

RYANAIR GROUP

ANNUAL REPORT 2021





Alejandra
Head of Communications



Leslie
Head of Inflight Safety,
Security & Regulatory Compliance



Tracey
Chief Financial Officer



Carol
Chief Risk Officer



Lorna
Deputy Director HR



Aine
Head of Customers
& Audiences

Celebrating the Leaders of Ryanair



Danielle
Head of Digital



Shauna
Head of HR



Izabella
Head of Customer Operations,
Training & Quality



Rose
Standards Captain



Jennifer
Data Protection Officer



Chiara
Head of Sales & Marketing



Sinead
Director of Inflight



Laura
Head of Product & Design



Joelle
Deputy Director of Security
& Compliance



Lisa
Deputy Director
of Technical Services



Yvonne
Head of Pilot Rostering



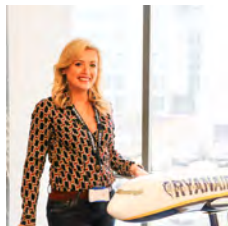
Tracy
Director of Customer Service



Aoife
Head of Inflight Retail



Lisa
Deputy Director HR



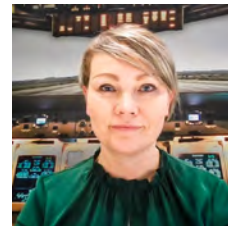
Sinead
General Manager
Ground Operations



Ruth
Head of Brand Communications



Sandra
Head of Payroll



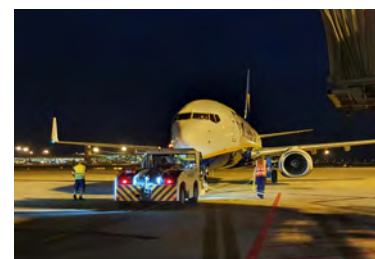
Heli
Head of Internal Audit

Here's to our fantastic female leaders who have helped us navigate through this challenging year.



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Financial Summary

INCOME STATEMENT	MAR 31, 2021	MAR 31, 2020	MAR 31, 2019
	€'m	€'m	€'m
Scheduled Revenue	1,036	5,566	5,261
Ancillary Revenue	600	2,929	2,436
Total Revenue	1,636	8,495	7,697
Fuel	543	2,762	2,427
Ex-Fuel Costs	1,932	4,605	4,254
Total Operating Costs	2,475	7,367	6,681
Interest	(54)	(50)	(68)
Hedge Ineffectiveness	(216)	(407)	–
(Loss)/Profit Before Tax	(1,109)	671	948
Tax	94	(22)	(63)
(Loss)/Profit After Tax	(1,015)	649	885

BALANCE SHEET	MAR 31, 2021	MAR 31, 2020	MAR 31, 2019
	€'m	€'m	€'m
Non-Current Assets	8,870	10,253	9,447
Gross Cash	3,150	3,808	3,195
Current Assets	308	686	609
Total Assets	12,328	14,747	13,251
Current Liabilities	3,527	5,508	4,097
Non-Current Liabilities	4,154	4,325	3,939
Shareholder Equity	4,647	4,914	5,215
Total Liabilities & Equity	12,328	14,747	13,251
Net Debt	2,277	403	450

Key Stats at a Glance (March 31, 2021):



149m guests

pre-Covid-19
(27.5m FY21)
200m p.a. by FY26



15,000 +

Aviation Professionals

Choice & Coverage



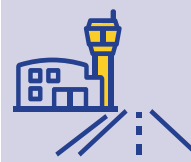
2,000 +

Daily flights



86

Bases
Across Europe



Service from

225

Airports

Unrivalled Footprint



Operates in

37

Countries



96%

On-time
performance



36 year

Safety
record



- 422 Boeing 737s
- 210 Gamechangers on order
- 29 A320s
- 87% unencumbered fleet



83g CO₂ emissions pax/km
(66g pre-Covid due to
higher load factor)



CDP

Climate Protection Rating



S&P and Fitch

Credit Ratings

CHAIRMAN'S REPORT

I wish to personally thank our dedicated team of over 15,000 aviation professionals and my Board colleagues who worked tirelessly throughout the past year to ensure that the Ryanair Group emerges strongly from the Covid-19 crisis.



Dear Shareholder,

Fiscal year 2021 (FY21) was the most challenging in Ryanair's 36-year history. Covid-19 saw traffic collapse, almost overnight, from 149m to just 27.5m as many European Governments imposed flight bans, travel restrictions and national lockdowns in an effort to combat the pandemic. This created enormous disruptions and uncertainty for both our customers and our people and led to significant challenges for our industry.

Highlights of FY21 include:

- Traffic fell 81% from 149m to 27.5m due to Covid-19 travel restrictions.
- Liquidity preservation prioritized with €3.15bn cash at year end (March 31).
- Cost reductions implemented across all Group airlines.
- Unprecedented backlog of Covid-19 customer requests /refunds processed.
- Job losses minimized via engagement with our people and their unions.
- B737-8200 "Gamechanger" firm order increased to 210 aircraft (from 135).

- CDP awarded Ryanair a very strong (first time) "B-" climate protection score.
- Non-EU shareholder voting rights were restricted post Brexit.

The Ryanair Group responded promptly, and effectively, to the Covid-19 crisis by working hard to assist millions of customers with flight changes, refunds and changed travel plans. Cost reduction and cash preservation were prioritized with the Group lowering cash burn, participating in EU Government payroll support schemes, cancelling share buybacks and deferring non-essential capital expenditure. Thanks to our strong balance sheet, and BBB investment grade rating, the Group successfully raised €1.95bn new finance (including €400m share placing, €850m Eurobond and £600m U.K. CCFF) throughout FY21. Additionally, following the release of full-year results in May, the Group issued €1.2bn, 5-year unsecured, bonds at our lowest ever coupon of 0.875%. This leaves the Group well positioned as it recovers operations this summer (thanks to the successful European rollout of Covid-19 vaccines),

and capitalizes on the many growth opportunities that are available across Europe for our lowest cost/low fares model.

Following over two years of delays, Ryanair took delivery of our first Boeing 737-8200 “Gamechanger” aircraft in June. This aircraft, which has 4% more seats, delivers 16% less fuel burn and 40% lower noise emissions, will enable the Ryanair Group to grow traffic to 200m p.a. within the next 5-years while reducing our CO2 and noise footprint for the next decade. In December, I travelled to Washington D.C. to sign a contract where the Group increased its firm orders for the Gamechanger from 135 to 210 aircraft - while securing further, modest, price discounts.

ESG is a key focus area for the Board and Ryanair’s new Director of Sustainability briefs the Board quarterly. In FY21 Ryanair received a (first time) “B-” industry leading climate protection rating from independent ratings agency CDP and announced an ambitious goal to power 12.5% of flights with sustainable aviation fuels (SAF) by 2030. Throughout the Covid-19 crisis we minimized job losses through agreed pay cuts (with pay restoration from years 3 to 5 of multi-year agreements) and participation in Government job support schemes, while at the

same time keeping our pilots, cabin crew and aircraft current and ready to resume service once normality returns. Following my appointment as Chairman in June 2020, I asked Róisín Brennan to become the non-executive director responsible for workforce engagement. Róisín held a series of panel discussions with staff groups last year and updates the Board quarterly. Additionally, I appointed Louise Phelan as Senior Independent Director and refreshed the Chairs and membership of the Nominations and Remuneration Committees.

I wish to personally thank our dedicated team of over 15,000 aviation professionals and my Board colleagues who worked tirelessly throughout the past year to ensure that the Ryanair Airlines Group emerges strongly from the Covid-19 crisis. As we hopefully return to more normal operations this summer, we look forward to welcoming our guests back onboard. Finally, I would like to thank you, our shareholders, for your ongoing support.

Yours sincerely,


Stan McCarthy
Chairman

July 23, 2021



CEO REPORT

We are pleased to present our Annual Report for the year to March 31, 2021, a year during which our business was devastated by the Covid-19 pandemic, which posed an unprecedented crisis for the world in general, but more especially for the airline industry, which was substantially grounded for much of the past 12 months.



“ We are all determined to ensure that as our business and air travel recovers, we can continue to offer the lowest fares, with the most on-time flights, but now with a much reduced environmental impact. ”

Dear Shareholder,

We are pleased to present our Annual Report for the year to March 31 2021, a year during which our business was devastated by the Covid-19 pandemic, which posed an unprecedented crisis for the world in general, but more especially for the airline industry, which was substantially grounded for much of the past 12 months.

Covid-19 Pandemic

The Covid-19 virus, which spread across Europe from March 2020, had a profound and devastating impact on air travel last year. Without notice or warning, our monthly traffic collapsed from 10.5m in February 2020, to 5.7m in March, and then to just 0.04m in April 2020, as many EU Governments grounded flights and banned air travel. There was a partial recovery in July, August and September 2020 as initial lockdowns were eased, but a second Covid wave across Europe in the Autumn, followed by a third wave in the Spring created enormous

challenges for our guests and our people, who faced constantly changing Government guidelines, travel bans, and movement restrictions.

The recent development of multiple Covid vaccines since December 2020 offers the world, and the airline industry, real confidence that vaccination programs will enable intra-EU air travel and tourism to recover strongly during Summer 2021. If, as is presently predicted, most European adult populations will be largely vaccinated by September 2021, then we believe we can all look forward to a strong recovery in air travel, jobs and tourism in the second half of the current fiscal year.

Our Group responded promptly, and effectively, to this unprecedented crisis, which is the first global pandemic we have suffered since the growth of mass market air travel after the Second World War. Our first priority was to cancel flights

and comply with health restrictions mandated by various EU Governments. Our second focus was to reaccommodate passengers or provide them with travel vouchers and refunds, even though this proved to be a huge logistical challenge at a time when all our offices were closed due to Covid work restrictions during the June quarter of 2020. When our offices reopened, we quickly increased Customer Service staffing to eliminate what was an unprecedented backlog of over 30m customer reaccommodation and refund requests. Over the last 9 months, we have issued travel vouchers and cash refunds worth over €1.5bn to our customers and their families whose travel plans were disrupted by Covid travel restrictions.



Once we had spooled up to respond promptly and efficiently to customer service requests, we then focused on costs and our post-Covid recovery. We started with significant cuts to senior management pay, and bonus payments were cancelled last year. We then negotiated modest but sensible pay cuts with our pilots, cabin crew and engineers across all our European bases, under which their basic pay was cut in Year 1 and Year 2, but will then be restored in Years 3, 4 & 5 of multi-year pay agreements. These were very difficult discussions set against an extraordinary background of cancelled flights and rosters, with most of our pilots and cabin crew put on Government payment support or furlough schemes, and we are grateful to our people and their unions for these practical and timely agreements, which were concluded to minimize job losses, and pave the way for a rapid recovery of our flights and schedules post Covid.



During the year we focused on keeping our aircraft, our pilots and our cabin crew “current”, even if in many cases this meant flying aircraft empty for short periods, to keep the engines and air frames moving regularly. We have rotated what flying we had across as many pilots and cabin crew as possible so that they could meet their currency requirements of regular flight duties.

Our teams have conducted detailed negotiations with all our core suppliers of aircraft, engines, airports, handling, maintenance & engineering to adjust our cost base to reflect this unforeseen collapse in flights and traffic over the last year. The success of these discussions allowed our Group to right size our cost base, demonstrated that a huge majority of Ryanair’s costs are variable rather than “fixed” like many of our competitors who survive only because they received multibillion-euro packages of State Aid.

Looking forward into the post Covid recovery, we have negotiated lower airport & handling costs and traffic recovery incentives. We extended many of our low-cost airport growth deals, most significantly at our main bases including London Stansted, which now extends from 2024 until 2028. We have negotiated a reasonable and fair compensation with Boeing for the considerable delivery delays we suffered to our B737 “Gamechanger” aircraft order. In December 2020, we increased this firm order from 135 to 210 aircraft in return for a further modest discount in the price of these aircraft. These aircraft will, we believe, further widen the cost gap between Ryanair and all other airline competitors in Europe for the coming decade. Our negotiations with Boeing

for a follow-on MAX-10 order continue, and we hope to conclude an agreement with our major aircraft supplier before the end of the current year. The new Boeing “Gamechanger” aircraft deliver us 4% more seats, but burn 16% less fuel, and reduce noise by 40% & CO2 emissions by approximately 16%, so they are our key to further unit cost reductions within Ryanair Group Airlines for the next decade.



While we wait impatiently for the vaccine rollout across Europe to gather pace and catch up with the very successful Israeli and U.K. vaccine rollouts, there remains some uncertainty over the strength and rate of air travel recovery into the late Summer of 2021. We take some comfort from current forecasts that most EU countries will vaccinate over 80% of their adult populations by the end of September, and we hope this will lead to the removal of all intra-EU travel restrictions, paving the way for a significant short-haul traffic recovery during the peak months of July, August and September.

The Ryanair Group remains poised and ready to respond quickly to any improvements in demand patterns, and we will flex our schedules sooner rather than later to respond to any changes in customer demand and/or Government travel restrictions.

We will emerge from this Covid-19 crisis with a lower cost base, a better business model, and with one of the strongest balance sheets in the industry, which leaves us well positioned to capture further growth over the next 5 years. We are absolutely committed to delivering this growth in a manner that prioritizes customer service, environmental efficiency and rewards our customers, our people and our shareholders for their patience and forbearance over the last year.



Prioritizing Customer Service

As we recover from Covid-19, restore our flights, rebuild our schedules, and welcome back our loyal customer base, we are determined to prioritize and continuously improve our Customer Service.

In recent years, our Customer Service has prioritized the key demands for lowest prices, on time flights, and ease of access to travel services via our internet and mobile platforms. However, our collective Covid-19 experience last year convinces us that we must work harder and faster to continuously improve Customer Service in all areas of our business services.

Already during 2021, we have made it easier for customers to book with Ryanair Airlines by lowering air fares, cutting change fees to zero so that if customer plans (or Covid regulations) change, then customers can change their bookings at ‘zero’ cost. We opened a new Covid Help Centre where customers can interact easily, both online and in person, with our Covid Help Team who will respond promptly and quickly to these customer requests.

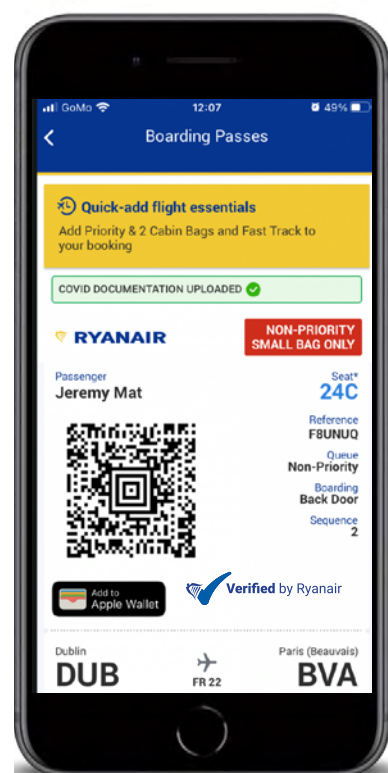
We have now automated all travel voucher issues, cutting our refund process from 7 days to just 24 hours. We have increased and improved communications with customers during flight disruptions or flight cancellations. For the very small minority of customers who make bookings through unauthorized 3rd party screen scrapers, we have established an online cash refund request form to give these consumers easy access to cash refunds and travel vouchers in cases where Ryanair is unable to communicate with them because 3rd party Online Travel Agents have given us fake customer contact and/or fake payment details.



As we emerge out of the Covid-19 pandemic, we must do more for our customers in addition to offering them our lowest fares and the most on time flights. This year, we invite all our customers to rate their trip within 24 hours of flying, and we have set up a Customer Panel, which will meet seasonally to recommend service improvements that we should implement. We are improving our self-service Hub with real time status updates for all customer claims, 100% of customer queries will be tracked online, and we commit that 95% of all queries will be answered within 24 hours of being raised in the Hub.

We plan to further streamline our refund process with vouchers accelerated to issue within 24 hours of flight cancellation and 95% of all cash refund requests will be processed and paid within 5 working days (which is half of the current 10 day limit), and we continue to streamline our customer verification process so that those passengers who have been duped or misled into booking through unauthorized 3rd party agents, can apply for and obtain their refunds quickly and directly from the airline.

We are working hard to improve our day of travel experience. We will shortly rollout real time flight status, boarding gate and FastTrack updates to our mobile app. We have a dedicated "Day of Travel" help team available to help customers during flight disruptions, and we are improving our online access to inflight shopping and pre-order services, so that each customer can obtain the travel services they need, at the prices they love, as we improve not just our Customer Service, but we transform our passenger experience.



Improving Our Environment

At Ryanair, we are committed to growing annual traffic from almost 150m (pre-Covid) to 200m customers p.a. over the next 5 years. We are determined to carry these customers and their families in a way that not just lowers the cost of air travel, but also reduces their impact on the environment. At the heart of Ryanair's environmental revolution will be our \$22bn investment in new technology aircraft, which will deliver more seats per flight, with more leg room for

improved comfort, yet these aircraft burn 16% less fuel, and will reduce noise emissions by 40%. We will maintain our high load factors to ensure every flight maximizes traffic, while minimizing per passenger emissions. We intend to cut our CO2 emissions per passenger/km by 10% over the next decade, and we are committed to be plastic free onboard our aircraft during the next 4 years. We were the first major airline to publish our monthly CO2 emissions, even while we paid over €630m in environmental taxes in 2019, and with our voluntary carbon offset schemes, we are now supporting green partnerships in Ireland, Malawi, Portugal, Turkey and Uganda, all of which invest in reforestation programs, green technology, and improved climate action.



Ryanair continues to work actively with the European Commission and fuel manufacturers to incentivize sustainable aviation fuel use. We are working with A4E and the EU Commission to accelerate reform of the Single European Sky, so we can eliminate ATC delays, and thereby significantly reduce oil consumption and CO2 emissions. We have established a new Sustainable Aviation Research Centre with Trinity College Dublin on a 4 year project to accelerate the development of sustainable aviation fuels, so that as Ryanair grows with new technology aircraft, we can further reduce fuel consumption and CO2 emissions through improved fuel technology. We have committed Ryanair airlines to a new goal to power 12.5% of flights with sustainable aviation fuel usage by 2030.



At Ryanair, we have demonstrated that we can grow traffic while reducing our impact on the environment. Every passenger that switches to Ryanair from one of Europe’s legacy airlines is cutting their CO2 emissions by up to 50% per journey. With our new aircraft, new engine technology, and sustainable aviation fuel investments, we are determined to widen that gap. We have appointed our first Director of Sustainability, so that our ambitious environmental goals are placed at the very center of every management decision and each business strategy. We are delighted, honored and proud to receive our first ever CPD Environmental score of “B-” for climate protection, and we were rated an “A” for environmental corporate governance. We have committed to improving our climate protection score to at least an “A” over the next 2 years. Aviation has a crucial role to play in improving both our mobility and environment over the next decade, and Ryanair will continue to lead environmental action from airlines and aviation in Europe as we reach our goal of achieving zero net carbon by 2050.

Diversity

We are very proud of the major strides our Airline Group has made in recent years in promoting diversity and inclusion within our Board, our management team, and our training and recruitment. We are proud that 40% of the Group Board are female leaders, and over the last 12 months, more than 60% of our promotions to middle and senior management teams have been female. We are now developing and growing female leadership in all areas of the Group, especially in airline safety, finance, customer service, HR, ground operations, rostering, inflight, and in our pilot leadership teams.

We are enhancing our workforce engagement in addition to an extensive series of meetings and contacts with our employees and their unions across all EU countries. We are developing Peer Support Groups, new work life balance policies, to encourage our people to adopt a mix of working from home and from our offices, and we are continuing to refine and improve our world class training and development for aviation professionals. Our Group opened our new €100m training centre in Dublin in addition to our training centres in Milan, London Stansted, East Midlands and Frankfurt, and we hope these new training facilities, which include aircraft simulators, inflight and engineering training aircraft, will improve not just the training but also the experience of new recruits and promotees as they develop their careers within the Ryanair Group of Airlines.



New state of the art Sim Center - Dublin

Looking to the Future

There is no doubt that the airline industry in general, and the Ryanair Airline Group in particular, has suffered a traumatic 12 months, during which our business, our schedules, our profits, our guests and our people have been devastated by the impact of the Covid-19 pandemic. Governments were right to take urgent action to protect public health, but we believe that the successful development and rollout of vaccines will enable a return to pre-Covid normality through the Summer and Autumn of 2021. The Ryanair Group of Airlines have worked hard last year to assist customers with refunds and changes of travel plans. We have striven to minimize job losses through agreed pay cuts, and participating in Government job support schemes, while at the

same time keeping our pilots, cabin crew and aircraft current and ready to resume service once normality returns. We expect a substantial return to pre-Covid traffic volumes through the 2nd half of 2021, and we look forward to returning to pre-Covid growth in Summer 2022 with the help of our new Boeing "Gamechanger" aircraft, new bases including those recently announced in Agadir, Billund, Riga, Stockholm, Turin, Zadar and Zagreb. We have committed ourselves to delivering this growth in an environmentally sustainable manner, which reduces both fuel consumption and CO2 emissions per passenger while, at the same time, improving and extending Ryanair's leading industry customer service and customer experience.



Gamechanger signing, Washington D.C. Dec. 2020.

We are all determined to ensure that as our business and air travel recovers, we can continue to offer the lowest fares, with the most on-time flights, but now with a much reduced environmental impact, and an ever improving customer experience for the benefit of our 150m customers annually, our hard working 15,000 aviation professionals, and also for our shareholders, who have loyally supported us through a very difficult past 12 months, and I hope we can all now look forward to better returns as our business recovers over the next years. We are all working hard here in Ryanair to deliver on these exciting and ambitious challenges.

Yours sincerely,

Michael O'Leary
Group CEO

July 23, 2021

DIRECTORS' REPORT

The Directors present their Annual Report and financial statements of Ryanair Holdings plc (“the Company”), incorporated in the Republic of Ireland, and its subsidiaries (with the Company and the subsidiaries being together “the Group”) for the year ended March 31, 2021.

Review of business activities and future developments in the business

The Company operates a low fares/low-cost, short-haul airline Group and plans to develop this activity by expanding its successful business model on new and existing routes. Information on the Company is set out on pages 102 to 127. A review of the Company’s operations for the year is set out on pages 127 to 139.

Results for the year

Results for the year are set out in the consolidated income statement starting on page 175.

Principal risks and uncertainties

Details of the principal risks and uncertainties are on pages 83 to 101.

Key performance indicators

The key performance indicators are set out on pages 82; 102 to 127; 127 to 139.

Financial risk management

Details of the Group’s financial risk management policies and exposures are set out in Note 13 on pages 200 to 217.

Share capital

The number of ordinary shares in issue at March 31, 2021 was 1,128,062,028 (2020: 1,089,181,737; and 2019: 1,133,395,322). Details of the classes of shares in issue and the related rights and obligations are set out in Note 16 on pages 221 to 223.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing financial personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at its registered office, Airside Business Park, Swords, Co. Dublin, K67 NY94, Ireland.

Company information

The Company was incorporated on August 23, 1996 with a registered number of 249885. It is domiciled in the Republic of Ireland and has its registered offices at Ryanair, Dublin Office, Airside Business Park, Swords, Co. Dublin, K67 NY94, Ireland. It is a public limited company and operates under the laws of Ireland.

People

At March 31, 2021, the Company had a team of over 15,000 aviation professionals.

Substantial interests in share capital

Details of substantial interests in the share capital of the Company, which represent over 3% of the issued share capital, are set out on page 147. At March 31, 2021 the free float in shares was 95.98%.

Directors and Company Secretary

The names of Directors who served throughout fiscal year 2021 are: Róisín Brennan; Michael Cawley; Emer Daly; Stan McCarthy; Howard Millar; Dick Milliken; Mike O'Brien; Michael O'Leary; Julie O'Neill; and Louise Phelan. David Bonderman and Kyran McLaughlin retired from the Board on May 31, 2020.

Juliusz Komorek served as Company Secretary. Details of the appointment and re-election of Directors are on page 17.

Interests of Directors and Company Secretary

The Directors who held office at March 31, 2021 had no interests other than those outlined in Note 20(d) on page 229 in the shares of the Company or other Group companies.

Directors' and Senior Executives' remuneration

The Company's policy on Senior Executive remuneration is to reward its Executives competitively, but in the context of a low-cost airline Group, having regard to the comparative marketplace in Europe, in order to ensure that they are motivated to perform in the best interests of the shareholders. Details of remuneration paid to key management personnel (defined as including each director, whether executive or otherwise, of the Group, as well as the Executive team reporting to the Board of Directors) is set out in Note 28 on page 235. Details of total remuneration paid to the Directors is set out in Note 20 on page 227.

Executive Director's service contract

In February 2019, Michael O'Leary signed a 5-year contract as Group CEO, commencing on April 1, 2019, which commits him to the Company until July 31, 2024. Mr. O'Leary is subject to a covenant not to compete with the Group within the EU for a period of two years after the termination of his employment. Mr. O'Leary's employment agreement does not contain provisions providing for compensation on its termination.

Dividend policy

Details of the Company's dividend policy are disclosed on page 150.

Share buybacks

There were no shareholders returns in the year ended March 31, 2021.

In the year ended March 31, 2020 the Company bought back 47.2m ordinary shares at a total cost of €581m. These buybacks were equivalent to approximately 4.2% of the Company's issued share capital at March 31, 2019. All of these repurchased shares were canceled at March 31, 2020.

In the year ended March 31, 2019 the Company bought back 37.8m shares at a total cost of €561m. These buybacks were equivalent to approximately 3.2% of the Company's issued share capital at March 31, 2018. All of these repurchased shares were canceled at March 31, 2019.

In the year ended March 31, 2021 the Company issued approximately 35.2m shares under a non-pre-emptive placing to institutional investors and certain of the Company's directors and members of its senior management team.

The shares were issued at a price of €11.35 per share raising gross proceeds of approximately €400m. The shares issued represented approximately 3.2% of the Company's issued share capital immediately prior to the placing.

Directors' Compliance Statement

The Company complies with its relevant obligations (as defined in the Companies Act 2014). The Directors have drawn up a compliance policy statement (as defined in section 225(3)(a) of the Companies Act 2014) and appropriate arrangements and structures are in place that are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. The Directors confirm that these arrangements and structures were reviewed during the financial year. As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for the Company's compliance with the relevant obligations. In discharging their responsibilities under Section 225, the Directors relied on the advice both of persons employed by the Company and of persons retained by the Company under contract, who they believe have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations.

Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

Accountability and audit

The Directors have set out their responsibility for the preparation of the financial statements on page 65. They have also considered the going concern position of the Company and their conclusion is set out on pages 30 to 31.

The Board established an Audit Committee whose principal tasks are to consider financial reporting and internal control issues. The Audit Committee, which consists exclusively of independent Non-Executive Directors, meets at least quarterly to review the financial statements of the Company, to consider internal control procedures and to liaise with internal and external auditors. In the year ended March 31, 2021 the Audit Committee met on 8 occasions. At least quarterly, the Audit Committee receives an extensive report from the Head of Internal Audit detailing the reviews performed in the year to date, and an enterprise risk assessment of the Group. This report is used by the Audit Committee and the Board of Directors, as a basis for determining the effectiveness of internal control. The Audit Committee regularly considers the performance of internal audit and how best financial reporting and internal control principles should be applied.

In addition, the Audit Committee has responsibility for appointing, setting compensation and overseeing the work of the independent auditor. The Audit Committee pre-approves all audit and permissible non-audit services provided by the independent auditor.

Social, ethical report

See pages 146 for details of staff and labor relations.

See pages 123 to 125 for details on environmental policies.

See page 171 for details of Ryanair's Code of Ethics.

See page 25 for details of Ryanair's Code of Business Conduct.

See page 58 for details of Anti-Bribery & Corruption policy.

See page 20 for details the Group's policies in respect of diversity.

Air safety & security

Commitment to air safety and security is a priority of the Company. See page 112 for details.

Critical accounting policies

Details of the Company's critical accounting policies are set out on page 129.

Subsidiary companies

Details of the principal subsidiary undertakings are disclosed in Note 28 on page 235.

Political contributions

During the financial years ended March 31, 2021, 2020 and 2019 the Company made no political contributions which require disclosure under the Electoral Act, 1997.

Corporate Governance Report

The Corporate Governance Report on pages 15 to 32 forms part of the Directors' Report.

Post balance sheet events

Details of significant post balance sheet events are set out in Note 27 to the consolidated financial statements on page 234.

Auditor

The auditor, KPMG, Chartered Accountants, who were appointed in 1985, will continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014. As required under Section 381(1)(b) of the Companies Act 2014, a resolution authorising the Directors to determine the remuneration of the auditor will be proposed at the 2021 AGM.

Annual General Meeting

The Annual General Meeting will be held at 9.00a.m. on September 16, 2021 in the Ryanair Technical Centre, 230/240 Lakeshore Drive, Airside Business Park, Swords, Co. Dublin, Ireland.

On behalf of the Board,

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

CORPORATE GOVERNANCE REPORT

Ryanair has its primary listing on Euronext Dublin, a standard listing on the London Stock Exchange and its American Depositary Shares are listed on the NASDAQ. The Directors are committed to maintaining the highest standards of corporate governance and this statement describes how Ryanair has applied the main and supporting principles of the 2018 U.K. Corporate Governance Code (the “2018 Code”), the version of the Code in force during the year ended March 31, 2021. This Report also covers the disclosure requirements set out in the Irish Corporate Governance Annex to the Listing Rules of Euronext Dublin, which supplements the 2018 Code with additional corporate governance provisions and is also applicable to Ryanair.

A copy of the 2018 Code can be obtained from the Financial Reporting Council’s website, www.frc.org.U.K.. The Irish Corporate Governance Annex is available on Euronext Dublin’s website, www.euronext.com.

The Board of Directors (“the Board”):

Roles

The Board of Ryanair is responsible for the leadership, strategic direction and oversight of management of the Group. The Board’s primary focus is on strategy formulation, policy and control. It has a formal schedule of matters specifically reserved to it for its attention, including matters such as approval of the annual budget, large capital expenditure, and key strategic decisions.

Other matters reserved to the Board include treasury policy & procedures, internal control, audit and risk management, remuneration of the Non-Executive Director and Executive management and corporate governance. The Board has delegated responsibility for the management of the Group to the Group CEO and the Senior Management team. There is a clear division of responsibilities between the Chairman and the Group CEO, which is set out in writing and has been approved by the Board.

Chairman

Stan McCarthy has served as the Chairman of the Board since June 2020, when he replaced David Bonderman. Mr. McCarthy became Deputy Chairman in April 2019 and was appointed a Director in May 2017. The Chairman’s primary responsibility is to lead the Board, to ensure that it has a common purpose, is effective as a group and at individual Director level and that it upholds and promotes high standards of integrity and corporate governance. He ensures that Board agendas cover the key strategic issues confronting the Group; that the Board reviews and approves management’s plans for the Group; and that Directors receive accurate, timely, clear and relevant information.

The Chairman is the link between the Board and the Company. He is specifically responsible for establishing and maintaining an effective working relationship with the Group CEO, for ensuring effective and appropriate communications with shareholders and for ensuring that members of the Board develop and maintain an understanding of the views of shareholders.

While Stan McCarthy holds a small number of other Directorships (see page 139), the Board considers that these do not interfere with the discharge of his duties to Ryanair.

Senior Independent Director

The Board has appointed Louise Phelan as the Senior Independent Director (SID). She is available to shareholders who have concerns that cannot be addressed through the Chairman, Group CEO or Group CFO and leads the annual Board review of the performance of the Chairman.

Company Secretary

The appointment and removal of the Company Secretary is a matter for the Board. All Directors have access to the advice and services of the Company Secretary (Juliusz Komorek), who is responsible to the Board for ensuring that Board procedures are complied with.

Membership

The Board consists of one Executive and nine Non-Executive Directors following the retirement of Messrs. Bonderman and McLaughlin at the end of May 2020. It is the practice of Ryanair that a majority of the Board will be Non-Executives, each considered by the Board to be independent, and the Chairman is Non-Executive. The Board considers the current size, composition and diversity of the Board to be appropriate. 40% of the current board are female. The composition of the Board and the principal Board Committees are set out below. Biographies of the Directors are available on pages 139 to 140. The Board, with the assistance of the Nomination Committee, keeps Board composition under review to ensure that it includes the necessary mix of relevant skills and experience required to perform its role.

Each Director has extensive business experience, which they bring to bear in governing the Company. The Board considers that, between them, the Directors bring the range of skills, knowledge, diversity, and experience, including international and aviation experience, necessary to lead the Group. The Chairman has significant public company experience. Historically, the Company has always separated the roles of Chairman and Group CEO for the running of the business and implementation of the Board's strategy and policy.

Stan McCarthy (Non Exec Chairman)



Independent: Yes
Years: 4
Committee:
E Executive
N Nomination (Chair)

Louise Phelan (Non Exec-SID)



Independent: Yes
Years: 8
Committee:
E Executive (Chair)
N Nomination

Róisín Brennan (Non Exec)



Independent: Yes
Years: 3
Committee:
A Audit
R Remuneration

Michael Cawley (Non Exec)



Independent: Yes
Years: 7
Committee:
E Executive
R Remuneration

Emer Daly (Non Exec)



Independent: Yes
Years: 3
Committee:
A Audit

Howard Millar (Non Exec)



Independent: Yes
Years: 6
Committee:
E Executive
N Nomination

Dick Milliken (Non Exec)



Independent: Yes
Years: 8
Committee:
A Audit (Chair)

Mike O'Brien (Non Exec)



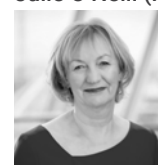
Independent: Yes
Years: 5
Committee:
S Safety & Security (Co-Chair)

Michael O'Leary (Exec)



Independent: No
Years: 25
Committee:
E Executive

Julie O'Neill (Non Exec)



Independent: Yes
Years: 8
Committee:
R Remuneration (Chair)

Appointment

Directors are appointed following selection by the Nomination Committee and approval by the Board and must be elected by the shareholders at the following Annual General Meeting. The focus of the Board, through the Nomination Committee, is to maintain a Board with the relevant expertise, quality and experience required by Ryanair to advance the Company and shareholder value. Ryanair recognizes the benefits of diversity, including gender diversity. Ryanair's Articles of Association require that all of the Directors retire and offer themselves for re-election within a three-year period. All Directors, however, will be offering themselves for re-election at the AGM on September 16, 2021.

Dick Milliken is Chair of the Audit Committee, Stan McCarthy is Chair of the Nomination Committee ("Nomco"), and Julie O'Neill is Chair of the Remuneration Committee ("Remco").

Senior Management regularly briefs the Board, including new members, in relation to operating, financial, environmental and strategic issues concerning the Ryanair Group. The Board also has direct access to senior management, as required, in relation to any issues they have concerning the operation of the Company. The terms and conditions of appointment of Non-Executive Directors are set out in their letters of appointment, which are available for inspection at the Company's registered office during normal office hours and at the Annual General Meeting of the Company.

Other relevant factors

Non-Executive Directors hold share options over a small quantity of shares as set out on page 229. Whilst the 2018 Code notes that the remuneration of Non-Executive Directors should not ordinarily include share options, the Company has a NASDAQ listing and has a substantial U.S. shareholder base. The granting of share options to Non-Executive Directors to align interests of shareholders and Directors is an established market practice in the U.S. which is generally encouraged by U.S. investors. The Company in accordance with the 2018 Code sought and received shareholder approval to make these share option grants to its Non-Executive Directors and the Board believes the modest number of options granted to Non-Executive Directors does not impair their independence of judgement and character. Following consultation with key shareholders and the approval of a new Long Term Incentive Plan ("LTIP 2019") by shareholders at the 2019 AGM, which replaced the previous 2013 Share Options Plan for all future share based payments, the Non-Executive Directors will not receive any further share option grants or performance based shares.

With the exception of the historic modest grant of share options, there were no relationships or circumstances of relevance under the 2018 Code impacting Non-Executive Directors independence.

Furthermore, in line with best governance practices, Ryanair has adopted a policy whereby all Directors retire on an annual basis and being eligible for re-election, offer themselves for election. This therefore affords Ryanair's shareholders an annual opportunity to vote on the suitability of each Director.

The Nomination Committee have confirmed to the Board that it considers all Directors offering themselves for re-election at the 2021 AGM to be independent and that they continue to effectively contribute to the work of the Board. The Nomination Committee recommends that the Company accept the re-election of the Directors.

Board Procedures

All Directors have access to the advice and services of the Company Secretary and the Board has established a procedure whereby Directors wishing to obtain advice in the furtherance of their duties may take independent professional advice at the Company's expense.

Directors meet with key Executives with a particular focus on ensuring Non-Executive Directors are fully informed on issues of relevance to Ryanair and its operations. Extensive papers on key business issues are provided to

all Directors in connection with the Board and Committee meetings. All Directors are encouraged to update and refresh their skills and knowledge, for example, through attending courses on technical areas or external briefings for Non-Executive Directors.

The Company has Directors' and Officers' liability insurance in place in respect of any legal actions taken against the Directors in the course of the exercise of their duties. New Non-Executive Directors are encouraged to meet the Executive Director and senior management for briefing on the Group's developments and plans.

Independence

The Board has carried out its annual evaluation of the independence of each of its Non-Executive Directors, taking account of the relevant provisions of the 2018 Code, namely, whether each Director is independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. The Board regards all of the Non-Executive Directors at the date of this report as independent and has concluded that no one individual or group exerts an undue influence on others.

Within its independence review, the Board has considered the following items with respect to certain individual Non-Executive Directors.

Director & Role	Circumstances of relevance under the 2018 Code in determining independence	Basis upon which the Board has determined independence	Status within the spirit and meaning of the 2018 Code
M. Cawley Non-Exec.	Served as Deputy CEO of Ryanair from 2003 to March 2014.	The Board considered Michael Cawley's outside business interests, as well as the (6 month) gap between finishing his Executive role and his election to the Board in 2014 and concluded that his previous employment with Ryanair did not compromise his independence of judgement and character. Additionally, as it is more than 5 years since he served as a Company Manager, Michael Cawley is considered to be independent under the 2018 Code.	Independent
H. Millar Non-Exec.	Served as Deputy CEO of Ryanair from 2003 to December 2014.	The Board considered Howard Millar's outside business interests and the (9 month) gap between finishing his Executive role in 2014 and his election to the Board in 2015 and concluded that his previous employment with Ryanair did not compromise his independence of judgement and character. Additionally, as it is more than 5 years since he served as a Company Manager, Howard Millar is considered to be independent under the 2018 Code.	Independent
M. O'Brien Non-Exec.	Served as Chief Pilot and Flight Ops Manager of Ryanair from 1987 to 1991.	The Board considered Mike O'Brien's outside business interests, as well as the gap (25 years) between finishing his Executive role with Ryanair and his election to the Board in 2016 and concluded that his previous employment with Ryanair did not compromise his independence of judgement and character.	Independent

Meetings

The Board meets at least quarterly and in the year to March 31, 2021 the Board convened meetings on 23 occasions. Individual attendance at these meetings is set out in the table on page 25. Detailed Board papers are circulated in advance so that Board members have adequate time and information to be able to participate fully at the meeting.

The holding of detailed Board meetings and the fact that many matters require Board approval, demonstrates that the running of the Company is firmly in the hands of the Board. The Non-Executive Directors meet periodically without Executives being present. Led by the Senior Independent Director, the Non-Executive Directors meet without the Chairman present at least annually to appraise the Chairman's performance and on such other occasions as are deemed appropriate.

Remuneration

Details of remuneration paid to the Directors are set out in Note 20 on page 227. Also, please see the Report of the Remuneration Committee on Directors' Remuneration on page 59.

Non-Executive Directors

Non-Executive Directors are remunerated primarily by way of modest Directors' fees. Full details are disclosed in Note 20(b) and 20(d) on pages 228 to 229.

Executive Director Remuneration

The Group CEO is the only Executive Director on the Board. In addition to his base salary he is eligible for a performance bonus of up to 100% of base salary dependent upon the achievement of certain financial and personal targets. It is considered that the significant shareholding of the Group CEO as well as share options granted as part of his contract extension in 2019, acts to align his interests with those of shareholders and gives him a keen incentive to perform to the highest levels. Full details of the Executive Director's remuneration are set out in Note 20(a) on page 227.

Share Ownership and Dealing

Details of the Directors' interests in Ryanair shares are set out in Note 20(d) on page 229.

The Board has adopted a code of dealing, to ensure compliance with the Listing Rules of Euronext Dublin and the U.K. Financial Conduct Authority, applicable to transactions in Ryanair shares, debt instruments, derivatives or other financial instruments by persons discharging managerial responsibilities ("PDMRs") (e.g. Directors), persons closely associated with persons discharging managerial responsibilities ("PCAs") and relevant Company employees (together, "Covered Persons"). The code of dealing also includes provisions which are intended to ensure compliance with U.S. securities laws and regulations of the NASDAQ National market. Under the code, Covered Persons are required to notify the Company and in the case of PDMRs and PCAs only, the Central Bank, of any transaction conducted on their own account in Ryanair shares, debt instruments, derivatives or other financial instruments. Directors are also required to obtain clearance from the Chairman or Group CEO (or other person designated for such purpose) before undertaking such transactions, whilst Covered Persons who are not Directors must obtain clearance from designated senior management. Covered Persons are prohibited from undertaking such transactions during Closed Periods as defined by the code and at any time during which the individual is in possession of inside information (as defined in the E.U. Market Abuse Regulation (596/2014)) in respect of the EU ("EU MAR") and, in respect of the UK, the retained version of EU MAR that applies in the UK from January 1, 2021.

Board Succession and Structure

The Board plans for its own succession with guidance from the Nomination Committee. The Nomination Committee regularly reviews the structure, size and composition (including the skills, knowledge and experience) required of

the Board compared to its current position with regard to the strategic needs of Ryanair and recommends changes to the Board. There is a formal, thorough and transparent procedure for the appointment of new Directors to the Board. The Nomination Committee identifies and selects candidates on merit against objective criteria, to ensure that the Board has the skills, knowledge and expertise required. The Nomination Committee has access to external advisors/recruiters as required and, during the past year, engaged PwC to assist with Board succession planning.

The Board currently comprises 10 Directors. The Group CEO is the only Executive Director. The 9 Non-Executive Directors include Chairman Stan McCarthy and Senior Independent Director Louise Phelan. Biographies of all current Directors are set out on pages 139 to 140. Ryanair considers that the Board has the correct balance and depth of skills, knowledge, expertise and experience to optimally lead the Company and that all Directors give adequate time to the performance of their duties and responsibilities.

Ryanair considers that all Directors discharge their directorial duties with the objectivity and impartiality they have demonstrated since commencing their respective roles and has determined that each of the Non-Executive Directors is independent. In reaching that conclusion, Ryanair considered the character, judgement, objectivity and integrity of each Director and had due regard for the 2018 Code. Ryanair continually endeavors to maintain the quality and independence of its Board.

Diversity

The Board is supportive of the target that women should represent 33% of boards and is pleased that 40% of the Company's Directors are female. Diversity is a key criteria for the Board as part of its renewal and succession plans, and the Board appoints members based on merit without discriminating on age, gender, race, colour, religious or social beliefs, sexual orientation, disability or any other factors.

Workforce Engagement

In June 2020 Róisín Brennan was appointed Ryanair's Non-Executive Director with oversight of workforce engagement.

Board Committees

The Board of Directors has established a number of committees, including the following:

1. AUDIT COMMITTEE

The Board of Directors established the Audit Committee in September 1996.

Names and qualifications of members of the Audit Committee:

The Audit Committee currently comprises 3 Non-Executive Directors who are independent for the purposes of the listing rules of the NASDAQ and the U.S. federal securities laws: Dick Milliken (Chair), Róisín Brennan and Emer Daly. The Board has determined that Dick Milliken is the Committee's financial expert. It can be seen from the Directors' biographies appearing on page 139 to 140, that the members of the committee bring to it a wide range of experience and expertise, much of which is particularly appropriate for membership of the Audit Committee.

Number of Audit Committee meetings:

The Committee met 8 times during the year ended March 31, 2021. Individual attendance at these meetings is set out in the table on page 25. The Group CFO, the Head of Internal Audit and other senior Finance and IT managers (as required) normally attend meetings of the Committee. The external auditors attend as required and have direct access to the Committee Chair at all times. The Committee also meets separately at least once a year with the external auditors and with the Head of Internal Audit without Executive management being present. The Head of Internal Audit has direct access to the Audit Committee Chair at all times.

Summary of the role of the Audit Committee:

The role and responsibilities of the Committee are set out in its written terms of reference, which are available on the Company's website at <https://investor.ryanair.com>, and include:

- Monitoring the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, profit guidance and reviewing significant financial reporting judgements contained therein;
- Considering significant issues in relation to the financial statements, having regard to matters communicated to it by the auditors;
- Reviewing the interim and annual financial statements, Annual Report and Form 20-F before submission to the Board including advising the Board whether, taken as a whole, the content of the Annual Report and Form 20-F is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy;
- Reviewing the effectiveness of the Group's internal financial controls and risk management systems;
- Monitoring and reviewing the effectiveness of the Group's Internal Audit function;
- Considering and making recommendations to the Board in relation to the appointment, reappointment and removal of the external auditors and approving their terms of engagement;
- Reviewing with the external auditors the plans for and scope of each annual audit, the audit procedures to be utilized and the results of the audit;
- Approving the remuneration of the external auditors, in particular ensuring that the pre-approval of non-audit services pertains only to those services deemed permissible under Statutory Instrument No. 312 of 2016 and U.S. SEC rules;
- Assessing annually the independence and objectivity of the external auditors and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements and the relationship with the external auditors as a whole, including the provision of any non-audit services;
- Reviewing the Group's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensuring that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action; and
- Reviewing the terms of reference of the Committee annually.

