the Wizz Air Group operates, for a period of one year following the termination of his employment. Mr Váradi will be paid a sum equal to six months' base salary if the Company chooses to enforce these restrictive covenants. Upon termination of employment other than for cause, Mr Váradi is entitled to a severance payment equal to six months' salary in addition to any notice pay or payment in lieu of notice.

Non-Executive Directors

The Company entered into letters of appointment for each Director. Directors are appointed for an initial term of three years. The Directors must retire by rotation.

Each Non-Executive Director's appointment may be terminated by the Company or the Non-Executive Director with one month's written notice. Continuation of the appointment is contingent on continued satisfactory performance and re-election at the Company's Annual General Meetings and the appointment will terminate automatically on the termination of the appointment by the Shareholders or, where Shareholder approval is required for the appointment to continue, the withholding of approval by the Shareholders. Re-appointment will be reviewed annually by the Nomination and Governance Committee.

In accordance with the terms of the letters of appointment, each of the Non-Executive Directors is required to allocate sufficient time to discharge their responsibilities effectively. Each letter of appointment contains obligations of confidentiality which have effect both during the appointment and after termination.

On behalf of the Board

Yvonne Moynihan
Corporate Secretary
14 June 2024

DIRECTORS' REPORT

The Directors present their report and the audited consolidated financial statements for Wizz Air Holdings Plc ("the Company") and its subsidiaries ("the Group") for the year ended 31 March 2024.

Results and dividend

The results for the year are shown on page [174](#).

The Directors do not recommend the payment of a dividend (2023: nil). The Directors consider that currently the existing reserves of the Group can be best utilised in supporting the significant planned future growth of the Group.

Directors

The Directors of the Company who were in office during the year and at the date of signing the financial statements are listed below:

- ▶ József Váradi;
- ▶ William A. Franke;
- ▶ Stephen L. Johnson;
- ▶ Barry Eccleston;
- ▶ Charlotte Pedersen;
- ▶ Andrew S. Broderick;
- ▶ Charlotte Andsager;
- ▶ Enrique Dupuy de Lome Chavarri;
- ▶ Dr Anthony Radev;
- ▶ Anna Gatti; and
- ▶ Phit Lian Chong.

Going concern

Wizz Air's business activities, financial performance and financial position, together with factors likely to affect its future development and performance, are described in the Strategic Report on pages [4](#) to [113](#). Emerging and principal risks and uncertainties facing the Group are described on pages [106](#) to [113](#). Note 3 to the financial statements sets out the Group's objectives, policies and procedures for managing its capital and liquidity and provides details of the risks related to financial instruments held by the Group.

At 31 March 2024, the Group held total cash of €1,588.9 million (including cash and cash equivalents of €728.4 million, €751.1 million of short-term cash deposits and €109.4 million of restricted cash), while net current liabilities were €399.6 million (including deferred income of €797.4 million) and net assets were €145.7 million. The Group's contractual undiscounted external borrowings comprise: €500.0 million of bonds maturing in January 2026; €206.8 million of PDP financing from Carlyle Aviation Partners Group (see Notes 3 and 31) that is repayable by July 2025; €253.6 million of ETS financing from Standard Chartered Bank repayable in September 2024; and convertible debt with a balance of €25.7 million. In addition, borrowings include a carrying amount of €5,255.3 million from lease contracts accounted for under IFRS 16 and liabilities related to JOLCO and FTL contracts (see Note 23). None of these borrowings contain any financial covenants. The Group also receives payment for ticket and ancillary revenue in advance through arrangements with various card acquirors which are subject to typical capacity and security limits. Two ratings agencies, Fitch and Moody's, issued updates during the third quarter with Fitch maintaining Wizz Air's BBB- investment grade profile with negative outlook, while Moody's issued a Ba1 rating with stable outlook.

The Group operates using a three-year planning cycle. The Directors have reviewed their latest financial forecasts for a period of 18 months from the date of releasing the financial statements including plans to finance committed future aircraft deliveries (see Note 32) due within this period that are currently unfinanced and taking into account available committed financing for aircraft. Aircraft deliveries represent the Group's primary capital expenditure during this period, which the Group intends to finance through various forms of sale and leaseback or other fleet financing arrangements, consistent with its past practices. While such financing remains uncommitted, the vendor additionally offers committed backstop financing. This backstop financing would cover a substantial portion, though not all, of the expenditure if the Group chooses to utilise it. After making enquiries and testing the assumptions against different forecast scenarios including a severe but plausible (downside) scenario (see below), the Directors have satisfied themselves that the Group is expected to be able to meet its commitments and obligations as they fall due for a period of at least the next twelve months from the date of the release of the annual report and accounts.

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These enquiries and the testing performed in reaching this conclusion included the review of a base case model that projects the cash flows of the business. The base case model is derived from our contracted fleet plan which includes notified aircraft delivery delays. We then overlay our forecast for aircraft groundings prepared by our maintenance team given our GTF engine related supply chain issues as well as our contracted wet lease aircraft commitments to mitigate these issues. These building blocks determine our available fleet for the going concern period to which we apply a utilisation assumption that is consistent with our actual utilisation in F24. We then build our network plan and make appropriate revenue, cost, compensation, working capital and financing assumptions to develop the base case cash flows.

This base case was then flexed to produce a downside forecast that assumes lower demand leading to a 5 per cent reduction in RASK, 10 per cent higher fuel cost per metric tonne, 5c stronger USD compared to EUR and exclusion of any supply chain related compensation that is forecast to continue for the full going concern period but not yet contracted. These downside forecast assumptions were modelled cumulatively across the full going concern period. The downside case also excludes any assumed financing for our currently unfinanced aircraft deliveries (see Note 32). Mitigating actions in relation to the unfinanced aircraft were also considered in preparation of the downside case used for the going concern assessment.

The Directors also considered the impact of climate change over the time period and concluded that it is unlikely that material physical or transition risks that are described in our Sustainability Report on pages 33–40 will arise over this period. As part of our base and downside forecasts, we considered the impact of higher pricing for ETS levied in Europe and the UK as well as costs of CORSIA implementation. Combined with changes in the amount of “free” ETS credits, this reflects in general our expected cost increases of carbon emissions. The use of sustainable aviation fuel (SAF) with traditional fuel will likely impact the average cost of jet fuel and was modelled as part of the downside forecast by way of increased fuel pricing.

In preparing the base and downside forecasts, the Directors also considered the requirements of security levels in its card acquirer contracts and took into account the impact of the wars in Ukraine and Gaza and the three aircraft stranded in Ukraine (see Note 13). Whilst our plans include continuing to fly to Israel, the potential impact of reallocating capacity to other routes if required is known. The Directors therefore concluded that no material adverse impact on future cash flows is likely to result from these items. The Directors have also assumed that there will be no further significant disruption of the magnitude experienced in recent financial years.

In this downside scenario, whilst there was a significant reduction in liquidity, headroom on the security levels of the card acquirer contracts was maintained. Accordingly, the Directors concluded it is appropriate to retain the going concern basis of accounting in preparing the financial statements.

Subsequent events

Based on the assessment conducted, no material subsequent events have been identified that would necessitate disclosure in the financial statements for the reporting period.

Viability

In accordance with Provision 31 of the UK Corporate Governance Code (2018), the Directors have assessed the prospects and the viability of the Group over a three-year period to March 2027. The Directors have determined that a three-year period is appropriate because the Group’s strategic planning process traditionally covers three years.

Assessment of prospects

The Group’s prospects are assessed by management and the Board primarily through the strategic planning process. This three-year plan takes into account the current position of the Group, includes a detailed “bottom-up” annual operating plan for the financial year starting in April of that year and then, based on that plan, builds a sufficiently detailed forecast for a further two financial years. The Board reviews and analyses a base plan and a downside plan scenario with sensitivities which vary key parameters around key principal risks. The scenarios also take account of the volatility of the current macroeconomic environment and competitive dynamics and align on the most plausible base plan. The scenarios are also used to generate risk mitigation plans to deal with any downside and acceleration plans to capture the upside.

Assessment of viability

The plan considers the existing aircraft order book of the Group and the aircraft deliveries falling due over the three-year plan period together with their financing. This order book underpins the Group’s planned growth for several years ahead. The Directors believe that the growth in the fleet can be easily absorbed by strong demand in existing and new markets based on the Company’s strengths in terms of: 1) the majority of the Group’s customers being drawn from the younger demographic segments; 2) leveraging the historical strength of a faster growing Central and Eastern Europe, where travel for work or to visit family and friends is becoming an increasingly essential feature of life, but at the same time complementing this with a more focused footprint in the West and expansion further to the Middle East, with this diversification key to buffer demand shocks in part of the network with the rest of the network; 3) a low cost base offering a sustainable competitive advantage and allowing the Company to sustain low fares to stimulate demand; and 4) the agility of the business model designed to allow the airline to adapt its operations rapidly and flexibly and to serve the most financially and strategically attractive point-to-point connections.

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Although the strategic plan reflects management's and the Directors' best estimate of the future prospects of the business, they have also tested the resilience of the business to unfavourable deviations of certain key variables from the base case scenario. In defining these scenarios, the Directors considered the emerging and principal risks that could prevent the Group from delivering on its strategy and financial targets, as summarised on pages [106](#) to [113](#) in the Strategic Report.

The Directors concluded that the same trading related sensitivities to RASK, fuel price and USD that were applied cumulatively in the going concern assessment were also appropriate to stress test the business in the context of the viability statement. The basis for this conclusion was that a majority of the emerging and principal risks identified would result in lower revenues or higher costs and this combination of sensitivities appropriately targeted the most material of these areas. Applying the sensitivities cumulatively also assumed many of these risks could present at the same time which was considered an appropriate approach to the stress test.

The Directors have assumed as part of their stress testing for the viability statement that the Group will be able to continue to finance its aircraft deliveries as they fall due, have access to its Eurobond programme, which was extended in early 2024, to refinance the €500 million Eurobond due in January 2026 with a maturity outside the viability statement period, have access to its three-year PDP financing facility as well as other financial products available to the Group. The results of this stress testing show that the Group will be able to withstand the impact of the assumptions used in the stress testing.

Viability statement

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 March 2027.

For further information on emerging and principal risks and longer-term viability please refer to pages [106](#) to [113](#).

Financial risks

The exposure of the Company to financial risks is explained in Note 3 to the financial statements. The Group's financial risk management objectives and policies are described on pages [195](#) to [203](#).

Environmental matters

The aviation industry has a responsibility to take steps to minimise its impact on the environment. The Company's ultimate goal is to ensure that by choosing to fly with Wizz Air, our customers are making the greenest choice of air travel available. The Company's business model is to continuously assess and implement innovative technologies that decrease our environmental footprint. Further details on environmental matters are outlined on pages [40](#) to [58](#).

Employee matters

Committing to diversity and equal opportunities

The Company treats its existing and potential employees fairly, regardless of anything not related to their professional abilities and irrespective of their race, gender or age. During the recruitment and selection process, we evaluate professional factors including experience and qualifications in light of the relevant job requirements and this principle remains throughout employment with the Company. We expect all of our colleagues to adhere to these same principles, which are set out in The Wizz Way and our Code of Ethics, along with the expected standards of behaviour for every member of the WIZZ team.

Employee involvement

The Company places great value on the contributions of its employees and seeks to promote their involvement in the business wherever possible. The Company keeps employees informed by written communications and meetings on matters affecting them as employees and on the various factors affecting the performance of Wizz Air. Employees are encouraged to share feedback.

Further details of employee matters are set out on pages [62](#) to [82](#).

Stakeholder engagement

Details of stakeholder engagement can be found on pages [22](#) to [23](#).

Disclosure of information to auditors

The Directors at the date of approval of the financial statements confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all the steps they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

A resolution for the appointment of the auditors of the Company for the financial year ending 31 March 2025 is to be proposed by the Directors at the forthcoming Annual General Meeting.

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Indemnities

The Company maintains Directors' and Officers' liability insurance. This insurance provides coverage for the Directors and Officers protecting them from claims that may be brought against them arising from their decisions taken when exercising their duties.

Political donations and expenditure

Wizz Air works constructively with all levels of government across its network, regardless of political affiliation. Wizz Air believes in the right of individuals to engage in the democratic process. However, Wizz Air itself does not make any political donations and does not incur any political expenditure.

Capital structure

On 29 December 2020, Wizz Air Holdings Plc announced its decision to treat as Restricted Shares certain Ordinary Shares held by Non-Qualifying Nationals and to issue to such Shareholders Restricted Share Notices ("the Disenfranchisement"). This is because from 1 January 2021 UK nationals are no longer treated as Qualifying Nationals with regard to ongoing European airline ownership requirements, notwithstanding the UK-EU Trade and Cooperation Agreement. Therefore, the Board has resolved to exercise its power under the articles to serve Restricted Share Notices on Non-Qualifying National Shareholders specifying that, from 1 January 2021, in respect of their Restricted Shares they cannot attend or speak or vote at any general meetings of the Company. The rights to attend (whether in person or by proxy) or to speak at the general meeting of the Company or to vote on a poll in respect of the Restricted Shares shall vest in the Chairman of such meeting, who will be a Director who is a Qualifying National. Each such Director will give an irrevocable undertaking not to vote any such Restricted Shares.

The Board has determined, pursuant to the articles, that the fairest and most appropriate method to implement the Disenfranchisement is for the same proportion of each Non-Qualifying National's (including each UK national's) shareholding to be designated as Restricted Shares:

- ▶ a **"Qualifying National"** includes: (i) EEA nationals; (ii) nationals of Switzerland; and (iii) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of Regulation (EC) No. 1008/2008 of the European Commission, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and any third country (whether or not such undertaking is itself granted an operating licence); and
- ▶ a **"Non-Qualifying National"** includes: any person who is not a Qualifying National in accordance with the definition above.

To protect the EU airline operating licence of Wizz Air Hungary Ltd. and Wizz Air Malta Ltd. (subsidiaries of the Company), the Board has resolved to continue to apply a disenfranchisement of Ordinary Shares held by non-EEA Shareholders in the capital of the Company. This will continue to be done on the basis of a "Permitted Maximum" of 45 per cent pursuant to the Company's articles of association ("the Permitted Maximum"). In preparation for the 2023 Annual General Meeting (AGM), on 2 August 2023 the Company sent a Restricted Share Notice to Non-Qualifying registered Shareholders, informing them of the number of Ordinary Shares that will be treated as Restricted Shares.

As at 31 March 2024, the Company had 103,360,705 Ordinary Shares of £0.0001 each in issue, each with one vote. There were no shares held in treasury at that date. The rights and obligations attaching to the Company's shares are set out in the articles of association. Holders of Ordinary Shares have the following rights:

- a) subject to any rights or restrictions as to voting attached to any Ordinary Shares, on a show of hands, each Shareholder present in person shall have one vote, and on a poll each Shareholder present in person or by proxy shall have one vote for every Ordinary Share of which he/she is the holder;
- b) a certificated share may be transferred by means of an instrument in writing, either by the usual transfer form or in any other form that the Board approves, signed by or on behalf of the person transferring the Ordinary Shares and, unless the Ordinary Shares are fully paid, by or on behalf of the person acquiring the Ordinary Shares. Ordinary Shares in uncertificated form may be transferred by means of the relevant system;
- c) the right to receive dividends on a *pari passu* basis; and
- d) on a winding-up, the liquidator may divide amongst the members in specie the whole or any part of the assets of the Company.

During the 2024 financial year 77,851 new Ordinary Shares were allotted for cash, all on a non-pre-emptive basis. These were allotted pursuant to the exercise of share options by the employees of the Group.

The aggregate nominal value of the Ordinary Shares allotted for cash in the 2024 financial year was £24.13. The aggregate cash consideration received by the Company for the allotment of the Ordinary Shares was £1,878,230.

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Corporate Governance Statement

The Corporate Governance Statement, prepared in accordance with rule 7.2 of the UK Listing Authority's Disclosure Guidance and Transparency Rules sourcebook, can be found in the Wizz Air Holdings Plc Corporate Governance Report on page [114](#). The Wizz Air Holdings Plc Corporate Governance Report forms part of this Wizz Air Holdings Plc Directors' Report and is incorporated into it by this reference.

Information required by Listing Rule 9.8.4C

In compliance with Listing Rule 9.8.4C, the Company discloses the following information:

Listing Rule	Information required	Relevant disclosure
9.8.4(1)	Interest capitalised by the Group	N/A
9.8.4(2)	Unaudited financial information as required (LR 9.2.18)	Unaudited financial information was published by the Group in its interim management statements (for Q1 and Q3), half-yearly results and preliminary announcement of results for the year. There have been no changes to the unaudited information previously published.
9.8.4(4)	Long-term Incentive Plans (LR 9.4.3)	See Directors' Remuneration Report.
9.8.4(5)	Directors' waivers of emoluments	See Directors' Remuneration Report.
9.8.4(6)	Directors' waivers of future emoluments	See Directors' Remuneration Report.
9.8.4(7)	Non-pro-rata allotments of equity for cash (the Company)	See paragraph headed "Capital structure" in this report.
9.8.4(8)	Non-pro-rata allotments of equity for cash (major subsidiaries)	N/A
9.8.4(10)	Contracts of significance involving a Director	N/A
9.8.4(11)	Contracts of significance involving a controlling Shareholder	N/A
9.8.4(12)	Waivers of dividends	N/A
9.8.4(13)	Waivers of future dividends	N/A
9.8.4(14)	Agreement with a controlling Shareholder (LR 9.2.2.AR(2)(a))	See Corporate Governance Report.

For and on behalf of the Board

József Váradi
Chief Executive Officer
14 June 2024

Registered number: 103356

COMPANY INFORMATION

Registered number

103356

Registered office

44 The Esplanade
St Helier
Jersey
JE4 9WG

Secretary

Intertrust Corporate Services (Jersey) Limited
44 The Esplanade
St Helier
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Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
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United Kingdom

Principal bankers

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Citigroup Centre
25 Canada Square
Canary Wharf
London
E14 5LB
United Kingdom

Share registrar

Computershare Investor Services
(Jersey) Limited
13 Castle Street
St Helier
Jersey
JE1 1ES

Financial public relations

MHP Group
60 Great Portland Street
London
W1W 7RT
United Kingdom

Joint corporate brokers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP
United Kingdom

J.P. Morgan Cazenove

25 Bank Street
Canary Wharf
London
E14 5JP
United Kingdom

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and included financial statements in accordance with applicable law and regulation.

The Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Under the Companies (Jersey) Law 1991, 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 of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ state whether applicable IFRSs as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements;
- ▶ make judgments and accounting estimates that are reasonable and prudent; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991 and the Directors' Remuneration Report complies with the Companies Act 2006 as if the Company were a quoted company under the United Kingdom Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's financial position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Directors' Report, confirm that, to the best of their knowledge:

- ▶ the Group consolidated financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- ▶ the Strategic Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- ▶ so far as the Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- ▶ they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

On behalf of the Board

József Váradi
Director
14 June 2024

ACCOUNTS AND OTHER INFORMATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 € million	2023 € million
Passenger ticket revenue	5,6	2,804.2	2,024.9
Ancillary revenue	5,6	2,268.9	1,870.8
Total revenue	5,6	5,073.1	3,895.7
Staff costs	8	(507.8)	(373.9)
Fuel costs		(1,855.7)	(1,954.4)
Distribution and marketing		(117.1)	(91.5)
Maintenance materials and repairs		(285.0)	(237.0)
Airport, handling and en-route charges		(1,210.1)	(963.2)
Depreciation and amortisation		(755.3)	(601.1)
Net other income/(expense)	7	95.8	(141.3)
Total operating expenses		(4,635.2)	(4,362.5)
Operating profit/(loss)		437.9	(466.8)
Financial income	10	80.5	20.8
Financial expenses	10	(196.7)	(135.3)
Net foreign exchange gains	10	19.4	16.6
Net financing expense	10	(96.8)	(97.9)
Share of net profit of associates	18	—	—
Profit/(loss) before tax income		341.1	(564.6)
Income tax credit	11	24.8	29.5
Net profit/(loss) for the year		365.9	(535.1)
Net profit/(loss) for the year attributable to:			
Non-controlling interests	17	(10.7)	(12.1)
Owners of Wizz Air Holdings Plc		376.6	(523.0)
Other comprehensive income/(expense) – items that may be subsequently reclassified to profit or loss:			
Change in fair value of cash flow hedging reserve, net of tax	28	64.6	(102.7)
Cash flow hedging reserve recycled to profit or loss	28	22.4	33.2
Cost of hedging	28	43.0	(30.0)
Cost of hedging recycled to profit or loss	28	—	6.0
Currency translation differences	28	(0.6)	4.7
Share in other comprehensive income from investments	18	—	—
Other comprehensive income/(expense) for the year, net of tax		129.4	(88.8)
Total comprehensive income/(expense) for the year		495.3	(623.9)
Total comprehensive income/(expense) for the year attributable to:			
Non-controlling interests	17	(10.8)	(11.5)
Owners of Wizz Air Holdings Plc		506.1	(612.4)
Basic earnings/(loss) per share (€/share)	12	3.64	(5.07)
Diluted earnings/(loss) per share (€/share)	12	2.96	(5.07)

The Notes on pages [179](#) to [232](#) are an integral part of these financial statements.

ACCOUNTS AND OTHER INFORMATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2024

	Note	31 March 2024 € million	31 March 2023 € million
ASSETS			
Non-current assets			
Property, plant and equipment	13	5,815.0	4,666.0
Intangible assets	14	92.7	76.7
Restricted cash	22	54.0	56.7
Deferred tax assets	15	109.1	50.6
Derivative financial instruments	21	3.9	0.2
Trade and other receivables	20	37.1	21.4
Investments in associates	18	5.7	—
Investments in other entities		1.6	—
Total non-current assets		6,119.1	4,871.7
Current assets			
Inventories	19	333.6	295.6
Trade and other receivables	20	669.6	390.1
Current tax assets		4.7	3.8
Derivative financial instruments	21	33.0	1.0
Restricted cash	22	55.4	63.7
Short-term cash deposits		751.1	—
Cash and cash equivalents		728.4	1,408.6
Total current assets		2,575.8	2,162.8
Total assets		8,694.9	7,034.4
Equity attributable to owners of the parent			
Share capital	28	—	—
Share premium	28	381.2	381.2
Reorganisation reserve	28	(193.0)	(193.0)
Equity part of convertible debt	28	8.3	8.3
Cash flow hedging reserve	28	13.8	(73.2)
Cost of hedging reserve	28	19.0	(24.0)
Cumulative translation adjustments	28	2.8	3.3
Accumulated losses		(48.7)	(433.6)
Capital and reserves attributable to the owners of Wizz Air Holdings Plc		183.4	(331.0)
Non-controlling interests	17	(37.7)	(26.9)
Total equity		145.7	(357.9)
Non-current liabilities			
Borrowings	23	5,159.7	4,000.5
Convertible debt	24	25.4	25.7
Deferred income	26	147.2	103.3
Deferred tax liabilities	15	—	3.2
Derivative financial instruments	21	—	4.2
Trade and other payables	25	97.2	59.1
Provisions for other liabilities and charges	29	144.3	76.3
Total non-current liabilities		5,573.8	4,272.3
Current liabilities			
Trade and other payables	25	925.2	886.3
Current tax liabilities		37.5	4.1
Borrowings	23	1,084.3	1,275.0
Convertible debt	24	0.3	0.3
Derivative financial instruments	21	0.7	104.2
Deferred income	26	797.4	770.3
Provisions for other liabilities and charges	29	130.0	79.8
Total current liabilities		2,975.4	3,120.0
Total liabilities		8,549.2	7,392.3
Total equity and liabilities		8,694.9	7,034.4

The Notes on pages [179](#) to [232](#) are an integral part of these financial statements.

The financial statements on pages [174](#) to [232](#) were approved by the Board of Directors and authorised for issue on 14 June 2024 and were signed on behalf of the Board by:

József Váradi
 Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

Note	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cost of hedging reserve € million	Cumulative translation adjustments € million	Accumulated losses € million	Total € million	Non-controlling interest € million	Total equity € million
	28	28	28	28	28	28	28	28		17	
Balance at 1 April 2023	—	381.2	(193.0)	8.3	(73.2)	(24.0)	3.3	(433.6)	(331.0)	(26.9)	(357.9)
Comprehensive income/ (expense):											
Profit/(loss) for the year	—	—	—	—	—	—	—	376.6	376.6	(10.7)	365.9
Other comprehensive income/ (expense)	—	—	—	—	87.0	43.0	(0.5)	—	129.5	(0.1)	129.4
Total comprehensive income/ (expense) for the year	—	—	—	—	87.0	43.0	(0.5)	376.6	506.1	(10.8)	495.3
Transactions with owners:											
Share-based payment charge (Note 27)	—	—	—	—	—	—	—	8.3	8.3	—	8.3
Total transactions with owners	—	—	—	—	—	—	—	8.3	8.3	—	8.3
Balance at 31 March 2024	—	381.2	(193.0)	8.3	13.8	19.0	2.8	(48.7)	183.4	(37.7)	145.7

The Notes on pages [179](#) to [232](#) are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cost of hedging reserve € million	Cumulative translation adjustment € million	Retained earnings/ (Accumulated losses) € million	Total € million	Non-controlling interest € million	Total equity € million
Note	28	28	28	28	28	28	28	28		17	
Balance at 1 April 2022	—	381.2	(193.0)	8.3	(3.8)	—	(0.7)	87.3	279.3	(15.4)	263.9
Comprehensive (expense)/income:											
Loss for the year	—	—	—	—	—	—	—	(523.0)	(523.0)	(12.1)	(535.1)
Other comprehensive (expense)/income	—	—	—	—	(69.5)	(24.0)	4.1	—	(89.4)	0.6	(88.8)
Total comprehensive (expense)/income for the year	—	—	—	—	(69.5)	(24.0)	4.1	(523.0)	(612.4)	(11.5)	(623.9)
Transactions with owners:											
Share-based payment charge (Note 27)	—	—	—	—	—	—	—	2.2	2.2	—	2.2
Total transactions with owners	—	—	—	—	—	—	—	2.2	2.2	—	2.2
Balance at 31 March 2023	—	381.2	(193.0)	8.3	(73.2)	(24.0)	3.3	(433.6)	(331.0)	(26.9)	(357.9)

The Notes on pages [179](#) to [232](#) are an integral part of these financial statements.

ACCOUNTS AND OTHER INFORMATION
CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 € million	2023 € million
Cash flows from operating activities			
Profit/(loss) before income tax		341.1	(564.6)
Adjustments for:			
Depreciation	13	736.1	587.6
Amortisation	14	19.2	13.5
Financial income	10	(80.5)	(20.8)
Financial expenses	10	196.7	135.3
Unrealised fair value (gains)/losses on derivative financial instruments		(8.9)	8.2
Unrealised foreign currency gains		(34.2)	(9.1)
Realised non-operating foreign currency losses/(gains)		7.2	(13.2)
Gain on sale of property, plant and equipment		(244.8)	(99.7)
Share-based payment charges	27	8.3	2.2
Other non-cash operating income		(12.2)	(3.4)
Share of net profit of associates	18	—	—
		928.0	36.0
Changes in working capital			
Increase in trade and other receivables	20	(301.5)	(186.1)
Decrease in restricted cash	22	12.3	48.3
Increase in inventory	19	(35.9)	(226.4)
(Decrease)/increase in provisions	29	(2.8)	8.0
Increase in trade and other payables	25	70.2	316.7
Increase in deferred income	26	23.9	432.4
		(233.8)	392.9
Cash generated by operating activities before tax		694.2	428.9
Income taxes paid		(17.4)	(7.0)
Net cash generated by operating activities		676.8	421.9
Cash flows from investing activities			
Purchase of aircraft maintenance assets		(107.6)	(69.7)
Purchase of tangible and intangible assets		(230.6)	(94.7)
Proceeds from the sale of tangible assets		546.5	242.0
Advances paid for aircraft	13	(370.7)	(475.5)
Refund of advances paid for aircraft	13	480.4	463.4
Interest received		77.8	17.4
(Increase)/decrease in short-term cash deposits		(748.5)	450.0
Payment for acquisition of investments		(7.3)	—
Net cash (used in)/generated by investing activities		(360.0)	532.9
Cash flows from financing activities			
Proceeds from new loans*		67.9	63.0
Repayment of loans*		(580.4)	(492.5)
Interest paid – loans – IFRS 16 lease liability		(124.4)	(97.7)
Interest paid – loans – JOLCO and FTL		(15.7)	(14.8)
Repayment of unsecured debt		(500.0)	—
Proceeds from secured debt		415.0	245.5
Repayment of secured debt		(248.4)	—
Interest paid – unsecured debt		(11.8)	(11.8)
Interest paid – secured debt		(14.5)	(0.2)
Interest paid – other		(3.8)	(2.7)
Net cash used in financing activities	30	(1,016.1)	(311.2)
Net (decrease)/increase in cash and cash equivalents		(699.3)	643.7
Cash and cash equivalents at the beginning of the year**		1,402.6	766.6
Effect of exchange rate fluctuations on cash and cash equivalents		13.1	(7.7)
Cash and cash equivalents at the end of the year**		716.4	1,402.6

* Mostly JOLCO, FTL and IFRS 16, 'Leases'.

** Cash and cash equivalents at 31 March 2024 include €359.4 million (31 March 2023: €197.3 million; 31 March 2022: €235.6 million) of cash at bank and €145.6 million (31 March 2023: €1,211.3 million; 31 March 2022: €531.0 million) of cash deposits maturing within three months of inception, €223.4 million money market funds (31 March 2023: €nil; 31 March 2022: €nil) and overdrafts (repayable on demand) of €12.0 million (31 March 2023: €6.0 million; 31 March 2022: €nil), which are an integral part of cash management activities.

The Notes on pages [179](#) to [232](#) are an integral part of these financial statements.

1. General information

Wizz Air Holdings Plc ("the Company") is a public limited company incorporated in Jersey, registered under the address 44 The Esplanade, St Helier, Jersey JE4 9WG. The Company is managed from Switzerland, under the address Route François-Peyrot 12, 1218 Le Grand-Saconnex, Geneva. The Company and its subsidiaries (together referred to as "the Group" or "Wizz Air") provide low-cost, low-fare passenger air transportation services on scheduled short-haul and medium-haul point-to-point routes across Europe and the Middle East. The Company's Ordinary Shares are listed in the premium segment of the Official List of the Financial Conduct Authority and admitted to the Main Market of the London Stock Exchange.

2. Material accounting policies

The material accounting policies applied in the presentation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These consolidated financial statements combine the financial information of the Company and its subsidiaries. The audited consolidated financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and IFRS Interpretations Committee guidance.

Based on the exemption provided in Article 105 (11) of the Companies (Jersey) Law 1991, the Company does not present its individual financial statements and related notes.

The financial statements are presented in Euro (EUR or €).

The Company has a policy of rounding each amount and percentage individually from the fully accurate number to the figure disclosed in the financial statements. As a result, some amounts and percentages do not total – though such differences are all trivial.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of the consolidated financial statements in conformity with adopted IFRS requires the use of certain critical accounting estimates and for management to exercise judgments in the process of applying the Group's accounting policies. The areas involving a high degree of judgment or complexity or areas where assumptions and estimates involving significant uncertainty that have a risk of causing material adjustment to the carrying value of assets and liabilities in the coming year are disclosed in Note 4.

New standards, amendments and interpretations

a) Standards, amendments and interpretations adopted by the EU, effective for annual periods beginning on or after 1 January 2023 and adopted by the Group

The Group has applied the following amended standards and amendments effective for annual periods beginning after 1 January 2023 for the first time for its annual reporting period commencing 1 April 2023:

IFRS 17, 'Insurance Contracts' and Amendments to IFRS 17

IFRS 17 and its amendments require a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of discounted probability-weighted cash flows, an explicit risk adjustment and a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for eligible groups of insurance contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the "variable fee approach" for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The new rules affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. The amendments aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. Further amendments made in December 2021 added a transition option that permits an entity to apply an optional classification overlay in the comparative period(s) presented on initial application of IFRS 17. The classification overlay applies to all financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17. It allows those assets to be classified in the comparative period(s) in a way that aligns with how the entity expects those assets to be classified on initial application of IFRS 9. The classification can be applied on an instrument-by-instrument basis. The standard and its amendments do not have significant impact on the Group's consolidated financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Definition of Accounting Estimates – Amendments to IAS 8**

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The application of these amendments does not have a material effect on the Group's consolidated financial statements.

International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)

"Pillar Two taxes" are taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. The Pillar Two Model Rules aim to ensure that large multinational groups pay taxes at least at the minimum rate of 15 per cent on income arising in each jurisdiction in which they operate by applying a system of top-up taxes. There are three active mechanisms under Pillar Two Model Rules that countries can adopt: the income inclusion rule, the undertaxed payment rule and a qualified domestic minimum top-up tax. They are often referred to as "global minimum top-up tax" or "top-up tax".

The amendments address stakeholders' concerns about deferred tax accounting in relation to the new top-up tax under IFRSs by providing entities with a temporary mandatory relief from deferred tax accounting for top-up tax and requiring entities to provide new disclosures in relation to the top-up tax and the relief. New disclosures required by the amendments are included in Note 15 of the Group's current consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12, 'Income Taxes' require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities, and decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate. These amendments are enacted in the consolidated financial statements of the Group and disclosure in Note 15 was further detailed to show gross deferred tax balances in relation to leases under the amendments. The amendments had no material impact on the net deferred tax balances of the Group, as the exemption for deferred tax recognition in relation to leases was not applied at initial recognition.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The amended IAS 1 requires entities to disclose their material rather than their significant accounting policies. The amendments define what is "material accounting policy information" (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2, 'Making Materiality Judgements' to provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are enacted in the consolidated financial statements of the Group.

b) Standards, amendments and interpretations effective and not adopted by the Group

There are no effective standards, amendments and interpretations that are not adopted by the Group.

c) Standards early adopted by the Group

There are no standards early adopted by the Group.

d) Interpretations and standards that are not yet effective and have not been early adopted by the Group

New standards adopted by the EU, effective for periods beginning after 1 January 2024:

- ▶ Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- ▶ Non-Current Liabilities with Covenants (Amendments to IAS 1)
- ▶ Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

▶ Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7):

The amendments introduce additional disclosure requirements for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. The amendments apply to supplier finance arrangements (also referred to as supply chain finance, payables finance or reverse factoring arrangements) that have all of the following characteristics: a finance provider (also referred to as the factor) pays amounts a company (the buyer) owes its suppliers; a company agrees to pay under the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid; and the company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date. The Group is currently in the process of reviewing the possibly affected contracts to determine the size of the effect on the Group's consolidated financial statements.

New standards not yet endorsed by the EU, effective for periods beginning after 1 January 2024:

▶ Lack of exchangeability (Amendments to IAS 21)

▶ IFRS 18, 'Presentation and Disclosure in Financial Statements': IASB issued IFRS 18 on 9 April 2024. The new standard will give investors more transparent and comparable information about companies' financial performance. IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies: three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement, and requiring all companies to provide new defined subtotals, including operating profit; explanations of those company-specific measures that are related to the income statement, referred to as management-defined performance measures; and enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier. The standard is not yet endorsed by the EU. The Group will assess the effects of the new standard on its consolidated financial statements in due course.

▶ IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'

The above new accounting standards and interpretations, other than Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) and IFRS 18, are not expected to have a material impact on the Group in the current or future reporting periods. The analysis of the impact of Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) on the Group's financial statements is in progress.

Basis of consolidation

The Company controls an entity when the Company is exposed, or it 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. The Company controls an entity if the Company has all of the following:

- ▶ power over the entity;
- ▶ exposure, or rights, to variable returns from its involvement with the entity; and
- ▶ the ability to use its power over the entity to affect the amount of its returns from the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ the contractual arrangement(s) with the other vote holders of the investee;
- ▶ rights arising from other contractual arrangements; and
- ▶ the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Non-controlling interests (NCIs) in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively. NCIs are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries are all entities that from an IFRS perspective are deemed controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date when control commences until the date when control ceases. The results of all the subsidiaries (including their branches) are consolidated up to 31 March, which is the financial year end of the Company. Intra-group balances, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Going concern

Wizz Air's business activities, financial performance and financial position, together with factors likely to affect its future development and performance, are described in the Strategic Report on pages 5 to 113. Emerging and principal risks and uncertainties facing the Group are described on pages 106 to 113. Note 3 to the financial statements sets out the Group's objectives, policies and procedures for managing its capital and liquidity and provides details of the risks related to financial instruments held by the Group.

At 31 March 2024, the Group held total cash of €1,588.9 million (including cash and cash equivalents of €728.4 million, €751.1 million of short-term cash deposits and €109.4 million of restricted cash), while net current liabilities were €399.6 million (including deferred income of €797.4 million) and net assets were €145.7 million. The Group's contractual undiscounted external borrowings comprise: €500.0 million of bonds maturing in January 2026; €206.8 million of PDP financing from Carlyle Aviation Partners Group (see Notes 3 and 31) that is repayable by July 2025; €253.6 million of ETS financing from Standard Chartered Bank repayable in September 2024; and convertible debt with a balance of €25.7 million. In addition, borrowings include a carrying amount of €5,255.3 million from lease contracts accounted for under IFRS 16 and liabilities related to JOLCO and FTL contracts (see Note 23). None of these borrowings contain any financial covenants. The Group also receives payment for ticket and ancillary revenue in advance through arrangements with various card acquirors which are subject to typical capacity and security limits. Two ratings agencies, Fitch and Moody's, issued updates during the third quarter with Fitch maintaining Wizz Air's BBB- investment grade profile with negative outlook, while Moody's issued a Ba1 rating with stable outlook.

The Group operates using a three-year planning cycle. The Directors have reviewed their latest financial forecasts for a period of 18 months from the date of releasing the financial statements including plans to finance committed future aircraft deliveries (see Note 32) due within this period that are currently unfinanced and taking into account available committed financing for aircraft. Aircraft deliveries represent the Group's primary capital expenditure during this period, which the Group intends to finance through various forms of sale and leaseback or other fleet financing arrangements, consistent with its past practices. While such financing remains uncommitted, the vendor additionally offers committed backstop financing. This backstop financing would cover a substantial portion, though not all, of the expenditure if the Group chooses to utilise it. After making enquiries and testing the assumptions against different forecast scenarios including a severe but plausible (downside) scenario (see below), the Directors have satisfied themselves that the Group is expected to be able to meet its commitments and obligations as they fall due for a period of at least the next twelve months from the date of the release of the annual report and accounts.

These enquiries and the testing performed in reaching this conclusion included the review of a base case model that projects the cash flows of the business. The base case model is derived from our contracted fleet plan which includes notified aircraft delivery delays. We then overlay our forecast for aircraft groundings prepared by our maintenance team given our GTF engine related supply chain issues as well as our contracted wet lease aircraft commitments to mitigate these issues. These building blocks determine our available fleet for the going concern period to which we apply a utilisation assumption that is consistent with our actual utilisation in F24. We then build our network plan and make appropriate revenue, cost, compensation, working capital and financing assumptions to develop the base case cash flows.

This base case was then flexed to produce a downside forecast that assumes lower demand leading to a 5 per cent reduction in RASK, 10 per cent higher fuel cost per metric tonne, 5c stronger USD compared to EUR and exclusion of any supply chain related compensation that is forecast to continue for the full going concern period but not yet contracted. These downside forecast assumptions were modelled cumulatively across the full going concern period. The downside case also excludes any assumed financing for our currently unfinanced aircraft deliveries (see Note 32). Mitigating actions in relation to the unfinanced aircraft were also considered in preparation of the downside case used for the going concern assessment.

The Directors also considered the impact of climate change over the time period and concluded that it is unlikely that material physical or transition risks that are described in our Sustainability Report on pages 33 to 40 will arise over this period. As part of our base and downside forecasts, we considered the impact of higher pricing for ETS levied in Europe and the UK as well as costs of CORSIA implementation. Combined with changes in the amount of "free" ETS credits, this reflects in general our expected cost increases of carbon emissions. The use of sustainable aviation fuel (SAF) with traditional fuel will likely impact the average cost of jet fuel and was modelled as part of the downside forecast by way of increased fuel pricing.

In preparing the base and downside forecasts, the Directors also considered the requirements of security levels in its card acquirer contracts and took into account the impact of the wars in Ukraine and Gaza and the three aircraft stranded in Ukraine (see Note 13). Whilst our plans include continuing to fly to Israel, the potential impact of reallocating capacity to other routes if required is known. The Directors therefore concluded that no material adverse impact on future cash flows is likely to result from these items. The Directors have also assumed that there will be no further significant disruption of the magnitude experienced in recent financial years.

In this downside scenario, whilst there was a significant reduction in liquidity, headroom on the security levels of the card acquirer contracts was maintained. Accordingly, the Directors concluded it is appropriate to retain the going concern basis of accounting in preparing the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Foreign currency

The Group's presentational currency is Euro (EUR). The functional currency of Wizz Air Hungary Ltd. generating the vast majority of the Group's revenues is EUR. The other airline companies' functional currency is different by entity. The functional currency of Wizz Air Abu Dhabi LLC is the United Arab Emirates Dirham (AED), the functional currency of Wizz Air UK Ltd. is the British Pound (GBP or £) and the functional currency of Wizz Air Malta Ltd. is EUR. Transactions in foreign currencies are translated into functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into EUR at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income as net foreign exchange gain/loss within net financing income/expense. Non-monetary assets and liabilities denominated in foreign currencies and which are recognised at their historical cost are translated into EUR at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies and which are stated at fair value are translated into EUR at exchange rates ruling at the dates the fair value was determined.

The results and financial position of all the Group entities that have a functional currency different from the presentational currency are translated into the presentational currency as follows:

- ▶ assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- ▶ equity is translated at historical rate (except for the cash flow hedging reserve within equity);
- ▶ income and expenses for each statement of comprehensive income are translated at monthly average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- ▶ all resulting exchange differences are recognised as a separate component of equity (cumulative translation adjustments).

ACCOUNTS AND OTHER INFORMATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial assets and liabilities

The Group classifies its financial assets and liabilities – in line with IFRS 9, 'Financial Instruments' – into the following categories:

Description in the statement of financial position	IFRS 9 category
Non-current assets	
Restricted cash	Financial assets measured at amortised cost
Derivative financial instruments	Fair value through profit or loss
Trade and other receivables	Financial assets measured at amortised cost
Investments in other entities	Fair value through other comprehensive income
Current assets	
Trade and other receivables	Financial assets measured at amortised cost
Derivative financial instruments	Fair value through profit or loss
Restricted cash	Financial assets measured at amortised cost
Short-term cash deposits	Financial assets measured at amortised cost
Cash and cash equivalents	Financial assets measured at amortised cost
Money market funds	Fair value through profit or loss
Non-current liabilities	
Borrowings	Financial liabilities measured at amortised cost
Convertible debt	Financial liabilities measured at amortised cost
Derivative financial instruments	Fair value through profit or loss
Current liabilities	
Trade and other payables	Financial liabilities measured at amortised cost
Borrowings	Financial liabilities measured at amortised cost
Convertible debt	Financial liabilities measured at amortised cost
Derivative financial instruments	Fair value through profit or loss

The classification of financial assets depends on the business model for managing the financial assets and contractual cash flow characteristics of the financial assets determined by the management at initial recognition.

a) Financial assets measured at amortised cost

These are non-derivative financial assets held by the Group in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables excluding prepayments, cash and cash equivalents and restricted cash in the statement of financial position. They are included in current assets, except for maturities greater than twelve months after the statement of financial position date, which are classified as non-current assets. The Group invests excess cash primarily in short-term time deposits which are also measured at amortised cost.

b) Financial assets measured at fair value through other comprehensive income

These are non-derivative financial assets held by the Group in order to both collect contractual cash flows and sell the financial assets. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets measured at fair value through profit or loss

Financial assets not valued either at amortised cost or at fair value through other comprehensive income are valued at fair value through profit or loss. Derivatives are measured at fair value through profit or loss.

d) Financial liabilities measured at amortised cost

All financial liabilities are measured at amortised cost unless they are measured at fair value through profit or loss. The Group's other financial liabilities comprise trade and other payables and interest-bearing loans and borrowings (including convertible debt) in the statement of financial position. They are included in current liabilities, except for maturities greater than twelve months after the statement of financial position date that are classified as non-current liabilities.

e) Financial liabilities measured at fair value through profit or loss

Derivatives are measured at fair value through profit or loss by the Group. The recognition and measurement criteria for each class of asset and liability are described in the relevant accounting policy section.

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Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the statement of comprehensive income within financial income or expenses. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below). Derivatives can only be entered into with counterparties with investment-grade credit rating.

Cash flow hedges

The Group uses zero-cost collars to hedge jet fuel price and foreign exchange risks related to highly probable future cash flows.

The Group designates only the intrinsic value of the options as hedging instruments. Changes in time value are accumulated in the cost of hedging reserve, within other comprehensive income, and are recycled into profit and loss, within fuel cost, in the months when the hedged transactions take place.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any unrealised gain or loss on the derivative financial instrument is recognised directly in the hedging reserve within other comprehensive income. Any ineffective portion of the hedge is recognised immediately in the statement of comprehensive income as an exceptional income or expense in the respective operating expense line.

The associated cumulative gain or loss on the effective part is removed from other comprehensive income and recognised in the statement of comprehensive income in the respective operating expense line(s) in the same period or periods as the hedged forecast transaction.

The Group considers a hedge relationship to be effective if:

- ▶ an economic relationship exists between the hedged item and the hedging instrument, and there is an expectation that the value of the hedging instrument and the value of the hedged item would move in the opposite direction as a result of the common underlying or hedged risk;
- ▶ the effect of credit risk does not dominate the value changes associated with the hedged risk; and
- ▶ the hedge ratio is aligned with the requirements of the Group's risk management strategy.

In line with IFRS 9, as long as the risk management objectives are met, the Group does not de-designate and thereby discontinue a hedging relationship that still meets the risk management objective and continues to meet all other qualifying criteria (after taking into account any rebalancing, if applicable).

The hedge ratio applied by the Group is always 100 per cent. The hedge ratio is defined as the relationship between the quantity of the hedging instrument and the quantity of the hedged item.

When a hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss at that point remains in other comprehensive income and is recognised in accordance with the above policy when the hedged transaction is recognised in the statement of comprehensive income. If the hedged transaction is no longer expected to take place, from an accounting point of view the hedging relationship is discontinued and the cumulative unrealised gain or loss recognised in other comprehensive income is recognised in the statement of comprehensive income immediately.

Before expiry, the fair value of an option comprises: (i) its intrinsic value, being a function of the difference between contracted and market (or spot) prices; and (ii) its time value, being the difference between the fair value and the intrinsic value at any point in time. Subject to hedge effectiveness, any increase or decrease in the fair value of the hedging instrument is taken to equity within other comprehensive income or expense.

Accordingly:

- ▶ initial recognition: the open position on the derivative hedging instrument is recorded as an asset or liability in the statement of financial position at fair value;
- ▶ subsequent remeasurement of unexpired options: (i) the effective portion of changes in the fair value is recorded in other comprehensive income; and (ii) the ineffective or discontinued portions, if any, are recorded in the statement of comprehensive income; and
- ▶ the realised gains or losses on the hedging instrument, to the extent it was not previously classified as ineffective or discontinued, are recorded against the respective operating expense line(s) in the statement of comprehensive income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The qualitative technique to test the hedge effectiveness of a hedging relationship is the critical terms match 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 timing of the payment of the hedged item;
- ▶ reduction in the total amount or price of the hedged item;
- ▶ location differences; and
- ▶ a significant change in the credit risk of either party to the hedging relationship.

The ineffective part of changes in fair value, if any, is recorded in the statement of comprehensive income as operating income or expense.

Trade and other receivables

- ▶ Subsequent to initial recognitions, trade and other receivables are measured at amortised cost using the effective interest rate method less impairment losses.
- ▶ The carrying amount of the asset is reduced through recognising the impact of impairment losses in the statement of comprehensive income within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.
- ▶ Other receivables include amounts receivable from aircraft and spare engine lessors (in the form of security deposits and maintenance reserves paid) and also prepayments, deferred expenses and accrued income (see Note 20). The accrued income within other receivables also comprises insurance claims related to events that are covered by insurance contracts. The Group recognises the income in the financial statements only from those insurance claims which, based on management's judgment, are virtually certain to be received by the Group.

Impairment policy of trade and other receivables

Management reviewed the Group's different customer payment channels and the receivables from these channels. The most significant component is ticket sales and the various forms of payment for tickets. The vast majority of tickets are paid either by bank cards or by bank transfer, in any case prior to flight. Based on their nature, in practice there is no impairment required for these. The other, less significant components involving credit risk are commissions receivable from non-ticket revenue partners and marketing support receivable from airports and other parties.

In accordance with IFRS 9 requirements on expected credit loss recognition, management reviewed historical payment and impairment statistics for transactions in these channels. The historical loss rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the customers' ability to settle receivables. Based on this analysis, management concluded that the impairment of receivables in these channels does not have a material impact on the Group's financial statements, in compliance with IFRS 9.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances on current accounts and on deposit accounts, as well as equity investments made to money market funds that are readily convertible into cash without there being significant risk of a change in value to the Group. Cash and cash equivalents do not include restricted cash.

The money market funds are held at fair value through profit and loss, with the remaining balance of cash and cash equivalents carried at amortised cost.

Short-term cash deposits

Short-term cash deposits comprise cash deposits maturing within three to twelve months of inception, the balance of which was €751.1 million at 31 March 2024 (2023: €nil).

Restricted cash

Restricted cash represents cash deposits held by the banks that cover letters of credit, issued by the same bank, to certain suppliers. Restricted cash is split between non-current and current assets depending on the maturity period of the underlying letters of credit.

Trade and other payables

Trade and other payables are initially recognised at fair value when the Group becomes party to the contractual provisions of the instrument and subsequently measured at amortised cost using the effective interest rate method. Trade and other payables comprise balances payable to suppliers, authorities and employees.

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Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income as a financial expense over the period of the borrowings on an effective interest rate basis. Financial expenses also include withholding tax paid on the interest if according to the loan agreement the payment of withholding tax is the liability of the Group.

Convertible debt

Convertible debt instruments that can be converted to share capital at the option of the holder, where the number of shares issued does not vary with changes in their fair value, are accounted for as compound instruments. Transaction costs that relate to the issue of a compound instrument are allocated to the liability and equity components in proportion to the allocation of proceeds. The liability component is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component of the compound instrument is calculated as the excess of the issue proceeds over the value of the liability component.

Classification of compound instruments issued by the Group

Compound instruments issued by the Group are treated as equity (i.e. forming part of Shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company (or Group); and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or it is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability measured at amortised cost. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a compound instrument that contains both equity and financial liability components exists, these components are separated by recognising the liability at fair value and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with compound instruments that are classified in equity are dividends and are recorded directly in equity.

Impairment of financial assets

The Group considers the probability of default upon initial recognition of a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition.

At each reporting date, the Group measures the loss allowance for financial assets at an amount equal to the lifetime expected credit losses; if there is a significant increase in credit risk or the financial assets are not settled in accordance with the terms stipulated in the agreements, management considers these financial assets as underperforming or non-performing and to be impaired.

The historical loss rates are estimated based on the historical credit losses experienced over the expected life of the receivables and are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the counterparties to settle the receivables.

A loss allowance is recognised on financial assets carried at amortised cost or fair value through other comprehensive income for expected credit losses. When management considers that there is no reasonable expectation of recovery, the financial assets will be written off.

If at the reporting date the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that asset at an amount equal to twelve-month expected credit losses.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to twelve-month expected credit losses at the current reporting date.

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The Group recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with IFRS 9.

Current trade and other receivables are discounted where the effect is material.

Non-financial assets and liabilities

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the statement of comprehensive income on a straight-line basis to write off cost to residual value over the estimated useful economic lives of each part of an item of property, plant and equipment. In the case of certain aircraft maintenance assets, the useful economic life of the asset can be defined in terms of flight hours or flight cycles, and in this case the depreciation charge is determined based on the actual number of flight hours or flight cycles.