These responsibilities of the Committee are discharged in the following ways:

- The Committee reviews the interim and Annual Reports as well as any formal announcements relating to the financial statements and guidance before submission to the Board. The review focuses particularly on any changes in accounting policy and practices, major judgemental areas and compliance with stock exchange, legal and regulatory requirements. The Committee receives reports from the external auditors identifying any accounting or judgemental issues requiring its attention;
- The Committee also meets with management and external auditors to review the Annual Report and Form 20-F, which is filed annually with the Irish Companies Office, the National Storage Mechanism in the U.K. and with the United States Securities and Exchange Commission respectively;
- The Committee regularly reviews risk management reports completed by management;
- The Committee conducts an annual assessment of the operation of the Group's system of internal control based on a detailed review carried out by the internal audit function. The results of this assessment are reviewed by the Committee and are reported to the Board;
- The Committee makes recommendations to the Board in relation to the appointment of the external auditor. Each year, the Committee meets with the external auditor and reviews their procedures and the safeguards which have been put in place to ensure their objectivity and independence in accordance with regulatory and professional requirements;
- The Committee reviews and approves the external audit plan and the findings from the external audit of the financial statements;

- The Committee receives reports from the Head of Internal Audit detailing the reviews performed during the year and a risk assessment (including a semi-annual Enterprise Risk Management Register) of the Company;
- The Committee has a process in place to ensure the independence of the external auditor is not compromised, which includes monitoring the nature and extent of services provided by the external auditor through its annual review of fees paid to the external auditor for audit and non-audit services. Pre-approval from the Committee is required for all non-audit services to be provided by the external auditor. The Committee's review process was reviewed and updated during fiscal year 2017 to ensure full compliance with EU Audit Reform legislation which is applicable to the Company's financial year commencing April 1, 2017. Only those services deemed permissible under Statutory Instrument No. 312 of 2016 and U.S. SEC rules, may be provided by the external auditor. Accordingly, the external auditor is permitted to provide non-audit services that are not, or not perceived to be, in conflict with auditor independence, provided it has the skill, experience, competency and integrity to perform the work, and is considered by the Committee to be the most appropriate party to provide such services in the best interests of the Company. Furthermore, effective for the financial year which is the subject of this report, permitted non-audit services will be capped at 70% of the average statutory audit fees over the preceding three years. Details of the amounts paid to the external auditors during the year for audit and other services are set out in Note 20 on page 227; and
- The Committee receives presentations in areas such as treasury and taxation operations, ESG, information systems and security, including cyber security, in relation to the Group.

In addition, the Committee was requested by the Board to consider whether the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. In doing so, the Committee considered whether the financial statements are consistent with the Chairman's Report, the Group CEO's Report and operating and financial information elsewhere in the Annual Report.

In considering the fairness, balance and understandability of the Annual Report, the Committee had regard to the significant issues considered by the Committee in relation to the financial statements, set out below. Each of these significant issues was addressed in the report received from the external auditor and was discussed with management and the external auditor.

The Committee reported to the Board its conclusion that the Annual Report, taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Significant issues considered by the Committee in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditors:

- On page 129, the critical accounting policy for long lived assets is disclosed. There is a detailed description of the matters of estimate and the judgmental issues arising from the application of the Company's policy for accounting for such assets and how the Company dealt with these. The Audit Committee had detailed discussions with management around its conclusions in relation to the expected useful lives of the assets, the expected residual value of the assets, the estimated cost of major airframe and engine overhaul, and whether there are impairment indicators in respect of the assets. In particular, the Audit Committee considered manufacturers' recommendations, expert valuation analysis and other available marketplace information in respect of the expected useful and residual lives of the assets, and whether there were any impairment indicators associated with Ryanair's aircraft fleet. The Committee agreed with management's approach and conclusions in relation to the accounting for long lived assets.
- Also on page 130, the critical accounting policy for the hedging of derivative financial instruments is disclosed, which provides a detailed description of the significant judgements involved in the determination of the effectiveness of the Company's jet fuel and aircraft purchase hedge arrangements.

The Audit Committee had detailed discussions with management concerning the judgements involved in:

- (i) determining the timing of the removal of flight restrictions imposed by European governments relating to the Covid-19 pandemic, the expected recovery of passenger demand and the revised flight schedules for fiscal year 2022, all of which have an impact on the effectiveness of the Company's jet-fuel hedges; and
 - (ii) the timing of future payments for aircraft purchases that are dependent on the aircraft manufacturer's ability to meet forecast aircraft delivery schedules, which can impact on the effectiveness of the Company's hedges of future aircraft purchases.
- In considering management's assessment of the Group's ability to continue as a going concern, the Committee had regard to available sources of finance including access to the capital markets, sale & leaseback transactions, secured debt structures, gross cash of approximately €3.15bn at March 31, 2021 and the sensitivity to changes in these items. The Committee considered the Group's cash generation and preservation projections throughout the Covid-19 crisis and through to the end of the current aircraft purchase program (over the next five years). On the basis of the review performed, and the discussions held with management, the Committee was satisfied that it was appropriate that the financial statements should continue to be prepared on a going concern basis, and that there were no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern which need to be disclosed in the Annual Report. Please also refer to the Company's Viability Statement on page 31.

The Committee considered the requirements under section 225 of the Irish Companies Act 2014 in relation to the Directors' Compliance Statement which applied to the Company for the year ended March 31, 2021 and has ensured that the Directors are aware of their responsibilities and fully comply with this provision.

In addition, the Committee updated the prior year evaluation of the external audit process. The Committee considered a range of factors including the quality of service provided, the specialist expertise of the external auditor, the level of audit fees and independence. The Committee have evaluated the work completed by the external auditor in the year to March 31, 2021, taking into account the fees paid to KPMG, and are satisfied with their effectiveness, objectivity and their independence.

The Committee typically meets the external auditors 4 times per year. At these meetings:

- The external audit plan is considered and approved;
- The quarterly, interim and annual results are considered and are recommended to the Board for approval, following consideration of the significant issues relating to these matters, having regard to matters communicated to the Audit Committee by the external auditors;
- The Annual Report and Form 20-F, which is filed annually with the United States Securities and Exchange Commission, Euronext Dublin and the London Stock Exchange, is considered and recommended to the Board for approval;
- The procedures and safeguards which the external auditors have put in place to ensure their objectivity and independence in accordance with regulatory and professional requirements are reviewed;
- The letters of engagement and representation are reviewed; and
- The fees paid to the external auditor for audit and non-audit work are reviewed, to ensure that the fee levels are appropriate, and that audit independence is not compromised through the level of non-audit fees and the nature of non-audit work carried out by the external auditor. The Committee's policy is to expressly pre-approve every engagement of Ryanair's independent auditor for all audit and non-audit services provided to the Company. Only those services deemed permissible under Statutory Instrument No. 312 of 2016 and U.S. SEC rules may be provided by the external auditor.

KPMG have been auditor to Ryanair since the incorporation of Ryanair DAC in 1985. The last external audit tender was conducted in 2010 and detailed consideration was given to the external audit arrangements in 2013. Under the requirements imposed by EU Audit Reform legislation for the rotation of the external auditor, KPMG will be required to cease acting as statutory auditor effective for the Company's financial year ending March 31, 2024.

2. EXECUTIVE COMMITTEE

The Executive Committee can exercise the powers exercisable by the full Board of Directors in circumstances in which action by the Board of Directors is required but it is impracticable to convene a meeting of the full Board of Directors. Louise Phelan (Chair), Michael Cawley, Stan McCarthy, Howard Millar and Michael O'Leary are the members of the Executive Committee.

3. NOMINATION COMMITTEE

Stan McCarthy (Chair), Howard Millar and Louise Phelan are the members of the Nomination Committee. The Nomination Committee assists the Board in ensuring that the composition of the Board and its Committees is appropriate to the needs of the Company by:

- Assessing the skills, knowledge, experience and diversity required on the Board and the extent to which each are represented;
- Establishing processes for the identification of suitable candidates for appointment to the Board; and
- Overseeing succession planning for the Board and senior management.

The role and responsibilities of the Nomination Committee are set out in its written terms of reference, which are available on the Company's website, <https://investor.ryanair.com>. The Nomination Committee uses its members' extensive business and professional contacts, as well as the services of professional advisors/recruitment specialists, to identify suitable candidates. The Terms of Reference of the Nomination Committee are reviewed annually. The focus of the Nomination Committee is to maintain a Board which comprises the necessary expertise, quality and experience required by Ryanair to advance the Company and shareholder value. Ryanair recognizes the benefits of gender diversity.

4. REMUNERATION COMMITTEE

The Remuneration Committee has authority to determine the remuneration of Senior Executives of the Company and to administer the share based remuneration plans described below. Senior Management remuneration is comprised of a fixed basic pay and performance related bonuses which are awarded based on a combination of the achievement of individual objectives and the Company's financial performance measured against the annual budget. The Remuneration Committee determines the remuneration and bonuses of the Group CEO, who is the only Executive Director. Julie O'Neill (Chair), Róisín Brennan and Michael Cawley are the members of the Remuneration Committee.

The role and responsibilities of the Remuneration Committee are set out in its written terms of reference, which are available on the Company's website, <https://investor.ryanair.com>. The terms of reference of the Remuneration Committee are reviewed annually.

5. SAFETY & SECURITY COMMITTEE

The Ryanair Air Safety and Security Committee reviews and discusses air safety and security related issues. The Committee reports to the Board of Directors each quarter. Members include; Mike O'Brien and the Ryanair Accountable Manager, Neil Sorahan (who both act as co-chair), as well as the following Executive Officers of Ryanair: Carol Sharkey (Chief Risk Officer), Eddie Wilson (Ryanair CEO) and Aidan Murray (Chief Pilot). Nominated Persons and a number of other managers are invited to attend.

A Ryanair Group Safety & Security Committee has also been established to review air safety and security related issues across all Group Airlines. This Committee includes Carol Sharkey, Ryanair’s Chief Risk Officer (who acts as chair), the Accountable Managers of each of the Ryanair Group Airlines and Mike O’Brien. This forum also facilitates the sharing of best safety and security practice across the Group. The Ryanair Group Safety & Security Committee reports to the Board of Directors each quarter.

Code of Business Conduct

Ryanair’s standards of integrity and ethical values have been established and are documented in Ryanair’s Code of Business Conduct, which incorporates the Group’s Anti-Bribery & Corruption policy. This code is applicable to all Ryanair Group employees. There are established channels for reporting code violations or other concerns in a confidential manner. The Personnel Department investigates any instances and the Head of Internal Audit reports findings directly to the Audit Committee. The Code is available on the Company’s website, <https://investor.ryanair.com>.

Attendance at Board and Committee Meetings

Name	Board	Audit	ExexCo	NomCo	RemCo	Safety & Security
Mr. S. McCarthy (Chairman)	23/23	-	5/5	5/5	-	-
Ms. R. Brennan	23/23	8/8	-	-	4/4	-
Mr. M. Cawley	21/23	-	5/5	-	4/4	-
Ms. E. Daly	22/23	7/8	-	-	-	-
Mr. H. Millar	21/23	-	5/5	5/5	-	-
Mr. D. Milliken	23/23	8/8	-	-	-	-
Mr. M. O’Brien	23/23	-	-	-	-	4/4
Mr. M. O’Leary	23/23	-	5/5	-	-	-
Ms. J. O’Neill	23/23	-	-	-	4/4	-
Ms. L. Phelan (SID)	23/23	-	5/5	5/5	-	-

Note: Committee membership was refreshed on June 1, 2020 as set out on page 16.

Performance Evaluation

The Board has established a formal process to annually evaluate the performance of the Board, that of its principal Committees, the Audit, Nomination and Remuneration Committees, and that of the Group CEO, the Chairman and individual Non-Executive Directors. Based on the evaluation process completed, the Board considers that the principal Committees have performed effectively throughout the year. As part of the Board evaluation of its own performance, questionnaires are circulated to all Directors. The questionnaire is designed to obtain Directors’ comments regarding the performance of the Board, the effectiveness of Board communications, the ability of Directors to contribute to the development of strategy and the effectiveness with which the Board monitors risk and oversees Ryanair’s progress. Directors are also invited to make recommendations for improvement. The Board of Directors considered that the self-assessment process followed by Ryanair provides sufficient insights into the effectiveness of the Board, creates a roadmap of areas for improvement, and enhances the performance and effectiveness of the Board.

The Chairman, on behalf of the Board, reviews the evaluations of performance of the Non-Executive Directors on an annual basis. The Non-Executive Directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the Executive Director.

The Non-Executive Directors also evaluate the performance of the Executive Director. These evaluations are designed to determine whether each Director continues to contribute effectively and to demonstrate commitment to the role.

The Board considers the results of the evaluation process and any issues identified. The above evaluations were conducted in May 2020 and were presented to the Board at the September 2020 Board meeting in respect of the year under review. The May 2021 evaluations will be presented to the Board at the September 2021 Board meeting.

Shareholders

Ryanair recognizes the importance of communications with shareholders. Ryanair communicates with its shareholders following the release of quarterly and annual results directly via roadshows, recorded results presentations made available on the investor relations section of our website (investor.ryanair.com), investor days, conferences and/or by analyst calls. The Group CEO, Group CFO, Director of Sustainability, Head of Investor Relations, and other senior managers participate in these events.

During the year ended March 31, 2021 the Company held discussions with a substantial number of institutional investors, analysts, The Investor Forum, ESG advisors (incl. MSCI, Sustainalytics and ISS-Governance) and proxy advisor firms (incl. Glass Lewis, ISS and PIRC). Additionally, Non-Executive Directors including the Chairman, Senior Independent Directors, Committee Chairs and Workforce Engagement Director (as appropriate) meet shareholders at the company's semi-annual Shareholder Corporate Governance & ESG forums.

The Board is kept informed of the views of shareholders through the Executive Director and Senior Management (including the Group CFO, Head of Investor Relations and Director of Sustainability). Furthermore, broker feedback from roadshow meetings and investor relations analyst reports are provided to the entire Board on a regular basis. In addition, the Board determines, on a case by case basis, specific issues where it would be appropriate for the Chairman, Senior Independent Director, Workforce Engagement Director and/or Chairs of other Board Committees to communicate directly with shareholders or to indicate that they are available to communicate if shareholders so wish. If any of the Non-Executive Directors wishes to attend meetings with major shareholders, arrangements are made accordingly.

General Meetings

All shareholders are given adequate notice of the Annual General Meeting ("AGM") at which a Director reviews the results and comments on current business activity. Financial, operational and other information on the Company is provided on the Company website, <https://investor.ryanair.com>.

Ryanair will continue to propose a separate resolution at the AGM on each substantially separate issue, including a separate resolution relating to the Directors' Report and financial statements. The Board Chair and the Chair of the Audit and Remuneration Committees are available to answer questions from all shareholders.

The Group CEO makes a presentation at the AGM on the Group's business and its performance during the prior year and answers questions from shareholders. The AGM affords shareholders the opportunity to question the Chairman and the Board.

All holders of Ordinary Shares are entitled to attend, speak and vote at general meetings of the Company, subject

to limitations described under note “Limitations on Share Ownership by Non-EU Nationals” on page 156. In accordance with Irish company law, the Company specifies record dates for general meetings, by which date shareholders must be registered in the Register of Members of the Company to be entitled to attend. Record dates are specified in the notes to the Notice convening the meeting.

Shareholders may exercise their right to vote by appointing a proxy or proxies, by electronic means or in writing, to vote some or all of their shares. The requirements for the receipt of valid proxy forms are set out in the notes to the Notice convening the Meeting.

A shareholder or group of shareholders, holding at least 5% of the issued share capital, has the right to requisition an extraordinary general meeting. A shareholder, or a group of shareholders, holding at least 3% of the issued share capital of the Company, has the right to put an item on the agenda of an AGM or to table a draft resolution for an item on the agenda of any general meeting (whether an AGM or an EGM) provided that such item is accompanied by reasons justifying its inclusion or the full text of any draft resolution proposed to be adopted at the general meeting. A request by a member to put an item on the agenda or to table a draft resolution shall be received by the Company in hardcopy form or in electronic form at least 42 days before the meeting to which it relates.

Notice of the AGM and the Form of Proxy are sent to shareholders at least 21 days before the meeting. The Company’s Annual Report is available on the Company’s website, <https://investor.ryanair.com>. The AGM will be held at 9.00a.m. on September 16, 2021 in the Ryanair Technical Centre, 230/240 Lakeshore Drive, Airside Business Park, Swords, Co. Dublin, Ireland.

All general meetings other than the AGM are called Extraordinary General Meetings (“EGM”). An EGM must be called by giving at least 21 clear days’ notice. Except in relation to an adjourned meeting, 3 members, present in person or by proxy, entitled to vote upon the business to be transacted, shall be a quorum. The passing of resolutions at a general meeting, other than a special resolution, requires a simple majority. To be passed, a special resolution requires a majority of at least 75% of the votes cast. Votes may be given in person by a show of hands, or by proxy.

At the Meeting, after each resolution has been dealt with, details are given of the level of proxy votes cast on each resolution and the numbers for, against and withheld. This information is made available on the Company’s website following the meeting. At the 2020 AGM, as was highlighted by the Meetings Chair during the AGM and reported immediately following the AGM, discretionary proxies representing approximately 4.8% of shares were voted in favor of all resolutions by the meeting’s Chairman. The Company will continue to report such discretionary proxy voting in future Annual Reports and with the results of AGM voting (issued immediately following each AGM).

2020 AGM

Post the 2020 AGM (September 17, 2020), Board members and senior management engaged with shareholders on the voting outcomes where less than 80% of votes were in favor of the resolutions. The Board is pleased to present the outcomes from these engagements.

Resolution 2: Remuneration Report

Shareholders noted the 2018 Code discourages share options for Non-Executive Directors. At the 2019 AGM, shareholders approved LTIP 2019 whereby no further share options or performance related awards can be made

to Non-Executive Directors ensuring that this is now a legacy issue. Shareholders also had concerns about the granting of bonuses to the executive director in a period of uncertainty facing the aviation industry. As part of the Group's response to the Covid-19 crisis, the Group CEO agreed to reduce his base pay to €250,000 (a 50% reduction) for fiscal year 2021. Senior management and the Board also agreed to base pay/fee cuts during fiscal year 2021. Additionally, despite a strong performance by management throughout the past year and a circa 30% increase in the Company's share price, the Remuneration Committee did not award bonuses to Senior Management for fiscal year 2021.

Resolution 3D. Re-elect Michael Cawley

Shareholders noted Michael Cawley's previous ties to the Company. Over five years have passed since Michael Cawley was a full-time employee of Ryanair and hence, he is considered Independent under the 2018 Code. See page 18 (Independence). Additionally, the Company's new Chairman, Stan McCarthy, refreshed the Board Committees from June 1, 2020 and Mr. Cawley is no longer the chair of the Nominations Committee.

Resolution 3F. Re-elect Howard Millar

Shareholders noted Howard Millar's previous ties to the Company. Over five years have passed since Howard Millar was a full-time employee of Ryanair and hence he is considered Independent under the 2018 Code. See page 18 (Independence). Additionally, the Company's new Chairman, Stan McCarthy, refreshed the Board Committees from June 1, 2020 and Mr. Millar is no longer the chair of the Remuneration Committee.

Risk Management & Internal Control

The Directors have overall responsibility for the Company's system of risk management and internal control and for reviewing its effectiveness. The Directors acknowledge their responsibility for the system of risk management and internal control which is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

In accordance with the Financial Reporting Council's "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting", most recently revised in September 2014, the Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, that it has been in place for the year under review and up to the date of approval of the financial statements and that this process is regularly reviewed by the Board.

In accordance with the provisions of the 2018 Code, the Directors review the effectiveness of the Company's system of internal control including:

- Financial
- Operational
- Compliance
- Risk Management

The Board is ultimately responsible for the Company's system of risk management and internal controls and for monitoring its effectiveness. The key procedures that have been established to provide effective risk management and internal control include:

- A strong and independent Board which meets at least four times per year and has separate Group CEO and Chairman roles;
- A clearly defined organizational structure along functional lines and a clear division of responsibility and authority in the Company, including the appointment of a Chief Risk Officer;

- A comprehensive system of internal financial reporting which includes preparation of detailed monthly management accounts, providing key performance indicators and financial results for each major function within the Company;
- Preparation and issue of financial reports to shareholders and the markets, including the Annual Report and consolidated and Company financial statements, is overseen by the Audit Committee. The Company's financial reporting process is controlled using documented accounting policies and reporting formats, supplemented by detailed instructions and guidance on reporting requirements. The Company's processes support the integrity and quality of data, including appropriate segregation of duties. The financial information of the parent entity and all subsidiary entities, which form the basis for the preparation of the consolidated financial statements are subject to scrutiny by Group level senior management. The Company's financial reports, financial guidance, and Annual Report and consolidated financial statements are also reviewed by the Audit Committee of the Board in advance of being presented to the full Board for their review and approval;
- Quarterly reporting of the financial performance with a management discussion and analysis of results;
- Weekly Management Committee meetings including senior Group and airline management, to review the performance and activities of the Group;
- Detailed budgetary process which includes identifying risks and opportunities and which is ultimately approved at Board level;
- Board approved capital expenditure and Audit Committee approved treasury policies & procedures which clearly define authorization limits and procedures;
- An internal audit function which reviews key financial, IT and business processes and controls, and which has full and unrestricted access to the Audit Committee;
- An Audit Committee which approves audit plans, considers significant control matters raised by management and the internal and external auditors and which is actively monitoring the Company's compliance with section 404 of the Sarbanes Oxley Act of 2002;
- Established systems and procedures to identify, control and report on key risks. Exposure to these risks is monitored by the Audit Committee and the Management Committee; and
- A risk management program is in place throughout the Company whereby Executive management review and monitor the controls in place, both financial and non-financial, to manage the risks facing the business.

The Board has satisfied itself on the effectiveness of the internal control systems in operation and it has reviewed and approved the reporting lines to ensure the ongoing effectiveness of the internal controls and reporting structures.

On behalf of the Board, the Audit Committee has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended March 31, 2021 and has reported thereon to the Board. The Audit Committee monitors management's response to significant control failure or weakness in the risk management process, receives regular progress updates, and ensures issues are sufficiently remediated.

The Board has delegated to Executive management the planning and implementation of the systems of internal control within an established framework which applies throughout the Company.

Second Shareholders' Rights Directive

Under section 1110M of the Companies Act 2014, the Company will seek shareholder approval for its Directors' Remuneration Policy at its annual general meeting in 2021. As the Company has not previously put its Directors'

Remuneration Policy to shareholders for approval, the current policy allows the Remuneration Committee to exercise the full discretion conferred by Articles 78, 79, 81, 94, 96, 97 and 98 of the Company's Articles of Association subject to the following restrictions:

1. Article 77 of the Company's Articles of Association, which provides that the ordinary remuneration of the Directors shall be determined from time to time by an ordinary resolution of the Company;
2. Section 238 of the Companies Act 2014, which requires certain substantial non-cash transactions involving Directors to be approved by shareholders;
3. Irish Listing Rule 6.1.32 and 6.1.35, which require certain incentive schemes and discounted option arrangements to be approved by shareholders;
4. Irish Listing Rule 11 and section 1110 of the Companies Act 2014, which require certain transactions with related parties to be approved by shareholders; and
5. The rules of the Option Plan 2013 and the LTIP 2019.

Takeover Bids Directive

Information regarding rights and obligations attached to shares are set forth in Note 16 on pages 221 to 223.

Shares in the Ryanair employee share schemes carry no control rights and shares are only issued (and gain voting rights), if/when options are exercised by employees and/or share grants vest.

Ryanair's Articles of Association do not contain any restrictions on voting rights. However, there are provisions in the Articles which allow the Directors to (amongst other things) restrict the voting rights of shares held by non-EU nationals if the Board believes the number of non-EU nationals holding shares in Ryanair would put it in breach of the regulations, licenses and permits which allow it to operate.

Ryanair has not received any notifications from shareholders (as shareholders are obliged to do) regarding any agreements between shareholders which might result in restrictions on the transfer of shares.

Details of the rules concerning the removal and appointment of the Directors are set out above as part of the Directors' Report. There are no specific rules regarding the amendment of the Company's Articles of Association. Details of the Company's share buyback program are set forth on pages 150 to 151. The shareholders approved the power of the Company to buyback shares at the 2006 AGM and at subsequent general meetings.

None of the significant agreements to which the Company is party contain change of control provisions. As referred to above in the Directors' Report, the Group CEO's employment agreement does not contain provisions providing for compensation on his termination.

Going Concern

In adopting the going concern basis in preparing the financial statements, the Directors have considered Ryanair's available sources of finance including access to the capital markets, sale and leaseback transactions, secured debt structures, the Group's cash-on-hand of over €3.15bn at March, 31 2021, and cash generation and preservation projections, together with factors likely to affect its future performance, as well as the Group's principal risks and uncertainties.

The Board are satisfied that it remains appropriate to adopt the going concern concept. In arriving at this decision, the Board considered, among other things:

1. The Ryanair Group's liquidity with over €4bn cash at June 30, 2021, a €0.62bn reduction in net debt in quarter 1, Fiscal Year 2022, and the Group's continued focus on cash management;
2. The Group's solid BBB credit ratings (from both S&P and Fitch Ratings);
3. The Group's strong balance sheet with almost 90% of its B737 fleet unencumbered;
4. The Group's access to the debt capital markets. In May 2021, the Group raised a €1.2bn, 5-year unsecured, Eurobond at a low coupon of 0.875%;
5. Ongoing cost reductions across the Group;
6. The widespread rollout of Covid-19 vaccines in Europe, with it reported that the vast majority of the European adult population will be vaccinated before the end of September 2021;
7. Increased bookings; and
8. The Group's flexibility to react quickly to improved customer demand following vaccine rollouts, the launch of EU Digital Covid Certificates, the relaxation of quarantine requirements for vaccinated arrivals to the UK from mid-July, and the (expected) further easing of European Governments travel restrictions/lockdowns over the coming months.

Based on the assessment of the adequacy of the financial forecasts, testing various scenarios and considering the uncertainties described above, and current funding facilities outlined the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements and that there were no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors' responsibility for preparing the financial statements is explained on page 65 and the reporting responsibilities of the auditor are set out in their report on page 74.

Viability Statement

The Group's internal strategic planning processes currently extend to March 2026 which covers the expected delivery timeframe for the Group's existing aircraft orders and its long-term passenger growth target to approximately 200m customers p.a. Future assessments of the Group's prospects are subject to uncertainty that increases with time and cannot be guaranteed or predicted with certainty.

The Directors have taken account of the Group's strong financial and operating condition, its BBB credit rating (with both S&P and Fitch Ratings), the available sources of finance including access to the capital markets, sale & leaseback transactions, secured debt structures, cash on hand of approximately €3.15bn at March 31, 2021 and over €4bn at June 30, 2021 and the sensitivity to changes in these items. The Directors considered the Group's cash generation and preservation projections throughout the Covid-19 crisis and through to the end of the current aircraft purchase program (over the next five years) together with the principal risks and uncertainties facing the Group, as outlined in the Principal Risks and Uncertainties section starting on page 83, and the Group's ability to mitigate and manage those risks. Appropriate stress-testing of the Group's internal budgets, liquidity and cashflows are undertaken by management on an ongoing basis to consider the potential impact of severe but plausible scenarios in which combinations of principal risks materialize together.

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 course of the existing Boeing aircraft order.

Compliance Statement

Ryanair has complied, throughout the year ended March 31, 2021, with the provisions set out in the U.K. Corporate Governance Code and the requirements set out in the Irish Corporate Governance Annex, except as outlined below. The Group has not complied with the following provisions of the 2018 Code, but continues to review these situations on an ongoing basis:

- Non-Executive Directors historically participated in the Company's share option plans. The 2018 Code requires that, if exceptionally, share options are granted to Non-Executive Directors that shareholder approval should be sought in advance and any shares acquired by exercise of the options should be held until at least one year after the Non-Executive Director leaves the board. In accordance with the 2018 Code, the Company sought and received shareholder approval to make certain stock option grants to its Non-Executive Directors and as described above, the Board believes the quantum of options granted to Non-Executive Directors is not so significant as to impair their independence. At the 2019 AGM, shareholders approved a new Long-Term Incentive Plan ("LTIP 2019"). Under LTIP 2019, Non-Executive Directors cannot receive share options but will be eligible to receive non-conditional ordinary shares from time to time. No grants have been issued to Non-Executive Directors under LTIP 2019 to date.

On behalf of the Board

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

ENVIRONMENTAL & SOCIAL REPORT

Ryanair - The journey





Thomas Fowler
Director Of Sustainability

“ At Ryanair, we are committed to growing annual traffic from 150m p.a. to 200m p.a. over the next 5 years. We are passionate about carrying these guests and their families in a way that lowers their cost of air travel and also reduces their impact on our environment. ”

Ryanair & Our Environment

Ryanair is Europe’s most environmentally efficient major airline with the youngest fleet and the highest load factors. Our CO₂ per passenger/km pre Covid-19 was just 66 grams, which is approximately 50% less than the comparative figure for many EU flag carriers. Customers switching to Ryanair are choosing the “greener” option to fly.

At the heart of Ryanair’s environmental agenda is our \$22bn investment in new technology Boeing 737-8200 “Gamechanger” aircraft which delivers 4% more seats per flight, but 16% less fuel burn, and 40% lower noise emissions. We will maintain our industry-leading high load factors to ensure

every flight maximizes traffic while minimizing emissions per passenger/km. Our investment in these new fuel-efficient “Gamechanger” aircraft will help Ryanair deliver our target of cutting our CO₂ emissions per passenger/km by a further 10% to just 60 grams (already reduced by 15% since 2010) by 2030.

Aviation will play a crucial role in environmental sustainability over the next 30 years and Ryanair will continue to lead environmental innovation among airlines and European aviation to exceed our goal of achieving net-zero carbon emissions by 2050. With the main areas of focus being the following:

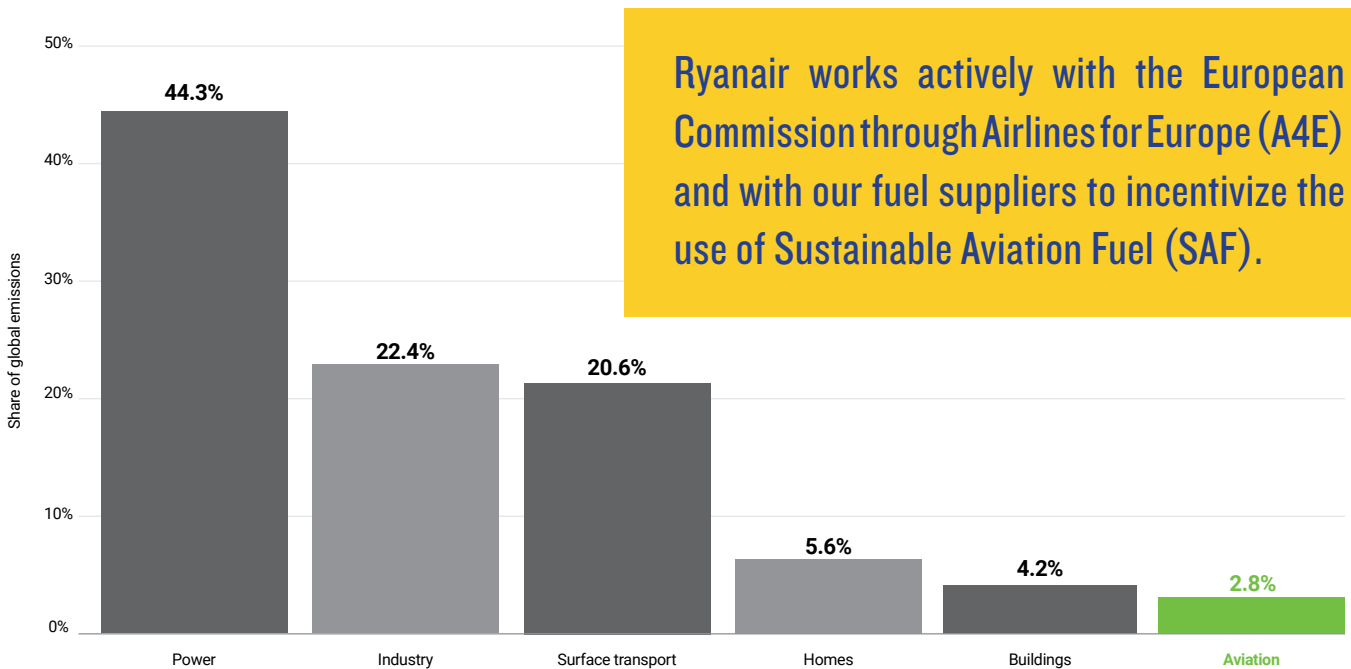


- Working actively with the European Commission through Airlines for Europe (A4E), Fueling Flight Initiative and with our fuel suppliers to incentivize the use of Sustainable Aviation Fuel (SAF).
- Working with A4E and the EU Commission to accelerate reform of the Single European Sky, so we can reduce ATC delays and fuel consumption along with CO2 emissions.
- In April 2021, we signed a multi-year partnership with Trinity College Dublin (TCD) to establish a Sustainable Aviation Research Centre where we

support best-in-class research in the areas of SAF, zero carbon aircraft propulsion systems and noise mapping. Through these efforts our goal is to power 12.5% of our flights with SAF by 2030.

Over the last decade, we have demonstrated that we can grow traffic, while reducing our impact on the environment. With our investments in new aircraft, new engine technology and SAF, we are determined to grow in an environmentally sustainable manner over the next decade.

Share of global carbon dioxide (CO₂) from fossil fuels and cement as of 2020 emissions



Ryanair works actively with the European Commission through Airlines for Europe (A4E) and with our fuel suppliers to incentivize the use of Sustainable Aviation Fuel (SAF).

Source: Worldwide; Various sources (Le Queré et al.); 2020

Aviation & The Environment

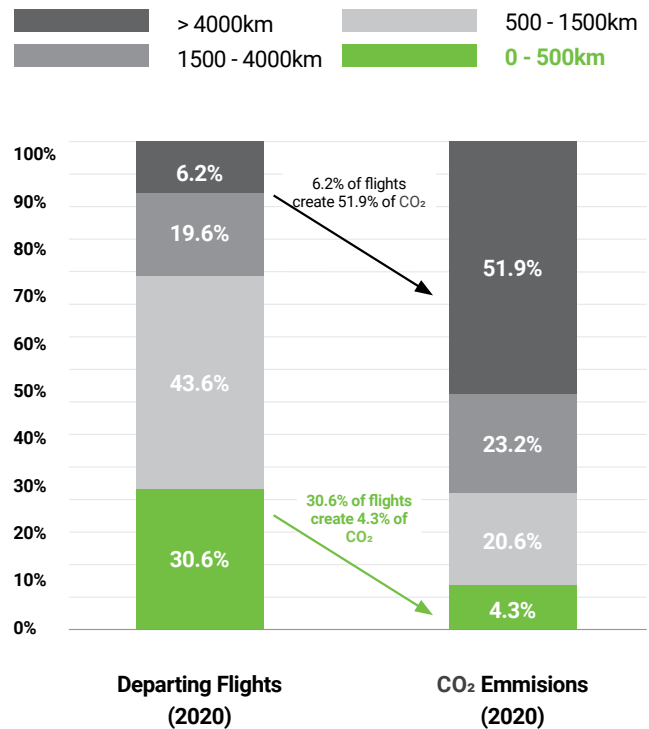
Aviation is the most efficient form of mass point-to-point transport, accounting for approximately 2.8% of CO2 emissions. By contrast, surface transport generates 20.6% of emissions. Aviation must play its role in addressing climate change, and Ryanair, as Europe’s largest, most efficient airline group, is committed to leading the way.

Long-Haul vs Short-Haul

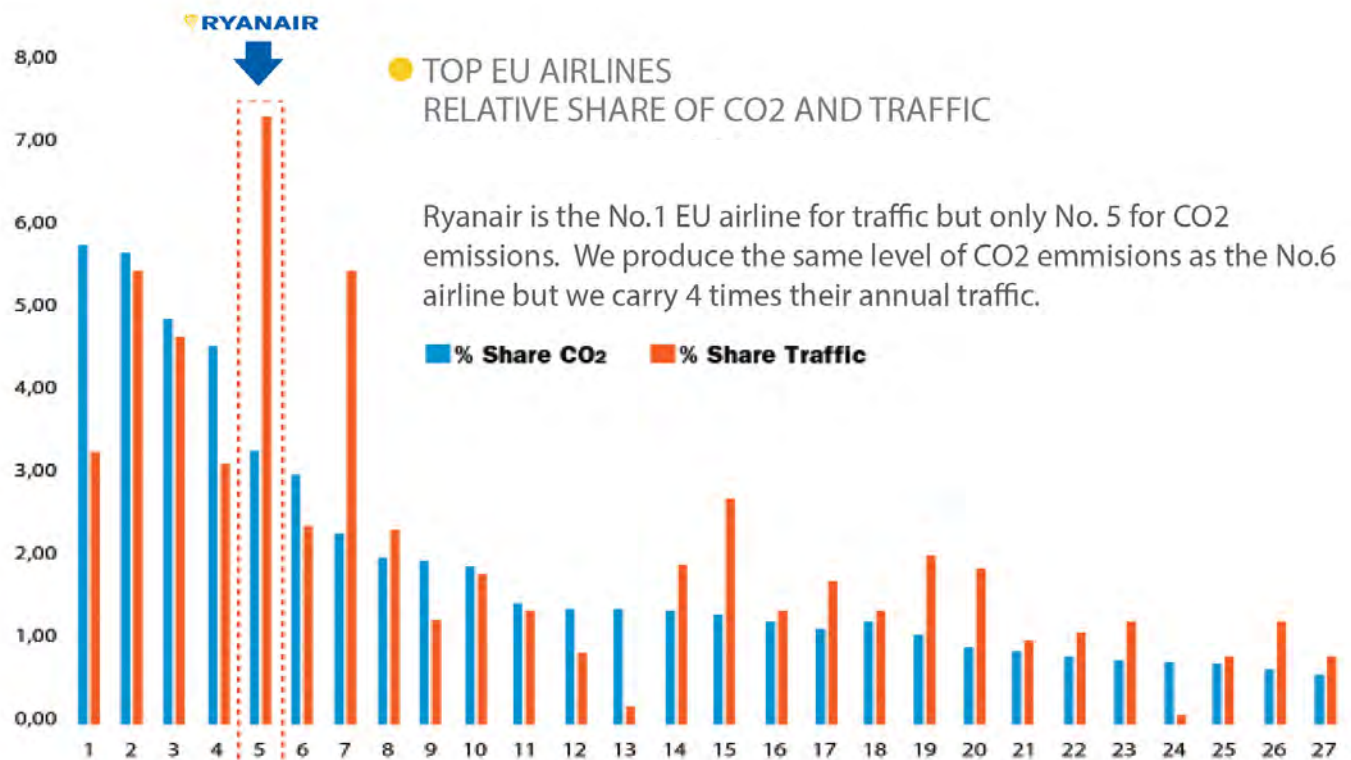
Recent Eurocontrol data shows that long-haul flights (over 4,000km) are responsible for 52% of the EU’s aviation emissions despite only accounting for 6% of EU departing flights.

Ryanair does not operate long-haul flights. By contrast, short-haul flights (below 1,500km) account for just 25% of the EU’s aviation CO2 emissions, with medium haul flights (1,500km-4,000km) accounting for the remaining 23%.

Long-haul vs short-haul emissions



Source: EUROCONTROL Jan. 2021



Source: EUROCONTROL data Jan-Dec 2019



Aviation is the only transport sector that currently pays EU-ETS taxes and it is the only industry that will soon have a global scheme in place to reduce emissions even further.

ETS & Taxes

Ryanair pays environmental taxes on its CO2 emissions through the EU Emissions Trading Scheme (ETS) environmental tax system and Air Passenger Duty (APD). In fiscal year 2020 (pre-covid-19), Ryanair paid €630m in environmental taxes, which is over €4 per ticket (approximately 11% of our average fare).

Aviation is the only transport sector that currently participates in EU-ETS and it is the only industry that will soon have a global scheme in place to reduce emissions even further. From 2024 onwards, a Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) will be operational which is estimated to reduce carbon by around 2.5bn tonnes between 2021 and 2035.

Further taxation on aviation is not a solution to achieve climate gains as these funds are not reinvested in the environment and extra costs for airlines endanger investments in more climate friendly carbon reduction solutions, such as new technology engines and Sustainable Aviation Fuel (SAF).

Equally, bans on short-haul flights, as has been occasionally mooted, is unhelpful as it damages EU

connectivity and does not address the environmental challenge from long-haul flights which account for the majority of aviation CO2 emissions. Additionally, it replaces environmentally efficient flights with higher CO2 emitting ground transportation.

Ryanair Environmental Taxes

Ryanair Environmental Taxes (€m)	FY19	FY20
UK APD	330	383
GERMAN APD	88	85
SCANDINAVIA APD	5	5
AUSTRIAN APD	5	6
BCN TAX	1	1
EU-ETS CARBON CREDITS	115	150
TOTAL	544	630
COST PER GUEST (% of avg ticket)	€3.82 10%	€4.12 11%

11% OF THE COST OF THE AVERAGE TICKET ARE ENVIRONMENTAL TAXES

Our Journey: What We've Done

As Europe's largest passenger airline, Ryanair accepts that we have a responsibility to minimize our impact on the environment, to make flying greener and more attractive for our customers and to lead the industry towards an environmentally friendly way of flying.

We are very proud of each milestone achieved. Our significant progress on fleet renewal, coupled with ongoing audits of every aspect of our operations, has played a crucial role in reducing our CO2 emissions to date. As we continue to grow, we constantly seek

new ways of improving on, and investing in, the right mechanisms to offset and reduce our carbon footprint. This will enable the Ryanair Group airlines to continue to make sustainable air travel affordable for all.

We can facilitate our growth plans while reducing our environmental impact. We commit to becoming a net carbon neutral airline by 2050 through an ambitious strategy which looks at our aircraft sustainable aviation fuel, our operational procedures, our environmental partnerships and our passengers.

As Europe's largest airline, Ryanair accepts that it has a responsibility to minimize its impact on the environment.





With an average age of just 9 years, the Ryanair Group currently operates the youngest fleet of any major European Airline.

Green: Aircraft

With an average age of just 9 years, the Ryanair Group currently operates the youngest fleet of any major European Airline with 422 Boeing 737 aircraft and 29 Airbus A320 aircraft, with 189 and 180 seats respectively.

Cutting carbon emissions and aiming to lower Greenhouse Gas emissions (GHGs) is not something new for Ryanair. In the 2 decades from 2000 to 2020, we took delivery of 531 new Boeing Next Generation aircraft with much improved fuel efficiencies compared to our older B737-800 and B737-200 (classic) models then in operation. During this period, Ryanair disposed of 91 of our oldest and least fuel-efficient aircraft, lowering carbon emissions and keeping our average fleet age among the lowest in Europe.

Boeing 737-8200 "Gamechanger" Aircraft

In June 2021 we took delivery of our first Boeing 737-8200 "Gamechanger" aircraft. The Ryanair Group has agreed to purchase 210 of these newest generation Boeing aircraft with a total value of \$22bn.

The "Gamechanger", fitted with CFM LEAP-1B engines, advanced technology winglets and other aerodynamic improvements, will lower fuel consumption by up to 16% and reduce operational noise emissions by approximately 40% compared to our existing Boeing 737-800NG fleet.

This medium range aircraft is perfect for Ryanair's point-to-point model as it can carry 197 passengers (4% more than our existing 737-800NG fleet, but with even more leg room!). Our new, light-weight comfy seats also save fuel by reducing weight, and the slimline seat design maximizes passengers per flight.

Green: Noise & Air Quality

We are committed to reducing emissions and noise through (i) "Gamechanger", next generation aircraft and efficient CFM LEAP-1B Engines, and (ii) implementing operating procedures which minimize environmental impact.

Next Generation of Aircraft

As new fuel-efficient, 40% quieter, Boeing aircraft join our fleet, our impact on local communities' noise and air quality will become even better than they are today.

Our new Boeing 737 "Gamechanger" aircraft reduces noise by up to 40%. The switch from Boeing 737-200 to Boeing 737-800NG aircraft in the mid 2000's previously reduced our take-off noise footprint per passenger by 86%. Our new Boeing 737 "Gamechanger" fleet extends these reductions to 93%.

Noise and Emissions Compliance

100% of Ryanair aircraft meet ICAO Environmental Protection NOx Standard.

100% of Ryanair aircraft meet ICAO Environmental Protection Noise Standard. Ryanair is ranked Number 1 of 30 airlines for Noise Abatement Compliance (99.6%) at London Stansted Airport (our biggest base). We are ranked Number 1 for Continuous Descent Approach at 7 major U.K. airports.

"Ryanair continues its drive for perfection in Environmental Noise Abatement Compliance. The airline sets the highest standards for others to aspire to, including its stated aim of 100% compliance for continuous descent approaches (CDA). In April 2019 this came to fruition as this target of perfection was achieved with CDA compliance of 100% from over 1,500 arrivals to runway 22."

Stansted Airport Flight Performance Manager, August 2019

Green: Operations

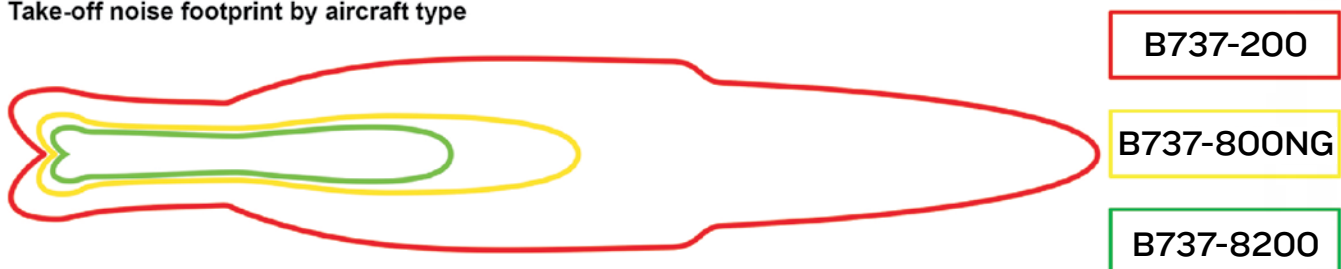
Flying our aircraft in the safest and most efficient way is at the heart of Ryanair operations. Our flight operations team ensure every flight is flown safely, arrives on time and maximizes its fuel efficiency.

Ryanair established a Sustainability Committee as far back as 2008 and it is chaired by our Director of Sustainability. Key members of this Committee include our Group CFO, Director of Operations, Chief Pilot, Director of Engineering and CTO. This Committee identifies, proposes and implements fuel efficient measures into our Group Airlines operations.

Some of these initiatives include:

- Implementing a new dynamic flight planning system, reducing unnecessary flying.
- Single engine taxi policy. Approximately 90% of flights perform single-engine taxi operations, saving approximately 68,000 tonnes of fuel per year.
- Continuous Decent Operations. A continuous descent rate operation, rather than a stepped descent during approach, results in aircraft remaining at a higher altitude for longer. Less time at lower altitude means lower fuel burn and therefore fewer emissions by avoiding the use of engine thrusts. During the past year this saved 80,000 tonnes of fuel.
- The Group implemented a policy of using Ground Powered Units (GPUs) on turnarounds rather than Aircraft Power Units (APUs), reducing fuel consumption on aircraft start up and shut down saving 25,000 tonnes of fuel.
- Pilots receive timely, up-to-date, flight plans which minimizes the excess fuel they need to carry. We also cut paper use by approximately 16.5 tonnes p.a. with the introduction of a "paperless" cockpit environment (electronic flight bags in 2014).

Take-off noise footprint by aircraft type



Source: Boeing

Green: Customers

A core part of Ryanair's greener agenda is to educate our customers so they can make an informed and environmentally conscious decision.

Since April 2020, Ryanair has enabled its customers to double their voluntary carbon offset contribution from €1 to €2 per booking. This voluntary customer carbon off-set scheme has raised €3.5m so far, with more than 4% of our customers having contributed to date. Furthermore, during fiscal year 2022 Ryanair will launch a new Carbon Calculator that provides customers the ability to offset their entire carbon cost upfront at the time of booking, all of which (we hope) will further support multiple projects for our environmental partners.

Ryanair introduced enhanced customer communications in 2019 which educates customers on how they can fly greener, an initiative which allows us to measure the environmental awareness of our customers on a quarterly basis. The focus of these communications is to ensure that customers have the appropriate knowledge and all the relevant facts to allow them to make better, greener, travel choices.

Green: Partners

With the help of contributions from our environmentally conscious customers, Ryanair partners with credible, sustainable projects. The majority of the projects are Verified Carbon Standard (VCS) and Gold Standard. We are proud to partner with Renature Monchique (Reforestation in the Algarve), First Climate (Ugandan Cook stoves), Shell's Wind Power Plant Project in Turkey as well as Improved Kitchen Regimes in Malawi.



Renature Monchique was founded in partnership with GEOTA, ICNF, the Algarve Tourism Board and The Municipality of Monchique to help with the region's reforestation following the largest, uncontrolled wildfire to have ever hit Europe.



In August 2018, thousands of hectares of trees were destroyed and millions of euro lost as a result of the devastation. Ryanair has worked with Renature Monchique since 2019. In the last 2 years, over 135,000 trees have been planted with the help of over 150 local volunteers from the Algarve community. To date, the project has helped many local landowners and their families to restore an area covering over 600 hectares – none of which would have been possible without the support of our customers through our voluntary Carbon Offset Scheme.



Ryanair has invested in several Verified Carbon/Gold Standard projects, which are 100% funded by donations from Ryanair customers through our voluntary Carbon Offset Scheme. One such project is **First Climate**, who Ryanair has worked with since 2019, supporting their Uganda Cookstove Project, which distributes energy efficient cookstoves to households in the Kampala region.

This project helps families to significantly reduce their charcoal use, which in turn reduces greenhouse gas emissions and contributes to the conservation of native woodland in Uganda. The improved design of thousands of these stoves leads to much higher combustion temperatures which lowers indoor air pollution. This prevents associated health problems like respiratory infections, cardiovascular and ocular diseases.



Shell (Malawi & Turkey)

Since 2020, Ryanair has worked with Shell to support Gold Standard offsetting initiatives developed by CO2BALANCE and Enerji SA.

Gold Standard



Improved Kitchen Regimes, Malawi

This Gold Standard project developed by CO2BALANCE supports the Dowa and Kasungu Districts of Malawi where there is limited access to clean water.

Water must be boiled first for disinfection, which requires timber for the fuel. Providing clean water directly through rehabilitated boreholes stops the need to boil water, saving firewood and preventing the release of carbon emissions. A clean water supply also provides significant health benefits improving sanitation and hygiene, mitigating against disease, which was common.

To date, Ryanair’s involvement in the project has saved 245,000 tonnes of CO2 emissions.



Balikesir Wind Power Plant, Turkey

This Gold Standard project developed by Enerji SA aims to reduce greenhouse emissions in Turkey by helping to stimulate the growth of the wind power industry. It also increases employment, reduces other pollutants resulting from fossil fuel dependent power generation, helps to reduce Turkey’s increasing energy deficit and diversifies the electricity generation mix and reduces import dependency.

Ryanair’s involvement in this project has saved 330,000 tonnes of CO2 emissions so far and this project is also recognized as an important commitment to the UN’s Sustainable Development Goals (SDGs).





In 2020, Ryanair was ranked as one of the highest-rated airlines in the world for environmental performance, receiving a “B-” climate protection rating from the independent Carbon Disclosure Project (CDP).

Green Participation & Accreditation

CDP (Carbon Disclosure Project)

In 2020, Ryanair was ranked as one of the highest-rated airlines in the world for environmental performance, receiving a “B-” climate protection rating from the independent Carbon Disclosure Project (CDP) with an “A” score for environmental corporate governance and for emission reduction initiatives. CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Ryanair has set an ambitious goal of improving from a “B-” to an “A” rating over the next 2 years.

CNBC ESG Council

Ryanair is a founding member of the CNBC ESG Council. This is a roundtable for discussion and collaboration among CEOs from some of the world’s most prominent companies to discuss the challenges posed by sustainability. The Ryanair Group engages with ESG agencies on a regular basis to ensure they have access to all the relevant and latest information with regards to the Group.

UN Global Compact

Ryanair is committed to the United Nations Sustainable Development Goals and has signed up to the UN Global Compact.

We support all ten of the UN Global Compact principles, including all environmental principals.

Destination 2050

Destination 2050 sets out in detail how to achieve net-zero CO2 emissions from all flights departing the EU, U.K. and EFTA, while combining new technologies with improved operations, sustainable aviation fuels and further economic measures.

Sustainable Development

Finally, we actively participate in many initiatives which focus on how to best incentivize and use Sustainable Aviation Fuel (SAF). In March 2021, we joined the ambitious Fueling Flight Initiative which calls for SAF to be introduced in a sustainable manner in Europe.





"Ryanair operates the youngest fleet, with the highest load factor and an efficient point-to-point model, leading to only 66 grams of CO₂ emissions per passenger/ km".

The Winning Formula

96%



Point-to-point

Routes with high load factors (96% p.a.)



Deliver CO₂ per passenger/km

50% lower than average of Europe's other big 4 airlines



Continuously invest

\$22bn investment in 210 fuel-efficient new aircraft and improved engine tech. (16% lower fuel burn)



Cut noise footprint

By 93% with the introduction of the new Boeing 737-8200 "Gamechanger" fleet versus the older Boeing 737-200 classic aircraft



Operations procedures

Most efficient in the industry



Sustainable Aviation Fuels

Goal of 12.5% SAF by 2030

Our Journey: the future

Ryanair operates the youngest fleet, with the highest load factor and an efficient point-to-point model, leading to just 66 grams (pre-covid-19) of CO2 emissions per passenger/ km – the lowest emissions of any major airline in Europe.

Even though we are already the most environmentally efficient of the major EU airlines, we take the fight against climate change very seriously. Our goal is to power 12.5% of Ryanair flights with SAF by 2030. Our recent order of 210 B737-8200 “Gamechanger” aircraft will help us reduce our emissions by an additional 16% due to improved engine and aviation technology.

Sustainability Aviation Fuels - SAF

Sustainable Aviation Fuels (SAF) will play a key role in helping our industry achieve its ambitious carbon neutral targets by 2050. It is essential, however, that a proper framework is put in place to ensure that the SAF produced is verified as being sustainable. For this reason, Ryanair has partnered with Trinity College

Dublin (TCD) to set up the Ryanair Sustainable Aviation Research Center in April 2021.

This partnership focuses on the following research:

1. Determination of fuel sustainability by performing life-cycle analyses of embodied CO2 levels in fuel.
2. Developing a pre-screening tool to accelerate certification of early stage SAF candidates. This will remove regulatory barriers for the approval of more SAFs, leading to a more competitive marketplace.

Ryanair has signed up to the Fueling Flight Initiative through the European Climate Foundation which calls on Europe to ensure future fuel policy only promotes the most sustainable fuels for reducing the climate impact of aviation.

Through our leadership role in Airlines for Europe (A4E) we are actively encouraging governments to support industry investment in SAF through incentives, and work with the energy sector to ensure sufficient availability of renewable energy at affordable prices.

Fixing Air Traffic Control (ATC)

Ryanair, together with Airlines for Europe (A4E), fully supports the urgent reform of European airspace and the Single European Sky (SESAR). If implemented, this will improve airspace efficiencies and cut emissions by up to 10% immediately.

We have repeatedly called on EU Member States to urgently implement the SESAR without further delay. The sooner this improved ATC system is implemented, the sooner we can realise these significant (10%) emissions savings.

CURRENT ATC



+10% CO₂

BETTER ATC



-10% CO₂

Taskforce on Climate-related Financial Disclosures (TCFD)

The Ryanair Group is committed to ensuring that our climate change related disclosures align to the TCFD recommendations. The Group has begun developing climate scenario analysis during FY21. Despite the impact of Covid-19, we continue to monitor our climate change readiness including enhanced internal analysis and disclosures.

TCFD Recommendation

Ryanair Group Approach

Governance	Board oversight of climate-related risks and opportunities.	<p>The Ryanair Board has the ultimate oversight of climate related issues and receives regular reports and updates from the Group CEO, the Group CFO and Director of Sustainability.</p> <p>Key risks are identified and analysed as part of the bi-annual review of the Group enterprise risk register. Climate related risks, along with associated plans to mitigate such risk, are assessed and scored and highlighted to the Audit Committee and the Board.</p> <p>On a quarterly basis, the Board receives an update from the Director of Sustainability on performance with respect to climate related issues. On an annual basis, the Board reviews the Group's Climate strategy.</p>
	Management's role in assessing and managing climate-related risks and opportunities.	<p>The Director of Sustainability is responsible for day-to-day management of climate-related risks, annual reporting, strategy implementation and risk assessment.</p> <p>On a monthly basis, the Sustainability Committee, made up of senior management from Operations, Engineering, Finance, Legal and Ryanair Labs, meet to monitor our climate related impacts, existing and upcoming environmental legislation, fuel efficiency and energy performance. This committee identifies, assesses and makes recommendations for addressing climate-related risks and opportunities.</p> <p>The Director of Sustainability reports to the Board quarterly with respect to performance on climate related issues.</p> <p>Within the semi-annual review of the enterprise risk register, senior management across the Group have the opportunity to highlight climate related risks to provide a variety of perspectives, and highlight actions taken to mitigate those risks.</p>
Strategy	Climate-related risks and opportunities identified over the short, medium and long term.	<p>The Ryanair Group's long-term strategy identifies climate change as a key area for the business which will have an impact going forward.</p> <p>Short- and medium-term risks and opportunities are addressed on an ongoing basis by the Sustainability Committee and Sustainability Department who report onwards to the Board.</p> <p>Please see our environmental policy of the key risks and opportunities for further detail.</p>
	Impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Climate-related risks and opportunities are incorporated into the Ryanair Group's environmental policy. The Board reviews the environmental policy once a year and receives quarterly update on performance. Environmental opportunities and threats are factored into our financial and operational planning, including operational fuel efficiencies and regulatory impacts.

<p>Strategy</p>	<p>Resilience of organization's strategy taking into account different climate scenarios, including 2-degree scenario.</p>	<p>The Group is currently reviewing differing future climate scenarios and the associated potential impact on the Group.</p>
	<p>Risk Management</p>	<p>Processes for identifying and assessing climate-related risks.</p>
<p>Processes for managing climate-related risks</p>		<p>Key areas of the business (e.g. Operations and Sustainability Departments) are responsible for the ongoing monitoring and management of climate related risk based on the likelihood and impact to the Group.</p>
<p>How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>		<p>All risks including those related to climate change are identified through the Group's enterprise risk register. The register highlights the risks, their likelihood of occurring and impact with associated risk mitigation.</p> <p>The key elements of risks identified by the Group and their effective management are discussed extensively at Audit Committee and at Board levels twice a year. See our Risk section (from page 83) for further details.</p>
<p>Metric and Targets</p>		<p>Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>
	<p>Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>The Ryanair Group reports on its Scope 1 greenhouse gas emissions annually (see page 48), in accordance with the EU Emissions Trading Scheme. 99% of the Group's direct greenhouse gas emissions relates to jet fuel.</p>
	<p>Targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>The Ryanair Group reports on performance against targets annually. See FY21 performance section for information and historical performance.</p>

Sustainability Accounting Standards Board (SASB) Index (Airline Industry Standard)

Greenhouse Gas Emissions

Accounting Metric	Unit of Measure	FY21	FY20	FY19	FY18	FY17	SASB Code
Gross Global Scope 1 Emission	millions of metric tons (t) CO ₂ -e	2.9	12.7	11.8	11.0	9.9	TR-AL-110a.1
Total Fuel Consumed	USG (millions)	307	1,339	1,244	1,157	1,043	TR-AL-110a.3

Activity Metrics

Accounting Metric	Unit of Measure	FY21	FY20	FY19	FY18	FY17	SASB Code
Available seat kilometers	ASK (millions)	49,271	192,165	184,325	170,745	158,260	TR-AL-000-A
Passenger load factor	Rate	71%	95%	96%	95%	94%	TR-AL-000-B
Revenue passenger kilometers	RPK (millions)	34,982	182,556	176,952	162,208	148,764	TR-AL-000-C
Number of departures	Number	204,828	823,897	789,771	725,044	675,482	TR-AL-000-E
Average age of fleet (owned)	Years	9	8	7	7	6	TR-AL-000-F



Green: Campus

At Ryanair, our efforts do not stop at our fleet and flight operations. We are taking big steps towards a greener future at our Dublin campus and in our engineering hangers, as well.



Our energy efficient buildings are A-Rated, with our newest building, Airside Green, home to a Recycling Centre, 25 e-charging points, over 100 solar panels and 200 covered bicycle spaces - encouraging Ryanair’s team to opt for a greener commute, when not working from home.

We are also pleased to take part in the Irish Government’s tax efficient “Bike to Work” scheme, helping our team to invest in brand-new bicycles and safety equipment, including an electric bike, in a tax-efficient manner.

Inside our offices and our hangers, we are always looking for ways to improve. Our teams are supplied with recycling bins, we use motion sensor LED lighting so the lights are never left on at home-time, and our new technology goes one step further by automatically dimming the lights as natural sunlight floods into our modern working spaces. We also use LED lighting in our hangers across Europe.

We are phasing out plastic in our canteens. Team members are incentivized to bring their re-usable cups for morning coffees, and if they forget their ‘keep cup’, we’ve got compostable plant-based ones to hand. You’ll also notice our casual dress code in the office, keeping the unnecessary dry-cleaning of suits at bay!



AIRSIDE GREEN INITIATIVES



SOLAR

Solar panels satisfy our electricity and hot water requirements.



PAPERLESS

Striving for a paperless office. We are already paperless in the cockpit.



ELECTRIC VEHICLES

Electric vehicle charging points.



RECYCLING

Recycling paper, toner, computer equipment and other waste.



WORK FROM HOME

Work from home policy promote healthy work/life balance.



CYCLE TO WORK

Operating a “Cycle to Work” Scheme, which allows staff to purchase bicycles in a tax efficient manner. This contributes to lowering carbon emissions, reducing traffic congestion and improving the health and fitness levels of our team.



CANTEEN

A canteen with a focus on healthy food and nutrition.



GYM

Discounted gym membership for staff, to promote exercise and a healthy work/life balance.

Safety and Security



Safety and Security is our Number 1 priority. As part of this unwavering commitment, we will continue to invest in, and develop, our Safety Management System (SMS) to ensure that it is robust and facilitates our goal of continuous improvement.

Ryanair is evolving, and the Group now comprises five Airlines – Buzz, Lauda Europe, Malta Air, Ryanair and Ryanair U.K. We will ensure that, so far as possible, our policy and procedures, developed over 36 years of safe operations are rolled out in a standardized manner across all Ryanair Group Airlines.

Our latest Group Corporate Safety Strategy (2020-2024) builds on our experience, acknowledges our past achievements and establishes safety targets for the future.

We have identified 5 Focus Areas and 14 Strategic Safety Goals which take account of:

- **Management of Change**
- **Key Operational Risk Areas (KORAs)**
- **SMS Continuous Improvement**
- **Aviation Security**
- **Group Operations**

We remain committed to keeping safety and security at the heart of everything we do.

Monitoring our progress

To achieve the Safety Goals set out in the Ryanair Group Corporate Safety Strategy, a number of actions have been identified. Detailed action plans will be developed and regularly updated. Progress will be tracked at our Safety and Security Committee, and updates will continue to be presented to the Board quarterly.

Strategic Safety Goals

Goal 1	We will, so far as possible, standardize the Management Systems across all Ryanair Group Airlines to ensure that we draw on the extensive operational experience of 36 years of safe operations.	Goal 8	We will ensure that our processes for the prevention of maintenance errors are robust and effective.
Goal 2	We will manage the growth of Ryanair Group Airlines, to ensure that safety and security remain at the heart of everything we do.	Goal 9	We will continue to invest in safety enhancing technology and manage its safe introduction into our Group Airlines.
Goal 3	We will continue to integrate the Airbus A320 into our Approved Training Organization (ATO).	Goal 10	We will ensure we have robust processes in place for safety and security promotion and communication.
Goal 4	We will make the necessary arrangements for the safe introduction of the Boeing 737-8200 into our operations from 2021 onwards.	Goal 11	We will continue to work closely with European and National Regulators to ensure that safety and security is at the heart of rulemaking activity.
Goal 5	We will remain vigilant to emerging threats and ensure that appropriate mitigations are in place.	Goal 12	We will review our Cyber Security policies and procedures to ensure they take account of regulatory requirements and are robust and effective in managing this developing risk.
Goal 6	We will carry out a Safety Survey to ensure our KORAs remain appropriate.	Goal 13	We will ensure that our Security Management System (SeMS) addresses the potential 'insider threat' and aviation security considerations as we continue our growth.
Goal 7	We will review our Safety Performance Indicators (SPIs) to ensure they remain in assessing our safety performance.	Goal 14	We will work with regulators to safely deliver Group Operations between Boeing Airlines.



Behind every take-off and landing is a dedicated team of aviation professionals. Our people are key to the success of the business.

Ryanair's People

Behind every take-off and landing is a dedicated team of aviation professionals. From the cockpit and cabin to the engineering hangars and our support teams, our people are key to the success of the business. We are committed to delivering an outstanding combination of career development, world class training, competitive pay, job security and strong employee engagement. We specifically hire talented and ambitious people who enjoy a challenge and thrive in a busy environment.

People Engagement

At Ryanair we understand the importance of keeping our teams engaged and up to date with the day-to-day issues affecting our airlines. Our philosophy is open and direct communications with our people. We use our Ryanair Labs technology centers to develop an industry leading suite of internal communication tools. Through the Covid-19 crisis we have been able to leverage these digital tools to keep our people in-touch and informed. Over the last 12 months we have held over 100 virtual townhall meetings across our Group

Airlines and European Base network which allows our people to question and address senior management. Our teams have a suite of people engagement tools including a digital helpdesk, Ryanair TV, Safety TV and FleetTweet (which is our in-house short messaging service). Last year we sent over 4,000 tweets to our people through FleetTweet on a wide range of social, health and business content.

Employee Representative Groups & Trade Unions

Ryanair continues to invest in its relationships with our people and their trade unions throughout Europe. We regularly meet with our Pilot and Cabin Crew union partners to negotiate on pay and conditions for our people.

Since recognizing trade unions in December 2017, we have concluded long-term collective agreements with our people and their representatives in all of our major markets throughout Europe, on topics such as pay, rosters and annual leave.

Workforce Engagement



Róisín Brennan

“ This year our Group built on its well-established workforce communication and engagement mechanisms with my appointment as Workforce Engagement Non-Executive Director. My role is to engage with employees and bring feedback to the Board so that the Board can understand and consider these views in our decision making.

This is a new role which we look forward to developing in the year ahead. This year we established Colleague Contribution Panels to gather feedback from key business areas. We conducted a series of virtual consultations including with pilot and cabin crew colleagues from a range of Group airline bases, as well as colleagues from our Airside (Dublin) office. Although the Covid Pandemic has restricted my ability to travel and meet staff groups, I have had very positive engagement in our online panel discussions, and I look forward to building on this early success with more engagement next year including, I hope, some face-to-face visits if Covid permits.

I report to the Board quarterly on this activity and the Board includes Workforce Engagement as an agenda item at least quarterly. I am grateful to our crews and people who have shared their views and time in our engagements to date, and we look forward to meeting more of our 15,000 aviation professionals whose hard work, dedication to safety and customer service are key to our Group's success. ”

Our People's Response to the Covid-19 Crisis

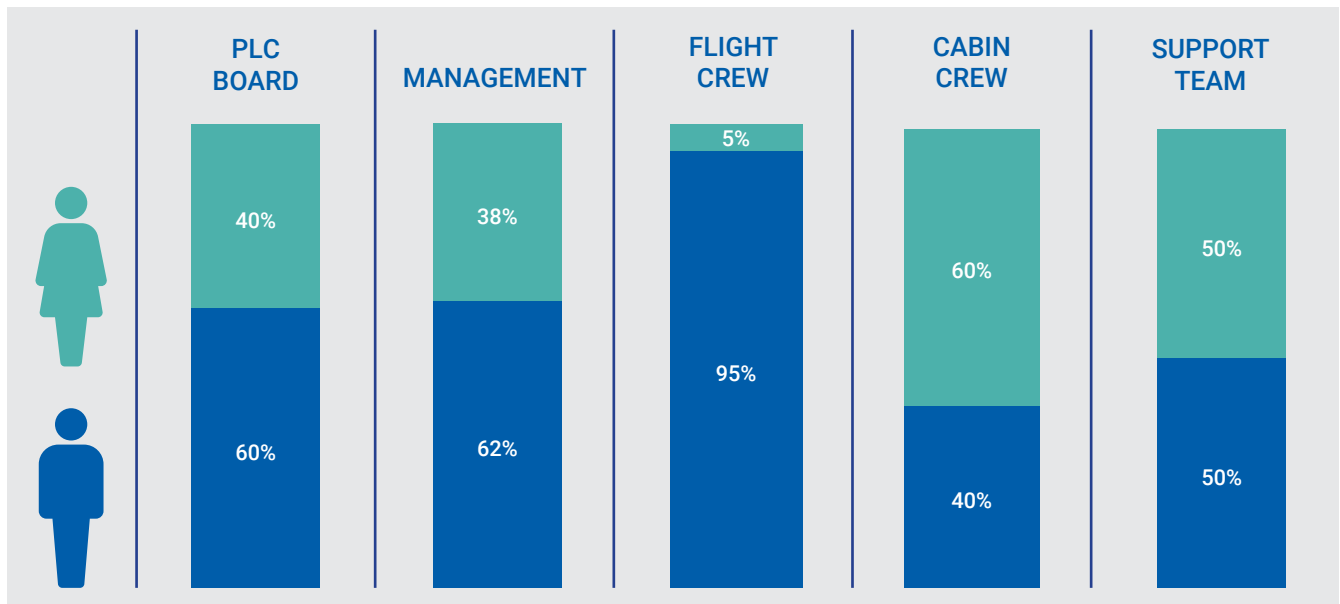
We prioritized the safety and wellbeing of our crew and support staff while protecting the maximum number of jobs. From early on in the crisis we leveraged our internal engagement channels to give our people regular updates and communicate the range of health protection measures we implemented onboard our aircraft and in our support facilities to maximize the health and safety of our people and our customers.

In March 2020, we began discussions with our union partners and employee representatives throughout Europe on Emergency Agreements which included modest short term pay cuts (which will be fully restored over the life of the agreements) plus productivity improvements and job protection. These agreements gave us a platform to flex our operation through the crisis while also giving our people the reassurance that we would protect their jobs at a time when our competitors were shedding tens of thousands of staff.

Delivering for Our People – Our Benefits

We deliver for our people on the things that really matter – pay, job security, work/life balance, and career.

Job security	Sustainable business model, negotiated agreements on job protection, path to growth.
Best pay	Market leading earnings driven by productivity pay which rewards hard work.
Best roster	Stable, industry leading fixed rosters – 5 on 4 off, for pilots & 5 on 3 off, for cabin crew.
Unrivalled work/life balance	Crew home every night, no planned hotel nights. New work/life balance policies will encourage our support teams to adopt a mix of working from home and from our offices.
Career Progression	Growth delivers promotions and long-term careers, thousands of promotions every year.
World class training	Comprehensive, industry leading training for pilots, engineers and support staff.
Multiple bases	Employment opportunities in regions and cities under-served by other airlines.



Gender Diversity

At Ryanair, as part of our Diversity & Inclusion program, we are committed to improving the ratio of female employees in management and leadership positions. The airline industry has traditionally suffered from a lack of female pilot and male cabin crew applicants, but we have seen some encouraging trends in recent years with more female pilot trainees and more male cabin crew applying which helps us increase the proportion of female pilots and male cabin crew.

People Development

Ryanair’s people management philosophy rewards hard work and gives our people opportunities to fast track their careers within a supportive environment that prioritizes and encourages people development and internal promotions. Our focus on people development applies across all areas of the business from growing junior cabin crew into supervisors, to promoting first officers to captains, to developing IT graduates into skilled developers, and finance graduates into qualified accountants, etc. Ryanair’s open culture, world class training, focus on developing internal talent and our growth, allow our people develop their confidence and skillset quickly, so they are well positioned to develop their careers and secure promotions.

Graduate Programme

Ryanair offers graduate programs and internships ranging from 1-4 years across all key areas of the business. Graduates on the program rotate through different teams, giving them unprecedented experience in their chosen field. Ryanair currently employs over 50 graduates who are a vital part of our talent pipeline with 70% of each intake moving into permanent positions within the Ryanair Group. High performers are fast tracked into management positions which is made possible by our track record of growth across the airline group and our strong belief in promoting from within.

Succession Planning

This year we enhanced our succession management processes to identify and develop future business leaders and give high-potential people ownership of their career paths. All senior management roles have a succession plan including development goals and strategies for the next generation of leaders.

Pilots

Ryanair has positioned itself as a leading employer of pilots in Europe with a pilot workforce of 5,000+ pilots from over 50 different nationalities. With an industry leading fixed roster pattern (5 days on, 4

days off) and the opportunity to work from over 80 bases across Europe and North Africa, we can offer our pilots a work/life balance that is truly unique.

This is coupled with unrivalled career progression and outstanding earnings potential. In recent years, we have worked closely with pilot groups and their unions to implement new local contracts, a new annual leave system and a fair and transparent base transfer system, which fit the Group's needs to flex its operation as it grows while providing our pilots with a unique set of benefits made possible because of our efficient, point-to-point operation.

Our track record of growth also allows suitable first officers secure much sought-after promotions to captain in less than half the waiting time of traditional airlines (3-5 years compared to 10 years plus).

Cabin Crew

Ryanair's team of 8,000 cabin crew have been at the forefront of the work we have done this year to implement our healthy flying program and protect the health of our crew and customers through the Covid crisis.

We offer cabin crew great pay, industry leading 5 on, 3 off rosters and outstanding promotional opportunities into supervisor and trainer roles.



Engineering

We pride ourselves on the skill and expertise of our team of engineers and their continued focus on the highest standards of safety, quality and reliability. Our teams work behind the scenes planning maintenance, purchasing and moving parts, solving technical issues from our state-of-the-art engineering facilities throughout Europe each and every day to ensure the continued airworthiness of our fleet.

What Our People Say
Javier, First Officer
Stansted



“ My experience in Ryanair started back in 2007. I was offered a Cabin Crew (agency) contract and I could be based in any of Ryanair's bases, the idea of living in a new place, meeting new people, discovering a new profession sounded good to me, but especially that job was going to bring me closer to the flight deck, which was my target since I was a kid. At the end of the training I was told I was going to be based in London Stansted, the biggest base, it was perfect to start to get to know the job and the company, I was highly motivated and received a promotion to Customer Service Agent within 7 months. I transferred to Madrid base in 2008 and I started to look for flight schools to start my pilot training. By summer 2008 I had started to become a pilot. In July 2009 I was promoted to Customer Service Supervisor and at the same time I finished my Pilot training. Ryanair were very accommodating with granting me annual leave when needed for Pilot exams. ”

Ryanair Engineering offers a number of programs for engineers starting out on, or developing, their careers including apprentice schemes, graduate programs, JAE (junior aircraft engineer) training and heavy maintenance training programs at Group facilities in Lithuania, Poland, Scotland and Spain. We continue to invest in our heavy maintenance facilities and this year we built a new maintenance line at Prestwick, Scotland and started construction of a new hanger in Seville. These hangers support the growth of Ryanair engineering over the next 12 months as we take new aircraft deliveries and will complement our established heavy maintenance facilities in Germany, Ireland, Italy, Lithuania, Poland, Spain, and the U.K.

Training

Training is at the forefront of everything we do at Ryanair and our people have access to the best training facilities in the industry. Our pilot and cabin crew training facilities in Germany, Ireland, Italy and the U.K. are strategically located with state-of-the-art flight and cabin simulators and facilities. We started a new partnership this year with Airline Flight Academy (AFA) in Dublin with a new training facility which houses Full Flight Boeing MAX and Airbus Flight Simulators, as well as Cabin Crew training facilities.

Ryanair continues to invest heavily in our people and their training as we work through the Covid-19 recovery phase and prepare for growth to 200m customers p.a. over the next 5 years.

Ryanair Labs

Ryanair LABS is our technology hub with teams of dedicated, highly specialized, IT professionals spread throughout our European locations in Dublin, Madrid, Wroclaw and our new virtual team located in Lisbon.

LABS is most renowned for developing and hosting the world's largest travel website Ryanair.com, however, that is but a small fraction of the LABS team's contribution. All aspects of life in Ryanair are under constant review to see where Software & Systems developed by LABS can improve operational efficiency and bring competitive advantages through automation.

From driving paperless cockpit ambitions with our Pilot App projects, to providing Cabin Crew with time saving tools on their inflight devices, and providing more accurate ways to track aircraft movements at our airports, LABS is constantly looking to innovate and improve the overall performance of the Ryanair Group to meet the dual strategies of growth and cost reduction.



Labs Scrum Team



Ryanair is committed to giving back to charities and organizations that truly have an impact in the countries and communities in which we operate.

Charities & Social

As Europe's largest Airline Group, Ryanair is committed to giving back to charities and organizations that truly have an impact in the countries and communities in which our airlines operate. Ryanair's current charity partners are the ISPCC (The Irish Society for the Prevention of Cruelty to Children) – its nominated charity in Ireland, and across Europe, Ryanair supports Pequeño Deseo ('Little Wishes'). To date, €10.2m has been donated to deserving causes.

Ryanair & ISPCC Charity partnership

The ISPCC provides a range of services directly to children and families and advocates for change to enhance the lives of children in Ireland.

Ryanair commenced its partnership with ISPCC Childline 5 years ago and has fundraised more than €0.5m to date. Over the years, Ryanair has engaged in a number of initiatives to support the work of the charity, ensuring that Childline can continue listening to children 24 hours a day, every day.

ISPCC and Ryanair work in collaboration on a number of campaigns and competitions to help their mission of making the protection of children everybody's priority.

Ryanair and Pequeño Deseo charity

Ryanair has worked with Pequeño Deseo for more than 5 years – first as one of our scratch card charity partners and since 2019, as our chosen European charity partner.

Ryanair believes that it is its responsibility to give back to charities and organizations that need funding and awareness. Ryanair is proud to help such a charity that provides a service of bringing a smile to sick children throughout Spain. Ryanair and its customers will support key awareness initiatives throughout the year across Spain and Europe.

Ryanair's FAI Cerebral Palsy Football Team Sponsorship

In 2019, Ryanair nominated the FAI's Cerebral Palsy Football Team as a charity partner as well as flying the Irish team to Seville for the World Cup tournament, through the Ryanair scratch card charity partnership fund.

The FAI's Football for All Program provided opportunities for over 3,500 players to play football in their local community, and Ireland's Cerebral Palsy Football team was one of nine international disability player pathways that ensured players of all ability would have an opportunity to tog out in the green jersey.

Malta Air & Puttinu Cares Charity partnership

In September 2020, Malta Air launched its local charity partnership with Puttinu Cares, supporting Maltese families of children requiring cancer treatment abroad by providing accommodation for family members travelling with the children. Puttinu Cares aim is to support family members of children who need to go abroad to pursue any kind of further treatment.

Puttinu Cares is there for all accommodation requirements for the accompanying family, facilitating a home away from home. This alleviates a huge burden, since when a child gets sick parents don't have to shoulder the expense of accommodation to be able to stay with their child in hospital and care for them in between stays.

Scratch Cards

Ryanair also has a number of nominated scratch card charity partners. Ryanair scratch cards, available to buy onboard, offer customers the opportunity to win several prizes, with ongoing donations made to numerous charities across Europe.



Ryanair's Erasmus Student Network

Ryanair has been the exclusive partner of the Erasmus Student Network since 2017, offering Erasmus students across Europe huge savings, with fare discounts, free bags and tailored travel offers. Ryanair has done more than any other company or institution to make the movement of people a reality within Europe. Our role in bringing Europe together made Ryanair a natural partner for the Erasmus program and it has proved to be a huge success since it launched four years ago.

This partnership offers students with an ESN card the following:

- 15% discount on Ryanair flights (Ryanair.com and app only)
- A free 20kg check-in bag
- Community forum to share travel hints and tips
- Weekly travel offers to enable Erasmus students to travel easily across Europe
- Tailored Ryanair in-journey offers on the mobile app



Ethics & Transparency

Business Ethics

Ryanair is committed to conducting business in an ethical fashion that complies with all laws and regulations in the countries in which Ryanair operates. Employees and representatives of Ryanair must consider how their actions affect the integrity and credibility of the Company as a whole. Ryanair's standards of integrity and ethical values have been established and are documented in the Code of Business Conduct and Ethics and the Anti-Bribery and Anti-Corruption Policy. There are established channels for reporting code and policy violations or other concerns in a confidential manner.

Ryanair's Code of Business Conduct and Ethics

This Code is applicable to all Ryanair Group employees. The Group CEO and management at all levels of Ryanair are responsible for ensuring adherence to the Code. They are expected to promote an "open door" policy so that they are available to anyone with ethical concerns, questions or complaints. All concerns, questions, and complaints will be taken seriously and handled promptly, confidentially and professionally. The Personnel Department investigates any instances reported under the Code and the Head of Internal Audit reports findings directly to the Audit Committee. The Code is reviewed and approved by the Audit Committee at least annually. The Code is available on the Company's website (<https://investor.ryanair.com>).

Anti-Bribery and Corruption

Ryanair has in place policies, procedures, training, management systems and internal controls to prevent bribery and corruption. Employees must not give or offer anything of material value to any customer or supplier as an inducement to obtain business or

favorable treatment. Similarly, employees must not accept anything with a monetary value for themselves or others, in return for giving favorable treatment to customers or suppliers. These obligations are set out in the Anti-Bribery and Anti-Corruption Policy. The Policy also includes guidance on receiving and offering gifts and hospitality, political donations and contributions and charitable donations. Annual training is provided to relevant employees. The Board has overall responsibility for this policy and the Company's Internal Audit function monitors implementation. The Group CFO has day-to-day responsibility for monitoring and updating this Policy. The policy is available on the Company's website (<https://investor.ryanair.com>) and is reviewed and approved by the Audit Committee at least annually.

Modern Slavery Act 2015

Ryanair does not tolerate any infringement of human rights, including the use of forced, compulsory or trafficked labor, or anyone held in slavery or servitude (whether adults or children) in any part of our business or supply chain. We endeavor to only use suppliers that adhere to these principles and provide a safe and healthy working environment for their employees.

Whistleblowing

The Code of Business Conduct and Ethics includes Ryanair's whistleblowing policy and the procedure in place to encourage employees to raise issues regarding possible improprieties in matters of financial reporting or other matters on a confidential basis. The Audit Committee monitored the effectiveness and was advised of notifications made under the whistleblowing policy during the financial year ending on March 31, 2021.



REPORT OF THE REMUNERATION COMMITTEE ON DIRECTORS' REMUNERATION

1. The Remuneration Committee ("Remco")

The Remco has the authority to determine the remuneration of senior management (including the Executive Director) of the Company and to administer the Company's share-based remuneration plans as described on page 152. The members of Remco are Julie O'Neill (Chair), Róisín Brennan and Michael Cawley. The role and responsibilities of Remco are set out in its written terms of reference, which are available on the Company's website, <https://investor.ryanair.com>. All members of Remco have access to the advice of the Group CEO and Group CFO and may, in the furtherance of their duties, obtain independent professional advice at the Company's expense.

Following discussions with shareholders on the voting outcome on the Remuneration Report at the 2020 AGM, Remco noted shareholders', and proxy advisors', comments regarding the payment of a performance related bonus for fiscal year 2020 (despite fiscal year 2020 being a year of strong profitability and growth) to the Executive Director. During the past year the Executive Director, senior management and the Board agreed significant pay reductions/fee cuts in response to the Covid-19 crisis. Additionally, Remco did not award a bonus for fiscal year 2021 to the Executive Director or to the senior management team.

2. Proposed Remuneration Policy

This section sets out a summary of principles underpinning the Group's proposed Remuneration Policy, which is set out in full on <https://investor.ryanair.com/remuneration-policy/>. The full remuneration policy will be put to an advisory and non-binding vote at the upcoming AGM in September 2021 in accordance with Section 1110M of the Irish Companies Act 2014 (as amended). While the proposed policy relates to Director remuneration, information on senior management remuneration is included below for information purposes.

- (I) **Clarity:** The Group CEO (who is the only Executive Director) and the senior management team are rewarded competitively, but in keeping with the ethos of a low-cost airline group, having regard to the comparative marketplace primarily in Ireland and the U.K. to ensure that they are motivated to deliver in the best interests of the shareholders.
- (II) **Simplicity:** The remuneration of the Group CEO and senior management is structured towards a relatively low basic salary (by EU airline comparatives) and a bonus scheme which allows the Group CEO and senior management to earn up to a maximum of 100% of their base pay each year by way of performance related bonus. In selecting annual performance targets, Remco takes into account the Group's strategic objectives, short and long-term business priorities. The Group CEO and each senior manager's bonus is determined annually with up to 50% of the total quantum being determined by reference to achieving the Company's budgeted profit after tax ("PAT") for the fiscal year, and up to 50% of the total quantum being determined by reference to a written assessment of the Group CEO and each senior manager's personal performance against a list of rigorous performance targets for their individual airline, department or areas of responsibility for that fiscal year. These personal performance targets focus on strategic objectives such as (but are not limited to) traffic targets, ancillary revenue growth, cost control (measured against ex-fuel unit costs) and liquidity, customer service metrics, management succession, operational performance (including punctuality and customer satisfaction) and ESG targets. A key focus in fiscal year 2021, and throughout the Covid-19 Crisis, was in relation to: cash preservation, minimizing job losses, keeping aircraft and crews current, right sizing the Group's cost base, financing the Group and further improving the Group's ESG credentials. Historically, senior managers have rarely received 100% of their bonus entitlement, the average in recent years (when budgeted PAT has been achieved) is between 70% to 90%.

In March 2020 the Group CEO, as part of the Group's response to the Covid-19 crisis, agreed to further reduce his base pay to €250,000 for fiscal year 2021 (another 50% reduction to the 50% pay cut he agreed when he signed his new 5-year contract in February 2019). The senior management team and the Board of Directors also agreed to base pay reductions/fee cuts. While Remco acknowledges that the Group CEO's, and the senior management team's, performance was impressive throughout fiscal year 2021, in due acknowledgement of the Group's net loss for fiscal year 2021 and its participation in the UK CCFF scheme, no bonuses were awarded to the Group CEO or senior management for fiscal year 2021.

- (III) **Risk:** Reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans should be identified and mitigated.
- (IV) **Predictability:** The Group CEO's share option grant (awarded as part of his 5-year contract in February 2019), when the share price was €11.12, has clear but challenging targets. The PAT of the Ryanair Group must be doubled to exceed €2bn in any year up to fiscal year 2024 (inclusive) and/or the Company's share price exceeds €21 for a period of 28 days between April 1, 2021 and March 31, 2024. This gives certainty to all stakeholders if the targets have been met.
- (V) **Proportionality:** Linking annual bonuses to Ryanair's short-term targets (including budgeted PAT and other performance metrics), and share based remuneration to the Company's ambitious long-term targets (e.g. PAT above €2bn and/or share price above €21 as noted above) ensures that suboptimal performance is not rewarded.
- (VI) **Alignment to Culture:** The Group has a policy of minimizing management expenses and accordingly it does not provide defined benefit pensions, company cars, or unvouched expenses to senior managers. All expense claims must be fully vouched and are rigorously vetted on a monthly basis by the Group CFO.

The total remuneration paid to senior management (defined as the Executive team reporting to the Board of Directors together with all Non-Executive Directors' fees) is set out in Note 20 of the consolidated Financial Statements. Company policy in respect of share-based remuneration is dealt with in section 6 below.

As the Group emerges from the Covid-19 crisis and embarks upon a 5-year growth plan, including the delivery of 210 Boeing 737-8200 "Gamechanger" aircraft, which should see annual traffic grow to approximately 200m by fiscal year 2026, Remco plans to engage remuneration specialists in the second half of fiscal year 2022 to review senior management remuneration arrangements. The purpose of this exercise is to ensure that Group CEO and senior management remuneration continues to be aligned to the Group's strategy, long term interests and sustainability goals, while promoting retention and succession planning. Any material change to the remuneration policy will (to the extent necessary) be tabled at the next appropriate AGM.

3. Group CEO Pay

In February 2019 Michael O'Leary signed a five-year contract as Group CEO commencing April 1, 2019 and expiring on July 31, 2024, when the share price was €11.12. As part of this contract the Group CEO agreed to a 50% cut in base pay from €1m to €500,000 p.a., a 50% cut to his maximum potential annual bonus (to €500,000) and, in line with best practice in the updated Corporate Governance Code, he does not receive any pension benefits from Ryanair. This new contract included 10m share options, which are exercisable at a price of €11.12 only if the PAT of the Ryanair Group is doubled to exceed €2bn in any year up to fiscal year 2024 (inclusive) and/or the share price of the Company exceeds €21 for a period of 28 days between April 1, 2021 and March 31, 2024. These options will lapse automatically should the Group CEO leave the Ryanair Group's employment on/ before July 31, 2024.

To the extent that options vest, they can only be exercised between September 30, 2024 and February 2027. The ambitious profit and share price targets mean that the Group CEO is fully aligned with, and committed to delivering superior returns for shareholders over the term of his contract of employment. The Group CEO is subject to a covenant not to compete with the Company within the EU for two years after the termination of his employment. The options grant contains malus and claw back provisions.

The Group CEO is the only Executive Director of the Board. For the year ended March 31, 2021, the Group CEO volunteered to a 50% reduction in his base pay to €250,000 and his maximum bonus was capped at €500,000. While Remco acknowledges that Mr. O'Leary's performance throughout fiscal year 2021 was impressive, the 50% of Mr. O'Leary's bonus, that is linked to budgeted PAT, was not achieved as the Group recorded a net loss in fiscal year 2021. Additionally, as the Group participated in the UK CCFF scheme, Remco did not award a bonus for the achievement of Mr. O'Leary's personal targets in fiscal year 2021. As such, no bonus was awarded to Mr. O'Leary for fiscal year 2021.