The estimated useful lives of the relevant asset categories, reflecting the Group's intention for the period of use in the business, are as follows:

Land and buildings – investments made on leased buildings	3–5 years, being the shorter of useful economic life of the investment and the lease term of the building
Aircraft (A320neo and A321neo family) ¹	14 years
Aircraft (A320ceo) ²	20 years
Aircraft spare engines (V2500 and GTF)	20 years (part of aircraft parts in Note 13)
Aircraft and spare engines – prepaid maintenance	4–10 years (part of aircraft assets in Note 13)
Aircraft maintenance assets (for leased aircraft or spare engine)	1–10 years, or 2,000–10,000 flight cycles in case of aircraft engines, being the shorter of useful economic life and the lease term
Aircraft parts (other than engines)	7 years
Fixtures and fittings (incl. computer hardware)	3–5 years
Right-of-use assets (from leases)	The lease term over one year (typically 8–12 years for leased aircraft, which is significantly less than its estimated useful economic life)

1. The useful lives stated above correspond to nil residual value except in the case of A320neo and A321neo aircraft where the 14-year life corresponds to 50 per cent of the residual value of the asset component excluding the maintenance condition of the aircraft. This aircraft type is otherwise, and having considered the impact of climate change, estimated to be capable of flying for 28 years.
2. The useful life of aircraft assets that were first leased and then purchased by the Group is estimated based on the date of the major overhaul events that are no longer economical to perform. Within the current aircraft fleet the maximum estimated useful life of A320ceo aircraft is 20 years.

The residual values and useful lives are reassessed, if applicable, annually.

Assets received free of charge

In certain cases, the Group receives assets free of charge. These items are classified as non-cash items in the statement of cash flows. The Group recognises these as assets and a connected deferred income. Both the assets and the deferred income are systematically amortised over the assets' useful life. Consequently, the transaction does not affect the statement of income statement. Exceptions are assets received as compensation for costs already incurred or financial losses. In these cases, the fair value of the assets is recognised immediately as other income in the financial statements.

Leases

The Group leases most of its aircraft and spare engines. Other than aircraft and spare engines, the Group has only a limited number of leases related to offices, flight training simulator buildings (and earlier also equipment) and maintenance hangars.

The Group elected to use the following practical expedients permitted by IFRS 16:

- ▶ lease payments associated with short-term leases (contracts with a duration of twelve months or less) and with leases for which the underlying asset is of low value (defined by the Group as below €5,000) are recognised on a straight-line basis over the lease term; and
- ▶ it did not reassess whether a contract that the Group entered into before the date of initial application was a lease or contained a lease – that is, IFRS 16 has only been applied to contracts that were previously classified as leases.

The Group has short-term lease rentals from F24 and related expenses are recognised in the aircraft rentals line. The Group does not apply IFRS 16 to other leases of intangible assets. Some lease contracts contain variable payment terms that are linked to floating market interest rates.

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The Group chose to treat compensation expected to be payable to lessors, either in the form of recurring maintenance reserve payments or compensation payable at lease end, as “non-lease components” under IFRS 16. These payments are therefore not included in the measurement of the lease liability. Contractual maintenance obligations which are not dependent on the use of the aircraft or spare engine are recognised in full on commencement of the lease.

Lease extension options

Some of the Group’s lease contracts contain lease extension options. The extension option is taken into account in the measurement of the lease liability only when the Group is reasonably certain that it would later exercise the option. Such judgment is relevant both at inception, for the initial measurement of the lease liability, and also for a subsequent remeasurement of the lease liability if the initial judgment is revised at a later date.

Sale and leaseback transactions after transition

The existing aircraft and spare engine lease contracts were all entered into by the Group through sale and leaseback transactions.

Most of these contracts do not include a repurchase option for Wizz Air. On such contracts, where sale proceeds received are judged to reflect the aircraft’s fair value, the gain or loss arising on the disposal is directly recognised in the statement of comprehensive income to the extent that it relates to the rights that have been transferred to the lessor, while the gain or loss that relates to the rights that have been retained by the Group are included in the carrying amount of the right-of-use asset recognised at commencement of the lease. With regard to gains and losses arising from these sale and leaseback agreements, the determination of the amounts to be deferred and to be recognised immediately, respectively, requires estimating the fair value of these assets at the date of the transaction. In determining fair values, the Group relies on independent third-party valuation reports prepared by specialist aircraft and engine valuation experts. The Group has not sold any aircraft above fair value.

Some sale and leaseback contracts include a repurchase option for Wizz Air. These leases relate to some of the aircraft that arrived after 1 April 2019 and are commonly referred to as JOLCO (special Japanese Tax Lease) contracts. Such contracts do not meet the definition of a sale under IFRS 15, ‘Revenue from Contracts with Customers’, and are not accounted for as a lease contract under IFRS 16. As a result, the treatment of such contracts for Wizz Air (as the lessee) is to: (i) retain the asset as aircraft assets and parts (as if there were no sale at all); and (ii) recognise a liability under IFRS 9 (as if the sale proceeds received from the lessor were receipts from debt financing).

Foreign exchange

The lease liability (being a monetary liability) is revalued on a monthly basis to reflect the changes in currency exchange rates where the currency of the future lease payments differs from the functional currency of the legal entity having the lease liability. In this respect, currently the relevant currency pairs for the Group are the USD to EUR and the USD to GBP, as most future payments under the aircraft lease contracts of the Group are defined in USD while the functional currency of Wizz Air Hungary Ltd. is EUR and of Wizz Air UK Ltd. is GBP.

Discount rate

The Group is not able to readily determine the interest rate implicit in its lease contracts; therefore, the Group applied its incremental borrowing rate for discounting lease liabilities, as required by paragraph 26 of IFRS 16. The incremental borrowing rate, in turn, was determined with reference to the market rate of interest observable on financial instruments with appropriate value, term and currency, and adjusted, as required, to reflect risks specific to the leased asset as well as the risk specific to the entity in the Group leasing the asset. These rates have been calculated for each identified asset, reflecting the underlying lease terms and based on observable inputs.

Right-of-use assets and depreciation

With respect to depreciation, the requirements of IAS 16, ‘Property, Plant and Equipment’ are applicable also to the right-of-use assets (“RoU assets”) recognised under IFRS 16. Therefore, in the case of aircraft and spare engines, component accounting is required for the RoU assets, similar to that applicable to owned aircraft or spare engine assets. The RoU assets associated with aircraft and spare engine lease contracts are split into asset components on the basis of value proportions that could be observed on an owned aircraft of the same type and age.

The useful economic life of the asset components that represent the maintenance condition of the aircraft and of its key components is estimated to last until the respective aircraft component no longer meets the return conditions defined in the lease contract (at which point the lease-related asset component is derecognised and a maintenance asset is recognised – see also below). The useful economic life of the residual asset component (which is not related to the maintenance condition of the underlying asset) is the lease term.

The asset components related to maintenance conditions are depreciated either on a straight-line basis or based on usage, depending on their nature.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS*Variable lease payments*

In part of the extended lease agreements, the Group applies a power by the hour lease payment scheme. The minimum payable amount in such agreements is included in the measurement of lease liabilities. In agreements of this nature, the maximum amount is not deemed in substance to be an unavoidable, fixed lease payment according to management's best estimates. Consequently, it is categorised as a variable lease payment and, thus, it is not factored into the calculation of lease liabilities.

Component accounting

For aircraft and for spare engines purchased, on acquisition, an element of the total cost of the asset is attributed to its service potential, reflecting its maintenance condition. Such "prepaid maintenance" asset is recognised separately because it has a shorter useful economic life than that of the underlying aircraft or spare engine. The prepaid maintenance asset is depreciated until the estimated date of the first heavy maintenance event that will restore the service condition to original level (and thus lend enhancement to future periods). Such "subsequent costs" are capitalised as aircraft maintenance assets and depreciated over the length of the period benefiting from these enhancements.

The residual cost of the acquisition of the aircraft or spare engine, representing the part of the total asset value that is independent from the service condition of the asset, is depreciated until the end of the estimated useful economic life of the asset.

Advances paid for aircraft – pre-delivery payments (PDPs)

PDPs are paid by the Group to aircraft and engine manufacturers for financing the production of the ordered aircraft or spare engine as determined by the contractual terms. Such advance payments for aircraft or spare engines are recognised at cost and classified as property, plant and equipment in the statement of financial position. PDPs, when paid, are recorded at historical exchange rate at the date of payment. As these payments are made in USD by EUR functional currency entities within the Group, when PDPs are refunded, it might result in some realised foreign exchange gain or loss. The Group started converting PDP payments to EUR in order to reduce the exposure to EUR/USD foreign currency exchange rate significantly in the years ahead. There are no other gains or losses incurred in relation to PDPs. The amount is not depreciated.

The Group will usually enter into sale and leaseback arrangements with lessors to finance future aircraft or spare engine deliveries. These arrangements are structured such that the right and the commitment to purchase the aircraft or spare engine are assigned to the lessor only on the date of delivery ("delivery date assignment"); as such, the recognition and classification of the PDP balance does not change when the sale and leaseback contracts are signed. On the delivery of the aircraft or spare engine, the lessor pays the full purchase price of the asset to the manufacturer and the Group receives from the manufacturer a refund of the PDPs paid in USD. At this moment, the fixed asset is derecognised from the statement of financial position and any gain or loss arising is transferred to the statement of comprehensive income as an operating income or expense.

Advances paid for aircraft maintenance assets – engine flight hour agreements (FHAs)

Advances paid for aircraft maintenance assets represent advance payments made in relation to heavy maintenance scheduled to be performed in the future (for the definition of heavy maintenance see the accounting policy section on maintenance). Such advance payments are made by the Group particularly to the engine maintenance service provider under FHAs. Such advance payments are recognised at cost and classified as property, plant and equipment in the statement of financial position. This amount is not depreciated.

The balance of such assets is re-categorised into aircraft maintenance assets within property, plant and equipment at the time when the aircraft maintenance asset is recognised in respect of the same component and the same heavy maintenance event. This is when the component no longer meets the conditions set out in the lease agreement. Advances paid for aircraft maintenance are not depreciated.

In the statement of cash flows, the FHA payments are shown under the purchase of maintenance assets line together with other aircraft maintenance asset purchases.

French Tax Leases

The Group started to apply an additional aircraft financing method in F21, namely the French Tax Leases (FTL). Since these financing arrangements are special forms of structured asset financing, which provide local tax benefit for French investors, from an accounting point of view, they are "in-substance purchases" and not leases; therefore, IFRS 16 lease accounting is not applicable. The related liability is considered as financial debt under IFRS 9 and the asset as an aeronautical asset, according to IAS 16.

Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Web development costs are capitalised to the extent they are expected to generate future economic benefits and meet the other criteria described in IAS 38, 'Intangible Assets'.

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Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful economic lives of intangible assets, except where the asset is expected to have indefinite useful economic life. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Software licences	3–8 years
Web and other software development costs	3–5 years
Airport landing rights	Indefinite

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Landing and take-off rights are recognised at cost less any accumulated impairment losses. They are recorded as intangible assets with an indefinite useful life as based on an analysis of all the relevant factors; there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the entity provided minimum utilisation requirements are observed. They are not amortised; however, their value in use is tested for impairment (in accordance with IAS 36) at each reporting date together with the fleet of aircraft as a single CGU, or where there is any indication of impairment.

Inventories

Inventory of the Group consists mainly of aircraft spare parts for aircraft maintenance and Emissions Trading Scheme (ETS) allowances.

Aircraft spare parts

Parts are purchased for internal use and are stated at cost unless impaired or at net realisable value if any items are to be sold. Net realisable value is the estimated selling price less the estimated selling expense. Cost is based on the weighted average price method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Emissions Trading Scheme

The Group is subject to Emissions Trading Schemes (ETS) in both the European Union (EU) and the United Kingdom. It is required to formally report its annual carbon emissions to the relevant authorities and surrender ETS allowances equivalent to the emissions.

ETS allowances are recognised as inventory in the statement of financial position. A decreasing portion of the allowances are received for free and recognised at nil cost. Purchased allowances are recognised at cost. Both types of allowance are incorporated in the total weighted average cost of the inventory.

In accordance with actual carbon emissions, a liability is recognised within trade and other payables and a corresponding expense within fuel cost based on the expected weighted average cost of the allowances that will be surrendered. This calculation includes the allowances already purchased and the forward transactions that mature before the surrender. If further allowances need to be purchased to meet the surrender requirement, their value is factored in at the prevailing market price.

The inventory and the liability are derecognised at the time of the surrender.

In F24, the Group entered into an ETS repurchase financing agreement according to which EU allowances were sold with a repurchase commitment. According to IFRS 15, this is not a sale transaction. The units are not derecognised from inventory and no income is accounted for. The consideration received is recognised as a financial liability within borrowings. The difference between the sale price and the repurchase price is recognised as interest expense over the period between the sale date and the repurchase date.

Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each statement of financial position date or earlier if there is an impairment trigger to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to dispose and value in use. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Employee benefits**Share-based payment transactions**

The Group operates an equity-settled share option programme that allows Group employees to acquire shares in the Company. The options are granted by the Company. The fair value of options granted is recognised as an employee expense within staff costs with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model,

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taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted at any measurement date so that the cumulative expense to date reflects the actual number of share options that are expected to vest (except where the number of shares to vest depends on the share price performance of the Company, which is a market condition under IFRS 2 and is therefore not updated).

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability (please see further details of aircraft maintenance provisions in the accounting policy section on maintenance).

Revenue

The Group's revenue disaggregation differs from the requirements under IFRS 15, 'Revenue from Contracts with Customers'. The revenue is disaggregated into two main categories: passenger ticket revenues (representing the invoiced value of flight seats) and ancillary revenues. Any compensation payable to passengers for delays and cancellations is deducted from the revenue up to the level of the original revenue, in accordance with IFRS 15. Any excess compensation beyond the original revenue is accounted for as an expense. This treatment is consistent with the principle under IFRS 15 that revenue should only be recognised to the extent that it is highly probable that a significant reversal of revenue recognised will not occur when uncertainties are resolved.

Passenger ticket revenue arises from the sale of flight seats and is recognised net of government taxes in the period in which the service is provided, that being when the aircraft has departed. Where charges levied by airports or government authorities on a per passenger basis represent a government tax in fact or in substance, then such amounts are presented on a net basis in the statement of comprehensive income (netted between revenue and airport, handling and en-route charges lines). Unearned revenue represents flight seats sold but not yet flown and is included in deferred income. Refunds made to passengers are recorded as reductions in revenue. Refunds are measured at initial transaction price, excluding non-refundable services.

Ancillary revenue arises from the sale of other services made by the Group and from commissions earned in relation to services sold on behalf of other parties where the Group is an agent rather than principal in the relationship. For details of main ancillary revenue categories, see Note 5. Commission revenue arises in relation to the sale of on-board catering, where the Group is an agent, accommodation, car rental, travel insurance, bus transfers, premium calls and co-branded credit cards. Ancillary revenues are recognised as revenue when performance obligations have been satisfied (i.e. all the benefits associated with the performance obligation have been transferred to the customer). This, depending on the type of service, might be either the date of sale, the date of flight or (in the case of membership fees) over the period when customers take benefit of a paid membership.

The Group considers if it is a principal or an agent in relation to contracts with other partners. Wizz recognises revenue on a gross basis if it is the principal in the arrangement and on a net basis if it is an agent. The Group recognises revenue from contracts with other partners as agent if it is the other partners that:

- ▶ enter into contracts with the passengers/customers and bear the liability towards customers for delivering the products and services;
- ▶ define the majority of the product portfolio, manage the inventory, are responsible for product availability/outage, have title to the inventory and, the effect of the profit share notwithstanding, bear the risk of loss; and
- ▶ have the discretion in establishing the prices.

The disaggregation of revenues into passenger ticket revenues and ancillary revenues, as applied in the statement of comprehensive income, is a non-IFRS measure (or alternative performance measure). The existing revenue presentation is considered relevant for the users of the financial statements because: (i) it is regularly reviewed by the Chief Operating Decision Maker for evaluating financial performance; and (ii) it mirrors disclosures presented outside of the financial statements.

Revenues under IFRS 15 are disaggregated into revenues from contracts with passengers and with other business partners, respectively. These two categories represent revenues that are distinct from a nature, timing and risks point of view. This split, as required under IFRS 15, is presented in Note 6.

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Accounting for membership fees

The Group operates the Wizz Discount Club (WDC) loyalty programme for its customers. Under this programme, customers can pay an annual membership fee, with the key benefit being that during most of the twelve-month membership period they get access to special fares that are lower than the standard ticket prices.

The Group recognises the revenue from membership fees following the pattern of customers utilising benefits from the programme. This pattern is determined by management once a year, on the basis of the actual distribution of member flights in the preceding twelve months, and then applied prospectively as an estimate for the future. It is unlikely that there would be a material change in the pattern within one year, because the underlying fact patterns (for customers to buy membership, to buy tickets and then to fly those tickets) are reasonably stable.

Maintenance

Aircraft maintenance provisions

For aircraft held under lease agreements, the Group is contractually committed to either return the aircraft in a certain condition or to compensate the lessor based on the actual condition of the aircraft and its major components upon return. If the condition defined in the lease contract can only be met by performing maintenance, then provision is made for the minimum unavoidable costs of the future maintenance obligation at the time when such obligation becomes certain. This is when the respective aircraft component no longer meets the lease re-delivery conditions. The provision is used through the completion of a maintenance event such that the component again meets the re-delivery conditions. If it is probable that on returning the aircraft compensation will be payable to the lessor, because performing maintenance is not or is no longer planned, then the Group accrues for such obligation in line with the compensation rates defined in the lease contract and recognises the respective expense within operating expenses (maintenance materials and repairs) in the statement of comprehensive income.

Aircraft maintenance assets

Heavy maintenance relates to the overhaul of engines and associated components, the replacement of life limited parts, the replacement of landing gears and the non-routine airframe inspection and rectification works. Under normal operating conditions, heavy maintenance relates to work expected to be performed no more frequently than every two years.

The cost of heavy maintenance is capitalised and recognised as a tangible fixed asset (and classified as "aircraft maintenance assets") at the earlier of: (a) the time the lease re-delivery condition is no longer met (see above under aircraft maintenance provisions); or (b) when maintenance, including enhancement, is carried out. Other maintenance costs are expensed as incurred.

Such maintenance assets are depreciated over the period the Group benefits from the asset, which is the shorter of: (a) the estimated period until the next date when the lease re-delivery condition is no longer met; or (b) the end of the asset's operational life; or (c) the end of the lease.

For engines and associated components, depreciation is charged on the basis of flight hours or cycles, while for other aircraft maintenance assets depreciation is charged evenly over the period the Group expects to derive benefit from the asset.

Components of newly leased aircraft such as life limited parts and engines are not accounted for as separate assets, and the inherent benefit of these assets which are utilised in the period from inception of the lease until the time the assets no longer meet the lease re-delivery condition is reflected in the payments made to the lessor over the life of the lease.

Aircraft maintenance assets are non-monetary items. Non-EUR amounts are translated on inception to EUR and are not retranslated.

The recognition of aircraft maintenance assets against provisions for other liabilities and charges in the statement of financial position is a transaction not involving cash flows. In the statement of cash flows, the spending on these assets is presented as "purchase of aircraft maintenance assets" in the period when cash actually flows out of the Group. This can happen either before or after the recognition of the asset, depending on the exact facts and circumstances associated with the relevant asset or assets.

Please refer also to the property, plant and equipment section of accounting policies.

Other receivables from lessors – maintenance reserve

Payments for aircraft and engine maintenance, as stipulated in the respective lease agreements, are made to certain lessors as a security for the performance of future heavy maintenance works. The payments are recorded as receivables from the lessors until the respective maintenance event occurs and the reimbursement with the lessor is finalised. Any payment that is not expected to be reimbursed by the lessor is recognised within operating expenses (maintenance materials and repairs) in the statement of comprehensive income.

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Other

The Group enters into agreements with maintenance service providers that guarantee the maintenance of major components at a rate defined in the contract, the prime example being FHAs for aircraft engines. Such FHAs cover the cost of both scheduled and unscheduled engine overhauls. FHA payments are accounted for as follows:

- ▶ payments for scheduled maintenance work are recognised as advances paid for aircraft maintenance assets until the maintenance asset for the respective engine overhaul is created. After this point, any further FHA payments are either used to settle previously established aircraft maintenance provisions (to the extent a provision for the respective FHA contract exists) or, in the absence of a provision, are added to the amount previously capitalised within property, plant and equipment as advances paid for aircraft maintenance assets; and
- ▶ payments that are made to provide guaranteed coverage for the performance of unscheduled maintenance events are considered as insurance payments and are expensed as incurred.

Please refer to the property, plant and equipment section of accounting policies.

Supplier credits and compensation

In certain cases, the concessions receivable from a component manufacturer are linked to the Group's commitment to purchase a number of new aircraft with the manufacturer's components installed on those. In such cases, in substance, the right to the concessions is earned by the Group through the delivery of the respective aircraft. In certain cases, the concessions might be delivered by the component manufacturer later than the date when the respective aircraft delivery is taken by the Group.

Cash credits received in connection with the acquisition of aircraft and major aircraft parts are applied to reduce the acquisition cost of that asset. If the asset is then financed with a sale and leaseback transaction, then the lower acquisition cost will translate into a higher gain (or smaller loss) on the sale and leaseback transaction.

Credits that can be used for the purchase of goods and services are accounted for as other income at the time of the purchase.

Credits related to assets that are not available when or as they were expected to be used are recognised as other income over the period during which that circumstance existed. This includes Original Equipment Manufacturer compensation to mitigate the financial impact of grounded aircraft or delayed deliveries.

Net financing expense

Net financing expense comprises interest payable, finance charges on finance and operating (under IFRS 16) leases, interest receivable on funds invested and foreign exchange gains and losses that are recognised in the statement of comprehensive income.

Interest income and interest payable are recognised in the statement of comprehensive income using the effective interest method.

Non-cash elements of financial income and expenses are eliminated from the statement of cash flows as an adjusting item whereas cash elements, e.g. realised foreign exchange gains and losses, are included in the statement of cash flows.

Share capital

Ordinary Shares are classified as equity. Qualifying transaction costs directly attributable to the issue of new shares are debited to equity, reducing the share premium arising on the issue of shares.

Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax 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; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using applicable tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised to the extent that it is probable that sufficient future taxable profits will be available against which the asset can be utilised.

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Segment reporting

Operating and reportable segments

The Group is managed as a single business unit that provides point-to-point, low-cost, low-fare passenger air transportation services using a fleet of single-aisle aircraft. The Group has only one reportable segment, being its entire route network.

Management information is provided to the senior management team, which (in the context of IFRS 8, 'Operating Segments') is the Group's Chief Operating Decision Maker (CODM). Resource allocation decisions are made by the CODM for the benefit of the route network as a whole, rather than for individual routes within the network. The performance of the network is assessed primarily based on the operating profit or loss for the period.

3. Financial risk management

Financial risk factors

The Group is exposed to market risks relating to fluctuations in commodity prices, interest rates and currency exchange rates. The objective of financial risk management at Wizz Air is to minimise the impact of commodity price, interest rate and foreign exchange rate fluctuations on the Group's earnings, cash flows and equity. To manage commodity and foreign exchange risks, Wizz Air uses foreign currency and jet fuel zero-cost collar contracts.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, fuel price risk, credit risk, use of derivative financial instruments, adherence to hedge accounting, and hedge coverage levels. The Board has mandated the Audit and Risk Committee of the Board to supervise the hedging activity of the Group and the compliance with the policies approved by the Board.

Risk analysis

Market risks

Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit and Risk Committee.

Given the sustained and ongoing volatility in commodity prices, Wizz Air kept its systematic jet fuel hedging policy and maintained hedge coverage in line with the policy and its peers. The hedges under the hedge policy will be rolled forward quarterly, 18 months out, with coverage levels over time reaching indicatively between 65 per cent for the first quarter of the hedging horizon and 15 per cent for the last quarter of the hedging horizon. In line with the hedging policy, Wizz Air also hedges its fuel consumption-related US Dollar exposure in a similar fashion.

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases and commitments that are denominated in a currency other than the functional currency of its operating entities. The foreign currency exposure of the Group is predominantly attributable to: (i) only a small portion of the Group's revenues are denominated in or linked to the USD while a significant portion of the Group's expenses are USD denominated, including fuel and aircraft leases; and (ii) there are various currencies in which the Group has significantly more revenues than expenses, primarily the British Pound (GBP) and – to a smaller extent – the Polish Zloty (PLN) and the Romanian Leu (RON).

EUR/USD foreign currency rate is the most significant underlying foreign currency exposure to the Group.

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The table below analyses the financial instruments by the currencies of future receipts and payments as follows:

	EUR € million	USD € million	Other € million	Total € million
At 31 March 2024				
Financial assets				
Trade and other receivables	315.3	156.7	99.2	571.2
Investments in other entities	—	1.6	—	1.6
Derivative financial assets	—	36.8	—	36.8
Cash and cash equivalents	138.4	523.8	66.2	728.4
Short-term cash deposits	154.0	597.1	—	751.1
Restricted cash	3.1	103.4	2.9	109.4
Total financial assets	610.8	1,419.4	168.3	2,198.5
Financial liabilities				
Unsecured debt*	511.6	—	—	511.6
Secured debt	257.5	205.7	—	463.2
IFRS 16 aircraft and engine lease liability	637.4	2,947.4	—	3,584.8
IFRS 16 other lease liability	16.8	—	10.3	27.1
JOLCO and FTL lease liability	1,122.4	401.9	119.1	1,643.4
Loans from non-controlling interests	—	13.9	—	13.9
Convertible debt	25.7	—	—	25.7
Trade and other payables	461.4	93.7	197.2	752.3
Derivative financial liabilities	—	0.7	—	0.7
Deferred income	4.8	—	—	4.8
Total financial liabilities	3,037.6	3,663.3	326.6	7,027.5
Net financial liabilities	(2,426.8)	(2,243.9)	(158.3)	(4,828.9)

	EUR € million	USD € million	Other € million	Total € million
At 31 March 2023				
Financial assets				
Trade and other receivables	193.4	65.4	11.6	270.4
Derivative financial assets	—	1.2	—	1.2
Cash and cash equivalents	964.4	373.0	71.2	1,408.6
Short-term cash deposits	—	—	—	—
Restricted cash	0.7	119.3	0.4	120.4
Total financial assets	1,158.5	558.9	83.2	1,800.6
Financial liabilities				
Unsecured debt*	1,005.5	—	—	1,005.5
Secured debt	—	250.0	—	250.0
IFRS 16 aircraft and engine lease liability	405.1	2,371.4	—	2,776.5
IFRS 16 other lease liability	5.7	—	12.8	18.5
JOLCO and FTL lease liability	850.8	288.4	72.0	1,211.2
Loans from non-controlling interests	—	13.8	—	13.8
Convertible debt	26.0	—	—	26.0
Trade and other payables	558.1	68.7	78.8	705.6
Derivative financial liabilities	—	108.4	—	108.4
Deferred income	4.8	—	—	4.8
Total financial liabilities	2,856.0	3,100.7	163.6	6,120.2
Net liabilities	(1,697.5)	(2,541.8)	(80.4)	(4,319.6)

* Unsecured debt represents the European Mid Term Note and bank overdrafts.