The Group CEO's pay and bonus for fiscal years 2019, 2020 and 2021, is set out below.

Fiscal Year ended March 31,	Base Pay €'000	Bonus €'000	Pension €'000	Subtotal €'000	Share Based €'000	Total €'000
2019	1,058	768	–	1,826	1,547	3,373
2020	500	458	–	958	2,509	3,467
2021	250	–	–	250	1,780*	2,030
Percentage change FY21 v FY20				-74%		-41%

*€1.78m non-cash accounting charge for 10m options granted under the Group CEO's new 5-year contract in February 2019

4. Performance

Fiscal year 2021 was the most challenging in Ryanair's history. Covid-19 saw traffic collapse, almost overnight, from 149m (pre Covid-19) to just 27.5m as many European Governments (with little notice or co-ordination) imposed flight bans, travel restrictions and national lockdowns. The Group reported a full year loss of €815m (excluding hedge ineffectiveness). During the year revenue fell by 81% to €1.64bn, in line with the fall in traffic to just 27.5m from 149m. Ancillary revenue delivered a solid performance as more guests chose priority boarding and reserved seating, resulting in an 11% increase in per passenger spend to almost €22. Fiscal year 2021 cost performance was strong, with absolute costs falling 66%. Due to an 81% reduction in traffic and aircraft delivery delays, the Group recorded a €200m ineffectiveness charge on fuel and currency hedges in fiscal year 2021. At year end, the Group had strong liquidity with over €3.15bn gross cash and 85% of its owned (Boeing 737) fleet was unencumbered. During the year, the Group received a (first time) "B-" climate protection rating from CDP and on time performance improved significantly with 96% of flights on time.

5. Non-Executive Directors

In keeping with the Company's low-cost ethos, the level of Non-Executive Director fees is low by EU airline industry comparatives. Directors are appointed following selection by the Nomination Committee and approval by the Board and must be elected by the shareholders at the AGM following their appointment. Ryanair's Articles of Association require that all Directors retire after a fixed period not exceeding 3 years. Ryanair has adopted a policy whereby all Directors retire on an annual basis and being eligible for re-election, offer themselves for election. This therefore gives Ryanair's shareholders an annual opportunity to vote on the suitability of each Director.

To align themselves with Ryanair Group employees, Non-Executive Directors agreed to waive 50% of their directors' fees for the months of April and May 2020 as part of the Company's response to the Covid-19 crisis.

None of the Non-Executive Directors hold a service agreement with the Company that provides for benefits upon termination. Directors fees for fiscal year 2021 and 2020 are set out below:

Fees and emoluments – Non-Executive Directors

Fees	Year ended March 31, 2021 €'000	Year ended March 31, 2020 €'000	Annual percentage change FY21 v FY20
David Bonderman (i)	16.7	100.0	-83%
Róisín Brennan	45.8	50.0	-8%
Michael Cawley	45.8	50.0	-8%
Emer Daly	45.8	50.0	-8%
Stan McCarthy (ii)	87.5	50.0	75%
Kyran McLaughlin (i)	11.9	50.0	-76%
Howard Millar	45.8	50.0	-8%
Dick Milliken	45.8	50.0	-8%
Mike O'Brien	68.8	75.0	-8%
Julie O'Neill	45.8	50.0	-8%
Louise Phelan	45.8	50.0	-8%
Total Fees	505.5	625.0	-19%
Share based remuneration (Non cash)	83.1	150.2	-45%
Total	588.6	775.2	-24%

(i) Retired from the Board effective May 31, 2020. (ii) Appointed Chairman from June 1, 2020.

Change in remuneration of Directors

The Covid-19 pandemic has had an impact on the remuneration of everyone in the Group. The table in section 3 and the table above show the percentage decrease in Executive (-41%) and Non-Executive Directors' (-24%) remuneration from fiscal year 2021 compared to fiscal year 2020. The average percentage change in remuneration for all other employees from fiscal year 2021 compared to fiscal year 2020 was a decrease of 43%. Flight & cabin crew remuneration decreased by 47% primarily due to the reduction in variable pay which was impacted by a 75% reduction in flight hours in fiscal year 2021. The average percentage change for all other employees from fiscal year 2021 compared to fiscal year 2020 was a reduction of 11%. Remuneration relating to government subsidies or Company top-up pay has been excluded.

6. Share Based Remuneration

The Company's share option plan, which was approved by shareholders at the 2013 AGM ("Options Plan 2013"), encourages our people to think and act like long-term shareholders and prioritize sustainable returns. While this plan was successful, following a broad review by Remco (with the assistance of Deloitte) of the Company's variable pay arrangements during 2019, it became clear that there was a need to put in place a more regular, formalized, long-term incentive arrangements for senior managers. As such, at the September 2019 AGM the Company requested, and received, shareholder approval for the 2019 Long-Term Incentive Plan ("LTIP 2019"). Under this new framework, senior managers may be eligible to receive regular annual awards, typically of whole shares rather than share options, with vesting based on performance against stretching three-year targets. In light of the award of options in February 2019 (as part of his contract renewal) to the Group CEO under Options Plan 2013, Remco has determined that no awards will be made to the Group CEO under LTIP 2019 for the duration of his existing five-year contract out to July 2024. While Non-Executive Directors are permitted to receive share awards (but not options) under LTIP 2019, such awards, in line with good corporate governance, are not subject to performance conditions.

This more formal framework will, over time, provide senior managers with a schedule of overlapping awards, each aligned with key performance goals for their respective periods. In this manner Remco considers that it will act as a more effective driver of sustainable returns than the previous framework and a strong retention tool. It is recognized that the framework of LTIP 2019 is more aligned with the general direction of the market, with arrangements in close peers, and with the expectations of many shareholders.

The performance conditions which will attach to awards to be granted to senior managers under the LTIP 2019 are currently expected, at the discretion of Remco, to be a combination of absolute profit growth / EPS growth, relative TSR performance against airline peers and achievement of ESG targets. Absolute profit growth / EPS growth provides a direct measure of bottom-line financial performance and is a key performance indicator for Ryanair, TSR measures the Company's relative performance against peers and reflects the overall shareholder experience and ESG targets (including environmental targets) align with the Group's goal of reducing its CO2 per passenger/km over the coming years. Remco will determine the appropriate performance targets when making grants under LTIP 2019.

A description of the Company's Option Plan 2013 and LTIP 2019 are available on page 152. Details of the share options granted to Executive and Non-Executive Directors are set forth in Note 20(d) to the consolidated Financial Statements.

Prior to the shareholder approval of LTIP 2019, share options were granted occasionally (under Options Plan 2013), at the discretion of the Board and Remco, to incentivize superior performance by the management team, to encourage their long-term commitment to Ryanair and to align the objectives of management with those of the shareholders. Management are encouraged, through share-based remuneration, to think and act like long term shareholders and prioritize shareholder returns. Options will only be exercisable where exceptional PAT or share price targets have been achieved over a 5-year period from date of grant. Managers must remain in full time employment with the Group for a 5-year period from the grant date in order to exercise these options. The 5-year targets set by Remco are ambitious, with the final grant under Options Plan 2013 (fiscal year 2019) setting performance vesting targets of a €21 share price and/or €2bn PAT by fiscal year 2024 inclusive. The fiscal year 2019 options grant contains malus and clawback provisions.

As at March 31, 2021, Non-Executive Directors held a modest number of share options as set out on page 229. Whilst the 2018 Code discourages the grant of options to Non-Executive Directors, the Company has a policy of complying with these codes or explaining why it does not. In this case, because of its substantial NASDAQ listing and US shareholder base, where US investors generally encourage and promote modest Non-Executive Directors' options, the Company historically granted a small amount of share options to Non-Executive Directors. The Company, in accordance with the 2018 Code, sought and received shareholder approval to make these share option grants and Remco believes that this very modest number of options does not impair the independence of judgement or character of Non-Executive Directors. Following consultation with shareholders and the subsequent adoption of LTIP 2019 at the 2019 AGM, no further share options or performance related shares will be granted to Non-Executive Directors. This legacy issue will, therefore, naturally disappear as options are exercised.

Ryanair fully complies with the Investment Association's Principles of Remuneration whereby the Company's share-based remuneration schemes do not exceed 10% of the issued share capital in any rolling 10-year period.

Details of employee share option plans are set forth on pages 222 to 223 in Note 16(c) to the consolidated Financial Statements.

7. Directors' Pension Benefits

None of the Directors, including the Executive Director, receive any pension benefits as set forth in Note 20(c) to the consolidated Financial Statements.

8. Directors' Shareholdings

The interests of each Director, that held office at the end of fiscal year 2021, in the share capital of the Company as at March 31, 2021, are set out below.

The Group CEO has a 3.9% shareholding which aligns him with long-term shareholder interests and comfortably exceeds the Pensions and Lifetime Savings Association recommendation on Executive Director share ownership (circa 200% of base salary).

	2021	No. of Shares at March 31, 2020	2019
Michael Cawley	756,198	756,198	756,198
Emer Daly	6,840	3,260	3,260
Stan McCarthy	10,000	10,000	10,000
Howard Millar	435,000	390,000	390,000
Dick Milliken	9,750	9,750	9,750
Mike O'Brien	4,405	—	—
Michael O'Leary	44,096,725	44,096,725	44,096,725
Julie O'Neill	5,000	1,000	1,000
Louise Phelan	30,000	30,000	30,000

9. Shareholders' Votes on Remuneration Report and Remuneration Policy

A resolution to approve the Remuneration Report will be put to shareholders at the Company's AGM. This advisory and non-binding resolution is often referred to as a "say on pay". Details of the voting outcomes at the 2018, 2019 and 2020 AGMs are set out below:

	2018 VOTES (m)	2019 VOTES (m)	2020 VOTES (m)
For	709	387	502
Against	98	380	261
Total*	807	767	763

* Between August, 2018 and August, 2020, the Company repurchased or canceled over 62m ordinary shares.

At the 2020 AGM, discretionary proxies representing approximately 4.8% of shares were voted in favor of the resolutions by the meeting's Chairman.

The Company has actively engaged with shareholders, The Investor Forum, and the large ESG proxy advisor firms (including Glass Lewis, ISS, MSCI, PIRC and Sustainalytics) on corporate governance matters in recent years, including during fiscal year 2021.

In accordance with Section 1110M of the Companies Act 2014, the Company will seek shareholder approval (via an advisory and non-binding vote) for its Directors Remuneration Policy at its AGM on September 16, 2021.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and applicable law including Article 4 of the IAS Regulation. The Directors have elected to prepare the Company financial statements in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of Companies Act 2014. In preparing the Group Financial Statements the Directors have also elected to comply with IFRS as issued by the International Accounting Standards Board ("IASB").

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations or have no realistic alternative but to do so.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended), the Central Bank (Investment Market Conduct) Rules and the Transparency Rules of the U.K. Financial Conduct Authority to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014 including Article 4 of the IAS Regulation. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for 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 preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website, <https://investor.ryanair.com>. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT AS REQUIRED BY THE TRANSPARENCY DIRECTIVE AND U.K. CORPORATE GOVERNANCE CODE

Each of the Directors, whose names and functions are listed on pages 139 to 140 of this annual report, confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the European Union and IFRS as issued by the IASB, and the Company financial statements prepared in accordance with IFRS as adopted by the European Union and IFRS as issued by the IASB, as applied in accordance with the provisions of Companies Act 2014, give a true and fair view of the assets, liabilities, and financial position of the Group and Company at March 31, 2021 and of the profit or loss of the Group for the year then ended;
- The Directors' report contained in the annual report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risk and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYANAIR HOLDINGS PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ryanair Holdings plc ('the Company') and its consolidated undertakings ('the Group') for the year ended March 31, 2021, which comprise the Consolidated and Company Balance Sheets, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Shareholder's Equity, the Consolidated and Company Statements of Cash Flows, and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at March 31, 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Our separate opinion in relation to IFRS as issued by the IASB is unmodified

As explained in Note 1 on page 179 of the financial statements, the Group, in addition to complying with its legal obligation to comply with IFRS as adopted by the European Union, has also prepared its Group financial statements in compliance with IFRS as issued by the International Accounting Standards Board (IASB).

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at March 31, 2021 and of its loss for the year then ended; and
- the Group financial statements have been properly prepared in accordance with IFRS as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the Directors on December 31, 1985. The period of total uninterrupted engagement is the 35 years ended March 31, 2021. We have fulfilled our ethical responsibilities under, and we remained

independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Director's assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the Group's process around the going concern assessment performed by management;
- Agreeing the underlying cash flow projections to board approved forecasts, assessing how these forecasts are compiled, and assessing the accuracy of management's forecasts;
- Testing of the clerical accuracy of management's going concern model including the data used in stress testing;
- Evaluating the key assumptions within management's forecasts;
- Assessing whether the plausible downside scenario prepared by management appropriately considered the principal risks facing the business;
- Evaluating the feasibility of management's mitigating actions in the plausible downside scenario;
- Substantiation of certain financial resources available to the Group; and
- Assessing the appropriateness of the going concern disclosures by evaluating the consistency with management's assessment and for compliance with the relevant reporting requirements.

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 or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the Group and the Company's 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.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2020):

Evaluation of hedge effectiveness of jet fuel and foreign currency derivative financial instruments

Refer to note 1 (accounting policy and critical accounting estimates and judgements) and note 13 (financial disclosures)

The key audit matter

The Group enters into derivative financial instruments in order to manage its exposure to (a) jet fuel price risk (being commodity price and related foreign exchange risk) generally through forward contracts covering periods of up to 18 months of anticipated jet fuel requirements and (b) changes in the fair value of aircraft purchase commitments, through foreign currency contracts to hedge against fluctuations in the Euro/U.S. dollar exchange rates on jet fuel and on aircraft deliveries for the term of the contract with the aircraft manufacturer i.e. through 2024.

Ryanair recognises all derivative instruments as either assets or liabilities in its consolidated balance sheet and measures them at fair value. At March 31, 2021, a net liability of €19.8 million was recognised on balance sheet in respect of the Group's jet fuel commodity price derivative instruments and a net asset of €148.5 million was recognised in respect of its foreign currency derivative instruments primarily associated with future aircraft and jet fuel purchases.

We identified the evaluation of hedge effectiveness of jet fuel and foreign currency derivative financial instruments as a key audit matter:

- In respect of jet fuel hedge effectiveness (commodity price and related foreign exchange), there is a high degree of subjective auditor judgement involved in assessing whether the volumes of jet fuel hedged are expected to be highly probable forecast transactions. Specifically, the assumptions related to the timing of the removal of flight restrictions imposed by governments relating to the COVID-19 pandemic and passenger demand impacting forecast fuel consumption were challenging to test as minor changes to those assumptions had a significant effect on the assessment of hedge effectiveness.
- In respect of foreign currency hedge effectiveness for aircraft payments, there is a high degree of subjective auditor judgement involved in assessing whether the future aircraft payments are considered highly probable of occurring and the timing of these future payments. The timing of future payments for aircraft is dependent on the aircraft manufacturer's ability to meet forecast delivery schedules.

How the matter was addressed in our audit

We undertook, amongst others, the following procedures:

- We evaluated the design and tested the operating effectiveness of certain internal controls over the Group's assumptions impacting forecast fuel consumption and forecast payments for aircraft purchases, including controls related to the hedge effectiveness of jet fuel and foreign currency derivative financial instruments;
- We involved valuation professionals with specialised skills and knowledge, who assisted in inspecting the Group's hedge documentation for certain contracts, for the purposes of considering whether the related accounting treatment was in accordance with the requirements of the prevailing accounting standards;
- We evaluated the Group's forecast fuel consumption assumptions impacting on its hedge effectiveness determination, by comparing those assumptions to (i) Group-specific operational information and internal communications to the Board of Directors and (ii) publicly available information including published government policies on flight restrictions for route destinations, recent public filings and news articles;
- We evaluated the Group's forecast aircraft purchases assumptions impacting on its hedge effectiveness determination, by comparing those assumptions to (i) Group-specific capital expenditure information and internal communications to the Board of Directors and (ii) publicly available information including updates from the aircraft manufacturer and aircraft certification status from global aviation regulators, and recent public filings;

- We performed sensitivity analyses over the Group's forecast fuel consumption assumptions and forecast payments for aircraft assumptions, to assess the impact of changes to those assumptions on the Group's hedge effectiveness determination;
- We assessed the Group's ability to accurately forecast fuel consumption and aircraft deliveries by comparing the Group's historical forecasted assumptions to actual historic outcomes; and
- We assessed the adequacy of the related disclosures.

As a result of our work, we found that the judgements made by management were supported by reasonable assumptions.

Evaluation of the estimates used in initial recognition and periodic depreciation of aircraft and aircraft impairment

Refer to note 1 (accounting policy and critical accounting estimates and judgements) and note 2 (financial disclosures)

Property, plant and equipment amounted to €8,361.1 million as of March 31, 2021, of which €8,192.9 million related to owned aircraft, including engines and related equipment ("aircraft"). The aircraft-related depreciation charge for the year ended March 31, 2021 was €476.0 million.

We identified the evaluation of the estimates used in initial recognition and periodic depreciation of aircraft and aircraft impairment as a key audit matter. Specifically, there was a high degree of subjective auditor judgement involved in assessing management's judgements about the expected useful life, the expected residual value, the cost attributable to major engine overhaul and the evaluation of changes in market conditions.

How the matter was addressed in our audit

We undertook, amongst others, the following procedures:

- We evaluated the design and tested the operating effectiveness of certain internal controls over the Group's aircraft process, including controls related to the development of the useful economic life and residual value assumptions, the estimated cost of major engine overhaul and the evaluation of changes in market conditions;
- We assessed the estimated useful life and estimated residual value by comparing a) the fair value of a mid-life aircraft to independent third party valuation reports prepared by specialist aircraft valuation experts, and b) the estimated useful life and estimated residual value to manufacturer's recommendations, published estimates of other international airlines, the Group's own experience of disposal of its aircraft and to independent expert commentary;
- We assessed the estimated cost of major engine overhaul by comparing it to actual historic maintenance costs incurred;
- We evaluated the Group's assumptions with regard to market conditions impacting on its aircraft fleet, by comparing those assumptions to (i) Group-specific operational information and internal communications to the Board of Directors, (ii) independent third party reports prepared by specialist aircraft valuation experts and (iii) publicly available information including third party market reports, recent public filings and news articles which may identify events or changes in circumstances that may indicate potential impairment;
- We performed sensitivity analyses over the Group's assumptions with regard to market conditions impacting its aircraft fleet, to assess the impact of changes to those market conditions on the Group's determination of the recoverability of aircraft;
- We assessed the Group's ability to forecast, by comparing the Group's estimated useful life and estimated residual value assumptions to the Group's own experience of disposal of its aircraft; and
- We assessed the adequacy of the related disclosures.

As a result of our work, we found that the judgements made by management were supported by reasonable assumptions and we found the related disclosures to be appropriate.

Company key audit matters

Due to the nature of the Company's activities, there are no key audit matters that we are required to communicate in accordance with ISAs (Ireland).

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

Materiality for the Group financial statements as a whole was set at €45.0 million (2020: €50.8 million). This has been calculated with reference to a benchmark of net assets (2020: profit before tax). In the current year, we consider net assets to be the most appropriate benchmark as it provides a more stable measure year-on-year than profit before tax. Materiality represents 1% of this benchmark (2020: 5% of profit before tax).

We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

We reported to the Audit Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of €2.3 million (2020: €2.5 million), in addition to other audit misstatements below that threshold that we believed warranted reporting on qualitative grounds.

Of the Group's seven (2020: six) reporting components, we subjected one (2020: one) to full scope audit for Group purposes and six (2019: five) to audit of account balances and specified risk-focused audit procedures. The latter were not individually financially significant enough to require a full scope audit for Group purposes but did present specific individual risks that needed to be addressed or were included in the scope of our Group reporting work in order to provide further coverage over the Group's results. Our approach to audit scoping is consistent with that applied in previous years. The components subjected to full scope audit contributed 95% of total revenues and 94% of total assets.

Materiality for the Company financial statements as a whole was set at €15.3 million (2020: €11.4 million). This was determined with reference to a benchmark of net assets, of which it represents 1% (2020: 1% of net assets). We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding €0.8 million (2020: €0.5 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

The financial statements and our auditor's report thereon do not comprise part of 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 as explicitly stated below, any form of assurance conclusion thereon.

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

Based solely on our work on the other information undertaken during the course of the audit, we report that, in those parts of the Directors' report specified for our consideration:

- we have not identified material misstatements in the Directors' report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, the Directors' report has been prepared in accordance with the Companies Act 2014.

Disclosures of principal risks and longer-term viability

Based on the knowledge we acquired during our financial statements audit, we have nothing material to add or draw attention to in relation to:

- the Principal Risks and Uncertainties disclosures describing these risks and explaining how they are being managed and mitigated;
- the Directors' confirmation within the Viability Statement on page 31 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Other corporate governance disclosures

We are required to address the following items and report to you in the following circumstances:

- Fair, balanced and understandable: if we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the Directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Report of the Audit Committee: if the section of the Annual Report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee;
- Statement of compliance with UK Corporate Governance Code: if the Directors' statement does not properly disclose a departure from provisions of the UK Corporate Governance Code specified by the Listing Rules of Euronext Dublin and the UK Listing Authority for our review.
- If the Directors' statement relating to Going Concern required under the Listing Rules of Euronext Dublin and the UK Listing Authority set out on page 30 is materially inconsistent with our audit knowledge.

We have nothing to report in these respects.

In addition, as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 15 to 32, that:

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process, and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/EC) Regulations 2006 and specified for our consideration, is consistent with the financial statements and has been prepared in accordance with the Act;

- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information; and
- the Corporate Governance Statement contains the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purpose of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

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

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year March 31, 2021; and
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended March 31, 2020 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

The Listing Rules of Euronext Dublin and the UK Listing Authority require us to review:

- the Directors' Statement, set out on pages 30 to 32, in relation to going concern and longer-term viability;
- the part of the Corporate Governance Statement on page 32 relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee.

We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Directors' responsibilities

As explained more fully in their statement set out on page 65, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation and not just those directly affecting the financial statements.

A fuller description of our responsibilities is provided on IAASA's website at <http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for>.

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

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for our report, or for the opinions we have formed.

Sean O'Keefe

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Stokes Place

St. Stephen's Green Dublin 2

Ireland

July 23, 2021

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

As used herein, the term “Ryanair Holdings” refers to Ryanair Holdings plc. The term the “Company” refers to Ryanair Holdings or Ryanair Holdings together with its consolidated subsidiaries, as the context requires. The term “Ryanair” refers to Ryanair DAC, a wholly owned subsidiary of Ryanair Holdings, together with its consolidated subsidiaries, unless the context requires otherwise. The term “Ryanair Group” refers to the wholly owned subsidiary airlines of Ryanair Holdings, including Ryanair Sun S.A. (“Buzz”), Lauda Europe Limited (“Lauda”), Malta Air Limited, Ryanair DAC, and Ryanair U.K. Limited. The term “fiscal year” refers to the 12-month period ended on March 31 of the quoted year. The term “Ordinary Shares” refers to the outstanding par value 0.600 euro cent per share common stock of the Company. All references to “Ireland” herein are references to the Republic of Ireland. All references to the “U.K.” herein are references to the United Kingdom and all references to the “United States” or “U.S.” herein are references to the United States of America. References to “U.S. dollars,” “dollars,” “\$” or “U.S. cents” are to the currency of the United States, references to “U.K. pound sterling,” “U.K. £” and “£” are to the currency of the U.K. and references to “€,” “euro,” “euros” and “euro cent” are to the euro, the common currency of nineteen member states of the European Union (the “EU”), including Ireland. Various amounts and percentages set out in this Annual Report on Form 20-F have been rounded and accordingly may not total.

The Company owns or otherwise has rights to the trademark Ryanair® in certain jurisdictions. See “Item 4. Information on the Company—Trademarks.” This report also makes reference to trade names and trademarks of companies other than the Company.

The Company publishes its annual and interim consolidated financial statements in accordance

with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”). Additionally, in accordance with its legal obligation to comply with the International Accounting Standards Regulation (EC 1606 (2002), which applies throughout the EU, the consolidated financial statements of the Company must comply with International Financial Reporting Standards as adopted by the EU. Accordingly, the Company’s consolidated financial statements and the selected financial data included herein comply with International Financial Reporting Standards as issued by the IASB and also International Financial Reporting Standards as adopted by the EU, in each case as in effect for the year ended and as of March 31, 2021 (collectively referred to as “IFRS” throughout).

The Company publishes its consolidated financial statements in euro. Solely for the convenience of the reader, this report contains translations of certain euro amounts into U.S. dollars at specified rates. These translations should not be construed as representations that the converted amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rates indicated or at any other rate. Unless otherwise indicated, such U.S. dollar amounts have been translated from euro at a rate of €1.00 = \$1.1743, or \$1.00 = €0.8516, the official rate published by the U.S. Federal Reserve Board in its weekly “H.10” release (the “Federal Reserve Rate”) on March 31, 2021. The Federal Reserve Rate for euro on June 30, 2021 was €1.00 = \$1.1848 or \$1.00 = €0.8440. See “Item 3. Key Information— Exchange Rates” for information regarding historical rates of exchange relevant to the Company, and “Item 5. Operating and Financial Review and Prospects” and “Item 11. Quantitative and Qualitative Disclosures About Market Risk” for a discussion of the effects of changes in exchange rates on the Company.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for the historical statements and discussions contained herein, statements contained in this report constitute “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements may include words such as “expect,” “estimate,” “project,” “anticipate,” “should,” “intend,” and similar expressions or variations on such expressions. Any filing made by the Company with the U.S. Securities and Exchange Commission (the “SEC”) may include forward-looking statements. In addition, other written or oral statements which constitute forward-looking statements have been made and may in the future be made by or on behalf of the Company, including statements concerning its future operating and financial performance, the Company’s share of new and existing markets, general industry and economic trends and the Company’s performance relative thereto and the Company’s expectations as to requirements for capital expenditures and regulatory matters. The Company’s business is to provide a low-fares airline service in Europe and North Africa, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting that business and the European economy. Forward-looking statements with regard to the Company’s business rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of

which are outside the Company’s control, that could cause actual results to differ materially from such statements. It is not reasonably possible to itemize all the many factors and specific events that could affect the outlook and results of an airline operating in the European economy. Among the factors that are subject to change and could significantly impact the Company’s expected results are and global pandemics such as Covid-19 the airline pricing environment, fuel costs, competition from new and existing carriers, market prices for replacement aircraft and aircraft maintenance services, aircraft availability, costs associated with environmental, safety and security measures, significant outbreaks of airborne disease, terrorist attacks, cyber-attacks, actions of the Irish, U.K., EU and other governments and their respective regulatory agencies, dependence on external service providers and key personnel, fluctuations in currency exchange rates and interest rates, fluctuations in corporate tax rates, changes to the structure of the European Union and the euro, airport handling and access charges, litigation, labor relations, the economic environment of the airline industry, the general economic environment in Europe, the general willingness of passengers to travel, continued acceptance of low fares airlines and flight interruptions caused by Air Traffic Controllers (“ATC”) strikes and staff shortages, extreme weather events or other atmospheric disruptions. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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PART I

Item 1. *Identity of Directors, Senior Management and Advisers*

Not applicable.

Item 2. *Offer Statistics and Expected Timetable*

Not applicable.

Item 3. *Key Information*

THE COMPANY

Ryanair Holdings operates a low fare, low cost scheduled airline group serving short-haul, point-to-point routes from 86 bases to airports across Europe and North Africa, which together are referred to as “Ryanair’s bases.” For a list of these bases, see “Item 4. Information on the Company—Route System, Scheduling and Fares.” Ryanair pioneered the low-fares air travel model in Europe in the early 1990s. As of June 30, 2021, the Ryanair Group had a fleet of 422 owned Boeing 737s, including 3 Boeing 737-8200 “Gamechanger” aircraft. In addition, the Group had 29 leased Airbus A320 aircraft. Prior to the grounding of aircraft in March 2020, as a result of EU governments reactions to the spread of Covid-19, the Group offered over 2,500 short-haul flights per day serving over 240 airports across Europe and North Africa. It is anticipated that similar capacity will be offered over the next twelve months, subject to the timing of the removal of government lockdown restrictions and assuming such lockdown and travel restrictions are not re-imposed. Ryanair is Europe’s greenest, cleanest major airline group and customers switching to fly Ryanair can reduce their CO₂ emissions by up to 50% compared to the other Big 4 European major airlines. A detailed description of the Company’s business can be found in “Item 4. Information on the Company.”

SELECTED FINANCIAL DATA

The following tables set forth certain of the Company's selected consolidated financial information as of and for the periods indicated. Financial information presented in euro in the table below has been derived from the consolidated financial statements that are prepared in accordance with IFRS. The financial information for fiscal year 2021 has been translated from € to U.S.\$ using the Federal Reserve Rate on March 31, 2021. This information should be read in conjunction with: (i) the audited consolidated financial statements of the Company and related notes thereto included in Item 18 and (ii) "Item 5. Operating and Financial Review and Prospects."

Income Statement Data:

	Fiscal year ended March 31,					
	2021(a)	2021	2020	2019	2018	2017
	(in millions, except per-Ordinary Share data)					
Total operating revenues	\$ 1,920.9	€ 1,635.8	€ 8,494.8	€ 7,697.4	€ 7,151.0	€ 6,647.8
Total operating expenses	\$ (2,906.6)	€ (2,475.2)	€ (7,367.4)	€ (6,680.6)	€ (5,483.7)	€ (5,113.8)
Operating (loss)/profit	\$ (985.7)	€ (839.4)	€ 1,127.4	€ 1,016.8	€ 1,667.3	€ 1,534.0
Other income/(expense)	\$ (316.3)	€ (269.3)	€ (457.1)	€ (68.7)	€ (56.0)	€ (63.7)
(Loss)/profit before taxation	\$ (1,302.0)	€ (1,108.7)	€ 670.3	€ 948.1	€ 1,611.3	€ 1,470.3
Tax expense on (loss)/profit	\$ 109.9	€ 93.6	€ (21.6)	€ (63.1)	€ (161.1)	€ (154.4)
(Loss)/profit after taxation	\$ (1,192.1)	€ (1,015.1)	€ 648.7	€ 885.0	€ 1,450.2	€ 1,315.9
Ryanair Holdings basic earnings per Ordinary Share (U.S. dollars)/(euros)	\$ (1.0735)	€ (0.9142)	€ 0.5824	€ 0.7739	€ 1.2151	€ 1.0530
Ryanair Holdings diluted earnings per Ordinary Share (U.S. dollars)/(euros)	\$ (1.0735)	€ (0.9142)	€ 0.5793	€ 0.7665	€ 1.2045	€ 1.0464

Balance Sheet Data:

	As of March 31,					
	2021(a)	2021	2020	2019	2018	2017
	(in millions)					
Cash and cash equivalents	\$ 4,827.0	€ 2,650.7	€ 2,566.4	€ 1,675.6	€ 1,515.0	€ 1,224.0
Total assets	\$ 14,476.8	€ 12,328.0	€ 14,747.2	€ 13,250.7	€ 12,361.8	€ 11,989.7
Current and long-term debt, including lease obligations	\$ 6,161.3	€ 5,426.8	€ 4,211.2	€ 3,644.4	€ 3,963.0	€ 4,384.5
Shareholders' equity	\$ 5,456.5	€ 4,646.6	€ 4,914.5	€ 5,214.9	€ 4,468.9	€ 4,423.0
Issued share capital	\$ 7.9	€ 6.7	€ 6.5	€ 6.8	€ 7.0	€ 7.3
Weighted Average Number of Ordinary Shares in issue during the year	1,110.4	1,110.4	1,113.8	1,143.6	1,193.5	1,249.7

Cash Flow Statement Data:

	Fiscal year ended March 31,					
	2021(a)	2021	2020*	2019*	2018	2017
	(in millions)					
Net cash (outflow)/inflow from operating activities**	\$ (2,874.7)	€ (2,448.0)	€ 1,327.1	€ 1,759.3	€ 2,233.2	€ 1,927.2
Net cash inflow/(outflow) from investing activities	\$ 1,100.3	€ 937.0	€ (301.1)	€ (744.2)	€ (719.4)	€ (1,290.8)
Net cash inflow/(outflow) from financing activities**	\$ 1,905.3	€ 1,622.5	€ (287.0)	€ (854.5)	€ (1,222.8)	€ (671.6)
Increase/(decrease) in cash and cash equivalents	\$ 131.0	€ 111.5	€ 739.0	€ 160.6	€ 291.0	€ (35.2)

*includes amendments to trade payables and capital expenditure. See note 1 of the financial statements for further detail

**Amounts are inclusive of net foreign currency differences

(a) Dollar amounts are initially measured in euro in accordance with IFRS and then translated to U.S.\$ solely for convenience at the Federal Reserve Rate on March 31, 2021 of €1.00 = \$1.1743 or \$1.00 = €0.8516.

SELECTED OPERATING AND OTHER DATA

The following tables set forth certain operating data of Ryanair for each of the fiscal years shown. Such data are derived from the Company's consolidated financial statements prepared in accordance with IFRS and from certain other data, and are not audited. For definitions of the terms used in this table, see the Glossary in Appendix A.

Operating Data:	Fiscal Year ended March 31,				
	2021	2020	2019	2018	2017
Operating Margin	(51)%	13%	12%	23%	22%
Break-even Load Factor	108%	83%	83%	73%	73%
Average Booked Passenger Fare (€)	37.65	37.46	37.03	39.40	40.58
Ancillary Rev. per Booked Passenger (€)	21.80	19.71	17.14	15.48	14.83
Total Rev. per Booked Passenger (€)	59.45	57.17	54.17	54.88	55.41
Cost Per Booked Passenger (€)	89.95	49.58	47.01	42.08	42.62
Average Fuel Cost per U.S. Gallon (€)	1.74	2.06	1.79	1.65	1.83

Other Data:	Fiscal Year ended March 31,				
	2021	2020	2019	2018	2017
Revenue Passengers Booked (millions)	28	149	142	130	120
Booked Passenger Load Factor	71%	95%	96%	95%	94%
Average Sector Length (miles)	776	761	774	775	770
Sectors Flown	204,828	823,897	789,771	725,044	675,482
Number of Airports Served at Period End	225	242	219	216	207
Average Daily Flight Hour Utilization (hours)	2.37	9.11	9.02	9.13	9.33
Team Members at Period End	15,016	17,268	16,840	14,583	13,026
Team Members per Aircraft at Period End	33	37	36	34	34

RISK FACTORS

Risks Related to the Company

The Covid-19 pandemic and measures to reduce its spread have had, and will likely continue to have, a material adverse impact on the Company's business, results of operations, financial condition and liquidity. In December 2019, a novel strain of coronavirus ("Covid-19") was reported in Wuhan, China, and the World Health Organization ("WHO") subsequently declared Covid-19 a "Public Health Emergency of International Concern". Since February 2020, governments globally have implemented a range of travel restrictions including lockdowns, "do not travel" advisories, restrictions on travel from certain international locations, enhanced airport screenings, mandatory quarantine requirements, and other similar measures. Other governmental restrictions and regulations in the future in response to Covid-19 could include additional travel restrictions, quarantines of additional populations (including the Company's personnel), restrictions on our ability to access our facilities or aircraft or requirements to collect additional passenger data. In addition, governments, non-governmental organizations and entities in the private sector have issued and may continue to issue non-binding advisories or recommendations regarding air travel or other social distancing measures, including limitations on the number of persons that should be present at public gatherings. Finally, wariness among the public of travel by aircraft due to the perceived risk of health impacts, as well as cancellations of conventions, conferences, sporting events, concerts and other similar events, the closure of popular tourist destinations and the increased use of videoconferencing, have resulted in an unprecedented decline in business and leisure travel. There is no indication of when these restrictions may be fully lifted, whether they will be fully or partly reimposed or when demand may return to pre-pandemic levels.

Ryanair began experiencing a substantial decline in international and domestic demand related to Covid-19 during the quarter ended March 31, 2020, and this reduction in demand has continued throughout FY21 and into the first half of FY22. There is no clarity as to when demand for air travel will recover to pre-pandemic levels. The Company has taken a number of actions in response to decreased demand and EU flight restrictions, including grounding a substantial portion of its fleet, reducing flight schedules and reducing capital and operating expenditures (including by postponing projects deemed non-critical to the Company's operations, cancelling share buybacks, implementing restructurings, controlling discretionary spending, and renegotiating contractual terms and conditions (including salaries) with personnel, airports, aircraft suppliers and vendors). The Company may also take additional actions to improve its financial position, including measures to improve liquidity. Ryanair's reduction in expenditures, measures to improve liquidity or other strategic actions that it may take in the future in response to Covid-19 may not be effective in offsetting decreased demand, which could result in a material adverse effect on the Company's business, results of operations, financial condition and liquidity.

In addition, Ryanair has incurred, and will continue to incur, significant Covid-19 related costs for enhanced aircraft cleaning and additional procedures to limit transmission among its personnel and customers. Although these procedures are currently elective, the industry may in the future be subject to further cleaning and safety measures, which may be costly and take a significant amount of time to implement. These measures, individually and combined, could have a material adverse impact on the Company's business.

The full extent of the ongoing impact of Covid-19 on the Company's longer-term operational and financial performance will depend on future developments, many of which are outside of the Company's control, including the duration and spread of Covid-19 and related travel advisories and restrictions, the impact of Covid-19 on overall long-term demand for air travel, the impact of Covid-19 on the financial health and operations of the Company's business partners (particularly Boeing), and future governmental actions, all of which are highly uncertain and cannot be predicted. Even after the Covid-19 pandemic has moderated and the enhanced screenings, quarantine requirements and travel restrictions have eased, the Company may continue to experience similar adverse effects to its businesses, results of operations, financial position and cash flows resulting from a recessionary global economic environment that may

persist. Finally, an outbreak of another disease or similar public health threat, or fear of such an event, that affects travel demand, travel behavior or travel restrictions could have a material adverse impact on the Company's business, financial condition and operating results. Outbreaks of other diseases could also result in increased government restrictions and regulation, such as those actions described above or otherwise, which could adversely affect the Company's operations.

Covid-19 has disrupted the Company's strategic growth plans. Covid-19 has disrupted the Company's strategic growth plans in the near term, and there are risks to its business, operating results and financial condition associated with executing its strategic growth plans in the long term. In developing its strategic growth plans, the Company makes certain assumptions, including, but not limited to, those related to customer demand, competition, market consolidation, the availability of aircraft and the global economy. Actual economic, market and other conditions have been and may continue to be different from its assumptions. Demand has been, and is expected to continue to be, significantly impacted by Covid-19, which has materially disrupted the timely execution of the Company's strategic operating plans, including plans to add capacity in fiscal year 2022. If the Company does not successfully execute or adjust its strategic growth plans in the long term, or if actual results continue to vary significantly from its prior assumptions or vary significantly from its future assumptions, the Company's business, operating results and financial condition could be materially and adversely impacted.

Ryanair is subject to cyber security risks and may incur increasing costs in an effort to minimize those risks. As almost all of Ryanair's reservations are made through its website and mobile app, security breaches could expose it to a risk of loss or misuse of customer information, litigation and potential liability. A third-party service organization is used for the reservation process which is also subject to cyber security risks. Ryanair secures its website and follows the National Institute of Standards and Technology Cyber Security Framework. Nevertheless, the security measures which have been or will be implemented may not be effective, and Ryanair's systems may be vulnerable to theft, loss, damage and interruption from a number of potential sources and events, including unauthorized access or security breaches, cyber-attacks, computer viruses, power loss, or other disruptive events. Ryanair may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Attacks may be targeted at Ryanair, its customers and suppliers, or others who have entrusted it with information.

Ryanair is subject to increasingly complex data protection laws and regulations. Ryanair's business involves the processing and storage on a large scale of personal data relating to its customers, employees, business partners and others. Ryanair is subject to the European Union's General Data Protection Regulation 2016/679 (the "GDPR") (which became fully applicable on May 25, 2018) as well as relevant national implementing legislation (Irish Data Protection Act 2018), which impose a number of significant obligations and requirements upon subject companies. Ensuring compliance with data protection laws is an ongoing commitment which involves substantial costs, and it is possible that, despite Ryanair's efforts, governmental authorities or third parties will assert that Ryanair's business practices fail to comply with these laws and regulations. If its operations are found to be in violation of any of such laws and regulations, Ryanair may be subject to significant civil, criminal and administrative damages, penalties and fines, as well as reputational harm, which could have a material adverse effect on its business, financial condition or results of operations.

Changes in fuel costs and availability affect the Company's results. Jet fuel is subject to wide price fluctuations as a result of many economic and political factors and events occurring throughout the world that Ryanair can neither control nor accurately predict, including increases in demand, sudden disruptions in supply and other concerns about global supply, as well as market speculation. Oil prices in fiscal year 2021 decreased when compared to fiscal year 2020, although they have started to rise in fiscal year 2022. As international prices for jet fuel are denominated in U.S. dollars, Ryanair's fuel costs are also subject to certain exchange rate risks. Substantial price increases, adverse exchange rates, or the unavailability of adequate fuel supplies, including, without limitation, any such events resulting from international terrorism, prolonged hostilities in the Middle East or other oil-producing regions or the suspension of production by any significant producer, may adversely affect Ryanair's profitability. In the event of a fuel shortage resulting from a

disruption of oil imports or otherwise, additional increases in fuel prices or a curtailment of scheduled services could result.

Ryanair has historically, prior to the Covid-19 crisis, entered into hedging arrangements providing for substantial protection against fluctuations in fuel prices, generally through forward contracts covering periods of up to 24 months of anticipated jet fuel requirements. There is no assurance that Ryanair will hedge fuel to the same extent in the future. Ryanair is exposed to risks arising from fluctuations in the price of fuel, and movements in the euro/U.S. dollar exchange rate because of the limited nature of its hedging program, especially in light of recent volatility in the relevant currency and commodity markets. Any movements in fuel costs could have a material adverse effect on Ryanair's financial performance. In addition, any strengthening of the U.S. dollar against the euro could have an adverse effect on the cost of buying fuel in euro.

No assurances whatsoever can be given about trends in fuel prices. Average fuel prices for future years may be significantly higher than current prices. There also cannot be any assurance that Ryanair's current or any future arrangements will be adequate to protect Ryanair from increases in the price of fuel or that Ryanair will not incur losses due to high fuel prices, either alone or in combination with other factors. Because of Ryanair's low fares and its no-fuel-surcharges policy, as well as Ryanair's expansion plans, which could have a negative impact on yields, its ability to pass on increased fuel costs to passengers through increased fares or otherwise is somewhat limited. The expansion of Ryanair's fleet has resulted and will likely (in coming years) continue to result in an increase in Ryanair's aggregate fuel consumption.

Additionally, declines in the price of oil and/or capacity declines may expose Ryanair to some risk of hedging losses and hedge ineffectiveness that could lead to negative effects, including income statement volatility, on Ryanair's financial condition and/or results of operations.

The Company may not be successful in increasing fares to cover rising business costs. Ryanair operates a low-fares airline. The success of its business model depends on its ability to control costs so as to deliver low fares while at the same time earning a profit. Ryanair has limited control over its fuel costs and already has comparatively low operating costs. In periods of high fuel costs, if Ryanair is unable to further reduce its other operating costs or generate additional revenues, operating profits are likely to fall. Furthermore, as part of its change in marketing and airport strategy, the Company expects increased marketing and advertising costs along with higher airport charges at primary airports to which it operates. Ryanair cannot offer any assurances regarding its future profitability. Changes in fuel costs and availability could have a material adverse impact on Ryanair's results. See "—The Company faces significant price and other pressures in a highly competitive environment" and "—Changes in Fuel Costs and Availability Affect the Company's Results".

The Company faces significant price and other pressures in a highly competitive environment. Ryanair operates in a highly competitive marketplace, with a number of low-fare, traditional and charter airlines competing throughout its route network. Airlines compete primarily in respect of fare levels, frequency and dependability of service, name recognition, passenger amenities (such as access to frequent flyer programs), and the availability and convenience of other passenger services. Unlike Ryanair, certain competitors are state-owned or state-controlled flag carriers and in some cases may have greater name recognition and resources and may have received, or may receive in the future, significant amounts of subsidies and other state aid from their respective governments as happened (and may continue to happen) during the Covid-19 pandemic. In addition, the EU-U.S. Open Skies Agreement allows U.S. carriers to offer services in the intra-EU market, which could eventually result in increased competition in the EU market. See "Item 4. Information on the Company—Government Regulation—European Union."

The airline industry is highly susceptible to price discounting, in part because airlines incur very low marginal costs for providing service to passengers occupying otherwise unsold seats. Both low-fare and traditional airlines

sometimes offer low fares in direct competition with Ryanair across a significant proportion of its route network as a result of the liberalization of the EU air transport market and greater public acceptance of the low-fares model. There is no guarantee that lower fuel prices will not lead to greater price competition and encourage new entrants to the market in the short to medium term.

In addition to traditional competition among airline companies and charter operators who have entered the low-fares market, the industry also faces competition from ground transportation (including high-speed rail systems) and sea transportation alternatives, as businesses and recreational travelers seek substitutes for air travel.

Although Ryanair intends to assert its rights against any predatory pricing or other similar conduct, price competition both among airlines and between airlines and ground and sea transportation alternatives could reduce the level of fares and/or passenger traffic on Ryanair's routes to the point where profitability may not be achievable.