Trade and other receivables in this table, and also in the other disclosures in this Note, exclude balances that are not financial instruments, being prepayments, deferred expenses and part of other receivables (see Note 20). Similarly, trade and other payables and deferred income in this table, and also in the other disclosures in this Note, exclude balances that are not financial instruments, being part of accruals and other payables (see Note 25).

Commodity risks

One of the most significant costs for the Group is jet fuel. The price of jet fuel can be volatile and can directly impact the Group's financial performance. See further details regarding jet fuel at market risks and hedge transactions within this Note.

The Group is also exposed to price risk related to Emissions Trading System (ETS) schemes. In order to comply with regulations, ETS allowances must be purchased and surrendered on a yearly basis. To reduce the exposure to price volatility and inflation, the Group enters into spot and forward purchase transactions. As at 31 March 2024, all requirements for calendar year 2023 and 100 per cent of total forecast requirements for calendar year 2024 were covered. This coverage includes forward purchase agreements to

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the value of €219.2 million. These forward purchase agreements qualify for the own use exemption and therefore are not accounted for as a financial instrument under IFRS 9.

Interest rate risk

The Group's objective is to reduce cash flow risk arising from the fluctuation of interest rates on financing.

The Group has a small portion of future commitments under certain lease contracts that are based on floating interest rates. The PDP refinancing credit facility (see Note 23) is a variable rate loan, which is expected to be gradually settled over one and a half years. The floating nature of these interest charges exposes the Group to interest rate risk. Interest rates charged on Eurobond, convertible debt liabilities and on the majority of the leases to finance the aircraft are not sensitive to interest rate movements as they are fixed until maturity.

The Group has not used financial derivatives to hedge its interest rate risk during the year.

The Group has floating rate instruments within restricted cash, but given their short-term (within three months) maturity, the interest rates are not expected to move significantly during this short period.

Hedge transactions during the year

The Group uses zero-cost collar instruments to hedge its jet fuel-related foreign exchange exposures and jet fuel price exposures. In order to ensure economic relationship, the Group enters into hedge relationships where critical terms of the hedging instrument match exactly with that of the hedged item.

The gains and losses arising from hedge transactions during the year were as follows:

Foreign exchange hedge:

	2024	2023
	€ million	€ million
<i>Gain recognised within fuel costs</i>		
Effective cash flow hedge	1.9	—
Total gain recognised within fuel costs	1.9	—

Fuel hedge:

	2024	2023
	€ million	€ million
<i>(Loss)/gain recognised within fuel costs</i>		
Effective hedge	(24.3)	(33.2)
Cost of hedging recycled to profit or loss	—	(6.0)
Total loss recognised within fuel costs	(24.3)	(39.2)

Hedge year-end open positions

The Group measures its derivative financial instruments at fair value, as calculated by management using an independent derivative valuation platform. Such fair values might change materially within the near future but these changes would not arise from assumptions made by management or other sources of estimation uncertainty at the end of the period but from the movement of market prices. The fair value calculation is most sensitive to movements in the jet fuel and foreign currency spot prices, their implied volatility and respective yields.

At the end of the year, the Group had the following open hedge positions:

Foreign exchange hedges with derivatives:

	Derivative financial instruments					
	Notional amount US\$ million	Non-current assets € million	Current assets € million	Non-current liabilities € million	Current liabilities € million	Net asset € million
At 31 March 2024						
Effective cash flow hedge positions	801.0	0.7	7.9	—	(0.5)	8.1
Total foreign exchange hedges	801.0	0.7	7.9	—	(0.5)	8.1

	Derivative financial instruments					
	Notional amount US\$ million	Non-current assets € million	Current assets € million	Non-current liabilities € million	Current liabilities € million	Net liability € million
At 31 March 2023						
Effective cash flow hedge positions	312.0	—	—	—	(0.4)	(0.4)
Total foreign exchange hedges	312.0	—	—	—	(0.4)	(0.4)

For the movements in other comprehensive income, refer to the consolidated statement of changes in equity.

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The open foreign currency cash flow hedge positions at year end can be analysed according to the maturity periods and price ranges of the underlying hedge instruments as follows:

EUR/USD foreign exchange hedge:

	F25	F26
At 31 March 2024	12 months	6 months
Maturity profile of notional amount (million)	\$686.0	\$115.0
Weighted average ceiling	\$1.1303	\$1.1304
Weighted average floor	\$1.0867	\$1.0873
	F24	F25
At 31 March 2023	12 months	6 months
Maturity profile of notional amount (million)	\$312.0	—
Weighted average ceiling	\$1.1154	—
Weighted average floor	\$1.0724	—

Foreign exchange hedge with non-derivatives:

Non-derivatives, such as cash, are existing financial assets or liabilities that hedge highly probable foreign currency cash flows in the future and therefore act as a natural hedge.

Fuel hedge with derivatives:

	Derivative financial instruments					
	'000 metric tonnes	Non-current assets € million	Current assets € million	Non-current liabilities € million	Current liabilities € million	Net asset € million
At 31 March 2024						
Effective cash flow hedge positions	987.0	3.1	25.1	—	(0.3)	28.0
Total fuel hedge	987.0	3.1	25.1	—	(0.3)	28.0

	Derivative financial instruments					
	'000 metric tonnes	Non-current assets € million	Current assets € million	Non-current liabilities € million	Current liabilities € million	Net liability € million
At 31 March 2023						
Effective cash flow hedge positions	1,258.5	0.2	1.0	(4.2)	(103.8)	(106.8)
Total fuel hedge	1,258.5	0.2	1.0	(4.2)	(103.8)	(106.8)

For the movements in other comprehensive income, refer to the consolidated statement of changes in equity.

The fuel hedge positions at year end can be analysed according to the maturity periods and price ranges of the underlying hedge instruments as follows:

	F25	F26
At 31 March 2024	12 months	6 months
Maturity profile ('000 metric tonnes)	841.0	146.0
Blended capped rate	\$860.0	\$844.0
Blended floor rate	\$751.0	\$732.0
	F24	F25
At 31 March 2023	12 months	6 months
Maturity profile ('000 metric tonnes)	1,081.0	177.5
Blended capped rate	\$994.0	\$884.0
Blended floor rate	\$864.0	\$767.0

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The effects of the foreign exchange hedges on the Group's financial position and performance are as follows:

	2024	2023
Zero-cost collars		
Carrying amount net asset/(liability) (€ million)	8.1	(0.4)
Notional amount (US\$ million)	801.0	312.0
Maturity date	April 2024– August 2025	April 2023– March 2024
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments (€ million)	4.6	—
Change in value of hedged item used to determine hedge effectiveness (€ million)	(4.6)	—

The effects of the fuel hedges on the Group's financial position and performance are as follows:

	2024	2023
Zero-cost collars		
Carrying amount net asset/(liability)	28.0	(106.8)
Notional amount ('000 metric tonnes)	987.0	1,006.9
Maturity date	April 2024– August 2025	April 2023– October 2024
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments (€ million)	12.4	(83.2)
Change in value of hedged item used to determine hedge effectiveness (€ million)	(12.4)	83.2

Hedge effectiveness

The effectiveness of hedges is tested both prospectively to determine the appropriate accounting treatment of open positions. Prospective testing of open hedges requires making certain estimates, the most significant one being for the future expected level of the business activity (primarily the utilisation of fleet capacity) of the Group. Building on these estimations of the future, management makes a judgment on the accounting treatment of open hedging instruments. Hedge accounting for jet fuel and foreign currency cash flow hedges is discontinued where the "highly probable" forecast criterion is not met in accordance with the requirements of IFRS 9.

There was no discontinued hedging relationship during the financial year ended 31 March 2024 and during the financial year ended 31 March 2023.

None of the hedge counterparties had a material change in their credit status that would have influenced the effectiveness of the hedging transactions.

Sensitivity analysis

The table below shows the sensitivity of the Group's profits to various market risks for the current and the prior year, excluding any hedge impacts.

	2024 Difference in profit after tax € million	2023 Difference in profit after tax € million
Fuel price sensitivity		
Fuel price \$100 higher per metric tonne	-167.1	-142.4
Fuel price \$100 lower per metric tonne	+167.1	+142.4
FX rate sensitivity (USD/EUR)		
FX rate 0.05 higher (meaning EUR stronger)	+204.0	+208.9
FX rate 0.05 lower	-221.3	-269.0
FX rate sensitivity (GBP/EUR)		
FX rate 0.03 higher (meaning EUR stronger)	-16.8	-11.6
FX rate 0.03 lower	+18.0	+12.4
Interest rate sensitivity (EUR)		
Interest rate is higher by 100 bps	+16.4	+14.1
Interest rate is lower by 100 bps	-16.7	-13.9

The Group is primarily exposed to changes in EUR/USD foreign exchange rate. The sensitivity of profit or loss to changes in the exchange rates arises mainly from USD lease liabilities and jet fuel-related USD exposure.

The interest rate sensitivity calculation above considers the effects of varying interest rates on the interest income on bank deposits and floating rate leases.

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The table below shows the sensitivity of the Group's other comprehensive income to various market risks for the current and the prior year. These sensitivities relate to the impact of the market risks on the balance of the cash flow hedging reserve (which includes gains and losses related to open cash flow hedges both for foreign exchange rates and jet fuel price).

	2024 Difference € million	2023 Difference € million
Fuel price sensitivity		
Fuel price \$100 higher per metric tonne	-91.0	-114.3
Fuel price \$100 lower per metric tonne	+91.0	+114.3
FX rate sensitivity (USD/EUR)		
FX rate 0.05 higher (meaning EUR stronger)	+1.6	-5.1
FX rate 0.05 lower	-1.6	+5.1
Fuel volume sensitivity (metric tonnes)		
100,000 metric tonnes reduction in forecast fuel purchases	+3.7	-7.8
100,000 metric tonnes increase in forecast fuel purchases	-3.7	+7.8

The sensitivity analyses for 2024 above were performed with reference to the following market rates, as the base case:

- ▶ for profits, annual average rates: jet fuel price \$978 per metric tonne; EUR/USD FX rate 1.08; EUR/GBP FX rate 0.86; and
- ▶ for other comprehensive income, year-end spot rates: jet fuel price \$846.5 per metric tonne; EUR/USD FX rate 1.08.

Liquidity risks

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding. Financial year 2024 had an extremely challenging environment of tight financial conditions, high inflation, high energy prices and heightened geopolitical risk in some of the markets we serve. These challenges impacted our supply chain, operational capacity and the liquidity position of the Group. As a response, a number of actions are being taken to improve costs and liquidity, the most important ones being:

- ▶ continuing to ensure that the flights that are operated deliver positive cash contributions;
- ▶ securing nearly all lease financing for aircraft delivery positions until December 2024;
- ▶ working with suppliers to reduce contracted rates and improve payment terms;
- ▶ reducing discretionary spending and suspending non-essential capital expenditures;
- ▶ extending the EMTN programme in January 2024 following the repayment of a €500 million bond and effectively reducing the liability to a four-year €500 million bond which was issued in January 2022;
- ▶ redrawing PDP financing from the credit facility that was contracted in February 2023 and is available for a maximum of three years (see Note 23);
- ▶ entering into an ETS repurchase agreement with Standard Chartered whereby Wizz Air monetised its ETS allowance inventory (3.3 million units) at spot price, receiving €253.6 million, in exchange for a commitment to repurchase the units at a fixed price in mid-September 2024 before surrendering them for calendar year 2023; and
- ▶ working with acquiring banks to expand our ticket sales capacity. These banks will share a portion of the credit risk for paid tickets that have not been flown without requiring to provide collateral.

As a result of these measures, the Group is confident in its ability to maintain sufficient liquidity in case of further unexpected events or increases in commodity prices. For further notes, refer to the going concern assessment under Note 2.

The Group invested excess cash primarily in USD and EUR denominated short-term time deposits with high-quality bank counterparties.

The table below analyses the Group's financial assets and liabilities (receivable or payable either in cash or net settled in case of certain derivative financial assets and liabilities) into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts disclosed in the table below are the contractual undiscounted cash flows except for derivatives where fair values are presented. Therefore, for certain asset and liability categories the amounts presented in this table are different from the respective amounts presented in the statement of financial position.

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At 31 March 2024	Within three months € million	Between three months and one year € million	Between one and five years € million	More than five years € million	Total € million
Financial assets					
Trade and other receivables	529.8	4.3	37.1	—	571.2
Derivative financial assets	8.8	24.2	3.8	—	36.8
Short-term cash deposits	—	751.1	—	—	751.1
Cash and cash equivalents	728.4	—	—	—	728.4
Restricted cash	9.1	46.3	50.9	3.1	109.4
Total financial assets	1,276.1	825.9	91.8	3.1	2,196.9
Financial liabilities					
Unsecured debt	12.0	5.0	505.0	—	522.0
Secured debt	39.5	388.3	54.8	—	482.6
IFRS 16 aircraft and engine lease liability	167.2	517.0	2,149.5	1,318.9	4,152.6
IFRS 16 other lease liability	0.9	2.8	16.8	13.5	34.0
JOLCO and FTL lease liability	31.4	104.5	553.7	1,227.8	1,917.4
Loans from non-controlling interests	—	—	—	13.9	13.9
Convertible debt	0.3	—	25.4	—	25.7
Trade and other payables	687.0	10.4	26.1	28.8	752.3
Derivative financial liabilities	0.3	0.4	—	—	0.7
Deferred income	4.8	—	—	—	4.8
Total financial liabilities	943.4	1,028.4	3,331.3	2,602.9	7,906.0

At 31 March 2023	Within three months € million (restated)	Between three months and one year € million (restated)	Between one and five years € million (restated)	More than five years € million (restated)	Total € million (restated)
Financial assets					
Trade and other receivables	234.4	14.7	21.3	—	270.4
Derivative financial assets	0.3	0.7	0.2	—	1.2
Cash and cash equivalents	1,408.6	—	—	—	1,408.6
Short-term cash deposits	—	—	—	—	—
Restricted cash	16.2	47.5	56.1	0.6	120.4
Total financial assets	1,659.5	62.9	77.6	0.6	1,800.6
Financial liabilities					
Unsecured debt	6.0	511.8	510.0	—	1,027.8
Secured debt	77.1	180.6	—	—	257.7
IFRS 16 aircraft and engine lease liability*	130.5	398.3	1,570.9	1,097.4	3,197.1
IFRS 16 other lease liability	0.9	2.6	12.3	7.3	23.1
JOLCO and FTL lease liability	21.6	71.9	388.3	900.9	1,382.7
Loans from non-controlling interests	—	—	—	13.8	13.8
Convertible debt	—	—	26.0	—	26.0
Trade and other payables	609.0	37.5	48.6	10.5	705.6
Derivative financial liabilities	38.7	65.4	4.3	—	108.4
Deferred income	4.8	—	—	—	4.8
Total financial liabilities	888.6	1,268.1	2,560.4	2,029.9	6,747.0

* As of 31 March 2023, the total undiscounted balances for IFRS 16 aircraft and engine lease liabilities has been changed to €3,197.1 million (previously reported €2,787.0 million) so as to include future interest payments. Of this, €130.5 million (previously reported €105.0 million) will mature within three months, €398.3 million (previously reported €328.9 million) will mature between three months and one year, €1,570.9 million (previously reported €1,348.6 million) will mature within one and five years, and €1,097.4 million (previously reported €1,004.5 million) will mature in more than five years. This change did not impact the consolidated statement of financial position.

The Group has obligations under financial guarantee contracts as detailed in Note 31. The most significant financial guarantee contracts relate to aircraft leases, hedging, EMTN notes, PDP financing and Convertible Notes. For these items, the respective underlying liabilities are reflected under the appropriate line of the financial liabilities part of the table above (for leases, the liability is presented under borrowings). Since the liability itself is already reflected in the table, it would not be appropriate to also include the financial guarantee provided by another Group entity for the same obligation.

Management does not expect that any payment under these guarantee contracts will be required by the Company.

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Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk from individual customers is limited as the large majority of the payments for flight tickets are collected before the service is provided.

However, the Group has significant banking, hedging, aircraft manufacturer and card-acquiring relationships that represent counterparty credit risk. The Group analysed the creditworthiness of the relevant business partners in order to assess the likelihood of non-performance of liabilities and therefore assets due to the Group. The credit quality of the Group's financial assets is assessed by reference to external credit ratings (published by Standard & Poor's or similar institutions) of the counterparties as follows:

At 31 March 2024	A € million	A- € million	Other € million	Unrated € million	Total € million
Financial assets					
Cash and cash equivalents	449.0	1.2	265.5	12.8	728.4
Short-term cash deposits	751.1	—	—	—	751.1
Restricted cash	109.4	—	—	—	109.4
Trade and other receivables	5.1	5.8	3.8	556.4	571.1
Derivative financial assets	21.0	12.1	3.8	—	36.9
Investments in other entities	—	—	—	1.6	1.6
Total financial assets	1,335.5	19.0	273.1	570.9	2,198.5
At 31 March 2023	A € million	A- € million	Other € million	Unrated € million	Total € million
Financial assets					
Cash and cash equivalents	1,398.6	0.3	2.9	6.8	1,408.6
Restricted cash	120.4	—	—	—	120.4
Trade and other receivables	20.8	0.4	—	249.2	270.4
Derivative financial assets	0.9	0.3	—	—	1.2
Total financial assets	1,540.7	1.0	2.9	256.0	1,800.6

From the unrated category within trade and other receivables, the Group has €25.8 million (2023: €21.0 million) receivables from different aircraft lessors in respect of maintenance reserves and lease security deposits paid (see also Note 20). However, given that the Group physically possesses the aircraft owned by the lessors and that the Group has significant future lease payment obligations towards the same lessors, management does not consider the credit risk on maintenance reserve receivables to be material. Most of the remaining balance in this category in both years relates to ticket sales receivables from customers and non-ticket revenue receivables from business partners. These balances are spread between a significant number of counterparties and the credit performance in these channels has historically been good.

Based on the information above, management does not consider the counterparty risk of any of the counterparties to be material and therefore no fair value adjustment was applied to the respective cash or receivable balances.

Fair value estimation

The Group classifies its financial instruments based on the technique used for determining fair value into the following categories:

Level 1: Fair value is determined based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value is determined based on inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value is determined based on inputs that are not based on observable market data (that is, on unobservable inputs).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2024:

	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Assets				
Investments in other entities	—	—	1.6	1.6
Derivative financial instruments	—	36.9	—	36.9
Cash and cash equivalents	223.4	—	—	223.4
Liabilities				
Derivative financial instruments	—	0.7	—	0.7

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The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2023:

	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Assets				
Derivative financial instruments	—	1.2	—	1.2
Liabilities				
Derivative financial instruments	—	108.4	—	108.4

The Group measures its derivative financial instruments at fair value, calculated by a third-party front office system that falls into the Level 2 category. The front office platform provides comprehensive risk management capabilities, using generally accepted valuation techniques, principally the Black-Scholes model and discounted cash flow models. The fair value of investments in other entities is estimated using Level 3 methodology.

All the other financial assets and financial liabilities are measured at amortised cost.

Capital management

The Group's objectives when managing capital are: (i) to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders; (ii) to secure funds at competitive rates for its future aircraft acquisition commitments (see Note 32); and (iii) to maintain an optimal capital structure to reduce the overall cost of capital.

The current sources of capital for the Group are equity as presented in the statement of financial position, bonds and other borrowings (see Note 23), as well as, to a smaller extent, convertible debt (see Note 24).

Wizz Air's strategy is to hold significant cash and liquid funds to mitigate the impact of potential business disruption events and to invest in opportunities as they come along in an increasingly volatile market environment. Accordingly, the Group has so far retained all profits and paid no dividends and financed all its aircraft and most of its spare engine acquisitions through sale and leaseback agreements. The Group furthered its financing options through the establishment in January 2021 of a €3.0 billion European Mid Term Note (EMTN) programme and issuance of its debut bond by Wizz Air Finance Company B.V., unconditionally and irrevocably guaranteed by Wizz Air Holdings Plc. Following 2024 bond repayment, Wizz Air renewed the EMTN programme. In addition, the Group entered into a PDP refinancing credit facility which is available for a maximum of three years and also entered into a repurchasing agreement utilising its large inventory of ETS units.

The existing aircraft orders of the Group create a need for raising significant amounts of capital in the following years. The strategy of the Group is to ensure that it has access to various forms of long-term financing, which in turn allows the Group to further reduce its cost of capital and the cost of ownership of its aircraft fleet.

4. Critical accounting estimates and judgments made in applying the Group's accounting policies

a) Maintenance policy

The estimations and judgments applied in the context of the maintenance accounting policy of the Group impact the balance of: (i) property, plant and equipment (and, within that, aircraft maintenance assets, as detailed in Note 13); and (ii) aircraft maintenance provisions (as detailed in Note 29).

Estimate: For aircraft held under lease agreements, provision is made for the minimum unavoidable costs of specific future maintenance obligations required by the lease at the time when such obligation becomes certain. The amount of the provision involves making estimates of the cost of the heavy maintenance work that is required to discharge the obligation, including any end-of-lease costs. A 5 per cent increase in the planned costs of heavy maintenance works at the 31 March 2024 year end would increase the balance of both aircraft maintenance assets and aircraft maintenance provisions by €13.1 million.

Estimate: The cost of heavy maintenance is capitalised and recognised as a tangible fixed asset (and classified as an "aircraft maintenance asset") at the earlier of: (a) the time the lease re-delivery condition is no longer met; or (b) when maintenance, including enhancement, is carried out. The calculation of the depreciation charge on such assets involves making estimates primarily for the future utilisation of the aircraft. A 9 per cent change in the F25 forecast aircraft utilisation would result in the same average utilisation as in F24. This would cause a €2.6 million decrease in the balance of aircraft maintenance assets.

The basis of these estimates is reviewed annually at least, and also when information becomes available that is capable of causing a material change to an estimate, such as renegotiation of end-of-lease return conditions, increased or decreased utilisation of the assets, or changes in the cost of heavy maintenance services.

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Judgment: On a lease-by-lease basis, the Group makes a judgment whether it would perform future maintenance that would impact the condition of the respective aircraft or spare engine asset in a way that eliminates the need for paying compensation to the lessor on the re-delivery of the leased asset. When such maintenance is not expected, then accrual is made for the compensation due to the lessor in line with the terms of the respective lease contract.

Judgment: The policy adopted by the Group, as summarised above, is only one of the policies available under IFRS in accounting for heavy maintenance for aircraft held under lease agreements. A principal alternative policy involves recognising provisions for future maintenance obligations in accordance with hours flown or similar measure, and not only when lease re-delivery conditions are not met. In the judgment of the Directors, the policy adopted by the Group, whereby provisions for maintenance are recognised only when lease re-delivery conditions are not met, provides the most reliable and relevant information about the Company's obligations to incur major maintenance expenditure on leased aircraft and at the same time it best reflects the fact that an aircraft has lower maintenance requirements in the early years of its operation. The average age of the Group's aircraft fleet at 31 March 2024 was 4.3 years (31 March 2023: 4.6 years). Given the policy adopted, we currently do not consider that the impact of climate change has a material impact on the maintenance provision.

b) Hedge and derivative accounting

Estimate: The asset and liability balances at year end related to open hedge instruments can be material. The fair value of derivatives is estimated by a third-party front office system as per their industry practice. As required, the fair values ascribed to those instruments are verified also by management using high-level models. These estimations are performed based on market prices observed at year end and, therefore, according to paragraph 128 of IAS 1, do not require further disclosure. Such fair values might change materially within the next financial year but these changes would not arise from assumptions made by management or other sources of estimation uncertainty at the end of the year but from the movement of market prices. The fair value calculation is most sensitive to movements in the jet fuel and foreign currency spot prices, their implied volatility and respective yields. A sensitivity analysis for the jet fuel price and for the FX rate on most relevant currency pairs is included in Note 3.

Estimate and judgment: The effectiveness of hedges is evaluated prospectively to ascertain the suitable accounting treatment for hedge gains and losses. Additionally, designated hedging relationships undergo retrospective assessment for ineffectiveness, with any ineffective portion subsequently recognised in the Statement of profit and loss. Prospective testing of open hedges requires making certain estimates, the most significant one being for the future expected level of the business activity (primarily the utilisation of fleet capacity) of the Group, which is supported by the models used to prepare going concern assessments.

Building on these estimations of the future, management exercises judgment on the appropriate accounting treatment, considering the alignment of hedge instruments with the Group's risk management objectives and strategies. Hedge accounting for jet fuel and foreign currency cash flow hedges is discontinued where the "highly probable" forecast criterion was not met in accordance with the requirements of IFRS 9.

None of the hedge counterparties had a material change in their credit status that would have influenced the effectiveness of the hedging transactions.

c) Net presentation of government taxes and other similar levies

The Group's accounting policy stipulates that where charges levied by airports or government authorities on a per passenger basis represent a government tax in fact or in substance, then such amounts are presented on a net basis in the statement of comprehensive income (netted against revenue).

Judgment: Management reviews all passenger-based charges levied by airports and government authorities to ensure that any amounts recovered from passengers in respect of these charges are appropriately classified within the statement of comprehensive income. Given the variability of these charges and the number of airports and jurisdictions within which the Group operates, the assessment of whether these items constitute taxes in nature is an inherently complex area for some airports, requiring a level of judgment.

d) Accounting for aircraft and spare engine assets

Judgment: When the Group acquires new aircraft and spare engines, it applies the following critical judgments in determining the acquisition cost of these assets:

- ▶ engine contracts typically include the selection of an engine type to be installed on future new aircraft, a commitment to purchase a certain number of spare engines, and lump-sum (i.e. not per engine) concessions from the manufacturer. Management recalculates the unit cost of engines by allocating lump-sum credits over all engines ordered and by adjusting costs between installed and spare engines in a way that ensures that identical physical assets have an equal acquisition cost; and

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- ▶ aircraft acquisition costs are recalculated to reflect the impacts of: (i) any adjustment on the cost of installed engines (as above); and (ii) concessions received from the manufacturers of other aircraft components under selection agreements. Such acquisition cost has relevance also for leased aircraft when calculating the amount of total gain or loss on the respective sale and leaseback agreement.

e) Accounting for leases

Judgment: Some of the Group's lease contracts contain options to extend the lease term for a period of one to two years. The extension option is taken into account in the measurement of the lease liability only when the Group is reasonably certain that it would later exercise the option. Such judgment is made lease by lease, and is relevant both at inception, for the initial measurement of the lease liability, and also for a subsequent remeasurement of the lease liability if the initial judgment is revised at a later date.

Judgment: The Group takes the view that, as a lessee, it is not able to readily determine the interest rate implicit in its lease contracts. Therefore, it applies its incremental borrowing rate for discounting future lease payments.

The estimations made by management in accounting for leases do not materially impact the asset and liability balances of the Group. The majority of aircraft and spare engine assets are leased and as such their period of depreciation is the shorter of their useful economic lives and lease duration. As these assets are new at the inception of the lease and typically have a useful economic life of at least twice the duration of the lease, no further estimation has been required.

f) Revenue from contracts with other partners

As explained in Note 6, revenue from contracts with other partners relates to commissions on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls and co-branded cards.

Judgment: The Group considers that it is an agent (as opposed to principal) in relation to all its contracts with other partners. Accordingly, Wizz Air recognises revenue from these contracts on a net (commission) basis.

Out of these contracts, the provision of on-board catering services is the most significant in value and it is also the most complex from the perspective of making the "agent versus principal" assessment/judgment. The Company's judgment is that it is an agent that was based on the facts that it is the partner that: (i) enters into contracts with the passengers/customers and bears the liability towards them for delivering the products and services; (ii) defines the majority of the product portfolio, manages the inventory, is responsible for product availability/outage, has title to the inventory and bears the risk of loss; and (iii) has discretion in establishing prices. The difference on this contract between gross sales and net commission revenue (as recognised in the statement of comprehensive income) was €55.9 million (2023: €49.2 million).

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5. Segment information

Reportable segment information

The Chief Operating Decision Maker of the Group, as defined in IFRS 8, 'Operating Segments', is the senior management team of the Group.

During F24, the Group had only one reportable segment, being its entire route network. All segment revenue was derived wholly from external customers and, as the Group had a single reportable segment, inter-segment revenue was zero.

Reconciliation of reportable segment revenue and operating profit to consolidated profit after income tax:

	2024	2023
	€ million	€ million
Segment revenue	5,073.1	3,895.7
Segment operating expenses	(4,635.3)	(4,362.5)
Segment operating profit/(loss)	437.8	(466.8)
Net financing expense	(96.8)	(97.9)
Income tax credit	24.8	29.5
Net profit/(loss) for the year	365.9	(535.1)

Entity-wide disclosures

Products and services

Revenue from external customers can be analysed by groups of similar services as follows:

	2024	2023
	€ million	€ million
Passenger ticket revenue	2,804.2	2,024.9
Ancillary revenue	2,268.9	1,870.8
Total segment revenue	5,073.1	3,895.7

These categories are non-IFRS categories meaning that they are not necessarily distinct from a nature, timing and risks point of view; however, management believes that these categories provide clarity over the revenue profile of the Group to the readers of the financial statements and are in line with airline industry practice. The categories as per the definition of IFRS 15 are disclosed in Note 6.

Ancillary revenue arises mainly from baggage charges, booking/payment currency conversion charges, airport check-in fees, fees for various convenience services (e.g. priority boarding, extended legroom and reserved seats), loyalty programme membership fees, commission on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls, co-branded cards and repatriation.

Geographic areas

Segment revenue can be analysed by geographic area as follows:

	2024	2023
	€ million	€ million
EU and EFTA countries	3,576.2	2,707.5
UK	533.4	474.1
Other (non-EU)	963.5	714.1
Total revenue from external customers	5,073.1	3,895.7

In the table above, other (non-EU) comprises a number of non-EU geographic areas that are all individually less than 10 per cent of the total revenue.

Revenue was allocated to geographic areas based on the location of the first departure airport on each ticket booking.

The Company's revenue from external customers within the EU is mainly generated by Italy of €597.9 million (2023: €526.7 million), Romania of €518.7 million (2023: €438.7 million) and Poland of €407.3 million (2023: €314.0 million).

The physical location of non-current assets is not disclosed by geographic area. This is because: (i) by value, most assets are associated either with aircraft not yet received (pre-delivery payments) or with existing leased aircraft and spare engines (RoU and maintenance assets), the location of which changes regularly following aircraft capacity allocation decisions; and (ii) the value of the remaining asset categories (land and buildings, fixtures and fittings) is not material within the total non-current assets.

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The distribution of the non-current assets between the key operating entities of the Group is as follows:

	31 March 2024	31 March 2023
	€ million	€ million
Wizz Air Hungary Ltd.	2,448.9	2,755.8
Wizz Air Malta Ltd.	1,754.0	1,117.2
Wizz Air Fleet Management Ltd.	1,333.8	504.9
Wizz Air UK Ltd.	481.5	460.1
Wizz Air Abu Dhabi Ltd.	56.5	32.5
Other	44.4	1.2
Total non-current assets	6,119.1	4,871.7

No revenue or non-current asset of the Group was recognised in Jersey, the Company's country of domicile for the year ended 31 March 2024 (2023: €nil).

From 1 April 2023, Wizz Air Malta Ltd. commenced commercial operations and started to sell tickets for its own flights in addition to its wet-lease operations. AOG Jet Limited, a wholly owned subsidiary of the Group, was successfully established in July 2023.

Major customers

The Group derives the vast majority of its revenues from its passengers and sells most of its tickets directly to the passengers as final customers rather than through corporate intermediaries (tour operators, travel agents or similar).

6. Revenue

The split of total revenue presented in the consolidated statement of comprehensive income, being passenger ticket revenue and ancillary revenue, is a non-IFRS measure (or alternative performance measure). The existing revenue presentation is considered relevant for the users of the financial statements because: (i) it mirrors disclosures presented outside of the financial statements; and (ii) it is regularly reviewed by the Chief Operating Decision Maker for evaluating financial performance of the (now only one) operating segment.

Revenue from contracts with customers can be disaggregated as follows based on IFRS 15:

	2024	2023
	€ million	€ million
Revenue from contracts with passengers	4,994.6	3,833.7
Revenue from contracts with other partners	78.5	62.0
Total revenue from contracts with customers	5,073.1	3,895.7

These two categories represent revenues that are distinct from a nature, timing and risks point of view. Revenue from contracts with other partners relates to commissions on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls and co-branded cards, where the Group acts as an agent.

The contract costs reported at 31 March 2024 as part of trade and other receivables amounted to €6.4 million (31 March 2023: €5.9 million) and the contract liabilities (unearned revenues) reported as part of deferred income were €790.3 million (31 March 2023: €761.1 million). Out of the €4,994.6 million revenue from contracts with passengers recognised in F24 (2023: €3,833.7 million), €761.1 million (2023: €326.6 million) was included in the contract liability balance at the beginning of the year (see unearned revenue in Note 26).

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7. Operating profit/(loss)

Net other income/(expense)

The following categories of transactions are included in net other income/(expense):

	2024	2023
	€ million	€ million
Gain on sale and leaseback transactions	244.8	99.7
Credits and compensation received from suppliers*	198.6	40.1
Flight disruption-related expenses	(186.9)	(130.6)
Crew-related expenses	(66.4)	(69.6)
Overhead-related expenses	(83.2)	(62.3)
Expense relating to short-term leases	(3.5)	(8.4)
Expense relating to variable lease payments	(0.6)	(3.0)
Auditors' remuneration	(2.6)	(1.7)
Impairment reversal for receivables	0.7	0.2
Net other expense*	(5.1)	(5.7)
Net other income/(expense)	95.8	(141.3)

* Net other expense has been further detailed to separately display credits and compensation received from suppliers.

Credits and compensation received from suppliers related to incentives and compensation received from Original Equipment Manufacturers (OEMs) and other suppliers.

Overhead-related expenses include fees for legal support, professional services, consulting and IT-related services.

Net other expense is mainly related to income and expense from cargo operations.

Auditors' remuneration

	2024	2023
	€ million	€ million
Fees payable to the Company's auditors for the audit of the consolidated financial statements*	1.3	1.1
Fees payable to the auditor and their associates for the audit of financial statements of subsidiaries pursuant to legislation	1.0	0.4
Total fee for audit services	2.3	1.5
Other audit-related services fees**	0.2	0.1
Other non-audit services fees	0.1	0.1
Total fee for non-audit services	0.3	0.2
Total remuneration of auditors	2.6	1.7

* Fees payable to the Company's auditors for the audit of the consolidated financial statements include amounts in respect of out of pocket expenses with interim review expense for F23 further split to be separately shown as other audit-related services fees.

** Other audit-related services fee line represents fees for the interim review of the consolidated financial statements.

Inventories

Inventories totalling €23.1 million were recognised as maintenance materials and repairs expenses in the year (2023: €21.2 million).

8. Staff numbers and costs

The monthly average number of persons employed during the year, including Non-Executive Directors but excluding inactive employees and subcontracted staff such as rented pilots, analysed by category, was as follows:

	Number of persons	
	2024	2023
Non-Executive Directors	10	9
Crew and pilots	7,416	6,399
Administration and other staff	502	405
Total staff number	7,928	6,813

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The aggregate compensation of these persons was as follows:

	2024	2023
	€ million	€ million
Wages and salaries	423.4	302.3
Pension costs	16.1	13.0
Social security costs other than pension	42.0	32.1
Share-based payments	8.3	7.2
Subtotal	489.8	354.6
Subcontracted staff costs (rented pilots)	18.0	19.3
Total staff costs	507.8	373.9

9. Directors' emoluments

	2024	2023
	€ million	€ million
Salaries and other short-term benefits	2.8	2.3
Social security costs	0.2	0.4
Share-based payments	3.5	2.9
Total Directors' emoluments	6.5	5.6

	2024	2023
Directors receiving emoluments	11	10
The number of Directors who in respect of their services received LTIP share options under long-term incentive schemes during the year	—	1

10. Net financing income and expense

	2024	2023
	€ million	€ million
Interest income	80.5	20.8
Financial income	80.5	20.8
Interest expenses on:		
Convertible debt	(1.8)	(1.7)
IFRS 16 lease liability	(123.8)	(97.9)
JOLCO and FTL lease liability	(34.3)	(18.8)
Unsecured debt	(11.8)	(13.3)
Secured debts	(22.3)	(2.0)
Other	(2.7)	(1.5)
Financial expenses	(196.7)	(135.3)
Net foreign exchange gains	19.4	16.6
Net financing expense	(96.8)	(97.9)

Interest income and expense include interest on financial instruments. Interest income is earned on cash and cash equivalents, short-term deposits and restricted cash.

Net foreign exchange gain in amount of €8.8 million (2023: €5.4 million gain) relates to the remeasurement of lease liabilities denominated in USD (Note 3).

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11. Income tax credit

Recognised in the consolidated statement of comprehensive income:

	2024	2023
	€ million	€ million
Current tax on profit for the year	39.8	1.0
Adjustment for current tax of prior years	0.7	(1.1)
Other income-based taxes for the year	7.9	9.7
Adjustment for income-based taxes of prior years	1.5	0.1
Total current tax expense	49.9	9.7
Decrease in deferred tax liabilities	(3.2)	(0.2)
Increase in deferred tax assets	(71.5)	(39.0)
Total deferred tax credit	(74.7)	(39.2)
Total tax credit	(24.8)	(29.5)

The Company, that is Wizz Air Holdings Plc, has a local corporate tax rate of 13.97 per cent (2023: 13.97 per cent). The tax rate relates to Switzerland, where the Company is tax resident, but does not have any commercial operations. The current tax expense significantly increased compared to the prior year due to the swing from a loss before tax for the Group to a profit before tax. The increase in deferred tax assets more than offset the increase in current taxes and turned the total tax charge of the Group into a total tax credit. The increase in deferred tax assets was mainly attributable to the recognition of new deferred tax assets as explained in the tax reconciliation table below.

Out of the total deferred tax benefit of €39.0 million in F23, €29.7 million (shown also in the tax reconciliation table below) is a one-off credit impact attributable to the change of the tax residency of Wizz Air Hungary Ltd. from Switzerland to Hungary effective from 1 April 2023, as temporary differences are being reversed at a higher tax rate in F24 and beyond.

Reconciliation of effective tax rate

The tax credit for the year (including both current and deferred tax charges and credits) is different to the Company's standard rate of corporation tax of 13.97 per cent (2023: 13.97 per cent). The difference is explained below.

	2024	2023
	€ million	€ million
Profit/(loss) before tax	341.0	(564.6)
Tax at the corporation tax rate of 13.97 per cent (2023: 13.97 per cent)	47.6	(78.9)
Adjustment for current tax of prior years	0.7	(1.1)
Adjustment for income-based taxes of prior years	1.5	0.1
Effect of the change of tax residency of Wizz Air Hungary Ltd. from 1 April 2023	—	(29.7)
Effect of different tax rates of subsidiaries versus the parent company	(25.4)	55.3
Effect of current year losses not being eligible for utilisation against taxable profits in future years	—	15.1
Effect of newly recognised deferred tax assets	(44.0)	—
Tax losses utilised for which no previous deferred tax was recognised	(13.1)	—
Other income-based foreign tax	7.9	9.7
Total tax credit	(24.8)	(29.5)
Effective tax rate	(7.3)%	5.2%

The Company paid €17.4 million of tax in the year (2023: €6.8 million).

Other income-based foreign tax represents the local business tax and the "innovation contribution" payable in Hungary in F24 and F23 by the Hungarian subsidiaries of the Group, primarily Wizz Air Hungary Ltd. Hungarian local business tax and innovation contribution are levied on an adjusted profit basis.

In F23, the Group did not recognise deferred tax assets for most of its tax loss carry-forwards. Such tax losses were incurred primarily by Wizz Air Hungary Ltd. during F21–F23. In F24, all of Wizz Air Hungary Ltd.'s tax loss carry-forwards were utilised at a 9 per cent tax rate, resulting in a decrease in the tax charge of the Group by €13.1 million this year.

A deferred tax asset has now been recognised following an intra-group sale of aircraft purchase rights between two subsidiaries of the Group. These rights have no carrying value in the statement of financial position of the Group but have a carrying value (in the form of intangible asset) in the books of the buyer subsidiary in its local GAAP financial statements, which has been partly amortised by the end of F24 but will mostly be amortised in future years. While the profit from the intra-group sale was recognised by the seller subsidiary and was subject to tax in F22, the buyer subsidiary will recognise most of the corresponding expenses (from the intangible asset) in future years, including deduction for tax purposes, that will reduce the current tax charge of the Group in those years.

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The effect of different tax rates of subsidiaries is a composition of impacts primarily in Hungary, the UK and Malta, relating to the airline subsidiaries of the Group other than in the UAE where there is currently no corporate tax.

Global minimum tax

On 20 December 2021, the OECD released a framework for Pillar Two Model Rules which will introduce a global minimum corporate tax rate of 15 per cent applicable to multinational enterprise groups with global revenue over €750 million. On 15 December 2022, the EU Council formally adopted the EU Minimum Tax Directive and the rules should apply in the EU for accounting periods starting on or after 31 December 2023 (i.e. the year ending 31 March 2025 for the Group). Switzerland, Hungary, the UK and Malta have implemented the minimum tax rules, but with various exemptions still applicable in the accounting periods starting in 2024. As a result, in F25 the income of the Malta and Abu Dhabi airline subsidiaries of the Group will not be subject to global minimum tax, although Abu Dhabi is introducing tax at 9 per cent, which will apply from F25. The income of the UK subsidiary will be subject to minimum tax but this will not result in an increased tax burden since the tax rate in the UK is above 15 per cent. For profits generated by the Hungarian subsidiaries of the Group, additional global minimum tax liabilities will apply from F25 and it is estimated that the effective tax rate on these profits will approximate 15 per cent in F25.

The assessment by management of the detailed minimum tax rules is still in progress but it is expected that beyond F25 substantially all profits of the Group will be subject to minimum tax and the effective tax rate of the Group will approximate 15 per cent.

In line with the exception introduced by a 2023 amendment of IAS 12, 'Income Taxes', the Group does not account for deferred taxes on "Pillar Two income taxes" but will account for such taxes as a current tax when incurred in the future. Therefore, the minimum tax rules had no impact on the recognition and measurement of deferred tax balances at 31 March 2024, and hence on the total tax charge in the year.

Tax residency change

Wizz Air Hungary Ltd. moved its place of effective management from Switzerland to Hungary with an effective date of 1 April 2023. As a consequence, its tax residency is Hungarian from F24 onwards. This change was already reflected in deferred taxes reported on 31 March 2023.

Recognised in the statement of other comprehensive income

	2024	2023
	€ million	€ million
Deferred tax related to movements in cash flow hedging reserve	(13.2)	9.9
Total tax (charge)/credit	(13.2)	9.9

Interpretation 23, 'Uncertainty over Income Tax Treatments' (IFRIC 23)

The Group has open tax periods in a number of jurisdictions involving uncertainties of different nature and materiality. The Group assessed the impact of uncertainty of each of its open tax positions in line with the requirements of IFRIC 23. The outcome of this assessment was for the Group to have a provision balance of €0.1 million at the end of both F24 and F23. For all other tax returns, the Group concluded that it was probable that the tax authority would accept the uncertain tax treatment that has been taken or is expected to be taken in those tax returns and therefore accounted for income taxes consistently with that tax treatment. The final liabilities, as later assessed by the tax authorities, are not expected to materially vary from the amounts that have been recognised by the Group.

12. Earnings/(loss) per share

Basic earnings/(loss) per share

Basic earnings or loss per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of Ordinary Shares in issue during each year.

	2024	2023
Profit/(loss) for the year, € million	376.6	(523.0)
Weighted average number of Ordinary Shares in issue	103,329,836	103,210,067
Basic earnings/(loss) per share, €	3.64	(5.07)

There were no Convertible Shares in issue at 31 March 2024 (2023: nil) (see Note 28).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Diluted earnings/(loss) per share**

There is no difference between the basic and diluted loss per share for F23 as potential Ordinary Shares are anti-dilutive due to incurred loss.

Diluted earnings per share is calculated by adjusting the weighted average number of Ordinary Shares in issue with the weighted average number of Ordinary Shares that could have been issued in the respective period as a result of the conversion of the following convertible instruments of the Group:

- ▶ Convertible Shares;
- ▶ Convertible Notes; and
- ▶ Employee share options (vested share options are included in the calculation).

The profit for the year has been adjusted for the purposes of calculating diluted earnings per share in respect of the interest charge relating to the debt which could have been converted into shares.

Diluted earnings/(loss) per share	2024	2023
Profit/(loss) for the year, € million	376.6	(523.0)
Interest expense on convertible debt (net of tax), € million	1.8	—
Profit/(loss) used to determine diluted earnings per share, € million	378.4	(523.0)
Weighted average number of Ordinary Shares in issue, thousands	103,330	103,210
Adjustment for assumed conversion on convertible instruments, thousands	24,380	—
Weighted average number of Ordinary Shares for diluted earnings per share, thousands	127,710	103,210
Diluted earnings/(loss) per share, €	2.96	(5.07)

13. Property, plant and equipment

	Land and buildings € million	Aircraft maintenance assets € million	Aircraft assets and parts € million	Fixtures and fittings € million	Advances paid for aircraft* € million	Advances paid for aircraft maintenance assets € million	RoU assets – aircraft and spares € million	RoU assets – other € million	Total € million
Cost									
At 1 April 2022	25.8	374.0	690.3	11.3	734.4	224.6	3,414.1	16.1	5,490.6
Additions	0.1	106.4	652.8	1.8	481.7	69.7	745.5	11.2	2,069.2
Disposals	—	(137.2)	(38.2)	(0.9)	(406.1)	—	(225.0)	—	(807.4)
Transfers	—	85.2	—	—	—	(85.2)	—	—	—
FX translation effect	—	0.2	(6.6)	—	—	(0.9)	(14.0)	—	(21.3)
At 31 March 2023	25.9	428.6	1,298.3	12.2	810.0	208.2	3,920.6	27.3	6,731.1
Additions	12.3	202.0	576.9	1.1	512.7	68.7	1,048.1	11.9	2,433.7
Disposals	(0.7)	(172.1)	(72.7)	(0.1)	(480.4)	—	(315.8)	(5.4)	(1,047.2)
Transfers	—	127.0	—	—	—	(127.0)	—	—	—
FX translation effect	—	(3.9)	3.6	—	—	—	8.8	—	8.5
At 31 March 2024	37.5	581.6	1,806.1	13.2	842.3	149.9	4,661.7	33.8	8,126.1
Accumulated depreciation									
At 1 April 2022	4.5	263.4	83.8	7.6	—	—	1,492.7	7.2	1,859.2
Depreciation charge	1.5	117.5	59.0	1.7	—	—	405.7	2.7	588.1
Disposals	—	(137.2)	(14.1)	(0.9)	—	—	(225.0)	—	(377.2)
FX translation effect	—	(1.3)	(0.1)	—	—	—	(3.6)	—	(5.0)
At 31 March 2023	6.0	242.4	128.6	8.4	—	—	1,669.8	9.9	2,065.1
Depreciation charge	1.7	156.7	92.9	1.9	—	—	479.8	2.9	735.9
Disposals	(0.3)	(166.1)	(4.3)	(0.1)	—	—	(311.0)	(4.0)	(485.8)
FX translation effect	—	(6.1)	(0.5)	—	—	—	2.5	—	(4.1)
At 31 March 2024	7.4	226.9	216.7	10.2	—	—	1,841.1	8.8	2,311.1
Net book amount									
At 31 March 2024	30.1	354.7	1,589.4	3.0	842.3	149.9	2,820.6	25.0	5,815.0
At 31 March 2023	19.9	186.2	1,169.7	3.8	810.0	208.2	2,250.8	17.4	4,666.0

* Disposals represent the refunds upon delivery of aircraft of advances previously paid.

The Group entered into various financing arrangements in order to finance aircraft including sale and leaseback, Japanese Operating Lease with Call Option (JOLCO) and French Tax Lease (FTL) structures. Certain of these arrangements include Special Purpose Vehicles (SPV) in the financing structure and in accordance with IFRS 10, where the Group has control of these entities, these are consolidated in the Group balance sheet. Aircraft assets and parts leased under JOLCO as part of sale and leaseback arrangements are not classified as leases under IFRS 16 and treated as aircraft assets and parts (as if there were no sale at all) (Note 2).

Other right-of-use (RoU) assets include leased buildings and simulator equipment. Please refer to Note 23 for details on lease liabilities.

Additions to aircraft maintenance assets (2024: €202.0 million; 2023: €106.4 million) were fixed assets created primarily against provision for maintenance, as the Group's aircraft or their main components no longer met the relevant return conditions under lease contracts.

Additions to "advances paid to aircraft maintenance assets" reflect primarily the advance payments made by the Group to the engine maintenance service provider under power by the hour agreements.

Additions to "advances paid for aircraft" represent PDPs made in the year, while disposals in the same category represent PDP refunds received from the manufacturer where the respective aircraft or spare engine was delivered to the Group. During F24, in the statement of cash flows the cash inflow was €480.4 million "refund of advances paid for aircraft" and the cash outflow was €370.7 million "advances paid for aircraft". In F23, the Group entered into a PDP financing loan agreement denominated in US Dollars (\$), according to which PDPs in the amount of \$334.4 million were pledged as collateral as of 31 March 2023 (see Note 23). As of 31 March 2024, \$260.0 million is pledged as collateral.

The Group has reviewed the expected useful lives attributed to its leased aircraft fleet and notes that the duration of its leases is significantly less than the current expected economic life of an aircraft. No climate risk that may impact these assets during the lease terms has been identified. Given this, no change to the expected useful life is considered necessary as a result of climate change.

Aircraft in Ukraine

In February 2022, the airspace of Ukraine, Russia and Moldova was closed until further notice as a result of the war in Ukraine. Four of Wizz Air's aircraft were stranded in Ukrainian territory, one in Lviv and three in Kyiv.

The aircraft in Lviv, and all six engines of the aircraft in Kyiv were successfully repatriated. After attending airframe structural checks and engine inspections the aircraft and the engines returned to service with no significant extra repair work required.

The airframes remaining in Kyiv are in good condition and with no damage, evidenced by photographic images and local employee information. Maintenance work has been performed to put parking and storage procedures in place. The total net book value of the assets is €20.7 million. Since these stranded assets are not generating cash inflows, an impairment assessment was performed.

Management evaluated various scenarios, including successful repatriation to the fleet, prospect of recovery under insurance arrangements, selling the assets in full or in parts to third parties, and continued grounding with no recovery prospects. In case of successful repatriation it is assumed that the aircraft can return to the fleet by summer season 2025 and can continue to generate cash inflows. The other scenarios considered are range between full recovery and complete loss of the asset values. Based on the weighted probability assessment, management considers the carrying value of the aircraft to be recoverable from the cash flows generated through the various scenarios assessed.