Ryanair has a significant amount of debt and fixed obligations, and insufficient liquidity may have a material adverse effect on the Company's financial condition. Ryanair carries, and will continue to carry for the foreseeable future, a substantial amount of debt related to aircraft financing commitments, as well as commitments for maintenance and other obligations. Although the Company has historically been able to generate sufficient cash flow from operations to pay debt and other fixed obligations when they become due, the impacts of Covid-19 and other risks described in this report may limit the Company's ability to do so in the future and may adversely affect its overall liquidity. As a result, the Company has incurred and will continue to seek new financing sources to fund its operations for the unknown duration of any economic recovery period. Although the Company has issued two Eurobonds (for an aggregate nominal amount of €2.05bn) in the period since September 1, 2020, volatility and uncertainty in the global markets generally, and the air transportation industry specifically, may make it difficult for Ryanair to raise additional capital on acceptable terms, or at all. Additionally, future debt agreements may contain more restrictive covenants or require security beyond historical market terms, which may restrict Ryanair's ability to successfully access capital.

If the Company's liquidity is materially diminished, it may not be able to timely pay aircraft leases and debts or comply with certain covenants under its financing agreements or with other material provisions of its contractual obligations. In addition, in light of the affect Covid-19 is having on demand and, in turn, capacity, Ryanair has seen an increase in demand from consumers for refunds on their tickets and/or waiver of change fees, and Ryanair anticipates this will continue to be the case for the near future. Refunds and waivers lower the Company's liquidity. See "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources" for additional information regarding the Company's liquidity as of March 31, 2021.

The Company faces legal challenges by regulatory authorities and consumers due to delays in the processing of cash refunds during the Covid-19 pandemic and its policy of offering travel vouchers in lieu of cash refunds in the interim. EU Regulation (EC) No. 261/2004 requires airlines to offer passengers affected by a flight cancellation the option to choose between re-routing to their final destination at the earliest opportunity and reimbursement of their ticket price within seven days. The reimbursement may be issued in cash or, where the passenger so accepts, in the form of a travel voucher. Ryanair experienced considerable delays in processing cash refunds in the first few months of the Covid-19 crisis due to staff shortage linked to lockdown restrictions and an unprecedented high rate of flight cancellations. From June 2020 onwards, staff began to return to the office in the Company's customer service centers, which allowed Ryanair to clear the backlog of cash refund requests by the end of the summer and to begin processing the majority of cash refund requests within seven days. The initial delay in processing cash refunds has led Ryanair to consider the alternative of offering travel vouchers to passengers who claimed reimbursement, with passengers retaining the ability to request that their voucher be redeemed for cash at any time. Ryanair believes that its policy was in line with the requirements of the 'European Commission's Recommendation (EU) 2020/648 of 13 May 2020 on vouchers offered to passengers and travelers as an alternative to reimbursement for cancelled package travel and transport services in the context of the

COVID-19 pandemic' ("the Recommendation"), in which the Commission recognized airlines' right to offer travel vouchers as long as the offer does not affect passengers' right to opt for a cash refund instead.

While national authorities responsible for the enforcement of EU Regulation (EC) No. 261/2004 have generally recognized Ryanair's efforts and accepted that the seven days' deadline provided for by the Regulation to process refunds should be interpreted in a reasonable manner in light of the circumstances of the Covid-19 crisis, there is a risk that some authorities or courts may find Ryanair's inability during the initial stages of the Covid-19 pandemic to process refunds within a timeframe acceptable to them, or certain terms of the Company's travel vouchers, to be in breach of the Regulation. Further, some consumer protection enforcement authorities or courts may find Ryanair's decision to encourage passengers to accept travel vouchers in lieu of a cash refund to amount to a breach of the information obligations contained in the Regulation and/or a misleading commercial practice.

Ryanair has seasonally grounded aircraft. In prior years, in response to typically lower traffic and yields from November to March (inclusive) ("winter"), higher airport charges and/or taxes and, at times, higher fuel prices, Ryanair adopted a policy of grounding a certain portion of its fleet during the winter months. Ryanair carries out the majority of scheduled heavy maintenance during the winter months which also results in the grounding of aircraft. In the winter of fiscal year 2021, due to Covid-19, the majority of Ryanair aircraft were grounded. During this period, aircraft were typically flown each week to remain "current" in line with approved Boeing procedures. The Company intends to ground aircraft in fiscal year 2022 although the number of aircraft grounded may be lower than in the previous year due to the gradual ramp up of capacity following the return of flight operations after Covid-19 related aircraft groundings in fiscal year 2021, coupled with the winter 2021 heavy maintenance program. Ryanair's policy of seasonally grounding aircraft presents some risks. While Ryanair seeks to implement its seasonal grounding policy in a way that will allow it to reduce the negative impact on operating income by operating flights during periods of high oil prices to high cost airports at low winter yields, there can be no assurance that this strategy will be successful.

While seasonal grounding does reduce Ryanair's variable operating costs, it does not avoid fixed costs such as aircraft ownership costs, and it also decreases Ryanair's potential to earn ancillary revenues. Decreasing the number and frequency of flights may also negatively affect Ryanair's labor relations, including its ability to attract flight personnel interested in year-round employment. Such risks could lead to negative effects on Ryanair's financial condition and/or results of operations.

The Company will incur significant costs acquiring new aircraft and any instability in the credit and capital markets could negatively impact Ryanair's ability to obtain financing on acceptable terms. Ryanair's continued growth is dependent upon its ability to acquire additional aircraft to meet additional capacity needs and to replace older aircraft. Ryanair had 451 aircraft in its fleet at March 31, 2021 and has ordered an additional 210 Boeing 737-8200 aircraft for delivery during fiscal years 2022 to 2025 inclusive, pursuant to a contract with the Boeing Company ("Boeing," and such contract inclusive of subsequent amendments, the "2014 Boeing Contract"). Ryanair expects to have approximately 600 narrow-body aircraft in its fleet following delivery of all the Boeing 737-8200 aircraft, depending on the level of lease returns, Boeing's ability to fulfill the 2014 Boeing Contract and aircraft disposals. For additional information on the Company's aircraft fleet and expansion plans, see "—A majority of Ryanair's aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support," and "Item 4. Information on the Company—Aircraft" and "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources". There can be no assurance that this planned expansion will not outpace the growth of passenger traffic on Ryanair's routes or that traffic growth will not prove to be greater than the expanded fleet can accommodate. In either case, such developments could have a material adverse effect on the Company's business, results of operations, and financial condition.

As a result of a 2013 purchase agreement with Boeing (the "2013 Boeing Contract"), the 2014 Boeing Contract and other general corporate purposes, Ryanair has raised and expects to continue to raise substantial debt financing.

Ryanair's ability to raise unsecured or secured debt to pay for aircraft is subject to potential volatility in the worldwide financial markets. Additionally, Ryanair's ability to raise unsecured or secured debt to pay for aircraft as they are delivered is subject to various conditions imposed by the counterparties and debt markets to such loan facilities and related loan guarantees, and any future financing is expected to be subject to similar conditions. Any failure by Ryanair to comply with such conditions and any failure to raise necessary amounts of unsecured or secured debt to pay for aircraft, would have a material adverse effect on its results of operations and financial condition.

Using the debt capital markets to finance the Company requires the Company to retain its investment grade credit ratings (the Company has a BBB credit rating from both S&P and Fitch Ratings). There is a risk that the Group will be unable, or unwilling, to access these markets if it is downgraded or is unable to retain its investment grade credit ratings and this could lead to a higher cost of finance for the Group and a material adverse effect on its results and financial condition.

Ryanair has also entered into significant derivative transactions intended to hedge some of its aircraft acquisition-related debt obligations. These derivative transactions expose Ryanair to certain risks and could have adverse effects on its results of operations and financial condition. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk."

Currency fluctuations affect the Company's results. Although the Company is headquartered in Ireland, a significant portion of its operations are conducted in the U.K. Consequently, the Group has significant operating revenues and operating expenses, as well as assets and liabilities, denominated in U.K. pounds sterling. In addition, fuel, aircraft, insurance, aircraft leases and some maintenance obligations are denominated in U.S. dollars. Ryanair's operations and financial performance can therefore be significantly affected by fluctuations in the values of the U.K. pound sterling and the U.S. dollar. Ryanair is particularly vulnerable to direct exchange rate risks between the euro and the U.S. dollar because a significant portion of its operating costs are incurred in U.S. dollars and substantially none of its revenues are denominated in U.S. dollars.

Although the Company engages in foreign currency hedging transactions between the euro and the U.S. dollar and, from time to time, between the euro and the U.K. pound sterling, hedging activities are not expected to eliminate currency risks. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk."

The continuing uncertainty associated with the Brexit process could adversely affect Ryanair's business. The U.K.'s exit from the European Union on January 31, 2020 has had a significant impact on the U.K. and the EU. Further, the implementation period under which the U.K. remained subject to EU law for a limited period after the exit from the European Union ended on December 31, 2020. The U.K. and the European Union announced on December 24, 2020 that they had reached agreement on a Trade and Cooperation Agreement (the "EU-U.K. TCA"). The EU-U.K. TCA covers a wide range of topics, including trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, and thematic cooperation and participation in EU programs.

The current and future arrangements between the EU and the U.K., including the EU-U.K. TCA, could directly impact Ryanair's business in a number of ways. They include, inter alia, the status of the U.K. in relation to the EU's open air transport market, freedom of movement between the U.K. and the EU, and employment, social security, tax and customs rules between the U.K. and the EU. Adverse changes to any of these arrangements could potentially materially impact on Ryanair's financial condition and results of operations in the U.K. or other markets Ryanair serves.

As a result of the EU-U.K. TCA, flights between the U.K. and the EU can be offered by any of the Company's airline subsidiaries. U.K. domestic flights and flights between the U.K. and non-EU destinations can, however, only be

operated by the Company's U.K. subsidiary, Ryanair U.K. Limited ("Ryanair U.K."), which received an Air Operator Certificate and Operating License ("U.K. AOC") from the U.K. Civil Aviation Authority ("U.K. CAA") in December 2018.

Ryanair is exposed to Brexit-related risks and uncertainties, as approximately 15% of revenue in fiscal year 2021 came from operations in the U.K., although this was offset somewhat by approximately 13% of Ryanair's non-fuel costs in fiscal year 2021 which were related to operations in the U.K.

Brexit could also present Ryanair with a number of potential regulatory challenges. Brexit could lead to potentially divergent national laws and regulations as the U.K. determines which EU laws (including, but not limited to, in respect of aviation safety and security, consumer rights, data protection, public health and the environment) to replace or replicate. It also requires special efforts to ensure Ryanair's continuing compliance with EU Regulation No. 1008/2008, which requires that air carriers registered in EU member states be majority-owned and effectively controlled by EU nationals. The Board of Directors has taken action to ensure continuing compliance with EU Regulation No. 1008/2008 after December 31, 2020, i.e., the date following which U.K. holders of the Company's shares are no longer treated as EU nationals for the purposes of EU regulation No. 1008/2008. For additional information, please see "--Risks Related to Ownership of the Company's Ordinary Shares or ADRs".

Brexit has caused, and may continue to cause, both significant volatility in global stock markets and currency exchange rate fluctuations, as well as create significant uncertainty among U.K. businesses and investors. In particular, to June 30 2021, the pound sterling had lost approximately 7% and 11% of its value against the U.S. Dollar and the euro respectively since the Referendum. Further, the Bank of England and other observers have warned of a significant probability of a Brexit-related recession in the U.K., which may be further impacted by the negative economic effects of the Covid-19 pandemic. The Company earns a significant portion of its revenues in pounds sterling, and any significant decline in the value of the pound and/or recession in the U.K. would materially impact its financial condition and results of operations. For the remainder of fiscal year 2022, taking account of timing differences between the receipt of sterling denominated revenues and the payment of sterling denominated costs, Ryanair estimates that every 1 pence sterling movement in the €/\$ exchange rate will impact income by approximately €1 million. For additional information, please see "--Currency fluctuations affect the Company's results".

A majority of Ryanair's aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support. Because Ryanair currently sources the majority of its aircraft and many related aircraft parts from Boeing, if Ryanair was unable to acquire additional aircraft from Boeing, or if Boeing was unable or unwilling to make timely deliveries of aircraft or to provide adequate support for its products, Ryanair's operations could be materially and adversely affected.

Entry into service of the Boeing 737-8200. Ryanair has 210 Boeing 737-8200 aircraft on firm order from Boeing. These aircraft were originally due to commence delivery in April 2019. During fiscal year 2021, the FAA and EASA approved the ungrounding of the MAX and approved Ryanair's variant the Boeing 737-8200. Ryanair received the first aircraft in June 2021.

There also can be no assurance that EASA will not, now or in the future, apply additional maintenance and/or, simulator training in relation to the operation of the Boeing 737-8200 aircraft, that will materially increase the cost of operating this aircraft type. In addition, should any negative public perception develop in relation to the safety of the Boeing 737-MAX aircraft series, Ryanair's growth plans and profitability could be materially adversely affected.

The Company's growth may expose it to risks. Ryanair's operations have grown rapidly since it pioneered the low-fares operating model in Europe in the early 1990s. Ryanair intends to continue to expand its fleet and add new destinations and additional flights, with the goal of increasing Ryanair's booked passenger volumes to approximately 200m passengers per annum over the next 4 to 5 years. However, no assurance can be given that this target will be met.

If growth in passenger traffic and Ryanair's revenues do not keep pace with the planned expansion of its fleet, Ryanair could suffer from overcapacity and its results of operations and financial condition (including its ability to fund scheduled purchases of the new aircraft and related debt repayments) could be materially adversely affected.

The continued expansion of Ryanair's fleet and operations combined with other factors, may also strain existing management resources and related operational, financial, management information and information technology systems. Expansion will generally require additional skilled personnel, equipment, facilities and systems. An inability to hire skilled personnel or to secure required equipment and facilities efficiently and in a cost-effective manner may have a material adverse effect on Ryanair's ability to achieve its growth plans and sustain or increase its profitability.

Ryanair's new routes and expanded operations may have an adverse financial impact on its results. When Ryanair commences new routes, its load factors and fares tend to be lower than those on its established routes and its advertising and other promotional costs tend to be higher, which may result in initial losses that could have a material negative impact on Ryanair's results of operations as well as require a substantial amount of cash to fund. In addition, there can be no assurance that Ryanair's low-fares service will be accepted on new routes. Ryanair also periodically runs special promotional fare campaigns, in particular in connection with the opening of new routes. Promotional fares may have the effect of increasing load factors and reducing Ryanair's yield and passenger revenues on such routes during the periods that they are in effect. Ryanair has significant cash needs as it expands, including the cash required to fund aircraft purchases or aircraft deposits related to the acquisition of aircraft. There can be no assurance that Ryanair will have sufficient cash to make such expenditures and investments, and to the extent Ryanair is unable to expand its route system successfully, its future revenue and earnings growth will in turn be limited. See "—The Company will incur significant costs acquiring new aircraft and any instability in the credit and capital markets could negatively impact Ryanair's ability to obtain financing on acceptable terms".

Ryanair's continued growth is dependent on access to suitable airports; charges for airport access are subject to increase. Airline traffic at certain European airports is regulated by a system of grandfathered "slot" allocations. Each slot represents authorization to take-off and land at the particular airport at a specified time. As part of Ryanair's recent strategic initiatives, which include more flights to primary airports, Ryanair Group airlines are operating to an increasing number of slot coordinated airports, a number of which have constraints at particular times of the day. There can be no assurance that Ryanair will be able to obtain a sufficient number of slots at slot-coordinated airports that it may wish to serve in the future, at the time it needs them, or on acceptable terms. There can also be no assurance that its non-slot constrained bases, or the other non-slot constrained airports Ryanair serves, will continue to operate without slot allocation restrictions in the future. See "Item 4. Information on the Company—Government Regulation—Slots." Airports may impose other operating restrictions such as curfews, limits on aircraft noise levels, mandatory flight paths, runway restrictions, and limits on the number of average daily departures. Such restrictions may limit the ability of Ryanair to provide service to, or increase service at such airports.

Ryanair's future growth also materially depends on its ability to access suitable airports located in its targeted geographic markets at costs that are consistent with Ryanair's strategy. Any condition that denies, limits, or delays Ryanair's access to airports it serves or seeks to serve in the future would constrain Ryanair's ability to grow. A change in the terms of Ryanair's access to these facilities or any increase in the relevant charges paid by Ryanair as a result of the expiration or termination of such arrangements and Ryanair's failure to renegotiate comparable terms or rates could have a material adverse effect on the Company's financial condition and results of operations. For additional information, see "Item 4. Information on the Company—Airport Operations—Airport Charges." See also "—The Company is subject to legal proceedings alleging state aid at certain airports" below.

Labor relations could expose the Company to risk. Ryanair announced in December 2017 its decision to recognize trade unions for collective bargaining purposes. Since then, Ryanair Group airlines have concluded Collective Labor Agreements ("CLAs") with Trade Unions in most of their major markets. The CLAs concluded to date vary by country but

include agreements on recognition, seniority, base transfers, promotions, pay and rostering arrangements. There may be a push for legacy type working conditions which if acceded to could decrease the productivity of pilots, increase costs and have an adverse effect on profitability.

In fiscal year 2021, Ryanair Group airlines concluded agreements with their people and unions on job protection and temporary pay cuts of up to 20%, with pay restored over 3-5 years as the Company works through the recovery phase of the Covid-19 pandemic. Whilst these agreements include job protection mechanisms, there may be periods of labor unrest if a deteriorating commercial position in any particular market leads to redundancies.

Ryanair intends to retain its low fare, high people productivity model; however, there may be periods of labor unrest as unions challenge the existing high people productivity model which may have an adverse effect on customer sentiment and profitability.

Ryanair has transitioned from Irish to local contracts of employment in a number of EU countries which could impact on costs, productivity and complexity of the business. Any subsequent decision to switch to lower cost locations could result in redundancies and a consequent deterioration in labor relations.

The Company is dependent on external service providers. Ryanair currently assigns its engine overhauls and “rotable” repairs to outside contractors approved under the terms of Part 145, the European regulatory standard for aircraft maintenance (“Part 145”) established by the European Aviation Safety Agency (“EASA”). The Company also assigns its passenger, aircraft and ground handling services at airports (other than Dublin, London Stansted and certain airports in Poland, Spain and Portugal) to established external service providers. See “Item 4. Information on the Company—Maintenance and Repairs—Heavy Maintenance” and “Item 4. Information on the Company—Airport Operations - Airport Handling Services.”

The termination or expiration of any of Ryanair’s service contracts or any inability to renew them or negotiate replacement contracts with other service providers at comparable rates could have a material adverse effect on the Group’s results of operations. Ryanair will need to enter into airport service agreements in any new markets it enters, and there can be no assurance that it will be able to obtain the necessary facilities and services at competitive rates. In addition, although Ryanair seeks to monitor the performance of external parties that provide passenger and aircraft handling services, the efficiency, timeliness, and quality of contract performance by external providers are largely beyond Ryanair’s direct control. Ryanair expects to be dependent on such outsourcing arrangements for the foreseeable future.

The Group is dependent on key personnel. Ryanair’s success depends to a significant extent upon the efforts and abilities of its senior management team, including Michael O’Leary, the Group CEO, and key financial, commercial, operating, IT and maintenance personnel. See “Item 6. Directors, Senior Management and Employees—Compensation of Directors and Executive Officers—Remuneration Agreement with Mr. O’Leary.” Ryanair’s success also depends on the ability of its Executive Officers and other members of senior management to operate and manage effectively, both independently and as a Group. Although Ryanair’s employment agreements with Mr. O’Leary and several of its other Senior Executives contain non-competition and non-disclosure provisions, there can be no assurance that these provisions will be enforceable in whole or in part. Competition for highly qualified personnel is intense, and either the loss of any executive officer, senior manager, or other key employee without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect upon Ryanair’s business, operating results, and financial condition.

The Company faces risks related to its internet reservations operations and its elimination of airport check-in facilities. Ryanair’s flight reservations are made through its website, mobile app and Global Distribution Systems including Travelport (which operates the Galileo and Worldspan GDS) and Sabre (collectively, the “GDSs”) (GDSs). Ryanair has established contingency programs which include migrating its website to the cloud and having a back-up

booking engine available to support its existing booking platform in the event of a breakdown in this facility. Nonetheless, the process of switching over to the back-up booking engine could take some time and there can be no assurance that Ryanair would not suffer a significant loss of reservations in the event of a major breakdown of its booking engine or other related systems.

All Ryanair passengers are required to use Internet check-in. Internet check-in is part of a package of measures intended to reduce check-in lines and passenger handling costs and pass on these savings by reducing passenger airfares. Ryanair has deployed this system across its network. Any disruptions to the Internet check-in service as a result of a breakdown in the relevant computer systems or otherwise could have a material adverse impact on these service-improvement and cost-reduction efforts. There can be no assurance, however, that this process will continue to be successful or that consumers will not switch to other carriers that provide standard check-in facilities, which would negatively affect Ryanair's results of operations and financial condition.

The Group is subject to legal proceedings alleging state aid at certain airports. Formal investigations are ongoing by the European Commission into Ryanair's agreements with the Paris (Beauvais), La Rochelle, Carcassonne, Girona, Reus, Târgu Mures and Beziers airports, and Ryanair's agreements from 2009 with Frankfurt (Hahn) airport. The investigations seek to determine whether the agreements constitute illegal state aid under EU law. The investigations are currently expected to be completed in 2021, with the European Commission's decisions being appealable to the EU General Court. Between 2010 and 2020, investigations into Ryanair's agreements with the Bratislava, Tampere, Marseille, Berlin (Schönefeld), Aarhus, Dusseldorf (Weeze), Brussels (Charleroi), Alghero, Stockholm (Västerås), Lübeck and Riga airports, and into Ryanair's agreements prior to 2009 with Frankfurt (Hahn), concluded with findings that these agreements contained no state aid. Between 2014 and 2020, the European Commission announced findings of state aid to Ryanair in its arrangements with Pau, Nimes, Angoulême, Altenburg, Zweibrücken, Cagliari, Klagenfurt and Montpellier airports, ordering Ryanair to repay a total of approximately €32m of alleged state aid. Ryanair appealed eight of these "aid" decisions to the EU General Court, which ruled in favor of the European Commission in four of the cases, in Ryanair's favor in one of the cases, and the remaining three cases are pending before the General Court.

In late 2018, the General Court upheld the European Commission's findings regarding Ryanair's arrangements with Pau, Nimes, Angoulême and Altenburg airports, and overturned the European Commission's finding regarding Ryanair's arrangement with Zweibrücken airport. Ryanair appealed these four negative findings to the European Court of Justice but discontinued the appeals in 2019 after the Court decided to proceed without oral hearings. The appeal proceedings before the General Court regarding Ryanair's arrangements with Klagenfurt airport are expected to conclude in 2021, and the appeal proceedings before the General Court regarding Ryanair's arrangements with Cagliari and Montpellier airports are expected to conclude in 2022 or 2023. In addition to the European Commission investigations, Ryanair is facing an allegation that it has benefited from unlawful state aid in a German court case in relation to its arrangements with Frankfurt (Hahn). Adverse rulings in the above state aid matters could be used as precedents by competitors to challenge Ryanair's agreements with other publicly owned airports and could cause Ryanair to strongly reconsider its growth strategy in relation to public or state-owned airports across Europe. This could in turn lead to a scaling-back of Ryanair's overall growth strategy due to the smaller number of privately-owned airports available for development.

No assurance can be given as to the outcome of these legal proceedings, nor as to whether any unfavorable outcomes may, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of Ryanair.

For additional information, please see "Item 8. Financial Information—Other Financial Information—Legal Proceedings."

The Company faces risks related to unauthorized use of information from the Company's website. Screenscraper websites gain unauthorized access to Ryanair's website and booking system, extract flight and pricing information and display it on their own websites for sale to customers at prices which may include hidden intermediary fees on top of Ryanair's fares. Ryanair does not allow any such commercial use of its website and objects to the practice of screenscraping also on the basis of certain legal principles, such as database rights and copyright protection, etc. Ryanair is currently involved in a number of legal proceedings against the proprietors of screenscraper websites in Ireland, Germany, France, Italy, Switzerland, and the US. Ryanair's objective is to prevent any unauthorized use of its website and to prevent consumer harm, and the resultant reputational damage to the Company, that may arise due to the failure by some operators of screenscraper websites to provide Ryanair with the passengers' genuine contact and payment method details. Ryanair does allow certain companies who operate fare comparison (i.e. not reselling) websites to access its schedule and fare information for the purposes of price comparison provided they sign a license and use the agreed method to access the data. Ryanair also permits Travelport (trading as Galileo and Worldspan) and Sabre, GDS operators, to provide access to Ryanair's fares to traditional and corporate travel agencies. Ryanair has obtained both favorable and unfavorable rulings in its actions in EU member states against screenscrapers. However, pending the outcome of these legal proceedings and if Ryanair were to be ultimately unsuccessful in them, the activities of screenscraper websites could lead to a reduction in the number of customers who book directly on Ryanair's website and consequently to a reduction in Ryanair's ancillary revenue stream. Also, some customers may be lost to Ryanair once they are presented by a screenscraper website with a Ryanair fare inflated by the screenscraper's intermediary fee. This could also adversely affect Ryanair's reputation as a low-fares airline, which could negatively affect Ryanair's results of operations and financial conditions.

For additional details, see "Item 8. Financial Information—Other Financial Information—Legal Proceedings—Legal Proceedings Against Internet Ticket Touts."

Corporation tax rates could rise. The Company is principally subject to corporation tax on profits across a number of EU jurisdictions from which its airlines are managed and controlled (i.e. Ireland, Malta, Poland, and the U.K.). There continues to be a risk that governments could look at increasing corporation tax rates in the future. In particular, in July 2021, 131 countries supported OECD proposals to introduce a global minimum corporation tax rate (of at least 15%) and the Company is keeping any developments in this area under review.

Any increase in corporation tax rates to which the Company is exposed, or adverse changes in the basis of calculation would result in the Company paying higher corporation taxes and could have an adverse impact on Ryanair's cash flows, financial position and results of operations.

Change in EU regulations in relation to employers and employee social insurance could increase costs. European legislation governs the country in which employees and employers must pay social insurance costs. Under the terms of legislation introduced in 2012, employees and employers must pay social insurance in the country where the employee is based. Prior to June 2012, Ryanair paid employee and employer social insurance in the country under whose laws the employee's contract of employment was governed, which was either the U.K. or Ireland. The legislation introduced in 2012 included grandfathering rights whereby existing employees (i.e. those employed prior to the introduction of the new legislation in June 2012) were exempt from the effects of the new legislation for a period of 10 years up until 2022 provided they did not transfer between bases. Each country within the EU has different rules and rates in relation to the calculation of employee and employer social insurance contributions and any increase in the rates of contributions will have a material adverse effect on Ryanair's cash flows, financial position and results of operations.

Ryanair is subject to tax audits. The Company operates in many jurisdictions and is, from time to time, subject to tax audits, which by their nature are often complex and can require several years to conclude. While the Company is of the view that it is tax compliant in the various jurisdictions in which it operates, there can be no guarantee, particularly in the current economic environment, that it will not receive tax assessments following the conclusion of the tax audits.

In the event that the Company is unsuccessful in defending its position, it is possible that the effective tax rate, employment and other costs of the Company could materially increase. See “— Corporation tax rates could rise” above.

Risks associated with the Company’s restructuring. Over the course of fiscal years 2019 to 2021, the Company has undergone a corporate restructuring which resulted in the transition from a single airline operating model (i.e. Ryanair DAC) to an airline modeled through five airlines: Buzz (Ryanair Sun), Lauda Europe (“Lauda”), Malta Air, Ryanair DAC and Ryanair U.K. (collectively the “Airline Entities”).

The cost of implementing these plans has been material, and the Company may continue to incur additional material expenses in relation thereto. In addition, the implementation of the changes involves a number of risks related to both the revised structure and also the process of transition to such new structure. For example:

- Increased costs and complexity related to establishing and maintaining intra-group agreements for management, funding, shared services and customer support between the Airline Entities;
- Increased costs and complexity related to compliance with the applicable regulatory authorities and legal regimes governing each Airline Entity;
- Operational risks related to the addition of 29 leased Airbus aircraft to the Company’s predominantly Boeing fleet, including impacts related to expanding the Company’s aircraft maintenance programs;
- Development and implementation of consistent and efficient operating models across the Airline Entities; and
- Potential accounting consequences, including tax costs, as a result of asset transfers in connection with the restructuring.

As a result, the implementation of the restructuring could have a material adverse effect on the Company’s business, its financial condition, results of operations and prospects.

Risks associated with the euro. The Company is headquartered in Ireland and its reporting currency is the euro. As a result of the uncertainty arising from the Eurozone debt crisis, there was widespread speculation regarding the future of the Eurozone. In addition, following the U.K.’s Brexit referendum in 2016, the pound sterling increased in volatility against the euro and could become more volatile over the course of the post-transition period. Ryanair Group airlines predominantly operate to/from countries within the Eurozone and have significant operational and financial exposures to the Eurozone that could result in a reduction in the operating performance of Ryanair or the devaluation of certain assets. Ryanair has taken certain risk management measures to minimize any disruptions; however, these risk management measures may be insufficient.

The Company has cash and aircraft assets and debt liabilities that are denominated in euro on its balance sheet. In addition, the positive/negative mark-to-market value of derivative-based transactions are recorded in euro as either assets or liabilities on the Company’s balance sheet. Uncertainty regarding the future of the Eurozone could have a materially adverse effect on the value of these assets and liabilities. In addition to the assets and liabilities on Ryanair’s balance sheet, the Company has a number of cross currency risks as a result of the jurisdictions of the operating business including non-euro revenues, fuel costs, certain maintenance costs and insurance costs. A strengthening in the value of the euro primarily against U.K. pound sterling and other non-Eurozone currencies such as Polish zloty or a weakening against the U.S. dollar could have a material adverse impact on the operating results of the Company.

Recession, austerity and uncertainty in connection with the euro could also mean that Ryanair is unable to grow. The recent European recession, austerity measures still in effect in several European countries, the Covid-19 crisis and social and political instability associated with the influx of refugees related to the wars in Syria, Afghanistan and elsewhere could mean that Ryanair may be unable to expand its operations due to lack of demand for air travel.

Risks Related to the Airline Industry

Any significant outbreak of any airborne disease could significantly damage Ryanair's business. Worldwide, there has, from time to time, been substantial publicity in recent years regarding certain potent influenza viruses and other disease epidemics and pandemics. Publicity of this type may have a negative impact on demand for air travel in Europe. Past outbreaks of MERS, SARS, foot-and-mouth disease, avian flu, swine flu, Zika virus and the current Covid-19 pandemic have adversely impacted the travel industries, including aviation, in certain regions of the world, including Europe. The Company believes that if any influenza or other pandemic becomes severe in Europe, its effect on demand for air travel in the markets in which Ryanair operates could be material, and it could therefore have a significantly adverse effect on the Company's financial performance. A severe outbreak of swine flu, MERS, SARS, foot-and-mouth disease, avian flu, new (vaccine-resistant) variants of Covid-19, or another pandemic or livestock-related disease may also result in European or national authorities imposing/re-imposing restrictions on travel, further damaging Ryanair's business. A serious pandemic could therefore severely disrupt Ryanair's business, resulting in the cancellation or loss of bookings, and adversely affecting Ryanair's financial condition and results of operations. See "The Covid-19 pandemic and measures to reduce its spread have had, and may continue to have, a material adverse impact on the Company's business, results of operations, financial condition and liquidity" and "Covid-19 have disrupted the Company's strategic growth plan".

EU Regulation on passenger compensation could significantly increase related costs. EU Regulation (EC) No. 261/2004 requires airlines to compensate passengers (holding a valid ticket) who have been denied boarding or whose flight has been canceled or delayed more than three hours on arrival. The regulation calls for compensation of €250, €400, or €600 per passenger, depending on the length of the flight and the cause of the cancellation or delay, i.e. whether it is caused by "extraordinary circumstances". As Ryanair's average flight length is less than 1,500 Km – the upper limit for short-haul flights – the amount payable is generally €250 per passenger. Passengers subject to flight delays over two hours are also entitled to "assistance," including meals, drinks and telephone calls, as well as hotel accommodation if the delay extends overnight. For delays of over five hours, the airline is also required to offer the option of a refund of the cost of the unused ticket. There can be no assurance that the Company will not incur a significant increase in costs in the future due to the impact of this regulation if Ryanair experiences a large number of delays or canceled flights, which could occur as a result of certain types of events beyond its control. Further, recently courts in several jurisdictions have been narrowing the definition of the term "extraordinary circumstances", thus allowing increased consumer claims for compensation. In September 2015, the Court of Justice of the EU, in *Van der Lans v KLM*, held that airlines are required to provide compensation to passengers even in the event of a flight cancellation on account of unforeseen technical defects. Further, in April 2018, the Court of Justice of the EU found in *Krusemann v TUfly* that "wildcat" strikes which stem from restructuring measures taken by an air carrier do not constitute extraordinary circumstances. Ryanair considered that the union-led strikes which it experienced during 2018 could be differentiated from the *Krusemann* case, because the union-led strikes were beyond Ryanair's control and did not stem from a decision taken by Ryanair. Indeed, in the recent *Airhelp v SAS* Court of Justice of the EU proceedings, the Advocate General agreed with this position and determined that "a strike called by a trade union, in the exercise by the air carrier's staff of the right to strike, with a view to putting demands relating to the improvement of working conditions, where that strike is not triggered by a prior decision of the undertaking but by the workers' demands, constitutes an 'extraordinary circumstance' exempting the air carrier from liability". While the Court of Justice of the EU generally follows the Advocate General's opinions, it did not on this occasion, and has effectively imposed strict liability on airlines to pay EU261 compensation where flights are canceled or delayed more than three hours on arrival due to strikes by airline staff. See "—Extreme Weather Events Could Affect the Company and Have a Material Adverse Effect on the Company's Results of Operations" below.

Under the terms of Regulation (EC) No. 261/2004, described above, in addition to the payment of compensation, Ryanair has certain duties to passengers whose flights are canceled. In particular, Ryanair is required to reimburse passengers who have had their flights canceled for certain reasonable, documented expenses – primarily for accommodation and food. Passengers must also be given a re-routing option if their flight is delayed over three hours

or if it is canceled. Such re-routing options are not limited to Ryanair flights and other carriers must be considered if no suitable Ryanair flight can be sourced. If a passenger elects for a refund, Ryanair's re-routing obligations cease.

The airline industry is particularly sensitive to changes in economic conditions: a continued recessionary environment would negatively impact Ryanair's result of operations. Ryanair's operations and the airline industry in general are sensitive to changes in economic conditions. Unfavorable economic conditions such as government austerity measures, the impact of Covid-19 lockdowns of the European economy, the uncertainty relating to the Eurozone and the U.K. following Brexit, high unemployment rates, constrained credit markets and increased business operating costs could lead to reduced spending by both leisure and business passengers. Unfavorable economic conditions, such as the conditions persisting as of the date hereof, also tend to impact Ryanair's ability to raise fares to counteract increased fuel and other operating costs. A continued recessionary environment, combined with austerity measures by European governments and Brexit-related uncertainty in the U.K., will likely negatively impact Ryanair's operating results. It could also restrict the Company's ability to grow passenger volumes, secure new airports and launch new routes and bases, and could have a material adverse effect on its financial results.

The introduction of government/environmental taxes or prohibitions on travel could damage Ryanair's ability to grow and could have a material adverse impact on operations. Travel taxes are levied on a per passenger basis in a number of Ryanair markets for example in the U.K., Air Passenger Duty (APD) is charged at £13 per adult passenger. In Germany there is an air passenger tax of €12.90 and similar taxes exist in Morocco (MAD100), Sweden (SEK63) and Italy (municipal taxes of €6.50, Rome at €7.50) amongst others. These taxes are levied as a flat amount per departing passenger and account for a higher percentage when applied to low fares. In Ryanair's experience the imposition of travel taxes reduces the growth potential of a market as fares do not increase by the amount of the tax. In most markets transfer passengers are exempt from these taxes and as a result they distort the market by giving an unfair subsidy to inefficient high cost airlines who operate connecting flight networks.

The introduction of government taxes on travel has had a negative impact on passenger volumes, particularly given the current period of decreased economic activity within the industry as a result of the Covid-19 pandemic. The introduction of further government taxes on travel across Europe could have a material adverse effect on Ryanair's financial results.

In 2021 the French government began the process of prohibiting domestic routes where an alternative direct train journey operates in under two hours thirty minutes with exceptions made for connecting flights. This distorts the market giving an unfair monopoly to inefficient high cost airlines who operate connecting flight networks.

While management believes that any such restriction of airlines' commercial freedom would be incompatible with EU law, it cannot be guaranteed that some form of government intervention in airline ticket prices will not be introduced at a national or European level. This would severely impact the Company's ability to attract the most price sensitive consumers.

In July 2021, the European Commission (EC) announced details of the proposed "Fit for 55" legislation. These proposals potentially see, inter alia, the introduction of a jet fuel through the Energy Taxation Directive on intra-EU flights. This tax would potentially be fully phased in over a 10 year period from 2024 to 2033. The introduction of this tax on intra-EU flights could have a material adverse effect on Ryanair's financial results.

Political uncertainty and an increase of trade protectionism could have a material adverse effect on Ryanair's business, results of operation and financial condition. The announcement of unilateral tariffs on imported products by the U.S. has triggered retaliatory actions from certain foreign governments and may trigger retaliatory actions by other foreign governments, potentially resulting in a "trade war". Certain foreign governments have instituted or are considering imposing trade sanctions on certain U.S. goods. Others are considering the imposition of sanctions that will

deny U.S. companies access to critical raw materials. These measures could increase the price of goods and services globally and may affect Ryanair, which has exposure, either directly or indirectly, to certain raw materials, including steel used for aircraft it purchases and jet fuel. A “trade war” of this nature or other governmental action related to tariffs or international trade agreements could have a material adverse effect on demand for Ryanair’s services, its costs, customers, suppliers and/or the Irish, EU, U.S. or world economy or certain sectors thereof and, thus, Ryanair’s business and financial results.

The Company is substantially dependent on discretionary air travel. Because a substantial portion of airline travel (both business and personal) is discretionary and because Ryanair is substantially dependent on discretionary air travel, any prolonged general reduction in airline passenger traffic could have a material adverse effect on the Company’s profitability or financial condition. Similarly, any significant increase in expenses related to security, insurance or related costs could have a material adverse effect on the Company’s profitability or financial condition. As a consequence, any future aircraft safety incidents (particularly involving other low-fare airlines or aircraft models flown by Ryanair), changes in public opinion regarding the environmental impacts of air travel, terrorist attacks in Europe, the U.S. or elsewhere, significant military actions by the United States or EU nations, or any related economic downturn may have a material adverse effect on demand for air travel and thus on Ryanair’s business, operating results, and financial condition. See “—The Company is dependent on the continued acceptance of Low-fares airlines.”

Environmental Regulation will increase costs. Many aspects of Ryanair’s operations are subject to increasingly stringent national and international laws, regulations and levies protecting the environment, including those relating to carbon emissions, clean water, management of hazardous materials and climate change. Compliance with existing and future environmental laws, regulations and levies can require significant expenditures, and violations can lead to significant fines, penalties and reputational damage.

In particular, the EU Emissions Trading Scheme (“ETS”), is a cap-and-trade system for CO₂ emissions to encourage industries to improve their CO₂ efficiency. Under the current legislation, airlines are granted initial CO₂ allowances based on historical performance and a CO₂ efficiency benchmark. Under the “Fit for 55” proposed legislation, the EU ETS allowances will be phased out over the period from 2024 to 2027. Any shortage of allowances has to be purchased in the open market and/or at government auctions. The cost of such allowances increased significantly during fiscal year 2021 and fiscal year 2022. There can be no assurance that Ryanair will be able to obtain sufficient carbon credits or that the cost of the credits will not have a material adverse effect on the Company’s business, operating results, and financial condition.

Additionally, the EC “ReFuel EU” proposal provides for a Sustainable Aviation Fuel (SAF) blending mandate to be implemented. It sets SAF targets of 2% by 2025 rising to 5% by 2030 and 20% by 2035. There can be no assurance that sufficient SAF will be available in the market for Ryanair to purchase or that the cost of SAF will not have a material adverse effect on Ryanair’s financial results.

Extreme weather events could affect the Company and have a material adverse effect on the Company’s results of operations. In 2010 and 2011 a significant portion of the airspace over northern Europe was closed by authorities as a result of safety concerns presented by emissions of ash from an Icelandic volcano, which resulted in the cancellation of a significant number of flights.

Extreme weather events may happen again and could lead to further significant flight cancellation costs which could have a material adverse impact on the Company’s financial condition and results of operations. Furthermore, the occurrence of such events and the resulting cancellations due to the closure of airports could also have a material adverse effect on the Company’s financial performance indirectly, as a consequence of changes in the public’s willingness to travel within Europe due to the risk of flight disruptions.

The Company is dependent on the continued acceptance of low-fares airlines. In past years, accidents or other safety-related incidents involving certain other low-fares airlines have had a negative impact on the public's acceptance of such airlines. Any adverse event potentially relating to the safety or reliability of low-fares airlines (including accidents or negative reports from regulatory authorities) could adversely impact the public's perception of, and confidence in, low-fares airlines like Ryanair (regardless of Ryanair's own safety record), and could have a material adverse effect on Ryanair's financial condition and results of operations. In particular, an accident or other safety-related incident involving an aircraft operated by another airline of the same model or manufacturer as operated by Ryanair could have a material adverse effect on Ryanair if such accident or other safety-related incident resulted in actions or investigations by global aviation authorities or created a public perception that Ryanair's operations are not safe or reliable, or are less safe or reliable than other airlines. Such regulatory actions and/or public perceptions could, in turn, result in adverse publicity for Ryanair, cause harm to Ryanair's brand and reduce travel demand on Ryanair's flights, resulting in a material adverse effect on the Company's financial condition and results of operations. For additional information, see "—Risks Related to the Company—A majority of Ryanair's aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support."

The Company faces the risk of loss and liability. Ryanair is exposed to potential catastrophic losses that may be incurred in the event of an aircraft accident or terrorist incident. Any such accident or incident could involve costs related to the repair or replacement of a damaged aircraft and its consequent temporary or permanent loss from service. In addition, an accident or incident could result in significant legal claims against the Company from injured passengers and others who experienced injury or property damage as a result of the accident or incident, including ground victims. Ryanair currently maintains passenger liability insurance, employer liability insurance, aircraft insurance for aircraft loss or damage, and other business insurance in amounts per occurrence that are consistent with industry standards.

Ryanair currently believes its insurance coverage is adequate (although not comprehensive). However, there can be no assurance that the amount of insurance coverage will not need to be increased, that insurance premiums will not increase significantly, or that Ryanair will not be forced to bear substantial losses from any accidents not covered by its insurance. Airline insurance costs increased dramatically following the September 2001 terrorist attacks on the United States. See "—The Company is substantially dependent on discretionary air travel" above. Substantial claims resulting from an accident in excess of related insurance coverage could have a material adverse effect on the Company's results of operations and financial condition. Moreover, any aircraft accident, even if fully insured, could lead to the public perception that Ryanair's aircraft were less safe or reliable than those operated by other airlines, which could have a material adverse effect on Ryanair's business.

EU Regulation No. 2027/97, as amended by Regulation No. 889/2002, governs air carrier liability. See "Item 4. Information on the Company—Insurance" for details of this regulation. This regulation increased the potential liability exposure of air carriers such as Ryanair. Although Ryanair has extended its liability insurance to meet the requirements of the regulation, no assurance can be given that other laws, regulations, or policies will not be applied, modified or amended in a manner that has a material adverse effect on Ryanair's business, operating results, and financial condition.

Airline industry margins are subject to significant uncertainty. The airline industry is capital intensive and is characterized by high fixed costs and by revenues that generally exhibit substantially greater elasticity than costs. Although fuel accounted for approximately 22% of total operating expenses in fiscal year 2021 and approximately 37% in fiscal year 2020 (pre Covid-19 aircraft groundings), management anticipates that these percentages may vary significantly in future years. See "—Changes in Fuel Costs and Availability Affect the Company's Results" above. The operating costs of each flight do not vary significantly with the number of passengers flown, and therefore, a relatively small change in the number of passengers, fare pricing, or traffic mix could have a disproportionate effect on operating and financial results. Accordingly, a relatively minor shortfall from expected revenue levels could have a material adverse effect on the Company's growth or financial performance. See "Item 5. Operating and Financial Review and Prospects." The very low marginal costs incurred for providing services to passengers occupying otherwise unsold seats are also a

factor in the industry's high susceptibility to price discounting. See “—Risks Related to the Company—The Company faces significant price and other pressures in a highly competitive environment” above.

Safety-related undertakings could affect the Company's results. Aviation authorities in Europe and the United States periodically require or suggest that airlines implement certain safety-related procedures on their aircraft. In recent years, the FAA and EASA have required a number of such procedures with regard to Boeing 737 aircraft, including major modifications to implement changes to the take-off configuration warning lights, cabin pressurization system, pitot system heating, CFM fan blade nondestructive testing (NDT) on certain production CFM-56 engines, fuel tank boost pump electrical arcing protection, and the European Commission's Datalink mandate. As a result of the grounding of the Boeing 737-MAX-8 aircraft due to safety concerns in March 2019, the delivery of new Boeing 737-8200 aircraft ordered from Boeing was delayed until June 2021. Ryanair's policy is to implement any required safety procedures in accordance with FAA and EASA guidance and to perform such procedures in close collaboration with Boeing.