14. Intangible assets

	Software € million	Licences € million	CIP intangible assets € million	Total € million
Cost				
At 1 April 2022	59.8	31.4	4.8	96.0
Additions	—	5.7	27.0	32.7
Transfers	28.1	—	(28.1)	—
Write-off	(4.2)	—	(0.4)	(4.6)
Disposals	(5.6)	(0.2)	—	(5.8)
FX translation effect	—	(0.9)	(0.1)	(1.0)
At 31 March 2023	78.1	36.0	3.2	117.2
Additions	—	—	34.5	34.5
Transfers	27.5	—	(27.5)	—
Write-off	—	—	—	—
Disposals	(4.7)	—	—	(4.7)
FX translation effect	—	0.8	—	0.8
At 31 March 2024	100.9	36.8	10.2	147.8
Accumulated amortisation and impairment				
At 1 April 2022	33.2	0.3	—	33.5
Amortisation charge for the year	13.5	—	—	13.5
Write-off	(0.8)	—	—	(0.8)
Disposals	(5.5)	(0.2)	—	(5.7)
At 31 March 2023	40.4	0.1	—	40.5
Amortisation charge for the year	19.2	—	—	19.2
Write-off	—	—	—	—
Disposals	(4.6)	—	—	(4.6)
At 31 March 2024	55.0	0.1	—	55.1
Net book amount				
At 31 March 2024	45.9	36.7	10.2	92.7
At 31 March 2023	37.7	35.9	3.2	76.7

Licences are mainly related to landing slots purchased at London Luton Airport and at London Gatwick Airport. As these landing slots have no expiry date and are expected to be used in perpetuity, they are considered to have an indefinite life and accordingly are not amortised.

Impairment assessment

Landing slots are assets with indefinite useful life and are to be tested annually for impairment. An impairment assessment was performed for a single cash-generating unit (CGU) that includes the whole route network, virtually all property, plant, equipment, the landing slots and other intangible assets of the Group.

No indication of impairment of any of the single CGU's assets was identified. A separate impairment assessment was performed for the aircraft stranded in Ukraine as disclosed in Note 13.

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15. Tax assets and liabilities

Deferred tax assets and liabilities recognised

	RoU assets* € million	Lease liabilities* € million	Provisions for other liabilities and charges € million	Property, plant and equipment € million	Advances paid for aircraft maintenance assets € million	Tax loss carry-forwards € million	Hedge € million	Other € million	Total € million
At 1 April 2022	(78.4)	81.8	(2.8)	(1.1)	(2.2)	1.1	—	(0.1)	(1.7)
Credited/(charged) to:									
Profit or loss	(73.3)	89.9	21.2	(8.7)	2.2	10.9	—	(3.0)	39.2
Other comprehensive income	—	—	—	—	—	—	9.9	—	9.9
At 31 March 2023	(151.7)	171.7	18.4	(9.8)	—	12.0	9.9	(3.1)	47.4
Deferred tax assets	(141.0)	171.7	18.3	(8.8)	—	1.0	9.9	(0.5)	50.6
Deferred tax liabilities	(10.7)	—	0.1	(1.0)	—	11.0	—	(2.6)	(3.2)
Credited/(charged) to:									
Profit or loss	24.5	1.2	(3.8)	(9.1)	—	15.4	—	46.8	75.0
Other comprehensive income/(expense)	—	—	—	—	—	—	(13.2)	—	(13.2)
At 31 March 2024	(127.2)	172.9	14.6	(18.9)	—	27.4	(3.3)	43.7	109.2
Deferred tax assets	(127.2)	172.9	14.6	(18.9)	—	27.4	(3.3)	43.7	109.2
Deferred tax liabilities	—	—	—	—	—	—	—	—	—

Assets: + / Liabilities: -

* Deferred tax assets and liabilities recognised have been further analysed to separately show effect on RoU assets and lease liabilities.

The total balance of the deferred taxes is €109.2 million asset (2023: €47.4 million asset) that consists of only deferred tax assets.

The €45.7 million net deferred tax asset recognised in relation to IFRS 16 RoU assets and lease liabilities is driven by the fact that certain subsidiaries of the Group in their income tax returns recognise leasing fees in line with contracts, on a straight-line basis, which differs from the timing of recognition under the IFRS 16 rules. Under IFRS 16, the lease-related expenses are forward loaded, i.e. throughout the lease period the Group IFRS financial statements cumulatively include more expense and a lower profit (or higher loss) than the tax returns.

The amendments to IAS 12 (Deferred Tax related to Assets and Liabilities arising from a Single Transaction – see also Note 2 on New standards, amendments and interpretations) have no material impact on the net deferred tax balances of the Group, as the exemption for deferred tax recognition in relation to leases was not applied at initial recognition.

The €14.6 million deferred tax asset was recognised in relation to provisions (e.g. for carbon quota submission obligation in the EU Emissions Trading System) that are not deductible for tax purposes. This temporary difference will be reversed when the Company makes payments to settle the related liability and receives the tax deductions.

The deferred tax assets of €27.4 million on tax loss carry-forwards are mainly attributable to the tax losses generated by Wizz Air UK Ltd. in the current and prior years.

Substantially all of the deferred tax asset related to other temporary differences amounting to €43.7 million is attributable to an intra-group sale of rights to purchase aircraft – see further explanation in the commentary to the effective tax rate reconciliation table in Note 11.

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16. Subsidiaries and associates

The Group has the following subsidiaries as at 31 March 2024:

	Country of incorporation	Registered address	Principal activity	Class of shares held	Percentage held	Financial year end
Subsidiary undertakings						
Wizz Air Hungary Ltd.	Hungary	1	Airline	Ordinary	100	31 March
Cabin Crew Professionals Sp. Z.o.o.	Poland	2	Dormant	Ordinary	100	31 March
Wizz Air Bosnia	Bosnia and Herzegovina	3	Dormant	Ordinary	100	31 December
Wizz Air Nederland Holding B.V.	The Netherlands	4	Dormant	Ordinary	100	31 March
Dnieper Aviation LLC	Ukraine	5	Dormant	Ordinary	100	31 December
Wizz Air Ukraine Airlines LLC	Ukraine	5	Dormant	Ordinary	100	31 December
Wizz Aviation Professionals	Moldova	6	Crew	Ordinary	100	31 December
WA Pilot Academy Sp. Z.o.o.	Poland	7	Special	Ordinary	100	31 December
Wizz Air UK Ltd.	UK	8	Airline	Ordinary	100	31 March
Wizz Air Finance Company B.V.	The	4	Financing	Ordinary	100	31 March
Wizz Air Fleet Management Ltd.	Hungary	1	Aircraft	Ordinary	100	31 March
Wizz Air Abu Dhabi Ltd.	United Arab	9	Holding	Ordinary	49	31 March
Wizz Air Abu Dhabi LLC	United Arab	10	Airline	Ordinary	49	31 March
Wizz Air Innovation Ltd.	Hungary	1	Service	Ordinary	100	31 December
Wizz Air Malta Ltd.	Malta	11	Airline	Ordinary	100	31 March
WAM Ventures Holding Ltd	Malta	11	Holding	Ordinary	100	31 March
AOG Jet Limited	Malta	11	Dormant	Ordinary	100	31 March

The Group has the following associate as at 31 March 2024:

	Country of incorporation	Registered address	Principal activity	Class of shares held	Percentage held	Financial year end
Firefly Green Fuels Limited	UK	12	SAF R&D	Ordinary	25	31 December

Registered offices

- 1095 Budapest, Lechner Ödön fasor 6, Hungary
- ul. Wolnosci 90, 42-625 Pyrzowice, Poland
- Tuzla International Airport, Passenger Terminal Building, first floor – room No.12, Gornje Dubrave b.b., Živinice
- Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam, the Netherlands
- Bulv. Tarasa Shevchenko 33-B, 3rd floor, 01032 Kyiv, Ukraine
- MD-2062, bd. Dacia, 49/8, municipiul CHIȘINĂU, R.MOLDOVA
- 26 Jasna Street, 00-054 Warszawa, Poland
- Percival House, 134 Percival Way, London Luton Airport Roundabout, Luton LU2 9NU, United Kingdom
- PO Box 35665, 34th & 35th Floor, Al Maqam Tower, Regus Adgm Square, Al Maryah Island, Abu Dhabi, United Arab Emirates
- Business Park 01, Plot P6, Office number 208, Abu Dhabi International Airport, Abu Dhabi, United Arab Emirates
- Skyparks Business Centre, Level 2, Malta International Airport, Luqa LQA 4000, Malta
- B21 Gloucestershire Science & Technology Park, Berkeley, Gloucestershire GL13 9FB, United Kingdom

AOG Jet Limited, a wholly owned subsidiary of the Group, was successfully established in July 2023. WA Pilot Academy Sp. Z.o.o. is under liquidation at the reporting date.

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The Group entered into various financing arrangements in order to finance aircraft including sale and leaseback, Japanese Operating Lease with Call Option (JOLCO) and French Tax Lease (FTL) structures. Certain of these arrangements include Special Purpose Vehicles (SPV) in the financing structure and in accordance with IFRS 10, where the Group has control of these entities, these are consolidated in the Group statement of financial position.

Certain subsidiaries have a financial year end different from the Group's financial year end due to the requirements of local legislation.

17. Non-controlling interests

The following table summarises the information relating to Wizz Air Abu Dhabi Ltd. and Wizz Air Abu Dhabi LLC that has material NCI, before any intra-group eliminations.

	2024 € million Abu Dhabi LLC	2023 € million Abu Dhabi LLC	2024 € million Abu Dhabi Limited	2023 € million Abu Dhabi Limited
Summarised balance sheet				
Non-current assets	309.8	283.7	46.3	45.9
Current assets	89.3	56.7	—	—
Non-current liabilities	311.9	309.0	46.3	45.9
Current liabilities	210.6	119.0	—	—
Net assets	(123.4)	(87.6)	—	—
Net assets attributable to NCI	(37.7)	(26.9)	—	—
Revenue	225.0	112.9	—	—
Net loss for the year	(35.6)	(40.2)	—	—
Other comprehensive (expense)/income for the year, net of tax	(0.4)	1.7	—	—
Total comprehensive income	(36.0)	(38.5)	—	—
Net loss for the year allocated to NCI	(10.7)	(12.1)	—	—
Other comprehensive (expense)/income for the year, net of tax allocated to NCI	(0.1)	0.6	—	—
Cash flows from operating activities	(4.0)	1.0	—	(0.8)
Cash flows from investment activities	—	(0.2)	—	—
Cash flows from financing activities (dividends to NCI: €nil)	(6.3)	—	—	0.8
Net (decrease)/increase in cash and cash equivalents	(10.3)	0.8	—	—

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Wizz Air has interest in one individually immaterial associate, Firefly Green Fuels Limited ("Firefly"). Firefly is an SAF research and development company that operates in the UK.

In April and September 2023, fulfilling its investment commitments stipulated in the investment agreement concluded between Wizz Air and other owners of Firefly in two tranches, Wizz Air invested a total of GBP 5.0 million (€5.7 million) into Firefly resulting in 25 per cent ownership. Wizz Air has no investment commitment going forward.

As Wizz Air has significant (20 per cent) representation on the board of directors of Firefly from April 2023, Wizz Air concluded that it has significant influence over Firefly and therefore has applied the equity method of accounting for Firefly from April 2023.

The following table shows the carrying amount and Wizz Air's share of net result and other comprehensive income of Firefly:

	Firefly Green Fuels Limited € million
	2024
Carrying amount of Firefly Green Fuels Limited	5.7
Percentage ownership interest from April 2023	14.3%
Percentage ownership interest from November 2023	25.0%
Share of net profit of associates	—
Share in other comprehensive income from investments	—

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19. Inventories

	31 March 2024	31 March 2023
	€ million	€ million
Aircraft consumables	37.2	33.1
Emissions Trading Scheme (ETS) allowances (refer to Note 23)	296.4	262.5
Total inventories	333.6	295.6

During the year, remnant stock with a book value of €0.3 million was written off to maintenance expenses (2023: €0.2 million). There was no write back in either year of any write down of inventory made previously.

20. Trade and other receivables

	31 March 2024	31 March 2023 (restated)
	€ million	€ million
Non-current		
Receivables from lessors	25.4	9.1
Other receivables	11.8	12.3
Non-current trade and other receivables	37.2	21.4
Current		
Trade receivables*	320.5	170.0
Receivables from lessors	3.1	15.5
Other receivables	31.9	27.2
Total current other receivables	35.0	42.7
Prepayments, deferred expenses and accrued income*	314.2	177.3
Current trade and other receivables	669.7	390.1
Total trade and other receivables	706.9	411.5

* Current trade receivables at 31 March 2023 now total €170.0 million (previously €233.8 million) and prepayments, deferred expenses and accrued income at 31 March 2023 now total €177.3 million (previously €113.5 million) following the reclassification of prepayment balances made to vendors. The change had no impact on the consolidated statement of financial position.

Receivables from lessors (both current and non-current) represent the deposits provided by the Group to lessors as security in relation to the lease contracts and in relation to the funding of future maintenance events.

Trade receivables included €192.4 million receivables from contracts with customers (31 March 2023: €127.0 million).

Total trade and other receivables as at 31 March 2024 included financial instruments in the amount of €571.1 million (31 March 2023: €270.4 million).

Impairment of trade and other receivables

	31 March 2024	31 March 2023
	€ million	€ million
Impaired receivables		
– trade receivables	(2.8)	(3.5)
Allowances on impaired receivables		
– other receivables	(0.5)	(0.5)

The Group recorded €2.1 million of receivables from Warsaw Modlin Airport during 2013 as compensation for damages which was immediately impaired in full. However, the Group is legally claiming the full amount in court. The compensation claimed by the Group, plus interest, was awarded by the District Court of Warsaw in June 2018. However, the airport appealed against the decision, which is currently pending. There was no development regarding this receivable in this financial year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**21. Derivative financial instruments**

	31 March 2024	31 March 2023
	€ million	€ million
Assets		
Non-current derivatives		
Cash flow hedges	3.9	0.2
Current derivatives		
Cash flow hedges	33.0	1.0
Total derivative financial assets	36.9	1.2
Liabilities		
Non-current derivatives		
Cash flow hedges	—	(4.2)
Current derivatives		
Cash flow hedges	(0.7)	(104.2)
Total derivative financial liabilities	(0.7)	(108.4)

Derivative financial instruments represent cash flow hedges (see Note 3). The full value of a hedging derivative is classified as a current asset or liability if the remaining maturity of the hedged item is less than a year.

The changes in the net position of assets and liabilities in respect of open cash flow hedges are detailed in the consolidated statement of changes in equity.

The mark-to-market gains (derivative financial assets) were generated on gains on call options bought (as part of zero-cost collar instruments) that were in the money at year end.

The mark-to-market losses (derivative financial liabilities) were generated on losses on put options sold (as part of zero-cost collar instruments) that were out of the money at year end.

22. Restricted cash

	31 March 2024	31 March 2023
	€ million	€ million
Non-current financial assets	54.0	56.7
Current financial assets	55.4	63.7
Total restricted cash	109.4	120.4

Restricted cash is not accessible by the Group. It comprises cash in bank against which there are letters of credit issued or other restrictions in place governing the use of that cash, resulting from agreements with aircraft lessors or other business partners. Restricted cash is excluded from cash and cash equivalents in the cash flow statement.

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23. Borrowings

	31 March 2024	31 March 2023
	€ million	€ million
Lease liability under IFRS 16	563.2	444.2
Unsecured debt	12.0	506.7
Secured debt	409.4	250.0
Liability related to JOLCO and FTL contracts	99.7	74.1
Total current borrowings	1,084.3	1,275.0
Lease liability under IFRS 16	3,048.8	2,350.9
Unsecured debt	499.6	498.8
Secured debt	53.8	—
Loans from non-controlling interests	13.9	13.8
Liability related to JOLCO and FTL contracts	1,543.6	1,137.0
Total non-current borrowings	5,159.7	4,000.5
Total borrowings	6,244.0	5,275.5

Unsecured debt

On 19 January 2021, Wizz Air Finance Company B.V., a 100 per cent owned subsidiary of Wizz Air Holdings Plc, issued a €500.0 million 1.35 per cent Eurobond, fully and irrevocably guaranteed by the Company, under the €3,000.0 million EMTN programme. The bond was repaid upon maturity in January 2024. Further to that, on 19 January 2022, Wizz Air Finance Company B.V., a 100 per cent owned subsidiary of Wizz Air Holdings Plc, issued a €500.0 million 1.00 per cent Eurobond, fully and irrevocably guaranteed by the Company, under the €3,000.0 million EMTN programme with a maturity in January 2026. These Eurobonds do not contain any financial covenants. The EMTN programme was renewed in January 2024.

Bank overdrafts which are repayable on demand and are an integral part of cash management activities are included within unsecured debt in the amount of €12.0 million (31 March 2023: €6.0 million).

Secured debt

In February 2023, the Group entered into a PDP financing loan agreement, according to which a part of the PDPs made have been financed and at the same time pledged as collateral, through the novation of the PDPs and the associated aircraft purchase rights to an orphan SPV. In October 2023, the loan facility was extended by an additional US\$270.0 million, keeping the total drawdown limit at US\$280.6 million. At 31 March 2024, \$222.9 million (31 March 2023: \$274.3 million) was borrowed, and PDPs in the amount of \$260.0 million (31 March 2023: \$334.4 million) are pledged as collateral. The loan is subject to a variable interest rate based on Secured Overnight Financing Rate. The Group has an obligation to repay the financed amount, its interest and other costs related to the transaction by July 2025. When all obligations are settled, the aircraft purchase rights and the PDPs are automatically re-novated to Wizz Air. In case of default, the Group bears the potential risk of losing the purchase rights and the related PDP amounts. The PDP refinancing credit facility is available for further financing for a maximum of two years and does not contain any financial covenants.

In December 2023, the Group entered into an ETS sale and repurchase agreement according to which EU allowances were sold for €253.6 million with a commitment to repurchase it in September 2024. The consideration received is recognised as a financial liability within secured debt. The difference between the sale price and the repurchase price is recognised as interest expense over the period between the sale date and the repurchase date. The facility does not contain any financial covenants.

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The maturity profile of borrowings as at 31 March 2024 is as follows:

	IFRS 16 aircraft and engine lease liability € million	IFRS 16 other lease liability € million	JOLCO and FTL lease liability € million	Unsecured debt € million	Secured debt € million	Loans from non- controlling interests € million	Total € million
Payments due:							
Within one month	35.8	0.2	9.6	12.0	—	—	57.6
Between one and three months	70.2	0.4	18.5	—	35.3	—	124.4
Between three months and one year	454.7	1.9	71.5	—	374.1	—	902.2
Between one and two years	535.3	2.8	107.0	499.6	53.8	—	1,198.5
Between two and three years	488.0	2.9	110.0	—	—	—	600.9
Between three and four years	409.0	3.1	113.0	—	—	—	525.1
Between four and five years	365.0	3.1	116.4	—	—	—	484.5
More than five years	1,226.8	12.7	1,097.4	—	—	13.9	2,350.8
Total borrowings	3,584.8	27.1	1,643.4	511.6	463.2	13.9	6,244.0

The maturity profile of borrowings as at 31 March 2023 is as follows:

	IFRS 16 aircraft and engine lease liability € million	IFRS 16 other lease liability € million	JOLCO and FTL lease liability € million	Unsecured debt € million	Secured debt € million	Loans from non- controlling interests € million	Total € million
Payments due:							
Within one month	44.9	0.2	—	6.0	5.2	—	56.3
Between one and three months	68.8	0.4	18.6	—	65.0	—	152.8
Between three months and one year	328.0	1.9	55.6	500.7	179.8	—	1,066.0
Between one and two years	415.0	2.6	77.8	—	—	—	495.4
Between two and three years	385.0	2.3	79.5	498.8	—	—	965.6
Between three and four years	303.1	1.9	81.4	—	—	—	386.4
Between four and five years	222.6	1.8	83.2	—	—	—	307.6
More than five years	1,009.1	7.4	815.1	—	—	13.8	1,845.4
Total borrowings	2,776.5	18.5	1,211.2	1,005.5	250.0	13.8	5,275.5

The total cash outflow for leases, including JOLCO and FTL, during F24 was €720.5 million (2023: €604.9 million). See Note 7 for details on expenses relating to short-term and variable lease payments, and Note 13 for details on right-of-use assets.

24. Convertible debt

	31 March 2024 € million	31 March 2023 € million
Non-current financial liabilities	25.4	25.7
Current financial liabilities	0.3	0.3
Total convertible debt	25.7	26.0

Convertible debt is Convertible Notes held by Indigo Hungary LP and Indigo Maple Hill LP ("Indigo").

Principal and any accrued interest on the Convertible Notes are convertible into Ordinary Shares in Wizz Air Holdings Plc at conversion factors in the range of €1.0–€1.5 for one share as an option to Indigo. Such Ordinary Shares issued as a result of conversion in certain cases might be subject to restrictions on voting and dividend rights. Until the Notes are converted, interest on the Notes is payable in cash with a coupon rate of interest of 8 per cent per annum, twice a year in February and in August.

Convertible Notes are guaranteed by Wizz Air Hungary Ltd. – see Note 31.

For more information about the Group's exposure to interest rate risk, see Note 3.

25. Trade and other payables

	31 March 2024	31 March 2023
	€ million	€ million
Non-current liabilities		
Accrued expenses	97.2	59.1
Other payables	—	—
Non-current trade and other payables	97.2	59.1
Current liabilities		
Trade payables	215.9	173.7
Payables to passengers	68.4	95.2
Other payables	28.2	34.0
Accrued expenses	612.8	583.4
Current trade and other payables	925.3	886.3
Total trade and other payables	1,022.5	945.4

Payables to passengers include the refunds made in credits which can be used by customers for re-booking tickets for later dates or can be requested by customers to be refunded by the Group in cash and other liabilities towards customers. Credits not eligible for cash refund are classified as deferred income.

Accrued expenses mainly include accruals for operating expenses such as airport and ground handling, fuel, ETS allowances, en-route and navigation, crew and maintenance-related expenses and liabilities for EU regulation (EC) No. 261/2004 (EU261) compensation to customers, and refunds made to passengers beyond the original paid value.

Total trade and other payables as at 31 March 2024 included financial instruments in the amount of €752.3 million (31 March 2023: €705.5 million).

26. Deferred income

	31 March 2024	31 March 2023
	€ million	€ million
Non-current liabilities		
Deferred income	147.2	103.3
Current liabilities		
Unearned revenue	790.3	761.1
Other	7.1	9.2
	797.4	770.3
Total deferred income	944.6	873.6

Non-current deferred income represents the value of benefit for the Group coming from credits and free aircraft components received from manufacturers and component suppliers, which will be recognised as a credit (a decrease to aircraft-related expenses) over the useful life of the respective asset.

Current deferred income represents the value of tickets paid by passengers for which the flight service is yet to be performed ("unearned revenue"), the value of membership fees paid but not yet recognised, the current part of the value of supplier credits received and credits provided to passengers with no cash conversion option in the amount of €17.1 million (31 March 2023: €19.4 million). Unearned revenue increased due to higher demand and ticket booking made further in advance.

The contract liabilities (unearned revenue) of €790.3 million existing at 31 March 2024 (31 March 2023: €761.1 million) will become revenue during F25 (subject to further cancellations that might happen after the year end).

27. Employee benefits

Share-based payments

The share-based payment charge in the financial statements for the year relates to employee share options issued during 2019–2023 under the Long-term Incentive Plan (LTIP), Senior Leadership Growth Plan (SLGP) and Value Creation Plan (VCP) of the Group. The expenses (other than social security) recognised in relation to these instruments were €8.2 million (2023: €7.2 million).

The options are classified as equity-settled share-based payments. The Company issues new shares for any options exercised, irrespective of the method of exercise. The fair value of the awards and options is recognised as staff cost over the estimated vesting period with a corresponding charge to equity.

The Group announced on 6 August 2021 that it signed a new long-term service agreement with József Váradi, the Group's founding Chief Executive Officer. The contract term is for five years and the terms of his service agreement are materially the same as his previous agreement with the exception of a new long-term incentive arrangement, the Value Creation Plan (VCP), which targets a 20 per cent CAGR in the Group's share price over the next five years.

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The fair value of the awards has been calculated using a Monte Carlo simulation. This model simulates the share price of Wizz Air over the performance period, based on a number of assumptions, to calculate the proportion of an award which might vest and the value at the vesting date. By averaging the results of thousands of simulations, a robust valuation can be calculated with adjustment to the volatility assumption used for the impact of COVID-19 on the Wizz Air share price. To account for the exclusion of the seven-month COVID-19 period, date ranges have been expanded to ensure a full period of three or five years is covered. Had there not been a global pandemic, the assumptions would likely be three or five years to date of grant; however, COVID-19 has caused significant volatility in particular within the industry in which Wizz Air operates.

The reason behind the assumptions on volatility is to make an estimate about the future; as a base principle, we apply the same volatility assumptions for the awards made on the same day. IFRS 2 states that the historical levels should be observed for the same length of time as we are looking forward to model the awards being valued, and this is the approach that has been taken in these valuations.

Risk free rates used to determine initial grant date fair values:

- ▶ F23 LTIP – yield on a zero-coupon UK government bond over three years: 1.83 per cent; and
- ▶ SLGP – yield on a zero-coupon UK government bond over five years: 1.91 per cent.

In accordance with IFRS 2, the resulting cost is charged to staff costs in the statement of comprehensive income and a corresponding increase in equity over the vesting period of the awards. The total amount is determined by reference to the fair value of the awards granted including any market performance conditions, which are those that are based on the Wizz Air share price, and the individual remaining an employee over a specified time period. The Group plans to settle the awards on vesting in equity. Non-market-based performance conditions in general are not incorporated into the fair value per share at the date of grant. Instead, the value recognised is adjusted at each reporting date to take into account current expectations of the number of shares due to vest. At the end of the performance period, this value is trued up to reflect the actual vesting level. The Group assumes management rotation of 19 per cent for LTIP and 23 per cent for SLGP to calculate the number of shares to be forfeited during the vesting period.