In 2019, the FAA and EASA implemented a regular inspection requirement of the aircraft pickle fork for all aircraft with more than 22,600 cycles and this inspection requirement will continue and may become more stringent. To date, all such procedures have been conducted as part of Ryanair's standard maintenance program and have not interrupted flight schedules nor required any material increases in Ryanair's maintenance expenses. However, there can be no assurance that the FAA and EASA or other regulatory authorities will not recommend or require other safety-related undertakings or that such undertakings would not adversely impact Ryanair's operating results or financial condition.

There also can be no assurance that new regulations will not be implemented in the future that would apply to Ryanair's aircraft and result in an increase in Ryanair's cost of maintenance, delays in the delivery of aircraft or other costs beyond management's current estimates. In addition, should Ryanair's aircraft cease to be sufficiently reliable or should any public perception develop that Ryanair's aircraft are less than completely reliable, Ryanair's business could be materially adversely affected.

State Aid to the Company's competitors could adversely affect its results. In response to the Covid-19 pandemic, several European governments have pledged to support their flag carrier airlines with State Aid through recapitalizations, loans, loan guarantees and other measures. As at the date of this report, the European Commission has authorized almost €30bn in such aid to approximately 20 airlines. Ryanair believes that aid that includes a nationality condition is discriminatory and therefore unlawful under EU law, and has decided to challenge the European Commission's approval decisions in the General Court. However, the result of these appeals is uncertain. Should Ryanair be unsuccessful, its competitors may use the aid to offer below cost prices in the market, which could negatively impact the Company's business and operations.

Risks Related to Ownership of the Company's Ordinary Shares or ADRs

EU Rules impose restrictions on the ownership of Ryanair Holdings' ordinary shares by Non-EU Nationals, and the Company has applied a ban on the purchase of ordinary shares by Non-EU nationals (which now includes U.K. nationals) since 2002. EU Regulation No. 1008/2008 requires that, in order to obtain and retain an operating license, an EU air carrier must be majority-owned and effectively controlled by EU nationals. The Board of Directors of Ryanair Holdings is given certain powers under Ryanair Holdings' articles of association (the “Articles”) to take action to ensure that the number of Ordinary Shares held in Ryanair Holdings by non-EU nationals (“Affected Shares”) does not reach a level that could jeopardize the Company's entitlement to continue to hold or enjoy the benefit of any license, permit, consent, or privilege which it holds or enjoys and which enables it to carry on business as an air carrier. The Directors, from time to time, set a “Permitted Maximum” on the number of the Company's Ordinary Shares that may be owned by non-EU nationals at such level as they believe will comply with EU law. The Permitted Maximum is currently set at 49.9%. In addition, under certain circumstances, the Directors can take action to safeguard the Company's ability to operate by identifying those Ordinary Shares, ADSs or Affected Shares which give rise to the need to take action and treat such

Ordinary Shares, the American Depositary Receipts (“ADRs”) evidencing such ADSs, or Affected Shares as “Restricted Shares” (within the meaning of the Articles).

The Board of Directors may, under certain circumstances, deprive holders of Restricted Shares of their rights to attend, vote at, and speak at general meetings, and/or require such holders to dispose of their Restricted Shares to an EU national within as little as 21 days. The Directors are also given the power to transfer such Restricted Shares themselves if a holder fails to comply, with any such transfer subject to legal challenge by the relevant holder. In 2002, the Company implemented measures to restrict the ability of non-EU nationals to purchase Ordinary Shares, and non-EU nationals are currently effectively barred from purchasing Ordinary Shares and will remain so for as long as these restrictions remain in place. There can be no assurance that these restrictions will ever be lifted. Additionally, these foreign ownership restrictions could result in Ryanair’s exclusion from certain stock tracking indices. Any such exclusion may adversely affect the market price of the Ordinary Shares and ADRs. Since April 2012, the Company has had the necessary authorities in place to repurchase ADRs as part of its general authority to repurchase up to 10% of the issued share capital in the Company. See “Item 10. Additional Information—Limitations on Share Ownership by Non-EU Nationals” for a detailed discussion of restrictions on share ownership and the current ban on share purchases by non-EU nationals.

As a result of Brexit, with effect from January 1, 2021 U.K. nationals ceased to qualify as EU nationals. Consequently, as of that date, the 2002 ban on the purchase of ordinary shares by non-EU nationals has applied to U.K. nationals also. In addition, in accordance with the resolutions passed by the Board of the Company on March 8, 2019, all Ordinary Shares and ADSs held by or on behalf of non-EU nationals (including U.K. nationals) are, as of January 1, 2021, treated as “Restricted Shares”. Restricted Share Notices were issued to the registered holder(s) of each Restricted Share specifying that the holder(s) of such shares shall not be entitled to attend, speak or vote at any general meeting of the Company for so long as those shares are treated as Restricted Shares pursuant to Article 41(J)(i) of the Articles. U.K. nationals are not required to dispose of Ordinary Shares which they purchased prior to January 1, 2021. These resolutions will remain in place until the Board determines that the ownership and control of the Company is no longer such that there is any risk to the airline licenses held by the Company’s subsidiaries pursuant to EU Regulation No. 1008/2008.

Holders of ordinary shares are currently unable to convert those shares into ADRs. In an effort to increase the percentage of its share capital held by EU nationals, on June 26, 2001, Ryanair Holdings instructed The Bank of New York Mellon, the depositary for its ADR program (the “Depositary”), to suspend the issuance of new ADRs in exchange for the deposit of Ordinary Shares until further notice. Holders of Ordinary Shares cannot convert their Ordinary Shares into ADRs during this suspension, and there can be no assurance that the suspension will ever be lifted. See also “—EU Rules Impose Restrictions on the Ownership of Ryanair Holdings’ Ordinary Shares by Non-EU nationals and the Company has Instituted a Ban on the Purchase of Ordinary Shares by Non-EU Nationals”.

The Company’s results of operations may fluctuate significantly. The Company’s results of operations have varied significantly from quarter to quarter, and management expects these variations to continue. See “Item 5. Operating and Financial Review and Prospects—Seasonal Fluctuations.” Among the factors causing these variations are the airline industry’s sensitivity to general economic conditions, the seasonal nature of air travel, and trends in airlines’ costs, especially fuel costs. Because a substantial portion of airline travel (both business and personal) is discretionary, the industry tends to experience adverse financial results during general economic downturns. The Company is substantially dependent on discretionary air travel.

The trading price of Ryanair Holdings’ Ordinary Shares and ADRs may be subject to wide fluctuations in response to quarterly variations in the Company’s operating results and the operating results of other airlines. In addition, the global stock markets from time to time experience extreme price and volume fluctuations that affect the market prices

of many airline company stocks. These broad market fluctuations may materially adversely affect the market price of the Ordinary Shares and ADRs.

Ryanair Holdings may or may not pay dividends. Since its incorporation in 1996, Ryanair Holdings, has only occasionally declared special dividends on both its Ordinary Shares and ADRs. Ryanair Holdings' ability to pay dividends in the future will be dependent on the financial performance of the Company and there is no guarantee that any further dividends will be paid. See "Item 8. Financial Information—Other Financial Information—Dividend Policy". As a holding company, Ryanair Holdings does not have any material assets other than its shares in the Company's operating airlines and in other entities within the Ryanair Holdings group structure.

Increased costs for possible future ADR and share repurchases. As the ADRs have historically traded on the NASDAQ Stock Market ("NASDAQ") at a premium compared to Ordinary Shares, the inclusion of ADRs in buyback programs may result in increased costs in performing share buybacks. Since fiscal year 2008 the Company has repurchased shares as follows:

Year ended March 31,	No. of shares (m)	Approx. cost (€m)
2009-2017	276.0	2,555.8
2018	46.7	829.1
2019	37.8	560.5
2020	47.2	580.5
2021	—	—
Period through July 23, 2021	—	—
Total	407.7	4,525.9

There is no guarantee that the Company's current Central Securities Depository ("CSD") will provide equivalent functionality to the Company's previous CSD, which may adversely impact the Company and/or holders of ADRs and/or interests in Ordinary Shares. Ireland does not have a domestic CSD, and Irish issuers, including Ryanair Holdings, whose shares are traded on Euronext Dublin or the London Stock Exchange have historically relied on CREST. CREST is a system which facilitated the recording of ownership and effecting transfers of shares in Irish incorporated companies, operated by Euroclear U.K. & Ireland ("EUI") and authorized as a CSD in the United Kingdom.

EU issuers are required by EU Regulation 2014/909 ("EU CSD Regulation") to use a CSD authorized in an EU Member State. One of the consequences of Brexit is therefore that the CREST system is no longer authorized to act as a CSD for Irish securities. This is because EUI became a third country CSD following Brexit and is no longer authorized to passport its services into Ireland pursuant to European law.

The Company held an Extraordinary General Meeting at which it was resolved that the Ordinary Shares of Ryanair Holdings would be migrated from the CREST System to the settlement system operated by Euroclear Bank SA/NV ("Euroclear Bank"), the CSD in Belgium, over the course of the weekend commencing March 12, 2021 (the "Migration"). The Migration, involving all Irish companies listed on Euronext Dublin, was successfully completed on March 15, 2021.

The Euroclear Bank model is structurally different to CREST. Euroclear Bank operates an "intermediated" settlement system, where legal title to shares in the issuer is held by a nominee of Euroclear Bank. Participants in Euroclear Bank (e.g., credit institutions, stockbrokers, investment managers) have rights in relation to these shares under Belgian law (Belgium being Euroclear Bank's place of incorporation), and underlying investors hold their interests in the shares through their contractual relationship with a participant, or the direct or indirect counterparty of a participant.

The Company's securities have never before been deposited on an "intermediated" settlement basis and it cannot be guaranteed that the Euroclear Bank CSD will be able to support the Company in respect of its continued compliance with EU ownership and control requirements pursuant to Regulation (EC) 1008/2008.

Item 4. Information on the Company

INTRODUCTION

Ryanair Holdings was incorporated in 1996 as a holding company for Ryanair Limited, now known as Ryanair Designated Activity Company (“DAC”). The latter operates a low fare, scheduled-passenger airline serving short-haul, point-to-point routes mainly within Europe. In fiscal year 2019, the Company set up Buzz, formally known as Ryanair Sun, (a Polish charter and scheduled passenger airline with a Polish AOC), and acquired Lauda (now a Maltese wet lease provider to the Ryanair Group with a Maltese AOC), and set-up Ryanair U.K. (with a U.K. AOC). In fiscal year 2020, Malta Air became the fifth airline in the Ryanair Group. Each of Buzz, Lauda, Malta Air, Ryanair DAC and Ryanair U.K. are wholly owned airlines within the Ryanair Group. See “Item 5. Operating and Financial Review and Prospects—History” for detail on the history of the Company. As of June 30, 2021, the Ryanair Group had a principal fleet of approximately 422 Boeing 737 aircraft and 29 Airbus A320 aircraft. As of July 23, 2021, the Group offered over 2,100 short-haul flights per day serving over 210 airports across Europe. It is anticipated that additional capacity will be offered over the next twelve months, subject to the timing of the removal of European government lockdown and travel restrictions and assuming such lockdown restrictions are not re-imposed. See “—Route System, Scheduling and Fares—Route System and Scheduling” for more details of Ryanair’s route network. See “Item 5. Operating and Financial Review and Prospects—Seasonal Fluctuations” for information about the seasonality of Ryanair’s business.

Ryanair recorded a loss after taxation of €1,015m in fiscal year 2021, as compared with a profit of €649m in fiscal year 2020. This decrease was primarily attributable to an 81% decline in traffic as European Governments imposed travel restrictions/lockdowns due to the Covid-19 pandemic. Ryanair generated an average booked passenger load factor of approximately 71% in fiscal year 2021, compared to 95% in fiscal year 2020 and total revenue decreased by 81% to €1,636m, down from €8,495m in fiscal year 2020.

Management believes that the market’s acceptance of Ryanair’s low-fares service is reflected in the “Ryanair Effect” – Ryanair’s history of stimulating significant annual passenger traffic growth on the routes where it commences service. Fiscal year 2021 was the most challenging in Ryanair’s history. Covid-19 saw traffic collapse, almost overnight, from 149m to just 27.5m as many European governments (with little notice or co-ordination) imposed flight bans, travel restrictions and national lockdowns. There was a partial recovery during summer 2020, as initial lockdowns eased, however a second Covid-19 wave in Europe followed quickly in the autumn with a third wave in spring 2021. This created enormous disruptions and uncertainty for both Ryanair’s customers and its people, as they suffered constantly changing government guidelines, travel bans and restrictions. Ryanair responded promptly, and effectively, to this crisis, by working hard to assist millions of customers with flight changes, refunds and changed travel plans. The Ryanair Group minimized job losses through agreed pay cuts and participation in government job support schemes, while at the same time keeping pilots, cabin crew and aircraft current and ready to resume service once normality returns.

The address of Ryanair Holdings’ registered office is: c/o Ryanair DAC, Dublin Office, Airside Business Park, Swords, County Dublin, K67 NY94, Ireland. The Company’s contact person regarding this Annual Report on Form 20-F is: Neil Sorahan, Group CFO (same address as above). The telephone number is +353-1-945-1212 and facsimile number is +353-1-945-1213. Under its current Articles, Ryanair Holdings has an unlimited corporate duration.

Ryanair Holdings files annual reports, special reports, and other information with the SEC. Its SEC filings are available on the SEC’s website at <http://www.sec.gov>. This site contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Ryanair Holdings also makes available on its website, free of charge, its annual reports on Form 20-F and the text of its reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Ryanair’s website address is <https://www.ryanair.com>. The information

on these websites, and any other website referenced herein, is not part of this report except as specifically incorporated by reference herein.

STRATEGY

Ryanair's objective is to establish itself as Europe's largest scheduled passenger airline group, through continued improvements and expanded offerings of its low-fares service. The Ryanair Group seeks to offer low fares that generate increased passenger traffic while maintaining a continuous focus on cost-containment and operating efficiencies. The key elements of Ryanair's long-term strategy are:

Low-Fares. Ryanair's low fares are designed to stimulate demand, particularly from fare-conscious leisure and business travelers who might otherwise use alternative forms of transportation or choose not to travel at all. Ryanair sells seats on a one-way basis, thus eliminating minimum stay requirements from all travel on Ryanair scheduled services. Ryanair sets fares on the basis of the demand for particular flights and by reference to the period remaining to the date of departure of the flight, with higher fares typically charged on flights with higher levels of demand and for bookings made nearer to the date of departure. Ryanair also periodically runs special promotional fare campaigns. See "—Route System, Scheduling and Fares—Widely Available Low Fares" below.

Customer Service. Ryanair's strategy is to deliver the best customer service performance in its peer group. Ryanair delivers industry leading punctuality (target >90% excluding ATC disruptions) and fewer lost bags than its peer group in Europe. Ryanair achieves this by focusing strongly on the execution of these services. Ryanair conducts a daily conference call with airport personnel at each of its base airports, during which the reasons for each "first wave" flight delay and baggage short-shipment are discussed in detail and logged to ensure that the root cause is identified and rectified. Subsequent (consequential) delays and short shipments are investigated by Ryanair ground operations personnel.

Customer satisfaction is also measured by regular online "mystery-passenger" checks and every passenger that flies with Ryanair can rate their flying experience. Monthly Net Promoter Scores ("NPS") and customer satisfaction scores are analyzed to ensure Ryanair are delivering on the things that matter most for our customers.

Ryanair is continuously implementing new strategic initiatives that are expected to improve its customer service offering. As part of Ryanair's "We're Listening" initiative, Ryanair invited customers to join a new Customer Advisory Panel that will allow its teams to gain valuable insight on how the Group can continue to improve customer services.

Frequent point-to-point flights on short-haul routes. Ryanair provides frequent point-to-point service on short-haul routes. In fiscal year 2021, Ryanair flew an average route length of approximately 776 miles and an average flight duration of approximately 1.88 hours. Short-haul routes allow Ryanair to offer its low fares and frequent service, while eliminating the need to provide unnecessary "frills", like free in-flight meals and movies, otherwise expected by customers on longer flights. Point-to-point flying (as opposed to hub-and-spoke service) allows Ryanair to offer direct, non-stop routes and avoid the costs of providing "through service," for connecting passengers, including baggage transfer and transit passenger assistance.

Low Operating Costs. Management believes that the Ryanair Group's operating costs are among the lowest of any European scheduled-passenger airline group. Ryanair strives to reduce or control four of the primary expenses involved in running a major scheduled airline group: (i) aircraft equipment and finance costs; (ii) personnel costs; (iii) customer service costs; and (iv) airport access and handling costs:

(i) Aircraft Equipment and Finance Costs. Ryanair currently operates mainly “next generation” Boeing 737-800s. The operation of primarily a single aircraft type (mainly B737s) enables Ryanair to limit the costs associated with personnel training, maintenance, and the purchase and storage of spare parts while also affording the Company greater flexibility in the scheduling of crews and equipment. Management also believes that the terms of Ryanair’s contracts with Boeing are favorable to Ryanair. The strength of Ryanair’s balance sheet and cashflows also enables the Group to lease aircraft at competitive rates (such as the 29 A320s leased by Lauda). See “—Aircraft” below for additional information on Ryanair’s fleet. The Company has a BBB rating from both S&P and Fitch Ratings (see “Item 3. Key Information—Risk Factors—Risks Related to the Company—The Company will incur significant costs acquiring new aircraft and any instability in the credit and capital markets could negatively impact Ryanair’s ability to obtain financing on acceptable terms” above) and can raise inexpensive unsecured debt in the Capital Markets. The Company also finances aircraft from its strong cashflows.

(ii) Personnel Costs. Ryanair endeavors to control its labor costs through incentivizing high productivity. Compensation for personnel emphasizes productivity-based pay incentives. These incentives include sales bonus payments for onboard sales of products for cabin crew and payments based on the number of hours or sectors flown by pilots and cabin crew within strict limits set by industry standards or regulations fixing maximum working hours.

(iii) Customer Service Costs. Ryanair has entered into agreements with external contractors at certain airports for ticketing, passenger and aircraft handling, and other services that management believes can be more cost- efficiently provided by third parties. Ryanair negotiates competitive rates for such services by negotiating fixed-price, multi-year contracts. The development of its own Internet booking facility has allowed Ryanair to eliminate travel agent commissions. As part of its strategic initiatives, and the Always Getting Better (“AGB”) customer experience program launched in 2013, the Company has broadened its distribution base by making Ryanair’s fares available to Travelport (trading as Galileo and Worldspan) and Sabre at nominal cost to the Company. Direct sales via the Ryanair website and mobile app continues to be the prime generator of scheduled passenger revenues.

(iv) Airport Access and Handling Costs. Ryanair prioritizes airports that offer competitive prices. The Ryanair Group’s record of delivering a consistently high volume of passenger traffic growth at many airports has allowed it to negotiate favorable growth contracts with such airports since the launch of AGB, the Company has accessed more primary airports, which typically have higher airport charges and greater competition along with slot limitations. Secondary and regional airports generally do not have slot requirements or other operating restrictions that can increase operating expenses and limit the number of allowed take-offs and landings. Ryanair endeavors to reduce its airport charges by opting, when practicable, for less expensive gate locations as well as outdoor boarding stairs, rather than jetways, which are more expensive and operationally less efficient to use. Ryanair requires all passengers to check-in on the Internet, which reduces waiting times at airports and speeds a passenger’s journey from arrival at the airport to boarding, as well as significantly reducing airport handling costs. Ryanair also charges a checked-bag fee, which is payable on the Internet at the time of booking or post booking and is aimed at reducing the number of bags carried by passengers in order to further reduce handling and CO2 costs. See “Item 3. Key Information—Risks Related to the Company—The Company Faces Risks Related to its Internet Reservations Operations and its Elimination of Airport Check-in Facilities.”

Taking advantage of digital platforms. Ryanair’s reservation system operates under a hosting agreement with Navitaire which currently extends to November 2027. As part of the implementation of the reservation system, Navitaire developed an Internet booking facility. The Ryanair system allows Internet users to access its host reservation system and to make and pay for confirmed reservations in real time through the Ryanair.com website. The Company also has a mobile app which makes it simpler and easier for customers to book Ryanair flights. The website and app also offer customers the ability to add additional ancillary products on day of travel (e.g. bags, priority boarding, preferred seating and fast track). Ryanair has continued to invest in its website with the key features being personalization, a “My Ryanair” account, easier booking flow, more content, faster, intuitive and fully responsive for mobile devices. The “My Ryanair” registration service, which allows customers to securely store their personal and payment details, has also significantly quickened the booking process and made it easier for customers to book a flight. Membership of “My Ryanair” is automatic for all bookings. Ryanair will endeavor to continue to improve its website and mobile app through a series of ongoing upgrades.

Commitment to safety and quality maintenance. Safety is the primary priority of Ryanair. This commitment begins with the hiring and training of Ryanair’s pilots, flight attendants, and maintenance personnel and includes a policy of maintaining its aircraft in accordance with the highest European industry standards. Ryanair has not had a single passenger or flight crew fatality as a result of an accident with one of its aircraft in its 36-year operating history. Although Ryanair seeks to maintain its fleet in a cost-effective manner, management does not seek to extend Ryanair’s low-cost operating strategy to the areas of safety, maintenance, training or quality assurance. Routine aircraft maintenance and repair services are performed primarily by Ryanair, at Ryanair’s main bases, but are also performed at other base airports by maintenance contractors approved under the terms of an EASA Part 145 approval. Ryanair currently performs the majority of heavy airframe maintenance in-house, but contracts with other parties who perform engine overhaul services and rotatable repairs. Ryanair also outsources some heavy maintenance activity. These contractors also provide similar services to a number of other major European airlines.

Enhancement of operating results through ancillary services. Ryanair distributes accommodation services and travel insurance primarily through its website. For accommodation services, Ryanair currently has a contract with core providers (Hotels.com, Hotelopia.com and Hostelsclub) to market hotels and other accommodation offerings during and after the booking process. Ryanair also offers airport transfers and car park services through its website and on board its aircraft. Ryanair offers car hire services via a contract with RentalCars. Ancillary revenues accounted for approximately 37% of Ryanair’s total operating revenues in fiscal year 2021 and approximately 34% of Ryanair’s total operating revenues in fiscal year 2020. See “—Ancillary Services” below and “Item 5. Operating and Financial Review and Prospects—Results of Operations—Fiscal Year 2021 Compared with Fiscal Year 2020—Ancillary Revenues” for additional information.

Focused criteria for growth. Ryanair believes it will have opportunities for continued growth by: (i) using aggressive fare promotions to stimulate demand; (ii) initiating additional routes in the EU; (iii) initiating additional routes in countries party to a European Common Aviation Agreement with the EU that are currently served by higher-cost, higher-fare carriers; (iv) increasing the frequency of service on its existing routes; (v) starting new domestic routes within individual EU countries and the UK; (vi) considering acquisition opportunities that may become available in the future; (vii) connecting airports within its existing route network; (viii) establishing new bases; and (ix) initiating new routes not currently served by any carrier.

Responding to market challenges. In recent periods, Ryanair’s low-fares business model faced substantial pressure due to significantly increased fuel costs and economic contraction in the economies in which it operates (including global market disruptions related to the Covid-19 pandemic outbreak). The Company has aimed to meet these challenges by: (i) grounding approximately 200 aircraft in fiscal year 2021 during the winter season with nearly all of the fleet grounded in Quarter 1, fiscal year 2021; (ii) disposing of aircraft (11 lease hand-backs and 7 aircraft sales in fiscal year 2021); (iii) controlling costs and liquidity; and (iv) renegotiating contracts with existing suppliers, airports and

handling companies. There can be no assurance that the Company will be successful in achieving all of the foregoing or taking other similar measures, or that doing so will allow the Company to earn profits in any period. See “Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company’s Results” and “— The Company May Not Be Successful in Increasing Fares and Revenues to Cover Rising Business Costs.” In prior years, in response to an operating environment characterized by high fuel prices, typically lower seasonal yields and higher airport charges and/or taxes, Ryanair adopted a policy of grounding a certain portion of its fleet during the winter months. Ryanair also carries out its scheduled aircraft maintenance at this quieter time of the year. While seasonal grounding does reduce the Company’s operating costs, it also decreases Ryanair’s winter season flight and non-flight revenues. Decreasing the number and frequency of flights may also negatively affect the Company’s labor relations, including its ability to attract flight personnel interested in full-time employment. See “Item 3. Key Information—Risk Factors—Risks Related to the Company—Ryanair has Seasonally Grounded Aircraft.”

ROUTE SYSTEM, SCHEDULING AND FARES

Route System and Scheduling

As of July 23, 2021, the Company offered over 2,100 daily scheduled short-haul flights serving over 210 airports largely throughout Europe and North Africa as it gradually returns to service following the lifting of European Governments' Covid-19 lockdowns and travel restrictions. Prior to the grounding of aircraft in March 2020 as a result of EU government restriction to stop the spread of Covid-19, the Ryanair Group offered over 2,500 scheduled short-haul flights per day serving over 240 airports largely throughout Europe and North Africa. The following table lists Ryanair's 86 operating bases:

Operating Bases

Agadir *	Fez	Paphos
Alicante	Frankfurt (Hahn)	Paris (Beauvais)
Athens	Frankfurt (Main)	Pescara
Baden-Baden	Gdansk	Pisa
Barcelona (El Prat)	Glasgow (Prestwick)	Ponta Delgada
Bari	Gothenburg	Porto
Berlin (Brandenburg)	Ibiza	Poznan
Billund *	Katowice	Prague
Birmingham	Krakow	Rhodes
Bologna	Kaunas	Riga *
Bordeaux	Lamezia	Rome (Ciampino)
Bournemouth	Leeds Bradford	Rome (Fiumicino)
Bratislava	Lisbon	Santiago
Brindisi	Liverpool	Seville
Bristol	London (Luton)	Shannon
Brussels (Charleroi)	London (Southend)	Sofia
Brussels (Zaventem)	London (Stansted)	Stockholm (Arlanda) *
Bucharest	Madrid	Thessaloniki
Budapest	Malaga	Toulouse
Cagliari	Mallorca	Treviso
Catania	Malta	Turin *
Chania	Manchester	Valencia
Cologne	Marrakesh	Vienna
Corfu	Marseille	Vilnius
Dublin	Memmingen	Warsaw (Modlin)
Dusseldorf (Weeze)	Milan (Bergamo)	Wroclaw
East Midlands	Milan (Malpensa)	Zadar
Edinburgh	Naples	Zagreb
Faro	Palermo	

** New bases announced and opening in Winter 2021*

See Note 18, “Analysis of operating revenues and segmental analysis” to the consolidated financial statements included in Item 18 for more information regarding the geographical sources of the Company’s revenue.

Ryanair’s objective is to schedule a sufficient number of flights per day on each of Ryanair’s routes to satisfy demand for Ryanair’s low-fares service. Ryanair schedules departures on its most popular routes at frequent intervals normally between approximately 6:00 a.m. and 11:30 p.m. Management regularly reviews the need for adjustments in the number of flights on all of its routes.

As part of Ryanair’s AGB customer experience program Ryanair has focused on high frequency and business friendly timings between Europe’s main business centers.

Over the past year, the Ryanair Group launched 167 new routes across its network. See “Item 3. Key Information—Risk Factors—Risks Related to the Company—Ryanair’s New Routes and Expanded Operations May Have an Adverse Financial Impact on Its Results.”

Widely Available Low Fares

Ryanair offers low fares, with prices generally varying on the basis of advance booking, seat availability and demand. Ryanair sells seats on a one-way basis, thus removing minimum stay requirements from all travel on Ryanair scheduled services. All tickets can be changed, subject to certain conditions, including fee payment (although certain fee holidays have been implemented throughout the Covid-19 crisis) and applicable upgrade charges. However, tickets are generally non-cancellable and non-refundable and must be paid for at the time of reservation.

Ryanair’s discounted fares are driven by Ryanair’s “load factor active – yield passive” policy whereby seats are priced to ensure that high load factor targets are achieved.

Ryanair also periodically runs special promotional fare campaigns, in particular in connection with the opening of new routes, and endeavors to always offer the lowest fare on any route it serves. Promotional fares may have the effect of increasing load factors and reducing Ryanair’s yield and passenger revenues on the relevant routes during the periods they are in effect. Ryanair expects to continue to offer significant fare promotions to stimulate demand in periods of lower activity or during off-peak times for the foreseeable future.

MARKETING AND ADVERTISING

Ryanair’s primary marketing strategy is to emphasize its widely available low fares, route choice and great care. In doing so, Ryanair primarily advertises its services in national and regional media across Europe. In addition, Ryanair uses advertising, email marketing and social media. Other marketing activities include the distribution of advertising and promotional material and cooperative advertising campaigns with other travel-related entities, including local tourist boards. Ryanair also regularly contacts people who have registered in its database to inform them about promotions and special offers.

RESERVATIONS ON RYANAIR.COM

Passenger airlines generally rely on travel agents (whether traditional or online) for a significant portion of their ticket sales and pay travel agents’ commissions for their services, as well as reimbursing them for the fees charged by reservation systems providers. In contrast, Ryanair requires passengers to make reservations and purchase tickets directly. The vast majority of such reservations and purchases are made through the website Ryanair.com, although an increasing number of customers are also booking on the Ryanair app and therefore, we are not reliant on travel agents.

Ryanair's reservations system is hosted under an agreement with the system provider, Navitaire. Under the agreement, the system serves as Ryanair's core seating inventory and booking system. In return for access to these system functions, Ryanair pays transaction fees that are generally based on the number of passenger seat journeys booked through the system. Navitaire also retains back-up booking engines to support operations in the event of a breakdown in the main system.

Over the last year Ryanair has introduced several new features such as Multi Airport City and Fare Finder which makes it easier and quicker for customers to find the lowest fares. Ryanair also requires internet check-in for all passengers. These enhancements and changes have been made to reduce waiting times at airports and speed up the passenger's journey from arrival at the airport to boarding, as well as significantly reduce airport handling costs.

The Company has also entered into an agreement with the GDSs Travelport (which operates the Galileo and Worldspan GDS) and Sabre. The Company's fares (except for the three lowest fare categories) are currently distributed on the GDSs' systems. Ryanair has negotiated an attractive per segment price which enables it to sell tickets via travel agents at no commission to a mix of largely business/corporate travelers.

AIRCRAFT

Boeing Aircraft

As of June 30, 2021, the Company had a fleet of 422 Boeing 737 aircraft which are currently operated by Buzz, Malta Air, Ryanair DAC and Ryanair U.K. The fleet was composed of 3 Boeing 737-8200 aircraft, each having 197 seats, and 419 Boeing 737-800 "next generation" ("NG") aircraft, each having 189 seats. The Company's fleet totaled 422 Boeing 737-800 aircraft at March 31, 2021.

Between March 1999 and March 2021 Ryanair took delivery of 531 new Boeing 737NG aircraft under its contracts with Boeing and disposed of 109 Boeing 737NG aircraft, including 74 lease hand-backs. In the period April 2021 to June 2021, Ryanair took delivery of 3 new Boeing 737-8200 aircraft and returned 3 Boeing 737NG leased aircraft.

Under the terms of the 2013 Boeing Contract, Ryanair agreed to purchase 183 Boeing 737-800 aircraft over a five-year period from fiscal years 2015 to 2019, with delivery beginning in September 2014 and ending in December 2018. These aircraft benefited from a net effective price not dissimilar to that under the 2005 Boeing Contract. Under the terms of the 2014 Boeing Contract, which was repriced in December 2020, Ryanair has agreed to purchase 210 new Boeing 737-8200 "Gamechanger" aircraft delivering between fiscal years 2022 and 2025. Deliveries commenced in June 2021. The new aircraft will be used on new and existing routes to grow the Ryanair Group's business.

The Boeing 737-8200 represents the newest generation of Boeing's 737 aircraft. It is a short-to-medium range aircraft and seats 197 passengers (eight (4%) more than Ryanair's existing Boeing 737-800 189 seat fleet). The basic price (equivalent to a standard list price for an aircraft of this type) for each of the Boeing 737-8200 series aircraft under the 2014 Boeing Contract is approximately US\$102.5m. Net of basic credits and reflective of price escalation over the original scheduled delivery timeframe, the value of the 210 Boeing 737-8200 aircraft under the 2014 Boeing Contract is approximately US\$9.6bn.

Boeing has granted Ryanair certain price concessions as part of the 2014 Boeing Contract. As a result, the "effective price" (the purchase price of the new aircraft net of discounts received from Boeing) of each new aircraft will be significantly below the basic price mentioned above. The effective price applies to all new aircraft delivering from fiscal year 2022 through to fiscal year 2025.

For additional details on the Boeing contracts, scheduled aircraft deliveries and related expenditures and their financing, see “Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources.”

The Boeing 737 is the world’s most widely used commercial aircraft and exists in a number of generations, the Boeing 737-8200 being the most recent in current production.

The Boeing 737NGs are fitted with CFM 56-7B engines and have advanced CAT III Autoland capability, advanced traffic collision avoidance systems, and enhanced ground-proximity warning systems. The Boeing 737-8200 are fitted with CFM LEAP-1B engines which, combined with the Advanced Technology winglet and other aerodynamic improvements, should reduce fuel consumption by up to approximately 16% on a per seat basis compared to the Boeing 737NGs in Ryanair’s configuration and reduce operational noise emissions by approximately 40%.

For additional information, please see “Item 3—Key Information—Risk Factors—Risks Related to the Company—A majority of Ryanair’s aircraft and certain parts are sourced from a single supplier; therefore, Ryanair would be materially and adversely affected if such supplier were unable to provide additional equipment or support”.

At March 31, 2021, the average aircraft age of the Company’s Boeing 737 fleet was approximately 9 years.

Airbus Aircraft

As of June 30, 2021, the Company had a fleet of 29 leased Airbus A320 aircraft (unchanged from March 31, 2021). These aircraft are operated by Lauda, as a wet lease operator for the Group, and have 180 seats. They are powered by a mix of CFM 56-5B and Pratt & Whitney V2500 engines. At March 31, 2021, the average aircraft age of the Company’s leased Airbus A320 fleet was approximately 13.9 years and the average remaining lease term on these aircraft was 3.3 years, with the first aircraft due to return off lease in November 2022.

Summary

The Company expects to have an operating fleet comprising approximately 600 narrow-body aircraft at March 31, 2025, depending on the level of lease hand-backs and aircraft disposals. The operating fleet will likely comprise of primarily Boeing 737s.

Training and Regulatory Compliance

Ryanair currently owns and operates 11 Boeing 737-800NG, 3 Boeing 737-8200 and 2 A320 full flight simulators for pilot training. The simulators were purchased from CAE Electronics Ltd. of Quebec, Canada (“CAE”). In addition, Ryanair currently owns and operates 9 state of the art, fixed base simulators from Multi Pilot Simulations (“MPS”) which are used for pilot assessments and pilot training. In fiscal year 2021, Ryanair, in partnership with Aviation Flight Academy (AFA), developed a new, state of the art, training center in Dublin which includes 1 Boeing 737-8200 full flight simulator, 1 Boeing 737-8200 fixed base simulator, 2 A320 full flight simulators, 1 A320 fixed base simulator and a full Boeing 737 Cabin Trainer.

Management believes that Ryanair is currently in compliance with all applicable regulations and EU directives concerning its fleet of Boeing 737 and Airbus A320 aircraft and will comply with any regulations or applicable EU and UK directives that may come into effect in the future. However, there can be no assurance that the FAA, EASA, the UK CAA or other regulatory authorities will not recommend or require other safety-related undertakings that could adversely impact the Company’s results of operations or financial condition, in particular safety-related undertakings related to the Boeing 737-8200. See “Item 3. Key Information—Risk Factors—Risks Related to the Airline Industry— Safety-Related Undertakings Could Affect the Company’s Results.”

ANCILLARY SERVICES

Ryanair provides various ancillary services and engages in other activities connected with its core air passenger service, including non-flight scheduled services, internet-related services, and the in-flight sale of beverages, food, and merchandise.

Ryanair primarily markets car hire, accommodation services and travel insurance through its website and mobile app. Ryanair offers car hire services via a contract with RentalCars. For hotel and accommodation services, Ryanair launched Ryanair Rooms in October 2016 to market hotels, hostels, B&Bs, homestays and villas during and after the booking process. Ryanair receives a commission on these sales.

Ryanair markets car parking, attractions and activities on its website & mobile app. Ryanair also sells gift vouchers which are redeemable online.

MAINTENANCE AND REPAIRS

General

As part of its commitment to safety, Ryanair endeavors to hire qualified maintenance personnel, provide proper training to such personnel, and maintain its aircraft in accordance with EASA Regulations and European industry standards. While Ryanair seeks to maintain its fleet in a cost-effective manner, management does not seek to extend Ryanair's low-cost operating strategy to the areas of maintenance, training or quality control.

Ryanair's quality assurance department deals with oversight of all maintenance activities in accordance with EASA Part 145. EASA, which established Part 145, came into being on September 28, 2003; through the adoption of Regulation (EC) No. 1592/2002 of the European Parliament, and its standards superseded the previous Joint Aviation Authority ("JAA") requirements. See "—Government Regulation—Regulatory Authorities" below. Ryanair is licensed to operate approved maintenance training courses under a Part 147 approval from the U.K. CAA in its training school at London Stansted Airport and Glasgow Prestwick. It is also licensed to operate approved maintenance training courses under a Part 147 approval by the Irish Aviation Authority ("IAA") in Dublin and by the Italian Civil Aviation Authority ("ENAC") in Bergamo.

Ryanair is itself an EASA Part 145-approved maintenance organization and provides its own routine aircraft maintenance and repair services. Ryanair also performs certain line maintenance checks on its aircraft, including pre-flight and daily checks at some of its bases, as well as A-checks at its Dublin, London (Stansted), Madrid, Hahn, Vienna and Bergamo facilities to support line maintenance on Boeing 737 and Airbus A320 aircraft. Ryanair performs the majority of its Boeing 737 heavy airframe maintenance utilizing a Ryanair associated Part 145 approval/organization for heavy maintenance with a seasonal use of third-party maintenance repair and overhaul (the "MRO") facilities. Ryanair operates a six-bay hangar facility at its base at Glasgow (Prestwick) in Scotland. In addition, Ryanair has hangar facilities in Kaunas (2 bays, Lithuania), Wroclaw (2 bays, Poland) and Seville (2 bays, Spain) which are used for C-check maintenance activities. Ryanair is currently planning to extend the hangar facilities in Seville for heavy maintenance by the end of fiscal year 2022 from 2 to 5 bays.

Ryanair has a 5-bay hangar and stores facility at its London (Stansted) airport base enabling Ryanair to carry out line maintenance on its expanding fleet. This facility has eight full flight simulators (including 2 Boeing 737-8200, installed in March 2019 and September 2019), 3 fixed base simulators and the associated training rooms. Ryanair in partnership with Aviation Flight Academy (AFA) has developed a separate training facility adjacent to the hangar to accommodate a full-size Boeing 737NG training aircraft to allow for cabin crew and engineering training. Ryanair has 5 simulators in its East Midlands facility (3 full flight and 2 fixed based). Ryanair operates a 2-bay hangar in Vienna to maintain a mix of Airbus and Boeing aircraft and, in fiscal year 2021, built a new pilot and cabin crew training facility in

Dublin which accommodates Boeing and Airbus full flight simulators to meet the increased training needs of the Group. Ryanair has a 30-year sole-tenancy agreement with Frankfurt (Hahn) airport where it maintains a 2-bay hangar and stores facility. This facility allows Ryanair to carry out additional line maintenance including A-checks. Ryanair has two single-bay hangars and an additional leased hangar in Bergamo, Italy (3 in total), which are used for line maintenance activities and A-checks. Ryanair has also built a 1 bay hangar in Madrid to support aircraft located in Spain and operates 2 leased hangars at Dublin Airport. Ryanair has also built a technological center of excellence in Bergamo with 2 full flight simulators, 1 fixed base simulator and a full-size Boeing 737NG training aircraft to allow for pilot, engineering and cabin crew training.

Maintenance and repair services that may become necessary while an aircraft is located at other airports served by Ryanair are provided by other EASA Part 145-approved contract maintenance providers. Aircraft return each evening to Ryanair's bases, where they are examined by either Ryanair's approved personnel or by local EASA Part 145-approved companies.

Heavy Maintenance

Ryanair expects to be dependent on external service contractors for Airbus A320 and Boeing 737 maintenance, particularly for engine and component maintenance, for the foreseeable future, notwithstanding the capabilities provided by its maintenance facilities at Bergamo, Dublin, Frankfurt (Hahn), Glasgow (Prestwick), Kaunas, London (Stansted), Madrid, Seville and Wroclaw. See "Item 3. Key Information – Risk Factors – Risks Related to the Company - The Company Is Dependent on External Service Providers".

Ryanair contracts out engine overhaul service for its Boeing 737-800 aircraft to CFM under a ten-year agreement to December 2027, with an option for extension, which is a follow on to the previous General Electric Engine Services agreement. This comprehensive maintenance contract provides for the repair and overhaul of the CFM56-7B series engines fitted to Ryanair's Boeing 737-800 aircraft, the repair of parts and general technical support for the fleet of engines. CFM mainly uses its EASA Part 145-approved repair facility in Cardiff, Wales for this work, but also uses its EASA Part 145-approved facility in Celma (Brazil), Paris (France) and Queretaro (Mexico). By contracting with experienced EASA Part 145-approved maintenance providers, management believes it is better able to ensure the quality of its engine maintenance. Ryanair assigns EASA Part 145-certified mechanics/engineers to oversee all engine overhauls performed by third parties. Engine Maintenance providers are also monitored closely by the national authorities under EASA and national regulations. Ryanair trained engineering staff with Boeing and CFM in advance of the introduction of the Boeing 737-8200 aircraft.

SAFETY RECORD

Ryanair has not had a single passenger or flight crew fatality in its 36-year operating history. Ryanair demonstrates its commitment to safe operations through its safety policy, training, procedures, its investment in safety-related equipment, and its adoption of an internal open and confidential reporting system for safety issues. The Company's Board of Directors also has a Safety & Security Committee to review and discuss air safety and security related issues. Mike O'Brien, a Non-Executive Director, is the joint chair of this Committee (along with the Ryanair Accountable Manager, Neil Sorahan), and reports to the Board of Directors. Ryanair's Chief Risk Officer, Carol Sharkey, chairs quarterly meetings of the Group Airlines Accountable Managers (Group Safety & Security Committee) and Mike O'Brien attends these meetings. This forum facilitates the sharing of best Safety and Security practice across the Group.

Ryanair's flight crew training is oriented towards accident prevention and integrates with the Safety Management System to cover all aspects of flight operations. Threat and Error Management ("TEM") is at the core of all flight crew training programs. Ryanair maintains full control of the content and delivery of all flight crew training, including initial, recurrent, and upgrade phases. All training programs are approved by the relevant National Aviation Authority, (including the IAA, TM-CAD Malta and the Polish CAA) which regularly audits operations control standards

and flight crew training standards for compliance with EU legislation. All Boeing 737s that Ryanair has bought are certified for Category IIIA landings (automatic landings with minimum horizontal visibility of 200 meters and a 50 feet decision height).

Ryanair has a comprehensive and documented Safety Management System. Management encourages flight crews to report any safety-related issues through the Air Safety Report (“ASR”) reporting program, which is available online. Also available to crew is Ryanair’s Confidential Reporting System (“RCRS”) which affords personnel the opportunity to report directly to the Safety Officer any event, error, or discrepancy in operations that they do not wish to report through standard reporting channels. Management uses the de-identified information reported through all reporting systems to modify operating procedures and improve flight operations standards as necessary. Additionally, Ryanair promotes the use of *CHIRP*, a confidential reporting system that is endorsed by the U.K. CAA as an alternative confidential reporting channel.

Ryanair has installed an automatic data capturing system on each of its Boeing 737 and Airbus A320 aircraft. This system captures and downloads aircraft performance information for use as part of Operational Flight Data Monitoring (“OFDM”) which automatically provides a confidential report on exceedances from normal operating limitations detected during the course of each flight. The purpose of this system is to monitor operational trends and inform management of any instance of an operational limit being exceeded. By analyzing these reports, management can identify undesirable trends and potential areas of operational risk, so as to take steps to rectify such deviations, thereby ensuring adherence to Ryanair’s flight safety standards.

AIRPORT OPERATIONS

Airport Handling Services

Ryanair provides its own aircraft and passenger handling and ticketing services at Dublin Airport. Third parties provide these services to Ryanair at most other airports it serves. Blue Handling (part of the Omniserve Group) provides Ryanair’s ticketing, passenger and aircraft handling, and ground handling services at Ryanair’s largest base, Stansted, while similar services in continental Europe are generally provided by the local airport authorities, either directly through sub-contractors, or partners in self-handling at airports in Spain, Portugal and Poland. Management attempts to obtain competitive rates for such services by negotiating multi-year contracts at fixed prices with growth incentives where possible. These contracts are generally scheduled to expire in one to five years, unless renewed, and certain contracts may be terminated by either party before their expiry upon prior notice. Ryanair will need to enter into similar agreements in any new markets it may enter. See “Item 3. Key Information—Risk Factors—Risks Related to the Company—The Company Is Dependent on External Service Providers.”