Modifications of share-based payment arrangements

In August 2023, the Group modified both VCP and SLGP that were granted in August 2021.

Key modifications to VCP are as follows:

- ▶ Both the performance period and vesting period was extended by two years (from five to seven years)
- ▶ Market performance conditions were modified to be expressed in absolute thresholds of share prices instead of share-price growth rates
- ▶ The ESG performance condition has also been de-linked from the share price performance such that there is no longer a requirement for the threshold share price target to be met in order for the ESG element to vest

Key modifications to SLGP are as follows:

- ▶ Both the performance period and vesting period was extended by two years (from five to seven years)
- ▶ Market performance conditions were modified to be expressed in absolute thresholds of share prices instead of share-price growth rates
- ▶ The share price threshold under which no awards will vest was lowered from GBP 96.46 to GBP 77.24

The fair value of the options at the date of the modification was determined to be GBP 6.27 and GBP 4.44 for VCP and SLGP, respectively. The incremental fair value of VCP and SLGP of GBP 4.78 and GBP 2.69, respectively will be recognised as an expense over the period from the modification date to the end of the extended vesting period. The expense for the original option grant will continue to be recognised as if the terms had not been modified. The fair value of the modified options was determined using the same models and principles.

The modification for the VCP and SLGP were approved by Shareholders on the AGM dated on 2 August 2023.

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Value Creation Plan (VCP)

Share options issued during the financial year

Terms and conditions:

	All options	Performance options
Number of options	0	0
Exercise price	nil	nil
Vesting period		7 years
Termination		10 years

Senior Leadership Growth Plan (SLGP)

Share options issued during the financial year

Terms and conditions:

	All options	Performance options
Number of options	76,030	76,030
Exercise price	nil	nil
Vesting period		5 years
Termination		8 years

Long-term Incentive Plan (LTIP)

Share options issued during the financial year

Terms and conditions:

	All options	Restricted options	Performance options
Number of options	531,436	268,218	263,218
Exercise price	nil	nil	nil
Vesting period		3 years	3 years
Termination		10 years	10 years

Share price at grant date: £27.25.

Share options in issue

The number of VCP, SLGP and LTIP share options in issue at year end is as follows:

	All options	Restricted options	Performance options
Outstanding at the beginning of the year	1,976,235.0	118,791.0	1,857,444.0
Granted during the year	607,466.0	268,218.0	339,248.0
Exercised during the year	(77,701.0)	(13,161.0)	(64,540.0)
Forfeited during the year	(150,823.0)	(7,837.0)	(142,986.0)
Outstanding at the end of the year	2,355,177.0	366,011.0	1,989,166.0
Exercisable at the end of the year	105,376.0	25,844.0	79,532.0

The weighted average remaining contractual life for the LTIP share award at 31 March 2024 was seven years and four months (eight years and one month at 31 March 2023). The weighted average share price of the exercised options during F24 was 24.13 GBP (F23 was 22.48 GBP).

Employee Share Option Plan (ESOP)

Share options issued during the financial years

There were no share options issued either during the year or in the prior year. The last options under the ESOP were issued in January 2015 and therefore by January 2018 all open options vested.

There are no individual performance conditions set for the employees to exercise their vested options other than that the employees must be in employment with one of the Group entities until and on the date of exercise of the options.

Share options in issue

At the end of the 2023 and 2024 financial years, there were no outstanding options anymore.

Taxation

Under the terms of both programmes, all taxes payable on share options are the liability of the recipients of these benefits. However, in certain cases the Company or its subsidiaries have a legal obligation to pay the employer social security on the income realised by the recipients. To the extent the additional social security

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obligations can be estimated, the Group makes a provision for these already during the vesting period of the instruments.

28. Capital and reserves

Share capital

Number of shares	31 March 2024	31 March 2023
In issue at the beginning of the year	103,282,854	103,072,739
Issued during the year for cash	77,851	210,115
In issue at the end of the year – fully paid	103,360,705	103,282,854
Ordinary Shares	103,360,705	103,282,854

Value of shares	2024	2024	2023	2023
	£'000	€'000	£'000	€'000
<i>Authorised</i>				
Equity: 170,000,000 (2023: 170,000,000) Ordinary Shares of £0.0001 each and 80,000,000 (2023: 80,000,000) non-voting, non-participating Convertible Shares of £0.0001 each	25	34	25	34
<i>Allotted, called up and fully paid</i>				
Equity: 103,360,705 (2023: 103,282,854) shares of £0.0001 each	10	13	10	13
Ordinary Shares	10	13	10	13

During both F24 and F23, the increase in the total number of issued shares was due to the exercise of certain employee share options.

Ordinary Shares

The holders of Ordinary Shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

Convertible Shares

In March 2015, linked to the listing of the Company's shares on the London Stock Exchange, certain convertible loans and notes (including accrued interest) were converted into non-voting, non-participating Convertible Shares of the Company. There were no Convertible Shares in issue at 31 March 2024 (2023: nil shares). The Company informed Indigo Hungary LP and Indigo Maple Hill LP (together "Indigo") on 1 June 2021 that the Company has elected to convert Indigo's entire holding of 17,377,203 Convertible Shares of £0.0001 each in the capital of the Company ("Convertible Shares") into Ordinary Shares of £0.0001 each in the capital of the Company ("Ordinary Shares"), on a one for one basis, in accordance with the Company's articles of association.

Share premium

Share premium has two main components. €207.2 million was recognised as a result of the Group reorganisation in October 2009. It represents the estimated fair value of the Group at the date of the transaction. The remaining €174.0 million (as at 31 March 2024) was recognised as a result of new share issues made since October 2009. These new share issues comprised the primary offering on the initial public offering of the Company's shares on the London Stock Exchange in March 2015, the conversion of some of the convertible debt instruments into shares and the conversion of certain employee share options into shares. During F24, €nil (2023: €nil) was recorded in the share premium, all related to the conversion of employee share options.

Reorganisation reserve

A reorganisation reserve of €193.0 million was recognised as a result of the Group reorganisation in October 2009. It is equal to the difference between the fair value of the Group at the date of reorganisation of €209.0 million and the share capital of the Group at the same date (€16.0 million).

Equity part of convertible debt

The equity part of convertible debt comprises the equity component of compound instruments issued by the Company. The amount of the convertible debt classified as equity of €8.3 million (2023: €8.3 million) is net of attributable transaction costs of €8.3 million.

Share-based payment charge

The share-based payment balance of €35.6 million credit (2023: €27.4 million credit) corresponds to the recognised cumulative charges of share options and share awards provided to the employees and Directors under long-term incentive schemes. This balance is recognised directly in retained earnings.

Cash flow hedging reserve

The hedging reserve comprises the effective portion of the cumulative unrealised net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

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The gross amount of unrealised change in the fair value of cash flow hedging instruments was €77.8 million gain (2023: €112.6 million loss), while the deferred tax effect was €13.2 million loss (2023: €9.9 million gain). €22.4 million loss (2023: €33.2 million loss) was recycled to profit or loss related to cash flow hedging instruments. For more information please see Note 3.

Cost of hedging reserve

The hedging reserve comprises the time value of the cumulative unrealised net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Cost of hedging was €43.0 million gain (2023: €30.0 million loss). No cost of hedging was recycled to profit or loss (2023: €6.0 million loss). For more information please see Note 3.

Cumulative translation adjustments

Cumulative translation adjustments included currency translation differences amounting to €0.6 million loss (2023: €4.7 million gain), from which €0.1 million related to non-controlling interest (2023: €0.6 million).

Retained earnings

There were no dividends paid or declared in F24 or F23. Share-based payments are credited to retained earnings.

29. Provisions for other liabilities and charges

	Aircraft maintenance € million	Other € million	Total € million
At 1 April 2022	88.8	18.3	107.1
Non-current provisions	43.0	0.9	43.9
Current provisions	45.8	17.4	63.2
Transferred to trade and other payables and deferred income	—	(13.0)	(13.0)
Capitalised within property, plant and equipment	86.6	—	86.6
Charged to profit or loss	7.0	4.6	11.6
Used during the year	(34.5)	(2.5)	(37.0)
FX translation effect	0.8	—	0.8
At 31 March 2023	148.7	7.4	156.1
Non-current provisions	76.2	0.1	76.3
Current provisions	72.5	7.2	79.8
Capitalised within property, plant and equipment	195.8	—	195.8
Charged to profit or loss	—	5.3	5.3
Used during the year	(81.8)	(2.0)	(83.8)
FX translation effect	0.9	—	0.9
At 31 March 2024	263.6	10.7	274.3
Non-current provisions	144.2	0.1	144.3
Current provisions	119.4	10.6	130.0

Non-current provisions mainly relate to future aircraft maintenance obligations of the Group on leased aircraft and spare engines, falling due typically between one and five years from the balance sheet date. Current aircraft maintenance provisions relate to heavy maintenance obligations expected to be fulfilled in the coming financial year. The amount of provision reflects management's estimates of the cost of heavy maintenance work that will be required in the future to discharge obligations under the Group's lease agreements (see Note 4). Maintenance provisions in relation to engines and APUs covered by power by the hour agreements are netted off with the prepayments made to the maintenance service provider under those agreements in respect of the same group of engines and APUs.

ACCOUNTS AND OTHER INFORMATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30. Financial instruments

Fair values

The fair values of the financial instruments of the Group together with their carrying amounts shown in the statement of financial position are as follows:

	Carrying amount 31 March 2024 € million	Fair value 31 March 2024 € million	Carrying amount 31 March 2023 € million	Fair value 31 March 2023 € million
Financial asset at fair value through other comprehensive income	1.6	1.6	—	—
Trade and other receivables due after more than one year	37.1	37.1	21.3	21.3
Restricted cash	109.4	109.4	120.4	120.4
Derivative financial assets	36.9	36.9	1.2	1.2
Trade and other receivables due within one year	534.0	534.0	249.0	249.0
Cash and cash equivalents	728.4	728.4	1,408.6	1,408.6
Short-term cash deposits	751.1	751.1	—	—
Trade and other payables due after more than one year	(55.0)	(55.0)	(59.1)	(59.1)
Trade and other payables due within one year	(697.4)	(697.4)	(646.4)	(646.4)
Derivative financial liabilities	(0.7)	(0.7)	(108.4)	(108.4)
Convertible debt	(25.7)	(25.7)	(26.0)	(26.0)
Borrowings	(5,269.2)	(5,071.0)	(4,020.0)	(3,408.8)
Secured debt	(463.2)	(458.4)	(250.0)	(250.0)
Unsecured debt	(511.6)	(482.3)	(1,005.5)	(927.1)
Deferred income	(4.8)	(4.8)	(4.8)	(4.8)
Net balance of financial instruments (liability)	(4,829.1)	(4,596.7)	(4,319.6)	(3,630.0)

The fair value of the Eurobonds is estimated using quoted prices (Level 1), derivatives (Note 3) and lease liabilities are valued using Level 2 methodology and the fair value of all other financial assets and financial liabilities is estimated using Level 3 in the fair value hierarchy.

Financial assets measured at fair value through profit or loss:

	Carrying amount 31 March 2024 € million	Carrying amount 31 March 2023 € million
Derivative financial assets	36.9	1.2
Total	36.9	1.2

Financial liabilities measured at fair value through profit or loss:

	Carrying amount 31 March 2024 € million	Carrying amount 31 March 2023 € million
Derivative financial liabilities	0.7	108.4
Total	0.7	108.4

Where available, the fair values of financial instruments have been determined by reference to observable market prices, where the instruments are traded. The fair value of financial instruments that are not traded in an active market (such as long-term deposits among the non-current other receivables) is determined by estimated discounted cash flows.

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values due to the short-term nature of trade receivables and payables. Long-term financial assets and liabilities which are classified as fair value through profit and loss are recognised on fair value.

Trade and other receivables due after more than one year are almost exclusively maintenance reserves, with an average term of approximately four years. The fair value of these assets is determined by discounting at a rate of interest of four years' USD swap rate prevailing on the last day of the financial year. The carrying value of the Level 3 instruments within trade and other receivables is considered to be the fair value as discounting has an immaterial effect.

The fair value of derivative financial instruments is estimated by a third-party front office system as per their industry practice. The financial institutions are using generally accepted valuation techniques, principally the Black-Scholes model and discounted cash flow models.

The fair value of lease liabilities is determined by discounting the future contractual cash flows with the discount rate (incremental borrowing rate) prevailing at the year end.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Gains and losses

The following net realised FX gains or losses were recognised in the statement of comprehensive income in relation to derecognition of financial assets measured at amortised cost:

- ▶ during the year €4.7 million gain (2023: €4.1 million gain) on cash and cash equivalents;
- ▶ during the year €nil loss/gain (2023: €nil loss/gain) on short-term cash deposits; and
- ▶ no material realised FX on restricted cash and trade and other receivables.

See Note 10 for details of interest income recognised in F24 and F23.

Effective interest rates analysis

Interest-bearing financial liabilities

The following table indicates the effective interest rate of the interest-bearing liabilities of the Group on the statement of financial position date and the periods in which they mature. Lease liability and secured debt are mainly denominated in USD, while unsecured debt and convertible debt are denominated in EUR (see Note 3).

	31 March 2024						31 March 2023					
	Effective interest rate	Total € million	Within one year € million	One to two years € million	Two to five years € million	Above five years € million	Effective interest rate	Total € million	Within one year € million	One to two years € million	Two to five years € million	Above five years € million
Convertible Notes	7.42%	25.7	0.3	25.4	—	—	7.42%	26.0	0.3	25.7	—	—
Unsecured debt	1.16%	511.6	12.0	499.6	—	—	1.35%	1,005.5	506.7	—	498.8	—
Secured debt	8.45%	463.2	409.4	53.8	—	—	9.71%	250.0	250.0	—	—	—
IFRS 16 aircraft engine lease liability	4.19%	3,584.8	560.7	535.3	1,262.0	1,226.8	3.90%	2,776.5	441.7	415.0	910.6	1,009.2
IFRS 16 other lease liability	3.25%	27.1	2.5	2.8	9.1	12.7	3.06%	18.5	2.5	2.6	6.0	7.4
JOLCO and FTL lease liability	2.71%	1,643.4	99.6	107.0	339.4	1,097.4	2.22%	1,211.2	74.1	77.8	244.1	815.2
Total		6,255.8	1,084.5	1,223.9	1,610.5	2,336.9		5,287.7	1,275.3	521.1	1,659.5	1,831.8

Interest earning financial assets

The Group invested excess cash primarily in EUR and USD denominated short-term time deposits at market rates at major banking groups.

Changes in liabilities arising from financing activities

The following table includes changes in net borrowings (including convertible debt) reconciled with their effects on the consolidated statement of cash flows.

	31 March 2024 € million	31 March 2023 € million
Net borrowings at the beginning of the year	5,301.4	3,964.8
Proceeds from new loans	67.9	63.0
Repayment of loans	(580.4)	(492.5)
Proceeds from unsecured debt*	6.0	6.0
Repayment of unsecured debt	(500.0)	—
Proceeds from secured debt	415.0	245.5
Repayment of secured debt	(248.4)	—
Paid interest	(170.2)	(127.2)
Other cash items	—	(0.7)
Change in net borrowings from cash flows	(1,010.1)	(305.9)
New non-cash borrowings	1,767.7	1,487.3
Interest expense	196.4	135.0
Exchange differences	17.1	20.1
Other non-cash items	(2.8)	0.1
Net borrowings at the end of the year	6,269.7	5,301.4

* At 31 March 2024, €12.0 million (31 March 2023: €6.0 million) is related to overdrafts. In the consolidated statement of cash flows, this amount was included within cash and cash equivalents, decreasing its total balance, instead of presenting it separately as proceeds from unsecured debt.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**31. Financial guarantees**

The Company has provided parent guarantees to certain lessors of its aircraft fleet, to guarantee the performance of its airline subsidiaries under the respective lease contracts.

The Company has provided a parent guarantee to Airbus S.A.S. connected to its PDP financing arrangement to guarantee the performance of Wizz Air Hungary Ltd.

The Company in April 2018 provided a parent guarantee to the UK Civil Aviation Authority, to guarantee the performance of Wizz Air UK Ltd. in the context of the UK operating licence application process of Wizz Air UK Ltd.

The note purchase agreement (for Convertible Notes) contains a guarantee and indemnity, pursuant to which Wizz Air Hungary Ltd., *inter alia*, guarantees to Indigo Hungary LP and Indigo Maple Hill LP the punctual performance by the Company of its obligations under the note purchase agreement.

The issue of a €500.0 million 1.00 per cent Eurobond in January 2022 by Wizz Air Finance Company B.V. is fully and irrevocably guaranteed by the Company.

The Company has provided a guarantee to Runway Five Lender LLC and Airbus S.A.S., to guarantee the performance of Wizz Air Hungary Ltd. and the SPV involved, under the PDP financing loan related agreements.

32. Capital commitments

At 31 March 2024, the Group had the following contracted capital commitments:

- ▶ A commitment to purchase 326 Airbus aircraft of the A320 family in the period 2024–2029. The total commitment is valued at US\$48.7 billion (€45.2 billion) based on list prices last published in 2018 and escalated annually until the reporting date based on contract terms (2023: US\$42.2 billion (€38.8 billion) to purchase 290 Airbus aircraft of the A320 family in the period 2023–2028 and US\$11.0 billion (€10.1 billion) in relation to 75 A321neo aircraft as approved by Shareholders in August 2023). At 17 May, out of the 326 aircraft 27 are subject to delivery in F25 and for 15 financing is already contracted. The Group uses various financing arrangements in order to finance aircraft including Sale and Leaseback, Japanese Operating Lease with Call Option (JOLCO) and French Tax Lease (FTL) structures. In addition, Original Equipment Manufacturer (OEM) backstop financing may also be available, supplemented by a partial self-contribution.
- ▶ Wizz Air Group has committed to purchasing eight IAE “neo” (GTF) spare engines between 2024 and 2026, valued at US\$174.1 million (€161.6 million) based on 2024 list prices. This follows a previous commitment in 2023 valued at US\$572.5 million (€525.7 million), based on 2023 list prices, to acquire 27 IAE “neo” (GTF) spare engines over the period 2023–2026. At 17 May, all eight engines are anticipated to be delivered by F25 and financing is already contracted for all of them.
- ▶ A commitment to purchase three full-flight simulators. The total commitment is valued at €13.6 million based on contract terms. Payment is due in instalments with €6.4 million paid as at 31 March 2024.

33. Contingent liabilities**Legal disputes****European Commission state aid investigations**

Between 2011 and 2015, the European Commission has initiated state aid investigations with respect to certain arrangements made between Wizz Air and the following airports, respectively: Timișoara, Cluj-Napoca, Târgu Mureș, Beauvais and Girona. In the context of these investigations, Wizz Air has submitted its legal observations and supporting economic analyses of the relevant arrangements to the European Commission, which are currently under review. The European Commission has given notice that the state aid investigations involving Wizz Air will be assessed on the basis of the new “EU guidelines on state aid to airports and airlines” which were adopted by the European Commission on 20 February 2014. Where relevant, Wizz Air has made further submissions to the European Commission in response to this notification. In relation to the Timișoara arrangements, the European Commission confirmed on 24 February 2020 that the arrangements did not constitute state aid. We are awaiting decisions in relation to the other airport arrangements mentioned herein above. Ultimately, an adverse decision by the European Commission could result in a repayment order for the recovery from Wizz Air of any amount determined by the European Commission to constitute illegal state aid. None of these ongoing investigations are expected to lead to exposure that is material to the Group.

No provision has been made by the Group in relation to these issues because there is currently no reason to believe that the Group will incur charges from these cases.

34. Related parties

Identity of related parties

Related parties are:

- ▶ Indigo Hungary LP and Indigo Maple Hill LP (collectively referred to as "Indigo" here), because of its shareholding and its appointment of two Directors to the Board of Directors (all in service at 31 March 2024); and
- ▶ key management personnel (Directors and Officers).

Indigo, Directors and Officers altogether held 25.7 per cent of the Ordinary Shares of the Company at 31 March 2024 (2023: 25.6 per cent).

Transactions with related parties

Transactions with Indigo

At 31 March 2024, Indigo held 24,684,895 Ordinary Shares, equal to 23.9 per cent of the Company's issued share capital (2023: 24,684,895 Ordinary Shares, 23.9 per cent).

Indigo has an interest in convertible debt instruments issued by the Company (see Note 24). The Company's liability to Indigo, including principal and accrued interest, was €25.7 million at 31 March 2024 (2023: €26.0 million).

During the year ended 31 March 2024, the Company entered into transactions with Indigo as follows:

- ▶ the Company recognised interest expense on convertible debt instruments held by Indigo in the amount of €1.8 million (2023: €1.7 million).

Transactions with key management personnel

Officers (members of executive management) and Directors of the Board are considered to be key management personnel. The compensation of key management personnel, including Non-Executive Directors, is as follows:

	2024 € million	2023 € million
Salaries and other short-term employee benefits	10.1	9.1
Social security costs	1.1	1.2
Share-based payments	7.1	6.3
Total key management compensation expense	18.3	16.6

There were no termination benefits paid to any key management personnel in the year or the prior year.

There were no post-employment benefits or other long-term benefits provided to any key management personnel in the year or the prior year.

There were no material transactions with related parties during the financial year except as indicated below.

The Group has contracted with companies that are related to the CEO. The total paid for such goods and services in F24 was €3.4 million. The main service purchased was to provide machine learning capabilities with regard to ticket and ancillary sales. The amount paid for this service in F24 was €3.3 million (2023: €2.5 million), which in the judgment of the Board was not material. On 31 March 2024, the outstanding amount payable to the related party was €0.4 million.

35. Subsequent events

Based on the assessment conducted, no material subsequent events have been identified that would necessitate disclosure in the financial statements for the reporting period.

36. Ultimate controlling party

In the opinion of the Directors, there is no individual controlling party in relation to the Company's issued Ordinary Shares.

On 29 December 2020, Wizz Air Holdings Plc announced its decision to treat as Restricted Shares certain Ordinary Shares held by Non-Qualifying Nationals and to issue to such Shareholders Restricted Share Notices ("the Disenfranchisement"). This is because from 1 January 2021, UK nationals are no longer to be treated as Qualifying Nationals with regard to ongoing European airline ownership requirements, notwithstanding the UK-EU Trade and Cooperation Agreement. Therefore, the Board has resolved to exercise its power under the articles to serve Restricted Share Notices on Non-Qualifying National Shareholders specifying that, from 1 January 2021, in respect of their Restricted Shares they cannot attend or speak or vote at any general meetings of the Company. The rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll in respect of the Restricted Shares shall vest in the Chairman of such meeting, who will be a Director who is a Qualifying National. Each such Director will give an irrevocable undertaking not to vote any such Restricted Shares.

The Board has determined, pursuant to the articles, that the fairest and most appropriate method to implement the Disenfranchisement is for the same proportion of each Non-Qualifying National's (including each UK national's) shareholding to be designated as Restricted Shares.

- ▶ A **"Qualifying National"** includes: (i) EEA nationals; (ii) nationals of Switzerland; and (iii) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of Regulation (EC) No. 1008/2008 of the European Commission, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and any third country (whether or not such undertaking is itself granted an operating licence).
- ▶ A **"Non-Qualifying National"** includes: any person who is not a Qualifying National in accordance with the definition above.

To protect the EU airline operating licence of Wizz Air Hungary Ltd. and Wizz Air Malta Ltd. (subsidiaries of the Company), the Board has resolved to continue to apply a disenfranchisement of Ordinary Shares held by non-EEA Shareholders in the capital of the Company. This will continue to be done on the basis of a "Permitted Maximum" of 45 per cent pursuant to the Company's articles of association ("the Permitted Maximum"). In preparation for the 2023 Annual General Meeting (AGM), on 2 August 2023 the Company sent a Restricted Share Notice to Non-Qualifying registered Shareholders, informing them of the number of Ordinary Shares that will be treated as Restricted Shares. We will provide further details simultaneously with the notice of the 2024 Annual General Meeting.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Wizz Air Holdings Plc's group financial statements:

- ▶ give a true and fair view of the state of the group's affairs as at 31 March 2024 and of its profit and cash flows for the year then ended;
- ▶ have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted in the European Union; and
- ▶ have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report and Accounts F24 (the "Annual Report"), which comprise: the Consolidated statement of financial position as at 31 March 2024; the Consolidated statement of comprehensive income, the Consolidated statement of cash flows and the Consolidated statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the Financial Reporting Council's ("FRC") Ethical Standard, as applicable to listed public interest entities in accordance with the requirements of the Crown Dependencies' Audit Rules and Guidance for market-traded companies, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 7, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- ▶ The group financial statements are a consolidation of Wizz Air Holdings Plc, the trading subsidiaries Wizz Air Hungary Ltd., Wizz Air UK Limited, Wizz Air Abu Dhabi LLC and Wizz Air Malta Limited, plus a number of insignificant intermediate holding and small trading companies, and companies that are dormant.
- ▶ The accounting for these entities and the group consolidation is centralised in Budapest, Hungary where the majority of our audit work was performed.
- ▶ Whilst the consolidated results consist of a number of legal entities, due to the internal reporting process, our audit approach is to audit the consolidated results as one component.