Airport Charges

As with other airlines, Ryanair must pay airport charges each time it lands and accesses facilities at the airports it serves. Depending on the policy of the individual airport, such charges can include landing fees, passenger loading fees, security fees and parking fees. Ryanair attempts to negotiate discounted fees by delivering annual increases in passenger traffic and/or access to new destinations, and opts, when practicable, for less expensive facilities, such as less convenient gates and the use of outdoor boarding stairs rather than more expensive jetways. Nevertheless, there can be no assurance that the airports Ryanair uses will not impose higher airport charges in the future and that any such increases would not adversely affect the Company’s operations.

See “Item 3. Key Information—Risk Factors—Risks Related to the Company—Ryanair’s Continued Growth is Dependent on Access to Suitable Airports; Charges for Airport Access are Subject to Increase.” See also “Item 8. Financial Information—Other Financial Information—Legal Proceedings—EU State Aid-Related Proceedings” for

information regarding legal proceedings in which Ryanair's economic arrangements with several publicly owned airports are being contested.

FUEL

The cost of jet fuel accounted for approximately 22% and 37% of Ryanair's total operating expenses in the fiscal years ended 2021 (reduced due to lower flying as a result of European Governments' travel restrictions implemented as a result of the Covid-19 pandemic) and 2020, respectively. In each case, this accounts for costs after giving effect to the Company's fuel hedging activities but excludes de-icing costs, which accounted for approximately 0.8% and 0.6% of total fuel costs in the fiscal years ended 2021 and 2020 respectively. The future availability and cost of jet fuel cannot be predicted with any degree of certainty, and Ryanair's low-fares policy limits its ability to pass on increased fuel costs to passengers through increased fares. Jet fuel prices are dependent on crude oil prices, which are quoted in U.S. dollars. If the value of the U.S. dollar strengthens against the euro, Ryanair's fuel costs, expressed in euro, may increase even in absence of any increase in the U.S. dollar price of jet fuel. Ryanair has also entered into foreign currency forward contracts to hedge against some currency fluctuations. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk— Foreign Currency Exposure and Hedging."

Ryanair has historically entered into arrangements providing for significant protection against fluctuations in fuel prices, generally through forward contracts covering periods of up to 18 to 24 months of anticipated jet fuel requirements. If capacity is significantly reduced, as was the case in fiscal year 2021 due to European Governments, response to the spread of Covid-19, these forward contracts may become ineffective for hedge accounting purposes. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company's Results" and "Item 11. Quantitative and Qualitative Disclosures About Market Risk—Fuel Price Exposure and Hedging" for additional information on recent trends in fuel costs and the Company's related hedging activities, as well as certain associated risks. See also "Item 5. Operating and Financial Review and Prospects—Fiscal Year 2021 Compared with Fiscal Year 2020—Fuel and Oil."

INSURANCE

Ryanair is exposed to potential catastrophic losses that may be incurred in the event of an aircraft accident or terrorist incident. Any such accident or incident could involve costs related to the repair or replacement of a damaged aircraft and its consequent temporary or permanent loss from service. In addition, an accident or incident could result in significant legal claims against the Company from injured passengers and others who experienced injury or property damage as a result of the accident or incident, including ground victims. Ryanair maintains aviation third-party liability insurance, passenger liability insurance, employer liability insurance, directors' and officers' liability insurance, aircraft insurance for aircraft loss or damage, and other business insurance in amounts per occurrence consistent with industry standards. Ryanair believes its insurance coverage is adequate, although not comprehensive. There can be no assurance that the amount of such coverage will not need to be increased, that insurance premiums will not increase significantly or that Ryanair will not be forced to bear substantial losses from accidents. Ryanair's insurance does not cover claims for losses incurred when, due to unforeseen events, airspace is closed and aircraft are grounded, such as the airspace closures described in "Item 3. Key Information—Risk Factors—Risks Related to the Company—The Covid-19 pandemic and measures to reduce its spread have had, and will likely continue to have, a material adverse impact on the Company's business, results of operations, financial conditions and liquidity and"—Risks Related to the Airline Industry—Extreme Weather Events Could Affect the Company and Have a Material Adverse Effect on the Company's Results of Operations."

The cost of insurance coverage for certain third-party liabilities arising from "acts of war" or terrorism increased dramatically as a result of the September 11, 2001 terrorist attacks. Ryanair's insurers have indicated that the scope of the Company's current war-related insurance coverage may exclude certain types of catastrophic incidents, which may result in the Company seeking alternative coverage.

Ryanair has established Aviation Insurance Limited ("AIL"), a wholly owned captive insurance company subsidiary based in Malta, to provide the Company with self-insurance as part of its ongoing risk-management strategy. AIL underwrites a portion of the Company's aviation insurance program, which covers not only the Company's aircraft but also its liability to passengers and to third parties. AIL reinsures virtually all of the aviation insurance risk it underwrites with recognized third parties in the aviation reinsurance market, with the amount of AIL's maximum aggregate exposure not currently subject to such reinsurance agreements being equal to approximately US\$15m. In addition to aviation insurance, AIL underwrites most of the single and multi-trip travel insurance policies sold on Ryanair.com.

Council Regulation (EC) No. 2027/97, as amended by Council Regulation (EC) No. 889/2002, governs air carrier liability. This legislation provides for unlimited liability of an air carrier in the event of death or bodily injuries suffered by passengers, implementing the Warsaw Convention of 1929 for the Unification of Certain Rules Relating to Transportation by Air, as amended by the Montreal Convention of 1999. Ryanair has extended its liability insurance to meet the appropriate requirements of the legislation. See "Item 3. Key Information—Risk Factors—Risks Related to the Airline Industry—The Company Faces the Risk of Loss and Liability" for information on the Company's risks of loss and liability.

FACILITIES

The following are the principal facilities owned or leased by the Ryanair Group:

<u>Location</u>	<u>Site Area (Sq. Meters)</u>	<u>Floor Space (Sq. Meters)</u>	<u>Tenure</u>	<u>Activity</u>
Dublin Airport	8,190	8,269	Leasehold	Administrative Offices / Aircraft Maintenance
Airside Business Park, Dublin	37,752	163,890	Freehold	Offices, Travel Labs Dublin & Training Center
Woodford Business Park, Dublin	4,113	4,113	Freehold	Cabin Crew, Engineering & Simulator Training Center
Vienna Airport (Hangar)	12,567	7,696	Leasehold	Aircraft Maintenance
Vienna, Austria	1,325	1,325	Leasehold	Administrative Offices
Enterprise House, Stansted	516	516	Leasehold	Administrative Offices
Satellite 3, Stansted Airport	605	605	Leasehold	Operations Center
Stansted Airport (Hangar)	12,536	10,676	Leasehold	Aircraft Maintenance and Simulator Training Center
Stansted Storage Facilities	3,605	2,505	Leasehold	Aircraft Maintenance
East Midlands Airport	5,935	3,435	Freehold	Simulator Training Center
Prestwick Airport (Hangar)	16,022	14,295	Leasehold	Aircraft Maintenance
Frankfurt (Hahn) Airport (Hangar)	5,064	5,064	Leasehold	Aircraft Maintenance & Simulator Training Center
Bergamo Airport (Hangar 1)	4,125	2,200	Leasehold	Aircraft Maintenance
Bergamo Airport (Hangar 2)	4,040	2,593	Leasehold	Aircraft Maintenance
Bergamo Airport (Hangar 3)	3,500	2,280	Leasehold	Aircraft Maintenance
Bergamo Airport Technological Centre of Excellence	4,982	2,490	Freehold	Cabin Crew, Engineering & Simulator Training Center
Wroclaw Airport, Poland (Hangar)	8,701	7,484	Leasehold	Aircraft Maintenance
Wroclaw, Poland	1,935	1,935	Leasehold	Travel Labs Poland
Warsaw, Poland	747	747	Leasehold	Administrative Offices
Kaunas Airport (Hangar)	4,500	4,500	Leasehold	Aircraft Maintenance
Pieta, Malta	480	480	Leasehold	Administrative Offices
Madrid Airport (Hangar)	1,850	1,850	Leasehold	Aircraft Maintenance
Madrid, Spain	1,914	1,914	Leasehold	Travel Labs Madrid
Seville, Spain (Hangar)	9,800	8,000	Leasehold	Aircraft Maintenance
Modlin Airport	129	129	Leasehold	Administrative Offices
Kraków Airport	248	248	Leasehold	Administrative Offices
Katowice, Airport	144	144	Leasehold	Administrative Offices
Vienna, Airport	24	24	Leasehold	Aircraft Maintenance

Ryanair has agreements with the DAA, the Irish government authority charged with operating Dublin Airport, to lease check-in counters and other space at the passenger and cargo terminal facilities at Dublin Airport. The airport office facilities used by Ryanair at London (Stansted) are leased from the airport authority; similar facilities at each of the other airports Ryanair serves are provided by third party service providers.

TRADEMARKS

Ryanair's name and logo are registered as European Union Trade Marks ("EUTMs"). Ryanair has also registered the slogans "Ryanair.com The Low Fares Website" and "Low Fares. Made Simple" and the domain name "Ryanairhotels.com" as EUTMs. An EUTM allows a trademark owner to obtain a single registration of its trademark, which registration affords uniform protection for that trademark in all EU member states. The registration gives Ryanair an exclusive monopoly over the use of its trade name in respect of similar services and the right to sue for trademark infringement should another party use an identical or similar mark in relation to identical or similar services.

As of January 1, 2021, registered EUTMs have been automatically registered as equivalent national U.K. trademarks.

Trademarks owned by the Company include:

- European Union (Word) Trade Mark registration number 004168721 comprised of the word "Ryanair" in classes 16, 28, 35, 36, 37, 38, 39 and 42 (Nice Classification), and equivalent U.K. trademark number UK00904168721, protected until December 13, 2024;
- European Union (Figurative) Trade Mark registration number 000338301 comprising the following graphic representation:



in classes 16, 35, 36, 37, 38, 39 and 42 (Nice Classification) and class 22.01.16 (Vienna classification), and equivalent U.K. trademark number UK00900338301, protected until August 21, 2026;

- European Union (Figurative) Trade Mark registration number 001493329 comprising the following graphic representation



in classes 16, 35, 36, 37, 38, 39 and 42 (Nice Classification) and class 27.05.01 (Vienna classification), and equivalent U.K. trademark number UK00901493329, protected until February 4, 2030;

- European Union (Word) Trade Mark registration number 004187721 comprised of the word "Ryanairhotels.com" in classes 16, 39 and 43 (Nice Classification), and equivalent U.K. trademark number UK00904187721, protected until January 13, 2025;
- European Union (Word) Trade Mark registration number 013185988 comprised of the word "LOW FARES. MADE SIMPLE" in classes 16, 28, 35, 36, 37, 38, and 42 (Nice Classification), and equivalent U.K. trademark number UK00913185988, protected until August 19, 2024.

- European Union (Word) Trade Mark registration number 18295804 comprised of the word “Lauda Europe” in classes 12, 16, 18, 25, 28, 35, 36, 37, 38, 39, 43, protected until 25 August 2030.
- United Kingdom (Word) Trade Mark registration number UK00003247027 comprised of the word “Buzz About” in class 39, protected until 29 July 2027.

THE ENVIRONMENT

Ryanair’s Environmental Policy, commits the Group to what the Board and management believe are ambitious future environmental targets, building on impressive achievements to date, including commitments to address climate change, and the priorities and policies which will allow the Group to continue to lower CO2 emissions and noise pollution.

Ryanair’s Environmental Policy illustrates Ryanair’s commitment to managing its impact on the environment, with key targets and achievements including:

- Reduce CO2 per revenue passenger kilometer (RPK) to below 60 grams by 2030;
- Becoming the first Airline Group to publish its CO2 statistics monthly;
- Achieving net carbon zero by 2050;
- Investing billions of euro in new, fuel and noise efficient aircraft;
- Eliminate non-recyclable plastics over the next 5 years. (Over 80% removed at the end of fiscal year 2021);
- Investment in Verified Carbon Standard (VCS) and Gold Standard carbon projects funded by our Voluntary Carbon Contribution scheme;
- Appointment of a Director of Sustainability to achieve ambitious environmental commitments;
- Improve the Group’s CDP climate protection rating from “B-” to an “A” rating;
- Partnered with Trinity College Dublin to launch a Sustainable Aviation Research Centre;
- Set a goal to power 12.5% of our flights with Sustainable Aviation Fuel (SAF).

Ryanair manages its impact on the environment and lowers CO2 emissions by operating the youngest fleet of any major airline group in Europe, achieving high load factors and efficient fuel burn. These enable Ryanair to minimize fuel and energy consumption and reduce noise pollution.

GOVERNMENT REGULATION

Regulatory Authorities

EU air carriers such as the Company and the Group Airlines are generally able to provide passenger services on domestic routes within any EU member state outside their home country, as well as between EU member states without restriction, subject to applicable EU and national regulations implemented by competent authorities, including the European Commission and EASA, as well as oversight by the European Organization for the Safety of Air Navigation (“Eurocontrol”). The Group Airline are also subject to national regulation in their home countries, which is implemented primarily by (i) in Ireland, the Irish Commission for Aviation Regulation (“CAR”), the Irish Aviation Authority (“IAA”) and the Irish Department of Transport, Tourism and Sport (“DTTAS”) in the case of Ryanair DAC, (ii) in Poland, the Polish Civil Aviation Authority (“Polish CAA”) in the case of Buzz, (iii) in Malta, Transport Malta and the Maltese Civil Aviation Directorate (“Maltese CAD”) in the case of Lauda Europe and Malta Air, and (iv) in the United Kingdom, the U.K. CAA and the U.K. Department for Transport (“U.K. DfT”) in the case of Ryanair U.K.

Management believes that the present regulatory environment in the EU is generally characterized by high sensitivity to safety and security issues, which is demonstrated by intensive reviews of safety-related procedures, training and equipment by the national and EU regulatory authorities. During the Covid-19 crisis, various public health

measures have also been imposed on airlines, including requirements in certain countries to verify passenger's health documentation and, in certain cases, restrictions on the freedom to operate flights.

Ireland

Commission for Aviation Regulation. CAR is responsible for issuing operating licenses to Irish air carriers under the provisions of EU Regulation 1008/2008. The criteria for granting an operating license include, *inter alia*, an air carrier's financial fitness, the adequacy of its insurance and the fitness of its management. In addition, EU regulations require that (i) the air carrier must be owned, for the purposes of EU Regulation 1008/2008, and continue to be owned (directly or through majority ownership) by EU member states and/or EU nationals and (ii) the air carrier must at all times be effectively controlled by such EU member states or EU nationals. CAR has broad authority to revoke an operating license. See "Item 10. Additional Information--Limitations on Share Ownership by Non-EU Nationals." See also "Item 3. Key Information--Risk Factors--Risks Related to Ownership of the Company's Ordinary Shares or ADRs--EU Rules Impose Restrictions on the Ownership of Ryanair Holdings' Ordinary Shares by Non-EU nationals and the Company has Applied a Ban on the Purchase of Ordinary Shares by Non-EU Nationals since 2002" above.

Ryanair's current operating license (No 05/16) was issued by the CAR on September 20, 2016 and is subject to periodic review.

Irish Aviation Authority. The IAA is primarily responsible for regulating the safety, security and technical aspects of aviation in Ireland. The IAA has broad regulatory and enforcement powers, including the authority to require reports and investigate and institute enforcement proceedings.

To operate in the EU, an Irish air carrier is required to hold an AOC granted by the IAA attesting to the air carrier's operational and technical competence to conduct airline services with specified types of aircraft. The IAA has broad authority to amend or revoke an AOC, with Ryanair's ability to continue to hold its AOC being subject to ongoing compliance with current and future applicable statutes, rules and regulations pertaining to the airline industry. Ryanair DAC's current AOC (No IE 07/94) was issued by the IAA on October 21, 2020.

Each aircraft operated by Ryanair DAC is required to have a Certificate of Airworthiness issued by the IAA. The validity of each Certificate of Airworthiness, and the Company's Flight Operations Department, flight personnel, flight and emergency procedures, aircraft, and maintenance facilities are each subject to periodic review and inspections by the IAA.

Department of Transport, Tourism and Sport. The DTTAS is responsible for implementation of certain EU and Irish legislation and international standards relating to air transport.

Malta

Maltese Civil Aviation Directorate. The Maltese CAD is Malta's aviation regulator, assisting the Maltese Director General for Civil Aviation in fostering the development of civil aviation in Malta within a safety oversight system. The Maltese CAD is responsible for: the safety of aircraft, aircraft and aerodrome operators, air navigation service providers, licensing of aeronautical personnel and the conclusion of international air services agreements. To operate in the EU, a Maltese air carrier is required to hold an AOC granted by the Maltese CAD attesting to the air carrier's operational and technical competence to conduct airline services with specified types of aircraft. The Maltese CAD has authority to amend or revoke the AOC, with Lauda Europe's and Malta Air's ability to continue to hold its AOC being subject to ongoing compliance with applicable statutes. Lauda Europe's and Malta Air's flight operations, aircraft, maintenance facilities and air crew are subject to ongoing review and inspections by the Maltese CAD.

The Company's subsidiary, Malta Air, obtained an AOC (No MT-57) and operating license (No (CAD/MT-57) from the Maltese CAD on June 12, 2019.

The Company's subsidiary, Lauda Europe, obtained an AOC (No MT-62) and operating license (No (CAD/MT-62) from the Maltese CAD on September 4, 2020.

Transport Malta. Transport Malta is a government body overseeing transport in Malta, including the work of the Maltese CAD. It is responsible for implementation of certain EU and Maltese legislation and international standards relating to air transport.

Poland

Polish Civil Aviation Authority. The Polish CAA is a government body and the civil aviation supervisory authority in Poland. Apart from certification and licensing of airlines, the Polish CAA performs operational and regulatory functions in all matters relating to qualifications of personnel, safety, security, as well as maintaining registers of aircraft, personnel and training entities, amongst others.

The Company's subsidiary Ryanair Sun S.A., operating as Buzz, obtained an AOC (No PL-066) and operating license (No ULC-LER-1/4000-0156/06/17) from the Polish CAA in April 2018.

U.K.

U.K. Civil Aviation Authority. The U.K. CAA is primarily responsible for: ensuring safety standards, consumer protection, efficient use of airspace and security risks. To operate in the EU, a U.K. air carrier is required to hold an AOC granted by the U.K. CAA attesting to the air carrier's operational and technical competence to conduct airline services with specified types of aircraft. The U.K. CAA has an authority to amend or revoke the AOC, with Ryanair U.K.'s ability to continue to hold its AOC being subject to ongoing compliance with applicable statutes. Ryanair U.K.'s flight operations, aircraft, maintenance facilities and air crew are subject to ongoing review and inspections by the U.K. CAA.

The Company's subsidiary, Ryanair U.K., obtained an AOC (No GB 2451) and an operating license (No GB 2451) from the U.K. CAA on December 20, 2018.

U.K. Department for Transport. The U.K. DfT is responsible for implementation of certain EU and U.K. legislation and international standards relating to air transport.

European Union

The European Aviation Safety Agency. EASA is an agency of the EU that has been given specific regulatory and executive tasks in the field of aviation safety. The purpose of EASA is to draw-up common standards to ensure the highest levels of safety, oversee their uniform application across Europe and promote them at the global level.

The European Organization for the Safety of Air Navigation. Eurocontrol is an autonomous international organization established under the Eurocontrol Convention of December 13, 1960. Eurocontrol is responsible for, *inter alia*, the safety of air navigation and the collection of charges for air navigation services throughout Europe.

International agreements concerning Eurocontrol provide for the payment of charges to Eurocontrol in respect of air navigation services for aircraft in airspace under the control of Eurocontrol. The relevant legislation imposes liability for the payment of any charges upon the operators of the aircraft in respect of which services are provided and upon the owners of such aircraft or the managers of airports used by such aircraft. The Company's airline subsidiaries,

as aircraft operators, are primarily responsible for the payment to Eurocontrol of charges incurred in relation to their aircraft. The legislation also authorizes the detention of aircraft in the case of default in the payment of any charge for air navigation services by the aircraft operator or the aircraft owner, as the case may be. This power of detention extends to any equipment, stores or documents, which may be onboard the aircraft when it is detained and may result in the possible sale of the aircraft.

European Commission. The European Commission is the EU body with primary responsibility for the preparation of legislative proposals (for adoption by the European Parliament and the Council of the EU) and for the monitoring of the implementation of EU legislation by member states of the EU. The European Commission is also responsible for the enforcement of EU competition law and certain other laws.

The European Commission has published guidelines on the financing of airports and start-up aid to airlines by regional airports that place restrictions on the incentives public airports can offer to airlines delivering traffic, when compared with the commercial freedom available to private airports.

The European Union has adopted several legislative acts aimed at modernizing the EU's air traffic control system, including the legislative package known as the "single European sky", and its subsequent amendments "SES2" and "SES2+" For example, EU Regulation 1070/09 (under "SES2") focused on air traffic control performance and extended the authority of EASA to include airports and air traffic management. The objective of the EU's policy in this area is to enhance safety standards and the overall efficiency of air traffic control in Europe, as well as to reduce the cost of air traffic control services.

The European Union has also adopted legislation on airport charges (EU Directive 2009/12), which was originally intended to address abusive pricing at monopoly airports. However, the legislation includes all European airports with over five million passengers per year. Management believes that the scope that exists within this Directive to address abuses of their dominant positions by Europe's larger airports is very limited. See "Item 8. Financial Information—Other Financial Information—Legal Proceedings—EU State Aid-Related Proceedings."

The European Union has passed legislation calling for increased transparency in airline fares, which requires the inclusion of all mandatory taxes, fees, and charges in advertised prices. Ryanair includes this information in its advertised fares in all markets where it operates. Some consumer law enforcement authorities argue that certain optional price components should be included in advertised prices and/or that certain optional services should be considered mandatory, which could limit the Company's commercial freedom.

The European Union has also passed legislation governing the allocation and use of airport slots, a directive governing access to the ground handling market at EU airports, a directive on the terms of airlines' participation in the EU Emissions Trading Scheme, regulations on passenger rights and the rights of passengers with reduced mobility, and several other legislative acts affecting air transport, including matters of aviation security, noise and social security.

Registration of Aircraft

Pursuant to the Irish Aviation Authority (Nationality and Registration of Aircraft) Order 2015 (the "Order"), the IAA regulates the registration of aircraft in Ireland. In order to be registered or continue to be registered in Ireland, an aircraft must be wholly owned by either (i) a citizen of Ireland or a citizen of another member state of the EU having a place of residence or business in Ireland or (ii) a company registered in and having a place of business in Ireland and having its principal place of business in Ireland or another member state of the EU and not less than two-thirds of the Directors of which are citizens of Ireland or of another member state of the EU. As of the date of this report, nine of the ten Directors of Ryanair Holdings are citizens of Ireland or of another member state of the EU. An aircraft will also fulfill these conditions if it is wholly owned by such citizens or companies in combination. Notwithstanding the fact that these

particular conditions may not be met, the IAA retains discretion to register an aircraft in Ireland so long as it is in compliance with the other conditions for registration under the Order. Any such registration may, however, be made subject to certain conditions. In order to be registered, an aircraft must also continue to comply with any applicable provisions of Irish law. The registration of any aircraft can be canceled if it is found that it is not in compliance with the requirements for registration under the Order and, in particular: (i) if the ownership requirements are not met; (ii) if the aircraft has failed to comply with any applicable safety requirements specified by the IAA in relation to the aircraft or aircraft of a similar type; or (iii) if the IAA decides in any case that it is not in the public interest for the aircraft to remain registered in Ireland.

The Company's aircraft operated by Malta Air and Lauda Europe are registered in Malta, the aircraft operated by Buzz are registered in Poland and the aircraft operated by Ryanair U.K. are registered in the U.K. In each of these countries similar regulations apply to the registration of aircraft as those described above in relation to aircraft operated by Ryanair DAC, which are registered in Ireland.

Regulation of Competition

Competition/Antitrust Law. It is a general principle of EU competition law that no agreement may be concluded between two or more separate economic undertakings that prevents, restricts or distorts competition in the common market or any part of the common market. Such an arrangement may nevertheless be exempted by the European Commission, on either an individual or category basis. The second general principle of EU competition law is that any business or businesses having a dominant position in the EU common market or any substantial part of the common market may not abuse such dominant position. Similar competition laws apply at national level in EU member states, as well as in the U.K. and other non-EU countries where the Company operates. Ryanair is subject to the application of the general rules of competition law as well as specific rules on competition in the airline sector.

An aggrieved person may sue for breach of competition law in the courts of a member state and/or petition the European Commission or a national competition authority for an order to put an end to the breach of competition law. The European Commission and national competition authorities also may impose fines and daily penalties on businesses and the courts may award damages and other remedies (such as injunctions) in appropriate circumstances.

Competition law in Ireland is primarily embodied in the Competition Acts 2002 to 2017. This legislation is modeled on the EU competition law system. The Irish rules generally prohibit anti-competitive arrangements among businesses and prohibit the abuse of a dominant position. These rules are enforced either by public enforcement (primarily by the Competition and Consumer Protection Commission) through both criminal and civil sanctions or by private action in the courts. These rules apply to the airline sector but are subject to EU rules that override any contrary provisions of Irish competition law. Ryanair has been subject to an abuse-of-dominance investigation by the Competition and Consumer Protection Commission in relation to service between Dublin and Cork. The Competition and Consumer Protection Commission (then known as the Competition Authority) closed its investigation in July 2009 with a finding in favor of Ryanair.

State Aid. The EU rules control aid granted by member states to businesses on a selective and discriminatory basis. The EU Treaty prevents member states from granting such aid unless approved in advance by the EU. Any such grant of state aid to an airline is subject to challenge before the European Commission or, in certain circumstances, national courts. If aid is held to have been unlawfully granted it may have to be repaid by the airline to the granting member state, together with interest thereon.

Under the terms of the EU–U.K. TCA, the U.K. has committed to develop a new State aid regime in order to prevent distortions of competition between the U.K. and the EU.

See “Item 3. Key Information—Risk Factors—Risks Related to the Company—The Company is subject to legal proceedings alleging state aid at certain airports” and “Item 8. Financial Information—Other Financial Information—Legal Proceedings.”

Data Protection

Ryanair’s processing of personal data is subject to increasingly complex data protection laws including the EU’s GDPR as well as relevant national implementing legislation (Irish Data Protection Act 2018). The GDPR is directly applicable across the member states of the European Union and an equivalent data protection regime operates in the U.K. from January 1, 2021. The GDPR imposes strict obligations on companies which process personal data, including requirements to implement appropriate security measures to ensure that processing, storing and transferring of personal data is done in accordance with the key data protection principles contained in the GDPR. There is an obligation to report data breaches which are likely to result in a risk to the rights and freedoms of natural persons (and in some instances an obligation to inform the data subjects) within stipulated timeframes. The GDPR also provides data subjects with enhanced rights in respect of their personal data. It introduces new data subject rights, such as the “right to be forgotten” (to be erased from the databases of organizations holding their personal data, including erased from third party providers’ databases, provided there are no legitimate grounds for retaining the personal data) and the right to “data portability” (the right to receive the personal data concerning the data subject in a structured and commonly used and machine-readable format and to transmit that data to a nominated third party).

A breach of the GDPR may result in the imposition of fines by supervisory authorities up to €20m or 4% of annual group-wide turnover (whichever is higher). Supervisory authorities also have the power to audit businesses and require measures be taken by businesses to rectify any non-compliance (which can include orders to suspend data processing activities). Additionally, data subjects are entitled to seek compensation for any damage (including non-material damage) suffered in the event that the processing of their personal data is in breach of the GDPR’s requirements. See “Item 3. Key Information—Risk Factors—Risks Related to the Company—Ryanair is subject to increasingly complex data protection laws and regulations”

Environmental Regulation

Aircraft Noise Regulations. Ryanair is subject to international, national and, in some cases, local noise regulation standards. EU and Irish regulations have required that all aircraft operated by Ryanair comply with Stage 3 noise requirements. All of Ryanair’s aircraft currently comply with these regulations. Certain airports in Ryanair’s network (including London Stansted, London Gatwick, Rome Ciampino, Dublin and Amsterdam) have established local noise restrictions, including limits on the number of hourly or daily operations or the time of such operations.

Company Facilities. Environmental controls are generally imposed under Irish law through property planning legislation, specifically the Local Government (Planning and Development) Acts of 1963 to 1999, the Planning and Development Acts 2000 to 2016 and regulations made thereunder. At Dublin Airport, Ryanair operates on land controlled by the DAA. Planning permission for its facilities has been granted in accordance with both the zoning and planning requirements of Dublin Airport. There is also specific Irish environmental legislation implementing applicable EU directives and regulations, to which Ryanair adheres. From time to time, noxious or potentially toxic substances are held on a temporary basis within Ryanair’s engineering facilities at Dublin Airport, Glasgow (Prestwick), London (Stansted), Frankfurt (Hahn), Stockholm (Skavsta), Bergamo, Wroclaw, Kaunas, Seville, Madrid and Vienna. However, at all times Ryanair’s storage and handling of these substances complies with the relevant regulatory requirements. At Glasgow (Prestwick) and London (Stansted) maintenance facilities, all normal waste is removed in accordance with the Environmental Protection Act of 1996 and Duty of Care Waste Regulations. For special waste removal, Ryanair operates under the Special Waste Regulations 1998. Ryanair adheres to all local and EU regulations as applicable at its facilities.

Ryanair's Policy on Noise and Emissions. Ryanair is committed to reducing emissions and noise through investments in new, efficient aircraft and engine technologies and the implementation of certain operational and commercial decisions to minimize the environmental impact of its operations. According to the Air Travel Carbon and Energy Efficiency Report published by Brighter Planet, Ryanair is the industry leader in terms of environmental efficiency, and the Company is constantly working towards improving its performance. Additionally, in December 2020, CDP awarded Ryanair a (first time) "B" rating, with an "A" rating for environmental corporate governance.

In December 2005, Ryanair completed the fleet replacement program it commenced in 1999. All of Ryanair's older Boeing 737-200A aircraft were replaced with Boeing 737-800 "next generation" ("NG") aircraft, and Ryanair now operates a fleet of mainly Boeing 737-800NG aircraft with an average age of 9 years. The design of the new aircraft is aimed at minimizing drag, thereby reducing the rate of fuel burn and noise levels. The engines are also quieter and more fuel-efficient. Furthermore, by moving to a younger Boeing 737-800NG fleet, Ryanair reduced the unit emissions per passenger due to the inherent capacity increase in the Boeing 737-800NG aircraft. The Boeing 737-800NG aircraft have a significantly superior fuel-burn to passenger-kilometer ratio than Ryanair's former fleet of Boeing 737-200A aircraft. Ryanair has installed winglets on all of its Boeing 737-800NG aircraft. Winglets reduce both the rate of fuel burn and carbon dioxide emissions by approximately 4%, and also reduce noise emissions

In September 2014, Ryanair entered into an agreement with Boeing to purchase up to 200 Boeing 737-8200 "Gamechanger" aircraft (including 100 firm orders and 100 aircraft subject to option). The contract was approved by the shareholders of the Company at an extraordinary general meeting ("EGM") on November 28, 2014. In June 2017, the Group agreed to purchase an additional 10 Boeing 737-8200 aircraft. In April 2018, the Company announced that it had converted 25 Boeing 737-8200 options into firm orders. In December 2020, the Company announced that it had converted the remaining 75 options to firm orders. This brings the Company's firm order to 210 Boeing 737-8200s with a total contract value of approximately US\$9.6bn at standard list price of approximately US\$103m per aircraft (net of basic credits and reflective of price escalation over the originally scheduled delivery timeframe). These aircraft have 197 seats and are fitted with CFM-LEAP-1B engines which, combined with the Advanced Technology winglet and other aerodynamic improvements, should reduce fuel consumption by up to approximately 16% on a per seat basis compared to the Boeing 737-800NGs in Ryanair's configuration and reduce operational noise emissions by approximately 40%. See "—Aircraft" above for details on Ryanair's fleet plan.

In addition, Ryanair has distinctive operational characteristics that management believes are helpful to the general environment. In particular, Ryanair:

- operates with a high-seat density of 189 seats which will increase by 4% to 197 on the Boeing 737-8200 aircraft, the first of which delivered in June 2021, and an all-economy configuration, as opposed to the 162 seats and two-class configuration of the Boeing 737-800 aircraft used by traditional network airlines, reducing fuel burn and emissions per seat-kilometer flown. The Lufthansa Europe A320 fleet has a high density of 180 seats;
- has reduced per passenger/Km emissions through high load factors (95% in fiscal year 2020, pre Covid-19);
- better utilizes existing infrastructure by operating out of underutilized secondary and regional airports throughout Europe, which limits the use of holding patterns and taxiing times, thus reducing fuel burn and emissions and reducing the need for new airport infrastructure;
- provides mainly direct services as opposed to connecting flights, in order to limit the need for passengers to transfer at main hubs and thus reduces the number of take-offs and landings per journey from four to two, reducing fuel burn and emissions per journey; and
- has minimal scheduled late-night departures of aircraft, reducing the impact of noise emissions.

Since 2020, the French legislature has been considering a proposal to ban certain short-haul flights, specifically where a suitable train alternative exists. If passed, the legislation is expected to come into force in 2022 and could

encourage other states to consider similar restrictions. Ryanair does not believe that any such measures can in fact make a significant contribution to reducing aviation's environmental impact given that over half of all emissions from European aviation come from long-haul flights (which account for just a few percent of total European flights) and has argued that policy-makers should instead focus on measures that discourage connecting flights, the most environmentally inefficient form of air travel. A widespread introduction of bans on short haul flights could have a negative impact on the Company's results and operations.

Emissions Trading. On November 19, 2008, the European Union adopted legislation to add aviation to the EU Emissions Trading Scheme as of 2012. This scheme, which had previously applied mainly to energy producers, is a cap-and-trade system for CO₂ emissions to encourage industries to improve their CO₂ efficiency. Under the legislation, airlines were granted initial CO₂ allowances based on historical "revenue ton kilometers" and a CO₂ efficiency benchmark. Any shortage of allowances has to be purchased in the open market and/or at government auctions. Management believes that this legislation is likely to have a negative impact on the European airline industry as it does not sufficiently promote environmentally efficient growth.

Ryanair takes its environmental responsibilities seriously and intends to continue to improve its environmental efficiency and to minimize emissions. Under Regulation 7 of The U.K. Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, Ryanair is obliged to state its annual quantity of emissions in tons of carbon dioxide equivalent. Ryanair's EU Emissions Trading Scheme monitoring, reporting and allowance surrender obligations are mandated on a calendar year basis. During calendar year 2020, the Ryanair Group emitted 5.0m tCO₂ (Calendar 2019: 13.08m), which equates to 0.25 tCO₂ (Calendar 2019: 0.086) per passenger. This increase in tCO₂ per passenger in 2020 was primarily due to significantly lower load factors (71% in fiscal year 2021, compared to 95% pre Covid-19) arising from European government lockdowns and travel restrictions throughout the Covid-19 crisis.

Aviation Taxes / Minimum Prices Proposals. Ryanair is fundamentally opposed to the introduction of additional aviation taxes, including new environmental taxes, fuel taxes or emissions levies. Ryanair has offered, and continues to offer, among the lowest fares in Europe, to make passenger air travel affordable and accessible to European consumers. Ryanair paid approximately €630m in various environmental taxes in fiscal year 2020 up from approximately €540m in fiscal year 2019. Ryanair believes that the imposition of additional taxes on airlines will not only increase airfares, but will discourage new entrants into the market, resulting in less choice for consumers. Ryanair believes this would ultimately have adverse effects on the European economy in general.

As a company, Ryanair believes in free market competition and that the imposition of aviation taxation would distort competition by favoring the less efficient flag carriers which generally have smaller and older aircraft, lower load factors, which offer connecting flights and operate primarily into congested airports, and which, as a result, have a much higher fuel burn per passenger. Furthermore, the introduction of a tax at a European level only would distort competition between airlines operating solely within Europe and those operating also outside of Europe. Ryanair believes that the introduction of such a tax would also be incompatible with international law.

In 2020 some national politicians in Austria and Italy called for the introduction of minimum prices on airline tickets and/or for a ban on prices lower than the sum of applicable government taxes and airport charges. While management believes that any such restriction of airlines' commercial freedom would be incompatible with EU law, it cannot be guaranteed that some form of government intervention in airline ticket prices will not be introduced at a national or European level. This would severely impact the Company's ability to attract the most price sensitive consumers.

Airport charges

The EU Airport Charges Directive of March 2009 sets forth general principles that are to be followed by airports with more than five million passengers per annum, and the airport with the highest passenger movement in each Member State, when setting airport charges, and provides for an appeals procedure for airlines in the event that they are not satisfied with the level of charges. However, Ryanair does not believe that this procedure is effective or that it constrains those airports that are currently abusing their dominant position, in part because the legislation was transposed improperly in certain countries, such as Ireland and Spain, thereby depriving airlines of even the basic safeguards provided for in the Directive. This legislation may in fact lead to higher airport charges, depending on how its provisions are applied by EU member states and subsequently by the courts.

Slots

Currently, many of Ryanair Group's airports have no "slot" allocation restrictions; however, traffic at a substantial number of the airports the Ryanair Group airlines serve, including its primary bases, are regulated by means of "slot" allocations, which represent authorizations to take off or land at a particular airport within a specified time period. EU law regulates the acquisition, transfer and loss of slots. The European Union adopted a regulation in April 2004 (Regulation (EC) No. 793/2004) that made some minor amendments to the then existing allocation system. Slots may be transferred from one route to another by the same carrier, transferred within a group or as part of a change of control of a carrier, or swapped between carriers. In April 2008, the European Commission issued a communication on the application of the slot allocation regulation, signaling the acceptance of secondary trading of airport slots between airlines. This is expected to allow more flexibility and mobility in the use of slots and will further enhance possibilities for market entry at slot constrained airports. Any future legislation that might create an official secondary market for slots could create a potential source of revenue for certain of Ryanair's current and potential competitors, many of which have many more slots allocated at primary airports at present than Ryanair. The European Commission proposed a revision to the slots' legislation reflecting the principle of secondary trading. This revision has been negotiated by the EU institutions since 2014 and is currently stalled. Slot values depend on several factors, including the airport, time of day covered, the availability of slots and the class of aircraft. Ryanair's ability to gain access to and develop its operations at slot-controlled airports will be affected by the availability of slots for takeoffs and landings at these specific airports. New entrants to an airport are currently given certain privileges in terms of obtaining slots, but such privileges are subject to the grandfathered rights of existing operators that are utilizing their slots. In March 2020, the European Union suspended the "80/20 use it or lose it" rule for the IATA summer season 2020 due to the Covid-19 crisis. The "80/20" rule provides that an airline is entitled to the same slot in the next equivalent scheduling period if it has used the allocated slot 80% of the time. Due to the Covid-19 crisis, airlines were unlikely to be able to demonstrate 80% use in the IATA summer season 2020. The suspension of the "80/20" rule was subsequently extended to the IATA winter season 2020/21, for the same reason. For the summer season 2021, the European Union adopted an amendment to the "80/20" rule, that allowed airlines not to use 50% of their airport slots whilst maintaining historic rights to these slots, and that imposed a reduced "50/50" usage requirement on the remaining slots. This amendment to the standard "80/20" rule may be extended in some form in the IATA winter season 2021/22, and possibly also in future scheduling seasons until traffic recovers to pre-Covid levels. There is no assurance that the Ryanair Group will be able to obtain a sufficient number of slots at the slot-controlled airports that it desires to serve in the future at the time it needs them or on acceptable terms.

Other

The Company transitioned to local contracts of employment in a number of EU countries over the past two years, where this transition has occurred the Company is subject to local laws and regulations, examples below.

Health and occupational safety issues relating to Ryanair employees employed under Irish law are addressed in Ireland by the Safety, Health and Welfare at Work Act, 2005 (as amended) and other regulations under that act. Although licenses or permits are not issued under such legislation, compliance is monitored by the Health and Safety Authority

(the “Authority”), which is the regulating body in this area. The Authority periodically reviews Ryanair DAC’s health and safety record and when appropriate, issues improvement notices or prohibition notices. Ryanair DAC has responded to all such notices to the satisfaction of the Authority.

For Malta Air and Lauda Europe, health and occupational safety issues are addressed in the Maltese Occupational Health and Safety Authority Act XXVII of 2000. Compliance is monitored by the Occupational Health and Safety Authority (“OHSA”), which enforces the law in workplaces. OHSA advises the Minister responsible for occupational health and safety regarding the making of regulations to promote, maintain and protect a high level of occupational health and safety, as well as takes enforcement action. OHSA can also carry out investigations on any matter concerning occupational health and safety.

The Polish Labor Code (Journal of Laws of 2019, item 1040, with amendments) covers health and occupational safety issues. Under Article 18 of the Labor Code, compliance with provisions on health and occupational safety is monitored by the National Labor Inspectorate (“Państwowa Inspekcja Pracy”) and the National Sanitary Inspectorate (“Państwowa Inspekcja Sanitarna”).

Occupational health and safety issues relating to Ryanair U.K. are governed by various legislation, the primary statute in England being the Health and Safety at Work etc. Act 1974 (the “Health and Safety at Work Act”). The Health and Safety Executive (“HSE”), monitors compliance with the Health and Safety at Work Act and related legislation.

DESCRIPTION OF PROPERTY

For certain information about each of the Company’s key facilities, see “–Facilities” above. Management believes that the Company’s facilities are suitable for its needs and are well maintained.

Item 4A. Unresolved Staff Comments

There are no unresolved staff comments.

Item 5. Operating and Financial Review and Prospects

The following discussion should be read in conjunction with the audited consolidated financial statements of the Company and the notes thereto included in Item 18. Those consolidated financial statements have been prepared in accordance with IFRS.

HISTORY

Ryanair’s current business strategy dates to the early 1990s, when Ryanair became the first European airline to replicate the low-fares, low-cost operating model pioneered by Southwest Airlines Co. in the United States. During the period between 1992 and 1994, Ryanair expanded its route network to include scheduled passenger services between Dublin and Birmingham, Manchester and Glasgow (Prestwick). In 1994, Ryanair began standardizing its fleet by purchasing used Boeing 737-200A aircraft to replace substantially all of its leased aircraft. Beginning in 1996, Ryanair continued to expand its service from Dublin to new provincial destinations in the U.K. In August 1996, Irish Air, L.P., an investment vehicle led by David Bonderman and certain of his associates at the Texas Pacific Group, acquired a minority interest in the Company. Ryanair Holdings completed its initial public offering in June 1997.

From 1997 through June 30, 2021, the Ryanair Group launched service on more than 2,500 routes throughout Europe and also increased the frequency of service on a number of its principal routes. During that period, Ryanair established 86 airports as bases of operations. During fiscal years 2019 and 2020 the Company established a low-cost

airline group adding startup airlines in Poland (Buzz) and the U.K. (Ryanair U.K.) along with the acquisition of Lauda and Malta Air (both now based in Malta) to Ryanair DAC in Ireland. See “Item 4. Information on the Company—Route System, Scheduling and Fares” for a list of these bases. Ryanair has increased the number of booked passengers from approximately 5m in fiscal year 1999 to approximately 149m in fiscal year 2020 (pre Covid-19), although this dropped to 27.5m in fiscal year 2021 as a result of travel restrictions and European government lockdowns due to the Covid-19 crisis. As of June 30, 2021, Ryanair had a principal fleet of 422 Boeing 737 (including 3 Boeing 737-8200 “Gamechangers”) aircraft, and 29 Airbus A320 aircraft and serves over 200 airports.

Ryanair expects to have approximately 600 narrow-body aircraft in its operating fleet following the delivery of all of the Boeing 737-8200 currently on order over the next five years. This is subject to lease hand-backs and disposals over the period meeting current expectations. See “—Liquidity and Capital Resources” and “Item 4. Information on the Company—Aircraft” for additional details.

BUSINESS OVERVIEW

Since Ryanair pioneered its low-cost operating model in Europe in the early 1990s, its passenger volumes and scheduled passenger revenues have increased significantly because the Company has substantially increased capacity and demand has been sufficient to match the increased capacity. Ryanair’s annual booked passenger volume has grown from approximately 1m passengers in the calendar year 1991 to approximately 152m passengers in the calendar year 2019 before the Covid-19 pandemic resulted in a severe decline in European traffic.

Total revenues decreased from €8,495m in fiscal year 2020 to €1,636m in fiscal year 2021 due to an 81% decrease in traffic to approximately 27.5m, offset by a 1% increase in average fare and a 3% increase in ancillary spend per passenger.

Reduced passenger volumes arising from European Governments’ imposed travel restrictions/lockdowns due to the Covid-19 pandemic resulted in operating losses. Ryanair’s total break-even load factor was 83% in fiscal year 2020 and 108% in fiscal year 2021. Ryanair recorded operating profits of €1,127m in fiscal year 2020 and an operating loss of €839m in fiscal year 2021. The Company recorded a profit after taxation of €649m in fiscal year 2020 and a loss after tax of €1,015m in fiscal year 2021. The decrease was primarily attributable to a decline in traffic as European Governments imposed travel restrictions/lockdowns due to the Covid-19 pandemic. Due to the grounding of over 99% of its fleet in the first quarter of fiscal year 2021 as a result of EU governments’ reaction to the spread of Covid-19 and the gradual ramp up of flight operations following the relaxation of lockdowns and travel restrictions, the Group expects traffic to increase significantly in fiscal year 2022. See “Item 3. Key Information—Risk Factors—Risks Related to the Company— Ryanair Has Seasonally Grounded Aircraft.”