Key audit matters

- ▶ Accuracy of IFRS 16 "Lease" input data
- ▶ Aircraft maintenance provisioning

Materiality

- ▶ Overall materiality: €45,000,000 (2023: €35,000,000) based on 0.9% of total revenue.
- ▶ Performance materiality: €33,750,000 (2023: €26,250,000).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Ability of the group to continue as a going concern, which was a key audit matter last year, is no longer included due to the improved profitability of the group. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p><i>Accuracy of IFRS 16 "Leases" input data</i></p> <p>The group recognised right-of-use ("RoU") assets of €2,845.6 million and associated lease liabilities of €3,612.0 million as at 31 March 2024.</p> <p>The right-of-use assets and lease liabilities largely relate to aircraft leases and are calculated based on discounted future lease payments. These calculations involve assumptions including, but not limited to, the determination of the lease payments, the expected lease term, consideration of extension options and the discount rate used to determine the liabilities.</p> <p>We focused on this area because input data errors for new leases or a failure to accurately capture changes in lease contracts in the year could materially impact the lease accounting given the value of an individual aircraft lease.</p> <p><i>Refer to the Material accounting policies note (note 2), note 4 for the directors' disclosures of the relevant judgments and estimates involved in determining the IFRS 16 balances at 31 March 2024 and notes 13 and 23 which disclose the right of use assets and lease liability balances and movements, respectively.</i></p>	<p>We understood and evaluated the process followed by management to account for its leases under IFRS 16.</p> <p>We tested the integrity of management's system used to perform the lease liability and RoU asset calculations by testing that its IT general controls are operating.</p> <p>We tested the accuracy of the underlying data used in management's system calculation for new leases in the year to support lease documentation.</p> <p>We also tested the appropriateness of the other significant assumptions used for lease additions in the year. This included the discount rates used where we tested the rate used to discount future lease payments, and the appropriateness of the external sources of information used for risk-free rates and credit spread and found that the rates used for new leases were a reasonable approximation of the incremental borrowing rate of the group.</p> <p>Where leases contained an option for early termination or extension, we considered management's assessment of the likelihood of the option being exercised, based on the nature of the assets and the terms including changes in the period under option.</p> <p>Using a digital audit solution we reperformed the calculation of the asset, liability, depreciation and interest entries relating to the accounting for leases under IFRS 16 and compared the results to the values generated by management's system and found the difference to be within acceptable thresholds.</p> <p>We assessed the adequacy of disclosures in notes 2 and 4 in respect of the accounting policies and significant judgements and estimates involved in determining the IFRS 16 balances and the disclosures in notes 13 and 23 for leases.</p> <p>We did not identify any material uncorrected misstatements from our work on IFRS 16.</p>

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

<p><i>Aircraft maintenance provisioning</i></p> <p>The group operates aircraft which are held under lease arrangements and incurs liabilities for maintenance costs in respect of leased aircraft in line with the terms of its aircraft leases.</p> <p>Under these lease agreements, the group is contractually committed to either return the aircraft in a certain condition or to compensate the lessor based on the actual condition of the aircraft and its major components upon return.</p> <p>The group uses the "strict obligation" method of accounting for such costs under which provision is made for the minimum unavoidable costs of specific future maintenance obligations created by the lease at the time when such obligations become certain.</p> <p>Maintenance provisions of €263.6 million for aircraft maintenance costs in respect of leased aircraft are recorded in the financial statements at 31 March 2024 (refer to note 29 to the financial statements).</p> <p>At each balance sheet date, the calculation of the maintenance provision includes a number of variable factors and assumptions including: the likely utilisation of the aircraft; the expected cost of the heavy maintenance check at the time it is expected to occur; the condition of the aircraft; and the lifespan of life-limited parts.</p> <p>We focused on this area because an inherent level of management judgement and estimation is required in determining the above variable factors and assumptions on an aircraft by aircraft basis. This includes a judgement on whether to perform future maintenance based on expected flying hours or whether to avoid this and pay compensation to the lessor at the end of the lease.</p> <p><i>Refer to the Material accounting policies note (note 2) and note 4 for management's disclosures of the relevant judgments and estimates involved in calculating the maintenance provisions required, as well as note 29 for specific disclosures relating to the maintenance provisions.</i></p>	<p>We understood and evaluated the process followed by management to determine its maintenance provision, including the input data, assumptions and significant judgements and estimates used.</p> <p>We tested the integrity of the maintenance provision system used by management by testing the IT general controls and testing specific automated calculations therein.</p> <p>We also assessed the process by which the variable factors used within the provision calculation were appropriately estimated by performing the following procedures:</p> <ul style="list-style-type: none">• Comparing the cost assumptions in the maintenance provision system with recent invoices, inspected approved maintenance plans as well as validated current flight hours and flight cycles to non-financial data sources.• Testing the input data through agreement to underlying lease contracts, focusing specifically on new and amended contracts and considering whether the planned maintenance could be materially impacted by risks associated with climate change.• Testing material manual adjustments to the provision amount calculated by the maintenance provision system.• Re-performing calculations.• Performing a look back test to assess the accuracy of past estimates. <p>We tested the short and long-term classification of the provision.</p> <p>We assessed the adequacy of disclosures in note 4 in respect of the significant judgements and estimates involved in maintenance provisioning.</p> <p>We did not identify any material uncorrected misstatements from our work on maintenance provisions.</p>
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which it operates.

The group consists of one reporting segment, being the airline business. It includes the results of the legal entities of Wizz Air Holdings Plc and its trading subsidiaries, the main ones being Wizz Air Hungary Ltd., Wizz Air UK Limited, Wizz Air Abu Dhabi LLC and Wizz Air Malta Limited, together with branch operations in base countries. Whilst the consolidated results consist of a number of legal entities, due to the internal reporting process and maintenance of centralised entities and consolidated general ledgers for the group, our audit approach is to audit the consolidated results as one component. The accounting for these entities and the group consolidation is centralised in Budapest, Hungary.

The audit is largely performed by a single engagement team comprising individuals based in the UK and in Hungary together with an offshore support function, tax and treasury specialists and valuation experts. The operations are audited by applying our collective knowledge and understanding of the group and its financial reporting processes and controls.

The audit work is largely performed by members of our engagement team based in Hungary who are directed and supervised by the UK team members both virtually and during their visits to Hungary. The UK team members attended all Audit and Risk Committee meetings in Switzerland, London or Hungary, either in person or virtually. This gave us the evidence we required for our opinion on the financial statements as a whole.

The impact of climate risk on our audit

The Annual Sustainability Report within the Strategic Report describes the group's strategy to reduce carbon emissions and explains how climate change could have a significant impact on the group's business but also provides a number of significant opportunities. The group has publicly set out its commitment to reducing carbon emissions by 25% by 2030 relative to F20 levels and has a strategy aligned to meeting this including the use of sustainable aviation fuel ("SAF") and investments in SAF production and supply companies. It has also disclosed that it is working on potential pathways towards an interim and final target for 2035 and 2050 respectively. A number of financial risks could arise from both the transitional and physical risks associated with climate change. Management, assisted by an independent expert, has evaluated these as disclosed in the Annual Sustainability Report within the Strategic Report. This has then informed the evaluation of financial risks that have been reflected by management in the preparation of the financial statements to the extent that they can be forecast at present or conclusions as to why no material impact is expected. The future financial impacts of climate change are clearly uncertain given the timeframe involved and how Governments, global markets, corporations and society respond.

As part of our audit we have made enquiries of management to understand the work performed by management and its expert to assess the potential impacts of climate change on the group and leading to the disclosures in the Annual Sustainability Report within the Strategic Report, which includes the group's Task Force on Climate-related Financial Disclosures ("TCFD") disclosures, and the resultant impact on the F24 financial statements. We have used this information and understanding to assess the impact on the financial statements and our audit thereof. We have also considered the consistency of this assessment with the communications of climate related impacts both in the F24 Annual Report and Accounts and other sources such as its website and the group's public submission to the Carbon Disclosure Project.

Overall management has concluded, having considered both the physical and transition risks arising from climate change, that there is currently no material impact that it can forecast impacting the F24 results or financial position. The key areas of the financial statements where the potential impact of climate was considered are as follows:

- ▶ The accounting for ETS allowances used by the group to meet its obligations under the EU and UK ETS schemes (see note 2);
- ▶ The group's going concern assessment covering a period of at least 12 months from the date of signing of the financial statements (see note 2 and the Conclusions relating to going concern section below);
- ▶ The useful economic lives of aircraft, aircraft spare engines, maintenance assets and parts and associated depreciation of these assets (see note 2);
- ▶ The impact on the annual impairment assessment of the group's aircraft fleet (see notes 13 and 14); and
- ▶ The impact on maintenance provisioning (see notes 4 and 29 of the financial statements and key audit matter above).

Where significant, further details on how climate change has been considered in the above areas and our audit response is given in the key audit matters above. Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole for the year ended 31 March 2024. The future estimated financial impacts of climate risk are clearly uncertain given the medium to long term timeframes involved and their dependency on how Governments, global markets, corporations and society respond to the issue of climate change and the speed of technological advancements that may be necessary. Accordingly, the financial statements cannot capture all possible future outcomes as these are not yet known.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	€45,000,000 (2023: €35,000,000).
How we determined it	0.9% of total revenue
Rationale for benchmark applied	We considered various potential benchmarks including profit before tax and concluded, using professional judgement, that total revenue (2023: total revenue) continues to be an appropriate benchmark for the current year audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to €33,750,000 (2023: €26,250,000) for the group financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above €2,250,000 (2023: €1,750,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- ▶ Testing the model used for management's going concern assessment which is primarily a liquidity assessment given there are no financial covenants in its committed debt facilities. Management's assessment covers the period to 30 November 2025.
- ▶ Management's base case forecasts are taken from its normal forecasting process for the next three years. We understood and assessed this process including the assumptions used for F25 and F26 and assessed whether there was adequate support for these assumptions. We also considered the reasonableness of the monthly phasing of cash flows. A similar assessment was performed of the downside cash flows, including by comparison of actual monthly cash flows experienced in F24 and by comparison of assumed flying levels relative to those experienced in prior periods.
- ▶ We read and understood the key terms of committed debt facilities to understand any terms, covenants or undertakings that may impact the availability of the facility. We also understood the impact of the base and downside forecasts on security levels in the card acquirer contracts of the group which generally require a level of liquidity to be held by the business.
- ▶ We understood the schedule of committed aircraft and engine deliveries over the next eighteen months and assessed management's assessment of how these would be financed based on their available committed financing and other plans to finance future aircraft deliveries.
- ▶ Using our knowledge from the audit and assessment of previous forecasting accuracy, we applied our own sensitivities to management's downside cash flow forecasts. We overlaid this on management's forecasts to arrive at our own view of management's downside forecasts.
- ▶ We considered the potential mitigating actions that management may have available to it to reduce costs, manage cash flows or raise additional financing and assessed whether these were within the control of management and possible during the period of the assessment.
- ▶ We commented on draft disclosures of the Group's Going concern assessment seeking changes to clarify aspects of it and assessed the adequacy of the final disclosures in the Going concern statement in note 2 of the group financial statements and the Going concern statement in the Directors' Report and found that these appropriately reflect the key areas of uncertainty identified and assumptions made.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Corporate Governance Report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- ▶ The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- ▶ The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- ▶ The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- ▶ The directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate; and
- ▶ The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

- ▶ The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's position, performance, business model and strategy;
- ▶ The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- ▶ The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the regulations of country aviation authorities such as the European Union Aviation Safety Agency, the UK Civil Aviation Authority and the UAE General Civil Aviation Authority Regulations and General Data Protection Regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies (Jersey) Law 1991, the Listing Rules of the UK Financial Conduct Authority, relevant corporate tax compliance regulations, the Air Passengers Rights Regulation 2004 (Regulation (EC) No 261/2004) and EU Emissions Trading System. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates such as aircraft maintenance provisions. Audit procedures performed by the engagement team included:

- ▶ Discussions throughout the year with the Audit and Risk Committee, management, Internal Audit and the group's internal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- ▶ Understanding and evaluating controls designed to prevent and detect irregularities and fraud;
- ▶ Reviewing legal expense accounts to identify significant legal spend that may be indicative of non-compliance with laws and regulations;
- ▶ Identifying and testing journal entries, in particular journal entries posted with unusual account combinations;
- ▶ Reading the minutes of Board and Committee meetings to identify any inconsistencies with other information provided by management; and
- ▶ Challenging assumptions and judgements made by management in determining the significant judgements and estimates used in the preparation of the financial statements, including those relating to revenue, maintenance provisions, hedge and derivative accounting, aircraft and spare engine assets (including those in Ukraine) and lease accounting, and the disclosure of these items.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WIZZ AIR HOLDINGS PLC

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- ▶ We have not obtained all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee (now the Audit and Risk Committee), we were appointed by the members on 15 August 2007 to audit the previous parent company of the Wizz Air group. Following the company's incorporation in 2009 we were appointed to audit the consolidated financial statements of the company for the period ended 31 March 2010 and subsequent financial periods. We were reappointed as auditor of the company following a competitive tendering process by the members on 21 July 2017 to audit the consolidated financial statements for the year ended 31 March 2018 and subsequent financial periods. Our period of total uninterrupted engagement for the group (comprising the previous parent company and now the company, and their subsidiaries) is 17 years covering the years ended 31 March 2008 to 31 March 2024 and for the Company is 15 years, covering the years ended 31 March 2010 to 31 March 2024.

VOLUNTARY REPORTING

The company voluntarily prepares a Directors' Remuneration Report. The directors requested that we audit the part of the Directors' Remuneration Report specified by the United Kingdom Companies Act 2006 to be audited as if the company were a quoted company. In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the United Kingdom Companies Act 2006.

OTHER MATTER

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Jason Burkitt
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditor
London
14 June 2024

ADDITIONAL INFORMATION

Glossary of terms

Definitions:

Aircraft utilisation/utilisation: the number of hours that one aircraft is in operation on one day. Rationale – Key performance indicator in aviation business, measurement for one-day aircraft productivity.

Calculation (for one month): monthly aircraft utilisation equals total block hours divided by number of days in the month divided by the equivalent aircraft number divided by 24 hours. Calculation (for a longer period than one month): the given period aircraft utilisation equals the weighted average of monthly aircraft utilisation based on the month-end fleet counts.

Ancillary revenue per passenger: ancillary revenue divided by the number of passengers (PAX) in the given period, which gives the ancillary performance per one passenger. Rationale – Key performance indicator for revenue performance measurement.

Calculation: ancillary revenue/PAX.

Available seat kilometres (ASK)/total ASKs: the number of seats available for scheduled passengers multiplied by the number of kilometres those seats were flown. Rationale – Key performance indicator for capacity measurement.

*Calculation: seats on aircraft*stage length.*

Average aircraft stage length (km): average distance that an aircraft flies between the departure and arrival airport. Rationale – Key performance indicator for measurement of capacity and productivity.

Calculation: average stage length of the revenue sectors in the given period (ASKs/capacity).

Average departures per aircraft per day: the number of departures one aircraft performs in a day in the given period. Rationale – Key performance indicator for revenue generation/utilisation of assets.

Calculation: total number of revenue sectors per number of days (in the given period) per equivalent aircraft number.

CASK (total unit cost): total cost per ASK, where cost is defined as operating expenses and financial expenses net of financial income. Rationale – Key performance indicator for divisional cost control.

*Calculation: total operating expenses+financial income+financial expenses/total of ASKs (km)*100.*

Completion factor or rate: per cent of operated flights compared to the scheduled flights. Rationale – Key operational performance indicator for the measurement of scheduled flight completion.

Calculation: number of operated flights/number of scheduled flights.

Equivalent aircraft or average aircraft count: the average number of aircraft available to Wizz Air within a period. The count contains spare aircraft, aircraft under maintenance and parked aircraft. Rationale – Key performance indicator in aviation business for the measurement of average aircraft available for flying and capacity.

Calculation (for one month): average from the daily fleet count in a given month which includes/excludes deliveries and redeliveries. Calculation (for a longer period than one month): weighted average of the monthly equivalent aircraft numbers based on the number of days in the given period.

Equivalent operating aircraft or average operating aircraft count: the average number of operating aircraft available to Wizz Air within a period. The count includes all aircraft except those parked. Rationale – Key performance indicator in aviation business for the measurement of average fleet and capacity.

Calculation (for one month): average from the daily operating fleet count in the given month which includes/excludes deliveries and redeliveries. Calculation (for a longer period than one month): weighted average of the monthly equivalent operating aircraft numbers based on the number of days in the given period.

Ex-fuel CASK (ex-fuel unit costs): this measure is computed by dividing the total ex-fuel cost by the total ASKs within a given timeframe. Ex-fuel CASK defines the unit ex-fuel cost for each kilometre flown per seat in Wizz Air's fleet. Note that: total ex-fuel cost consists of total operating expenses and net cost from financial income and expense but does not contain fuel costs. Rationale – It serves as an essential performance indicator for overseeing divisional cost control. The rationale for employing this metric is rooted in its ability to gauge and manage non-fuel operating expenses effectively.

*Calculation: total ex-fuel cost (EUR)/total of ASKs (km)*100.*

Foreign exchange rate: average foreign exchange rate, plus any hedge deal for the given period, calculated with a weighted average method. Rationale – Key performance indicator for Fuel Controlling and Treasury teams.

ADDITIONAL INFORMATION

Fuel CASK (fuel unit cost): this metric is calculated by dividing the total fuel costs (plus additional fuel consumption related costs) by the sum of available seat kilometres (ASKs) during a specific reporting period. Rationale – Fuel CASK provides an insightful unit fuel cost measurement, representing the cost incurred for flying one kilometre per seat within Wizz Air’s fleet. The rationale behind the use of this measure lies in its effectiveness as a critical performance indicator for the control and management of fuel expenses.

*Calculation: total fuel cost (EUR)/total of ASKs (km)*100.*

Fuel price (average US\$ per tonne): average fuel price within a period, *calculated as fuel cost (including other fuel cost-related items) divided by the consumption.* Rationale – Key performance indicator for fuel cost controlling.

JOLCO (Japanese Tax Lease) and French Tax Lease: special forms of structured asset financing, involving local tax benefits for Japanese and French investors, respectively. Rationale – These measures are employed to encapsulate specific lease contracts that facilitate enhanced cash utilisation strategies.

Load factor (%): the number of seats sold (PAX) divided by the number of seats available on the aircraft (capacity). Rationale – Key performance indicator for commercial and revenue controlling.

Calculation: the number of seats sold, divided by the number of seats available.

Net fare (total revenue per passenger): average revenue per one passenger calculated by total revenue divided by the number of passengers (PAX) during a specified period. Rationale – This metric is a crucial performance indicator for commercial control, offering insights into the overall revenue generated per passenger.

Calculation: total revenue/PAX.

Operating aircraft utilisation: the number of hours that one operating aircraft is in operation on one day. Rationale – Key performance indicator in aviation business, measurement for one-day aircraft productivity.

Calculation (for one month): average daily operating aircraft utilisation in a month equals total monthly block hours divided by number of days in the month divided by the equivalent operating aircraft number divided by 24 hours. Calculation (for a longer period than one month): the given period operating aircraft utilisation equals the weighted average of monthly operating aircraft utilisation based on the month-end operating aircraft counts.

Passengers (alternative names: passengers carried, PAX): passengers who bought a ticket (thus making revenue for the Company) for a revenue sector. Rationale – Key performance indicator for Commercial controlling team.

Calculation: sum of number of passengers of all revenue sectors.

PDP: refers to the pre-delivery payments made under the Group’s aircraft purchase agreements. These payments signify contractual commitments designed to support fleet expansion and growth.

Period-end fleet size or number of aircraft at end of period: the number of aircraft that Wizz Air has in its fleet and that are leased and/or owned at the end of the given period. The count contains spare aircraft, aircraft under maintenance and parked aircraft. Rationale – Key performance indicator in aviation business for the measurement of fleet.

Calculation: sum of aircraft at the end of the given period.

Period-end operating aircraft: the number of operating aircraft that Wizz Air has in its fleet and that are leased and/or owned at the end of the given period. The count includes all aircraft except those parked. Rationale – Key performance indicator in aviation business for the measurement of operating aircraft at a period end.

Calculation: sum of operating aircraft at the end of the given period.

RASK: RASK is determined by dividing the total revenue by the total ASK. This measure characterises the unit net revenue performance for each kilometre flown per seat within Wizz Air’s fleet. Rationale – It serves as a pivotal performance indicator for commercial control, providing insights into the revenue generation efficiency.

*Calculation: total revenue (EUR)/total of ASKs (km)*100.*

Revenue departures or sectors: flight between departure and arrival airport where Wizz Air generates revenue from ticket sales. Rationale – Key performance indicator in revenue generation controlling.

Calculation: sum of departures of all sectors.

Revenue passenger kilometres (RPK): the number of seat kilometres flown by passengers who paid for their tickets. Rationale – Key performance indicator for revenue measurement.

*Calculation: number of passengers*stage length.*

ADDITIONAL INFORMATION

Seat capacity/capacity: the total number of available (flown) seats on aircraft for Wizz Air within a given period (revenue sectors only). Rationale – Key performance indicator for capacity measurement.

Calculation: sum of capacity of all revenue sectors.

Ticket revenue per passenger: passenger ticket revenue divided by the number of passengers (PAX) in the given period. Rationale – Key performance indicator for measurement of revenue performance.

Calculation: passenger ticket revenue/PAX.

Total block hours: each hour from the moment an aircraft's brakes are released at the departure airport's parking place for the purpose of starting a flight until the moment the aircraft's brakes are applied at the arrival airport's parking place. Rationale – Key performance indicator in the airline business for the measurement of capacity and completed block hours by aircraft.

Calculation: sum of block hours of all sectors (in the given period).

Total flight hours: each hour from the moment the aircraft takes off from the runway for the purposes of flight until the moment the aircraft lands at the runway of the arrival airport. Rationale – Key performance indicator in the airline business for the measurement of capacity and flown flight hours by aircraft.

Calculation: sum of flight hours of all sectors (in the given period).

Yield: represents the total revenue generated per revenue passenger kilometre (RPK). Rationale – This measure is integral for assessing and controlling commercial performance by quantifying the revenue derived from each kilometre flown by paying passengers.

Calculation: the total revenue/RPK.

ADDITIONAL INFORMATION

Alternative performance measures (APMs)

Alternative performance measures are non-IFRS standard performance measures aiming to introduce the Company's performance in line with management's requirements. The existing presentation is considered relevant for the users of the financial statements because: (i) it mirrors disclosures presented outside of the financial statements; and (ii) it is regularly reviewed by the Chief Operating Decision Maker for evaluating the financial performance of its single operating segment.

Ancillary revenue: generated revenue from ancillaries (including other ancillary revenue-related items). Rationale – Key financial indicator for the separation of different revenue lines.

Average capital employed: average capital employed is the sum of the annual average equity and interest-bearing borrowings (including convertible debt), less annual average cash and cash equivalents, and short-term cash deposits. Rationale – This key financial indicator is integral for evaluating the profitability and effectiveness of capital utilisation.

Calculation: average equity+interest-bearing borrowings (including convertible debt)-cash and cash equivalents-short-term cash deposits.

Earnings before interest, tax, depreciation and amortisation (EBITDA): EBITDA represents the profit or loss before accounting for net financing costs or gains, income tax expenses or credits, and depreciation and amortisation. Rationale – This measure serves as a key financial indicator for the Company, providing insights into operational profitability.

Calculation: operating profit/(loss)+depreciation and amortisation.

EBITDA margin %: EBITDA margin % is computed by dividing EBITDA by total revenue in millions of Euros. Rationale – This metric presents EBITDA as a percentage of total net revenue and offers valuable financial insights for the Company's performance assessment.

*Calculation: EBITDA/total revenue (€ million)*100.*

	2024 € million	2023 € million
Operating profit/(loss)	437.9	(466.8)
Depreciation and amortisation	755.3	601.1
EBITDA	1,193.2	134.3
Total revenue	5,073.1	3,895.7
EBITDA margin (%)	23.5%	3.4%

Leverage ratio: the leverage ratio is computed by dividing net debt by the last twelve months' EBITDA. Rationale – It serves as a crucial key financial indicator for the Group, facilitating an assessment of the organisation's financial leverage and debt management.

Calculation: please see in the table under the definition of net debt.

Liquidity: represents cash, cash equivalents and short-term cash deposits, expressed as a percentage of the last twelve months' revenue. Rationale – This key financial indicator offers a comprehensive view of the Group's cash position and financial stability.

Calculation: please see the table below.

	31 March 2024 € million	31 March 2023 € million
Cash and cash equivalents	728.4	1,408.6
Short-term cash deposits	751.1	—
Total revenue	5,073.1	3,895.7
Liquidity	29.2%	36.2%

Net debt: interest-bearing borrowings (including convertible debt) less cash and cash equivalents. Rationale – Plays a pivotal role as a key financial indicator, offering valuable information regarding the Group's financial liquidity and leverage position.

ADDITIONAL INFORMATION

	31 March 2024 € million	31 March 2023 € million
Non-current liabilities		
Borrowings	5,159.7	4,000.5
Convertible debt	25.4	25.7
Current liabilities		
Borrowings	1,084.3	1,275.0
Convertible debt	0.3	0.3
Current assets		
Short-term cash deposits	751.1	—
Cash and cash equivalents	728.4	1,408.6
Net debt	4,790.2	3,892.8
EBITDA	1,193.2	134.3
Leverage ratio	4.0	29.0

Passenger ticket revenue: generated revenue from ticket sales (including other ticket revenue-related items). Rationale – Key financial indicator for the separation of different revenue lines.

Return on capital employed (ROCE): operating profit or loss after tax divided by average capital employed, expressed as a percentage. Rationale – ROCE is a key financial indicator that facilitates an assessment of the Group's profitability and the efficiency of capital utilisation.

Calculation: please see the range below.

	2024 € million	2023 € million
Operating profit/(loss)	437.9	(466.8)
Effective tax rate for the year	(7.3)%	5.2%
Operating profit/(loss) after tax	469.7	(442.5)
Average Shareholders' equity	(106.1)	(47.0)
Average borrowings	5,785.6	4,633.1
Average cash and cash equivalents	(1,068.5)	(1,087.6)
Average short-term cash deposits	(375.6)	(225.0)
Average capital employed	4,235.4	3,273.5
ROCE (%)	11.1%	(13.5)%

Total cash: non-statutory financial performance measure and comprises/is calculated from cash and cash equivalents, short-term cash deposits and total current and non-current restricted cash. Rationale – This key financial indicator offers a comprehensive view of the Group's cash position and financial stability.

Calculation: please see the table below.

	31 March 2024 € million	31 March 2023 € million
Non-current assets		
Restricted cash	54.0	56.7
Current assets		
Restricted cash	55.4	63.7
Short-term cash deposits	751.1	—
Cash and cash equivalents	728.4	1,408.6
Total cash	1,588.9	1,529.0

Total revenue: total ticket and ancillary revenue for the given period. The split of total revenue presented in the consolidated statement of comprehensive income. Rationale – Key financial indicator for the Company.