Historical Results Are Not Predictive of Future Results

The historical results of operations discussed herein may not be indicative of Ryanair’s future operating performance. Ryanair’s future results of operations will be affected by, among other things, flight disruptions and other global economic impacts caused by the Covid-19 pandemic, overall passenger traffic volume; the availability of new airports for expansion; fuel prices; the airline pricing environment in a period of increased competition; the ability of Ryanair to finance its planned acquisition of aircraft and to discharge the resulting debt service obligations; economic and political conditions in Ireland, the U.K. and the EU; the ability of the Company to generate profits for new acquisitions; terrorist threats or attacks (including cyber-attacks) within the EU; seasonal variations in travel; developments in government regulations, litigation and labor relations; foreign currency fluctuations, potential break-up of the Eurozone; Brexit; the availability of aircraft; competition and the public’s perception regarding the safety of low-fares airlines; changes in aircraft acquisition, leasing, and other operating costs; flight interruptions caused by extreme weather events or other atmospheric disruptions; aircraft safety concerns; flight disruptions caused by periodic and prolonged ATC

strikes in Europe; the rates of income and corporate taxes paid, and the financial impact of the Covid-19 crisis on European economies. Ryanair expects its depreciation, staff and fuel charges to increase as additional aircraft and related flight equipment are acquired. Future fuel costs may also increase as a result of the depletion of petroleum reserves, the shortage of fuel production capacity, production restrictions imposed by fuel oil producers and the imposition of sustainable aviation fuel (SAF) mandates by the EU. Maintenance expenses may also increase as a result of Ryanair's fleet expansion and replacement program and the two-year delay in the delivery of the new Boeing 737-8200 aircraft. In addition, the financing of new Boeing 737-8200 aircraft will increase the total amount of the Company's outstanding debt and the payments it is obliged to make to service such debt. The cost of insurance coverage for certain third-party liabilities arising from "acts of war" or terrorism increased dramatically following the September 11, 2001 terrorist attacks. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—The Covid-19 pandemic and measures to reduce its spread have had, and will likely continue to have, a material adverse impact on the Company's business, results of operations, financial condition and liquidity" and "—Risks related to the Airline Industry— The Company is substantially dependent on discretionary air travel."

RECENT OPERATING RESULTS

The Company's net loss for the quarter ended June 30, 2021 (the first quarter of the Company's fiscal year 2022) was €273m as compared to a net loss of €185m for the corresponding period of the previous year. The Company recorded an increase in operating loss, from an operating loss of €188m in the first quarter of fiscal year 2021 to an operating loss of €305m in the recently completed quarter. Total operating revenues increased from €125m in the first quarter of fiscal year 2021 to €371m in the first quarter of fiscal year 2022. Operating expenses increased from €313m in the first quarter of fiscal year 2021 to €675m in the first quarter of fiscal year 2022, driven primarily by variable costs as traffic increased from 0.5m to 8.1m passengers. The Company's cash and cash equivalents, restricted cash and financial assets with terms of less than three months amounted to €4,056m at June 30, 2021 as compared with €3,936m at June 30, 2020.

CRITICAL ACCOUNTING POLICIES

The following discussion and analysis of Ryanair's financial condition and results of operations is based on its consolidated financial statements, which are included in Item 18 and prepared in accordance with IFRS.

The preparation of the Company's financial statements requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. Actual results may differ from these estimates.

The Company believes that its critical accounting policies, which require management's most difficult, subjective and complex judgments, are those which are described in this section. This critical accounting policies, the judgments and other uncertainties affecting application of these policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered in reviewing the consolidated financial statements included in Item 18 and the discussion and analysis below. For additional detail on this policy, see Note 1, "Basis of preparation and significant accounting policies," to the consolidated financial statements included in Item 18.

Long-lived assets

As of March 31, 2021, Ryanair had €8.36bn of property, plant and equipment long-lived assets, of which €8.19bn were aircraft. In accounting for long-lived assets, Ryanair must make estimates about the expected useful lives of the assets, the expected residual values of the assets, the cost of major airframe and engine overhaul and the potential for impairment based on the fair value of the assets and the cash flows they generate.

In estimating the lives and expected residual values of its aircraft and the cost of major airframe and engine overhaul, Ryanair has primarily relied on its own and industry experience, recommendations from the Boeing Company (“Boeing”), the manufacturer of all of the Company’s owned aircraft, valuations from appraisers and other available marketplace information. Subsequent revisions to these estimates, which can be significant, could be caused by changes to Ryanair’s maintenance program, changes in utilization of the aircraft, governmental regulations on aging aircraft, changes in new aircraft technology, changes in governmental and environmental taxes, changes in new aircraft fuel efficiency and changing market prices for new and used aircraft of the same or similar types. Ryanair evaluates its estimates and assumptions in each reporting period, and, when warranted, adjusts these assumptions. Generally, these adjustments are accounted for on a prospective basis, through depreciation expense.

Ryanair periodically evaluates its long-lived assets for impairment. Factors that would indicate potential impairment would include, but are not limited to, significant decreases in the market value of an aircraft, a significant change in an aircraft’s physical condition and operating or cash flow losses associated with the use of the aircraft. Despite the losses and cash outflows incurred in the current year as a result of the impact of covid-19, Ryanair is forecasting a return to profitability and positive cash flows in 2022 and subsequent years. Consequently, Ryanair has not yet identified any impairments related to its existing aircraft fleet. The Company will continue to monitor its long-lived assets and the general airline operating environment.

The Company’s estimate of the recoverable amount of aircraft residual values is 15% of current market value of new aircraft, determined periodically, based on independent valuations and actual aircraft disposals during prior periods. Aircraft are depreciated over a useful life of 23 years from the date of manufacture to residual value.

Derivative financial instruments

Ryanair uses various derivative financial instruments to manage its exposure to market risks, including the risks relating to fluctuations in commodity prices and currency exchange rates. Ryanair uses forward contracts for the purchase of its jet fuel (jet kerosene) requirements to reduce its exposure to commodity price risk. It also uses foreign currency forward contracts to reduce its exposure to risks related to foreign currencies, principally the U.S. dollar exposure associated with the purchase of new Boeing 737-8200 aircraft and the U.S. dollar exposure associated with the purchase of jet fuel.

Ryanair recognizes all derivative instruments as either assets or liabilities in its consolidated balance sheet and measures them at fair value. At March 31, 2021, a liability of €46m (2020: net liability €1,228m) was recognized on balance sheet in respect of the Company’s jet fuel and carbon commodity derivative instruments and an asset of €171m (2020: net asset €486m) was recognized in respect of its foreign currency derivative instruments associated with future aircraft purchases.

Jet fuel and foreign currency forward contracts are designated as a hedge of the variability in cash flows of highly probable forecasted transactions, whereby the effective part of any gain or loss on the derivative financial instrument is recognized in other comprehensive income (included in “other reserves” on the balance sheet).

In determining the hedge effectiveness of derivative instruments used to hedge Ryanair’s fuel requirements, there is significant judgement involved in assessing whether the volumes of jet fuel hedged are still expected to be highly probable forecast transactions. Specifically, significant judgement is required in respect of the assumptions related to the timing of the removal of flight restrictions imposed by European governments relating to the Covid-19 pandemic, the expected recovery of passenger demand and the subsequent flight schedules. All of these assumptions impact upon forecast fuel consumption, and minor changes to these assumptions, in particular for those forecast transactions that are still probable to occur, could have a significant effect on the assessment of hedge effectiveness.

In Quarter 2 of fiscal year 2022, the Group expects to operate approximately 83% of its pre Covid-19 schedules, with further growth into the winter.

In respect of foreign currency hedge effectiveness for future aircraft purchases, there is a high degree of judgement involved in assessing whether the future aircraft payments are still considered highly probable of occurring, and the timing of these future payments for aircraft. The timing of future payments for aircraft is dependent on the aircraft manufacturer's ability to meet forecast aircraft delivery schedules. At June 30, 2021, three Boeing 737-8200 aircraft had delivered, with a further nine due to deliver during summer 2021.

RESULTS OF OPERATIONS

The following table sets forth certain income statement data (calculated under IFRS) for Ryanair expressed as a percentage of Ryanair's total revenues for each of the periods indicated:

	Fiscal Year ended March 31,		
	2021	2020	2019
Total revenues	100%	100%	100%
Scheduled revenues	63	66	68
Ancillary revenues	37	34	32
Total operating expenses	151	87	87
Fuel and oil	33	33	32
Airport and handling charges	18	13	14
Staff costs	29	13	13
Route charges	11	9	10
Depreciation	35	9	8
Marketing, distribution and other	12	7	7
Maintenance, materials and repairs	13	3	2
Aircraft rentals	—	—	1
Operating (loss)/profit	(51)	13	13
Net finance expense	(17)	(5)	(1)
(Loss)/profit before tax	(68)	8	12
Tax credit/(expense) on (loss)/profit	6	—	(1)
(Loss)/profit after taxation	(62)	8	11

FISCAL YEAR 2021 COMPARED WITH FISCAL YEAR 2020

(Loss)/profit after taxation. Ryanair recorded a loss after taxation of €1,015m in fiscal year 2021, as compared with a profit after taxation of €649m in fiscal year 2020. This decrease was primarily attributable to an 81% decline in traffic as European Governments imposed travel restrictions/lockdowns due to the Covid-19 pandemic.

Scheduled revenues. Ryanair's scheduled passenger revenues decreased by 81%, from €5,566m in fiscal year 2020 to €1,036m in fiscal year 2021, primarily reflecting an 81% decline in traffic to 27.5m passengers as European Governments imposed travel restrictions/lockdowns due to the Covid-19 pandemic. This grounded approx. 99% of the Group's fleet for almost 4 months (from mid-March to late June). The Group operated approximately 26% of its normal twelve months schedule with a 71% load factor.

Scheduled passenger revenues accounted for 66% of Ryanair's total revenues in fiscal year 2020 and 63% in fiscal year 2021.

Ancillary revenues. Ryanair's ancillary revenues, which comprise revenues from non-flight scheduled operations, in-flight sales and internet-related services, decreased by 80%, from €2,929m in fiscal year 2020 to €600m in fiscal year

2021. The overall decrease in ancillary revenues was due to an 81% decline in traffic to 27.5m passengers offset somewhat by a solid performance in priority boarding and reserved seating.

Operating expenses. As a percentage of total revenues, Ryanair's operating expenses were at 87% in fiscal year 2020 compared to 151% in fiscal year 2021. In absolute terms, total operating expenses decreased by 66%, from €7,367m in fiscal year 2020 to €2,475m in fiscal year 2021, principally as a result of reduction in sectors flown, arising from Covid-19 fleet groundings and cost control initiatives implemented throughout fiscal year 2021. Fuel remained flat as a percentage of total revenues. Airport and handling charges, staff costs, route charges, depreciation, marketing, distribution and other and maintenance, materials and repairs increased as a percentage of total revenues due to lower load factors and reduced flights.

The following table sets forth the amounts in euro cent of, and percentage changes in, Ryanair's operating expenses (on a per passenger basis) for fiscal years 2021 and 2020 under IFRS. This data is calculated by dividing the relevant expense amount (as shown in the consolidated financial statements) by the number of booked passengers in the relevant year as shown in the table of "Selected Operating and Other Data" in Item 3 and rounding to the nearest euro cent; the percentage change is calculated on the basis of the relevant figures before rounding.

	At March 31,		% Change
	2021	2020	
	€	€	
Fuel and oil	19.72	18.59	(6)
Airport and handling charges	10.44	7.67	(36)
Staff costs	17.16	7.45	(130)
Route charges	6.81	4.95	(38)
Depreciation	20.75	5.04	(312)
Marketing, distribution and other	7.32	3.9	(88)
Maintenance, materials and repairs	7.51	1.73	(334)
Aircraft rentals	0.24	0.26	8
Total operating expenses	89.95	49.59	(81)

Fuel and oil. Ryanair's fuel and oil costs per passenger increased by 6%, while in absolute terms, these costs decreased by 80% from €2,762m in fiscal year 2020 to €543m in fiscal year 2021, in each case after giving effect to the Group's fuel hedging activities. The 80% decrease reflected a 75% reduction in sectors flown, arising from Covid-19 fleet groundings. Fuel and oil costs include the direct cost of fuel, the cost of delivering fuel to the aircraft, aircraft de-icing and EU emissions trading costs. The average fuel price paid by Ryanair (calculated by dividing total fuel costs by the number of U.S. gallons of fuel consumed) decreased by 16% from €2.06 per U.S. gallon in fiscal year 2020 to €1.74 per U.S. gallon in fiscal year 2021, in each case excluding the ineffectiveness charge on jet fuel hedges which is included in finance expense in the consolidated income statement.

Airport and handling charges. Ryanair's airport and handling charges per passenger increased by 36% in fiscal year 2021 compared to fiscal year 2020. In absolute terms, airport and handling charges decreased by 75%, from €1,140m in fiscal year 2020 to €287m in fiscal year 2021, broadly reflecting a decline in traffic allied to reduced charges.

Staff costs. Ryanair's staff costs, which consist primarily of salaries, wages and benefits, increased by 130% on a per passenger basis, while in absolute terms, these costs decreased by 57%, from €1,107 million in fiscal year 2020 to €472m in fiscal year 2021. The decrease in absolute terms was primarily attributable to reduced flight hours, Group wide pay cuts and participation in European Government payroll support schemes.

Route charges. Ryanair's route charges per passenger increased by 38%. In absolute terms, route charges decreased by 75%, from €736m in fiscal year 2020 to €187m in fiscal year 2021, primarily as a result of lower sectors arising from Covid-19 travel restrictions.

Depreciation. Ryanair's depreciation per passenger increased by 312%, while in absolute terms these costs decreased by 24% from €749m in fiscal year 2020 to €571m in fiscal year 2021. The decrease was primarily attributable to lower amortization as a result of reduced aircraft utilization, and aircraft sales.

Marketing, distribution and other expenses. Ryanair's marketing, distribution and other operating expenses, including those applicable to the generation of ancillary revenues, increased by 88% on a per passenger basis in fiscal year 2021, while in absolute terms, these costs decreased by 65%, from €579m in fiscal year 2020 to €202m in fiscal year 2021, with the overall decrease reflecting lower discretionary spending across the Group airlines and fewer flights qualifying for EU 261 compensation due to improved (96%) on-time performance.

Maintenance, materials and repairs. Ryanair's maintenance, materials and repair expenses, which consist primarily of the cost of routine maintenance provision for leased aircraft and the overhaul of spare parts, increased by 334% on a per passenger basis, while in absolute terms these expenses decreased by 19% from €256m in fiscal year 2020 to €207m in fiscal year 2021. The decrease in absolute terms during the fiscal year was due to reduced aircraft utilization, offset by lease hand back charges.

Aircraft rentals. These expenses decreased by 6% on a per passenger basis, while in absolute terms these expenses decreased by 82% from €38m reported in fiscal year 2020 to €7m in fiscal year 2021, reflecting 11 fewer leased B737 aircraft in the fleet.

Operating (loss)/profit. As a result of the factors outlined above, an operating loss per passenger was recorded in fiscal year 2021, compared to an operating profit per passenger in fiscal year 2020.

Finance expense. Ryanair's interest and similar charges decreased by €183m, from €480m in fiscal year 2020 to €297m in fiscal year 2021 primarily due to a hedge ineffectiveness charge of €192m (net of tax) in relation to jet fuel hedges (2020: €353m charge) and an €8m charge (net of tax) in relation to ineffective currency cashflow hedges arising from delayed aircraft capital expenditure (2020: €39m gain). This was offset by an increase in gross debt by €1,216m to €5,427m due to €850m Eurobond issuance in September 2020 and the drawdown of £600m unsecured debt under the HMT and Bank of England CCFF, offset by secured debt and lease liability payments.

Finance income. Ryanair's interest income decreased by €5m from €21m in fiscal year 2020 to €16m in fiscal year 2021, primarily due to lower cash deposits and negative deposit interest rates.

Foreign exchange gains/losses. Ryanair recorded foreign exchange gains of €12m in fiscal year 2021, and foreign exchange gains of €2m in fiscal year 2020, primarily due to the impact of euro exchange rates against U.S. dollar and U.K. pound sterling.

Taxation. The effective tax rate for fiscal year 2021 was 8.4%, as compared to an effective tax rate of 3.2% in fiscal year 2020, reflecting increased deferred tax credits incurred primarily relating to operating losses.

FISCAL YEAR 2020 COMPARED WITH FISCAL YEAR 2019

A discussion of fiscal year 2020 compared with fiscal year 2019 is included in Ryanair's 2020 Annual Report and Form 20-F.

SEASONAL FLUCTUATIONS

The Company's results of operations have varied significantly from quarter to quarter, and management expects these variations to continue. Among the factors causing these variations are the airline industry's sensitivity to general economic conditions and the seasonal nature of air travel. Ryanair typically records higher revenues and income in the first half of each fiscal year ended March 31 than the second half of such year.

RECENTLY ISSUED ACCOUNTING STANDARDS

Please see Note 1 to the consolidated financial statements included in Item 18 for information on recently issued accounting standards that are material to the Company.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity. The Company finances its working capital requirements through a combination of cash generated from operations, debt capital market issuances and bank loans for general corporate purposes. See "Item 3. Key Information— Risk Factors—Risks Related to the Company—The Company Will Incur Significant Costs Acquiring New Aircraft and any instability in the Credit and Capital Markets Could Negatively Impact Ryanair's Ability to Obtain Financing on Acceptable Terms" for more information about risks relating to liquidity and capital resources. The Company had gross cash resources at March 31, 2021 and 2020 of €3,150m and €3,808m, respectively. The €658m reduction in gross cash resources year on year primarily reflects outflows arising from operating losses incurred in fiscal year 2021 coupled with reduced forward booking levels, offset by a reduction in capital expenditure, the receipt of supplier reimbursements, proceeds from share issues and an increase in long-term borrowings.

The Company's net cash outflow from operating activities in fiscal year 2021 amounted to €2,448m (fiscal year 2020 net cash inflow of €1,327m). The €3,775m decrease in net cash flows from operating activities year on year primarily reflects the Covid-19 pandemic related material deterioration in operating performance year on year together with reduced forward booking levels.

During fiscal year 2021, Ryanair's primary cash requirements have been for operating expenses, refunds in respect of cancelled services, payments due on unutilized fuel hedges and payments on indebtedness. Proceeds from new long-term borrowings and net proceeds from shares issued were the primary source of funding cash requirements in fiscal year 2021. In fiscal year 2020, Ryanair's primary cash requirements were for operating expenses, aircraft and aircraft related capital expenditure, payments on related indebtedness, payments of corporation tax and €581m of share buybacks. Cash generated from operations were the primary source for cash requirements in fiscal year 2020.

The Company's net cash inflows from operating activities (inclusive of net foreign exchange differences) in fiscal years 2020 and 2019 amounted to €1,327m and €1,759m, respectively. The €432m decrease in net cash flows from operating activities before net foreign exchange differences for fiscal year 2020 compared to fiscal year 2019 was principally due to reductions in accrued expenses and profit after tax.

The Company's net cash provided by investing activities in fiscal year 2021 totaled €937m, primarily reflecting a reduction in financial assets and the receipt of supplier reimbursements, offset by 295m capital expenditure in relation to property, plant and equipment.

The Company's net cash used in investing activities in fiscal year 2020 totaled €301m, reflecting capital expenditure of €579m, offset by a decrease in financial assets of €278m.

Net cash provided by financing activities (inclusive of net foreign exchange differences) totaled €1,623m in fiscal year 2021, largely reflecting proceeds from new borrowings and net proceeds from shares issued offset by repayments of long-term borrowings and lease liabilities.

Net cash used in financing activities (inclusive of net foreign exchange differences) totaled €287m in fiscal year 2020, largely reflecting share buybacks of €581m and repayments of long-term borrowings of €408m offset by proceeds from a new €750m syndicated bank facility.

Capital Expenditures. Capital Expenditures in fiscal years 2021 and 2020 were €295m and €579m respectively. Prior to fiscal year 2014, Ryanair funded a significant portion of its acquisition of new Boeing 737 aircraft and related equipment through borrowings under facilities provided by international financial institutions on the basis of guarantees issued by the Export-Import Bank of the United States (“Ex-Im Bank”). At March 31, 2021, Ryanair had a fleet of 422 Boeing 737 aircraft, 66 of which were funded by Ex-Im Bank-guaranteed financing. At March 31, 2021, 3 Boeing 737s were financed through lease arrangements, 183 Boeing 737s were financed from Ryanair’s own resources on an unsecured basis and the remaining 171 Boeing 737s, have no outstanding remaining debt. Ryanair has generally been able to generate sufficient funds from operations to meet its non-aircraft acquisition-related working capital requirements. Management believes that the working capital available to the Company is sufficient for its present requirements and will be sufficient to meet its anticipated requirements for capital expenditures and other cash requirements for fiscal year 2022.

The following table sets forth the dates on which and the number of aircraft that will be delivered to the Company:

Fiscal Year End	At March 31,						Total
	2021	2022	2023	2024	2025	2026	
Opening Fleet	466	451	499	542	583	600	466
Firm deliveries under 2014 Boeing Contract	–	61	55	57	37	–	210
Planned returns or disposals	(18)	(13)	(10)	(10)	(3)	–	(54)
A320 operating leases	3	–	(2)	(6)	(17)	(4)	(26)
Closing Fleet	451	499	542	583	600	596	596

Capital Resources. Ryanair’s debt (including current maturities) totaled €4,211m at March 31, 2020 and €5,427m at March 31, 2021, with the change being primarily attributable to addition of a 5-year (unsecured) €850m Eurobond and £600m unsecured CCF facility offset by repayments of long term borrowings and lease liabilities. Please see the table “Obligations Due by Period” on page 138 for more information on Ryanair’s long-term debt (including current maturities) and leases as of March 31, 2021. See also Note 13 to the consolidated financial statements included in Item 18 for further information on the maturity profile of the interest rate structure and other information on the Company’s borrowings.

At March 31, 2021, 66 of the aircraft in Ryanair’s fleet had been financed through loan facilities with various financial institutions active in the structured export finance sector and supported by a loan guarantee from Ex-Im Bank. Each of these facilities takes essentially the same form and is based on the documentation developed by Ryanair and Ex-Im Bank, which follows standard market forms for this type of financing. In November 2010, Ryanair financed 7 aircraft through a U.S. dollar-denominated Ex-Im Bank Capital Markets Product (“Eximbond”). The Eximbond has essentially the same characteristics as all previous Ex-Im Bank guaranteed financings with no additional obligations on Ryanair. On the basis of an Ex-Im Bank guarantee with regard to the financing of up to 85% of the eligible U.S. and foreign content represented in the net purchase price of the relevant aircraft, the financial institution investor enters into a commitment letter with the Company to provide financing for a specified number of aircraft benefiting from such guarantee; loans are then drawn down as the aircraft are delivered and payments to Boeing become due. Each of the

loans under the facilities are on substantially similar terms, having a maturity of 12 years from the drawdown date and being secured by a first priority mortgage in favor of a security trustee on behalf of Ex-Im Bank.

At March 31, 2021, there were 29 leased A320 aircraft in the Lauda Europe fleet.

Through the use of interest rate swaps or cross currency interest rate swaps, Ryanair has effectively converted a portion of its floating-rate debt under its financing facilities into fixed-rate debt. Approximately 16% of the loans for the aircraft acquired under the above facilities are not covered by such swaps and have therefore remained at floating rates linked to EURIBOR, this is currently managed as part of the Ryanair risk management strategy. The net result is that Ryanair has effectively swapped or drawn down fixed-rate euro-denominated debt with remaining maturities of up to 5 years in respect of approximately 84% of its outstanding aircraft debt financing at March 31, 2021 and approximately 16% of total debt was floating rate at that date.

Ryanair's ability to obtain additional loans pursuant to each of the facilities to finance the price of future Boeing 737-8200 aircraft purchases is subject to the issuance of further bank commitments and the satisfaction of various contractual conditions. These conditions include, among other things, the execution of satisfactory documentation, the requirement that Ryanair perform all of its obligations under the Boeing agreements and provide satisfactory security interests in the aircraft (and related assets) in favor of the lenders and Ex-Im Bank, and that Ryanair not suffer a material adverse change in its conditions or prospects (financial or otherwise). In addition, as a result of the Company obtaining a BBB credit rating from Standard & Poor's ("S&P") and Fitch Ratings and following Ryanair's issuance of €850m in 1.875% unsecured Eurobonds with a 7-year tenor in June 2014 (repaid in June 2021), issuance of €850m in 1.125% unsecured Eurobonds with an 8-year tenor in March 2015, issuance of €750m in 1.125% unsecured Eurobonds with an 6.5-year tenor in February 2017, issuance of €850m in 2.875% unsecured Eurobonds with a 5-year tenor in September 2020 and €1,200m unsecured Eurobonds with a 5-year tenor at a coupon of 0.875% in May 2021 under its EMTN program, the Company may decide in the future to issue additional debt from capital markets to finance future aircraft deliveries. As part of its Ex-Im Bank guarantee-based financing of the Boeing 737s, Ryanair has entered into certain lease agreements and related arrangements. Pursuant to these arrangements, legal title to 66 aircraft delivered and remaining in the fleet as of March 31, 2021 rests with a number of United States special purpose vehicles (the "SPVs"). The SPVs are the borrowers of record under the loans made or to be made under the facilities, with all of their obligations under the loans being guaranteed by Ryanair Holdings.

These aircraft are financed using a standard Ex-Im Bank "orphan" ownership structure. The shares of the SPVs (which are owned by an unrelated charitable association and not by Ryanair) are in turn pledged to a security trustee in favor of Ex-Im Bank and the lenders. Ryanair operates each of the aircraft pursuant to a finance lease it has entered into with the SPVs, the terms of which mirror those of the relevant loans under the facilities. Ryanair has the right to purchase the aircraft upon termination of the lease for a nominal amount. Pursuant to this arrangement, Ryanair is considered to own the aircraft for accounting purposes under IFRS. Ryanair does not use special purpose entities for off-balance sheet financing or any other purpose which results in assets or liabilities not being reflected in Ryanair's consolidated financial statements. In addition to its purchase option under the finance lease, Ryanair is entitled to receive the balance of any proceeds received in respect of the aircraft that remain after Ex-Im Bank and the lenders are paid what they are owed under the loan guarantees.

Ryanair has a track record in securing finance for similar sized aircraft purchases. The 1998, 2002, 2003 and 2005 Boeing Contracts totaling 348 aircraft were financed with approximately 66% U.S. Ex-Im Bank loan guarantees and capital markets (with 85% loan to value) financing, 24% through sale and leaseback financing, and 10% through JOLCOs and commercial debt. See "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources."

Under the Aviation Sector Understanding which came into effect from January 1, 2013, the fees payable to Ex-Im Bank for the provision of loan guarantees significantly increased, thereby making it more expensive than more

traditional forms of financing. As a result, Ryanair's current intention is to finance the new aircraft obtained under the 2014 Boeing Contract through a combination of internally generated cash flows, debt financing from commercial banks, debt financing through the capital markets in a secured and unsecured manner, JOLCOs and sale and leasebacks. These forms of financing are generally accepted in the aviation industry and are currently widely available for companies who have the credit quality of Ryanair. Ryanair may periodically use Ex-Im Bank loan guarantees when appropriate. Ryanair intends to finance pre-delivery payments ("Aircraft Deposits") to Boeing in respect of the new aircraft via internally generated cash flows similar to all previous Aircraft Deposit payments.

At March 31, 2021, Ryanair had 32 leased aircraft in the fleet including the 29 Lauda Airbus A320 leases. As a result, Ryanair operates, but does not own, these aircraft, which were leased to provide flexibility for the aircraft delivery program. Ryanair has no right or obligation to acquire these aircraft at the end of the relevant lease terms. All 32 leases are U.S. dollar-denominated and require Ryanair Group airlines to make fixed rental payments and, following the adoption of IFRS16 are shown as lease liabilities on the Group's balance sheet (with related right of use assets also recognized). 5 of these leases are due to mature in the next 2 years (with 3 Boeing 737-800NG leases maturing before the end of Quarter 1, fiscal year 2022). In addition to the above, the Company financed 30 of the Boeing 737 aircraft delivered between March 2005 and March 2014 with 13-year euro-denominated JOLCOs. None of these JOLCO arrangements are still outstanding as of March 31, 2021. These structures were originally accounted for as finance leases under IAS 17 and were initially recorded at fair value on the Group's balance sheet. Under each of these contracts, Ryanair had a call option to purchase the aircraft at a pre-determined price after a period of 10.5 years. Ryanair exercised this option for 10 of these aircraft in fiscal year 2021.

Since, under each of the Group's leases, the Group has a commitment to maintain the relevant aircraft, an accounting provision is made during the lease term for this obligation based on estimated future costs of major airframe checks, engine maintenance checks and restitution of major life limited parts by making appropriate charges to the income statement calculated by reference to the number of hours or cycles operated during the year. Under IFRS, the accounting treatment for these costs with respect to leased aircraft differs from that for aircraft owned by the Company, for which such costs are capitalized and amortized.

Ryanair currently has corporate ratings of BBB from both S&P and Fitch Ratings and a €5bn EMTN program. Ryanair issued €850m in unsecured Eurobonds with a 7-year tenor at a coupon of 1.875% in June 2014 (repaid in June 2021), €850m in unsecured Eurobonds with an 8-year tenor at a coupon of 1.125% in March 2015, €750m in unsecured Eurobonds with a 6.5-year tenor at a coupon of 1.125% in February 2017, €850m in unsecured Eurobonds with a 5-year tenor at a coupon of 2.875% in September 2020, and €1,200m in unsecured Eurobonds with a 5-year tenor at a coupon of 0.875% in May 2021 under this program. All of these issuances are guaranteed by Ryanair Holdings. The Company used the proceeds from these issuances for general corporate purposes.

In May 2019, Ryanair DAC entered into a €750m general corporate purposes unsecured term loan facility, with a syndicate of 10 banks. The facility is at a cost of 0.75% per annum and has a 5-year tenor. Additionally, in April 2020, Ryanair raised £600m unsecured debt under the HMT and Bank of England CCFF at a 0.44% interest rate. This debt was subsequently extended in March 2021 for a further 12 months at a 0.46% interest rate.

CONTRACTUAL OBLIGATIONS

The table below sets forth the contractual obligations and commercial commitments of the Company with definitive payment terms, which will require significant cash outlays in the future, as of March 31, 2021. These obligations primarily relate to Ryanair's aircraft purchase and related financing obligations, which are described in more detail above. For additional information on the Company's contractual obligations and commercial commitments, see Note 24 to the consolidated financial statements included in Item 18.

The amounts listed under “Purchase Obligations” in the table reflect future obligations for firm aircraft purchases under the existing 2014 Boeing Contract and are calculated by multiplying the number of firm aircraft the Company is obligated to purchase under its agreement with Boeing during the relevant period by the standard list price of approximately US\$102.5m for each aircraft (net of basic credits and reflective of price escalation over the original scheduled delivery timeframe, and taking account of advance payments paid in prior fiscal years) pursuant to the relevant contract, with the dollar-denominated obligations being converted into euro at an exchange rate of U.S. \$1.1725 = €1.00 (based on the European Central Bank Rate on March 31, 2021). The Company is eligible for further customer specific credits (reflective, inter alia, of its longstanding partnership with Boeing, its launch customer status for the Boeing 737-8200 aircraft, its commitment to purchase 210 Boeing 737-8200 aircraft under the 2014 Boeing Contract and the delayed commencement of aircraft deliveries), which will reduce the average amount payable per aircraft. Under the terms of the 2014 Boeing Contract, the Company is required to make periodic advance payments of the purchase price for aircraft it has agreed to purchase over the two-year period preceding the scheduled delivery of aircraft with the balance of the purchase price being due at the time of delivery. Purchase obligations detailed below are based on an estimated delivery schedule as of March 31, 2021.

The amounts listed under “Operating Lease Obligations” reflect the Company’s obligations under its aircraft operating lease arrangements at March 31, 2021.

Contractual Obligations	Obligations Due by Period				
	Total	Less than 1 year	1-2 years	2-5 years	After 5 years
	€M	€M	€M	€M	€M
Debt (a)	5,244.0	1,726.0	998.0	2,520.0	–
Purchase Obligations (b)	7,752.0	1,801.0	5,063.0	888.0	–
Operating Lease Obligations	189.0	56.3	54.6	78.1	–
Future Interest Payments (c)	237.0	72.0	51.0	115.0	–
Total Contractual Obligations	13,422.0	3,655.3	6,166.6	3,601.1	–

- (a) For additional information on Ryanair’s debt obligations, see Note 13 and Note 24 to the consolidated financial statements included in Item 18.
- (b) This reflects the 210 firm aircraft ordered under the 2014 Boeing Contract assuming delivery of 61 aircraft in fiscal year 2022, 57 in fiscal year 2023 and 92 thereafter. For additional information on the Company’s purchase obligation, see Note 24 to the consolidated financial statements included in Item 18.
- (c) In determining an appropriate methodology to estimate future interest payments, the Company has applied either the applicable fixed rate or currently applicable variable rate where appropriate. These interest rates are subject to change and amounts actually due may be higher or lower than noted in the table above.

TREND INFORMATION

For information concerning the principal trends and uncertainties affecting the Company’s results of operations and financial condition, see “Item 3. Key Information—Risk Factors,” “Item 5. Operating and Financial Review and Prospects—Business Overview,” “—Results of Operations,” “—Liquidity and Capital Resources” and “Item 4. Information on the Company—Strategy—Responding to Market Challenges” above.

OFF-BALANCE SHEET TRANSACTIONS

The Company uses certain off-balance sheet arrangements in the ordinary course of business, including financial guarantees. Details of these arrangements that have or are reasonably likely to have a current or future material effect on the Company’s financial condition, results of operations, liquidity or capital resources are discussed below.

Guarantees. Ryanair Holdings has provided an aggregate of approximately €5,432m (as at March 31, 2021) in letters of guarantee to secure obligations of certain of its subsidiaries in respect of loans, capital market transactions

and bank advances, including those relating to aircraft financing and related hedging transactions. This amount excludes guarantees given in relation to the 2014 Boeing Contract under which there was a total of 210 firm aircraft under order as at March 31, 2021 amounting to approximately U.S. \$9.6bn at the standard list price of US\$102.5m (net of basic credits and reflective of price escalation over the originally scheduled delivery timeframe).

INFLATION

Inflation did not have a significant effect on the Company's results of operations and financial condition during the three fiscal years ended March 31, 2021.

Item 6. *Directors, Senior Management and Employees*

Ryanair Holdings was established in 1996 as a holding company for Ryanair. The management of Ryanair Holdings and Ryanair are integrated, with the two companies having the same Directors and Executive Officers.

DIRECTORS

The following table sets forth certain information concerning the Directors of Ryanair Holdings and Ryanair as of July 23, 2021:

Name	Age	Positions
Stan McCarthy (b)(c)	63	Chairman & Director
Louise Phelan (b)(c)	54	Senior Independent Director
Róisín Brennan (a)(d)	56	Director
Michael Cawley (b)(d)	67	Director
Emer Daly (a)	58	Director
Howard Millar (b)(c)	60	Director
Dick Milliken (a)	70	Director
Mike O'Brien (e)	77	Director
Michael O'Leary (b)	60	Director & Group CEO
Julie O'Neill (d)	66	Director

- | | |
|---------------------------|----------------------------------|
| (a) Audit Committee. | (d) Remuneration Committee. |
| (b) Executive Committee. | (e) Safety & Security Committee. |
| (c) Nomination Committee. | |

Stan McCarthy was appointed as a Director of Ryanair in May 2017, Deputy Chairman in April 2019 and Chairman in June 2020. Mr. McCarthy was Chief Executive of Kerry Group plc from January 2008 until September 2017. Mr. McCarthy joined Kerry Group in 1976 and worked in a number of finance roles before being appointed as Vice President of Sales and Marketing in the USA in 1991, as President of Kerry North America in 1996 and as a Director of Kerry Group in 1999. Mr. McCarthy is an investor, advisor and Board member of a number of privately-owned companies in diverse industries. An active philanthropist in both Ireland and the US, he donates to various organizations in health, education and poverty reduction. He has dual Irish and U.S. citizenship.

Louise Phelan has served as a Director since December 2012 and was appointed Senior Independent Director (SID) in June 2020. Ms. Phelan is currently Group CEO of the Phelan Energy Group. Prior to that, Ms. Phelan was Vice President of PayPal, leading a global team in Continental Europe, Middle East and Africa, having previously spent 16 years with General Electric in various leadership roles. She is an Irish citizen.

Róisín Brennan has served as a Director since May 2018. Ms. Brennan is a former Chief Executive of IBI Corporate Finance Ltd where she had extensive experience advising public companies in Ireland. She is currently a Non-Executive Director of Hibernia REIT plc, Musgrave Group plc, Glanbia plc and Dell Bank International DAC having previously been a Non-Executive Director of DCC plc from 2005 until 2016. She is an Irish Citizen.

Michael Cawley has served as a Director since September 2014. Mr. Cawley previously worked with Ryanair for 17 years as Ryanair's Deputy CEO and Chief Operating Officer until he retired in March 2014. Mr. Cawley's other Non-Executive Directorships include Flutter Entertainment plc, Kingspan Group plc and Hostelworld Group plc. He is an Irish citizen.

Emer Daly has served as a Director of Ryanair since December 2017. Ms. Daly is currently Board Chairman at RSA Insurance Ireland DAC and a Non-Executive Director of Chetwood Financial Limited and RGA International Reinsurance Company DAC. Ms. Daly previously served as a Non-Executive Director of Permanent TSB Group plc and as a Director of Payzone plc. Ms. Daly also held senior roles with PwC and AXA Insurance for over 20 years. She is an Irish citizen.

Howard Millar was appointed as a Director of Ryanair in August 2015. Mr. Millar had served as Ryanair's Deputy CEO and Chief Financial Officer from 2003 to December 2014 having previously been Director of Finance from 1993 and Financial Controller in 1992. Mr. Millar currently serves as CEO of Sirius Aviation Capital Holdings Ltd. Mr. Millar is a member of Irelandia Aviation's advisory board and a Non-Executive Director of Viva Latinamerica the holding company for the airlines Viva Colombia and Viva Peru. He is an Irish citizen.

R.A. (Dick) Milliken has served as a Director since July 2013 having previously been Chief Financial Officer of Almac Group and former Chief Executive of Lamont plc. He is a former council member of the Institute of Chartered Accountants in Ireland. Mr. Milliken is Chairman of Lotus Group and a Director of a number of private companies. He is a British citizen.

Mike O'Brien was appointed as a Director of Ryanair in May 2016. Mr. O'Brien was Head of Flight Operations Inspectorate with the Maltese Civil Aviation Authority until he retired in 2016, having previously spent 10 years as the Head of Operating Standards with the Irish Aviation Authority until 2001. Mr. O'Brien served 4 years as the Chief Pilot and Flight Operations Manager of Ryanair from 1987 to 1991. He is an Irish citizen.

Michael O'Leary has served as a Director of Ryanair since 1988 and as CEO since 1994. Mr. O'Leary was appointed Group CEO in April 2019. He is an Irish citizen.

Julie O'Neill has served as a Director since December 2012. She was Secretary General of the Irish Department of Transport from 2002 to 2009 and served in eight Government Departments over the course of 37 years in the Irish public service. She is Chairperson of The Convention Centre Dublin, a Non-Executive Director of AXA Life Europe, XL Insurance Company SE and Architas Multi-manager Europe Ltd. and a Senior Advisor at AMP Capital (U.K.) Ltd. She previously chaired the Sustainable Energy Authority of Ireland and served as Senior Independent Director of Permanent TSB Group plc. She is an Irish citizen.

The Board of Directors has established a number of committees, including the following:

(a) *Audit Committee.* The Board of Directors established the Audit Committee in September 1996 to make recommendations concerning the engagement of independent external auditors; to review with the auditors the plans for and scope of each annual audit, the audit procedures to be utilized and the results of the audit; to approve the professional services provided by the auditors; to review the independence of the auditors; and to review the adequacy and effectiveness of the Company's internal accounting controls. Mr. Milliken, Ms. Brennan and Ms. Daly are the members of the Audit Committee. In accordance with the recommendations of the Irish Combined Code of Corporate Governance (the "Combined Code"), an independent Non-Executive Director, Mr. Milliken, is the chair of the Audit

Committee. All members of the Audit Committee are independent for the purposes of the listing rules of the NASDAQ and the U.S. federal securities laws.

(b) *Executive Committee.* The Board of Directors established the Executive Committee in August 1996. The Executive Committee can exercise the powers exercisable by the full Board of Directors in circumstances in which action by the Board of Directors is required but it is impracticable to convene a meeting of the full Board of Directors. Ms. Phelan, Mr. McCarthy, Mr. Cawley, Mr. Millar and Mr. O’Leary are members of the Executive Committee.

(c) *Nomination Committee.* The Board of Directors established the Nomination Committee in May 1999 to make recommendations and proposals to the full Board of Directors concerning the selection of individuals to serve as Executive and Non-Executive Directors. The Board of Directors as a whole then makes appropriate determinations regarding such matters after considering such recommendations and proposals. Mr. McCarthy, Ms. Phelan and Mr. Millar are the members of the Nomination Committee.

(d) *Remuneration Committee.* The Board of Directors established the Remuneration Committee in September 1996. This committee has authority to determine the remuneration of Senior Executives of the Company and to administer the share based remuneration plans described below. Senior Management remuneration is comprised of a fixed basic pay and performance related bonuses which are awarded based on a combination of budget and non-budget performance criteria. The Remuneration Committee determines the remuneration and bonuses of the Group CEO, who is the only Executive Director. Ms. O’Neill, Ms. Brennan and Mr. Cawley are the members of the Remuneration Committee.

(e) *Safety & Security Committee.* The Board of Directors established the Safety and Security Committee in March 1997 to review and discuss air safety and related issues. The Safety and Security Committee reports to the full Board of Directors each quarter. The Safety and Security Committee is composed of Mr. O’Brien and Mr. Sorahan, (Accountable Manager Ryanair DAC and Ryanair UK) who both act as co-chair. Other attendees include the Group Airline Accountable Managers, nominated persons and the Chief Risk Officer, Ms. Carol Sharkey. A number of other managers are invited to attend, as required, from time to time. Each airline has a separate Safety & Security Committee to comply with their local regulators’ requirements.

Powers of, and Action by, the Board of Directors

The Board of Directors is empowered by the Articles of Association of Ryanair Holdings (the “Articles”) to carry on the business of Ryanair Holdings, subject to the Articles, provisions of general law and the right of shareholders to give directions to the Directors by way of ordinary resolutions. Every Director who is present at a meeting of the Board of Directors of Ryanair Holdings has one vote. In the case of a tie on a vote, the chairman of the Board of Directors has a second or tie-breaking vote. A Director may designate an alternate Director to attend any Board of Directors meeting, and such alternate Director shall have all the rights of a Director at such meeting.

The quorum for a meeting of the Board of Directors, unless another number is fixed by the Directors, consists of three Directors, a majority of whom must be EU nationals. The Articles require the vote of a majority of the Directors (or alternates) present at a duly convened meeting for the approval of any action by the Board of Directors.

Composition and Term of Office

The Articles provide that the Board of Directors shall consist of no fewer than three and no more than fifteen Directors, unless otherwise determined by the shareholders. There is no maximum age for a Director and no Director is required to own any shares of Ryanair Holdings.

Directors are elected (or have their appointments confirmed) at the annual general meetings of shareholders.

Exemptions from NASDAQ Corporate Governance Rules

The Company relies on certain exemptions from the NASDAQ corporate governance rules. These exemptions, and the practices the Company adheres to, are as follows:

- The Company is exempt from NASDAQ's quorum requirements applicable to meetings of shareholders, which require a minimum quorum of 33 1/3% for any meeting of the holders of common stock, which in the Company's case are its Ordinary Shares. In keeping with Irish generally accepted business practice, the Articles provide for a quorum for general meetings of shareholders of two shareholders, regardless of the level of their aggregate share ownership.
- The Company is exempt from NASDAQ's requirement with respect to Audit Committee approval of related party transactions, as well as its requirement that shareholders approve certain stock or asset purchases when a Director, officer or substantial shareholder has an interest. The Company is subject to extensive provisions under the Listing Rules of Euronext Dublin governing transactions with related parties, as defined therein, and the Irish Companies Act also restricts the extent to which Irish companies may enter into related party transactions. In addition, the Articles contain provisions regarding disclosure of interests by the Directors and restrictions on their votes in circumstances involving conflicts of interest. The concept of a related party for purposes of NASDAQ's Audit Committee and shareholder approval rules differs in certain respects from the definition of a transaction with a related party under the Irish Listing Rules and the Irish Companies Act.
- NASDAQ requires shareholder approval for certain transactions involving the sale or issuance by a listed company of common stock other than in a public offering. Under the NASDAQ rules, whether shareholder approval is required for such transactions depends, among other things, on the number of shares to be issued or sold in connection with a transaction, while the Irish Listing Rules require shareholder approval when the value of a transaction, as measured under any one or more of four class tests, exceeds a certain percentage of the size of the listed company undertaking the transaction as measured for the purposes of same tests.
- NASDAQ requires that each issuer solicit proxies and provide proxy statements for all meetings of shareholders and provide copies of such proxy solicitation to NASDAQ. The Company is exempt from this requirement as the solicitation of holders of ADSs is not required under the Irish Listing Rules or the Irish Companies Act. However, it has been Ryanair's policy to solicit holders of ADSs, and will do so again, once the restriction on non-EU shareholders voting rights because of Brexit has been removed. For additional information, please see "Item 3 Key Information—Risk Factors—Risks Related to Ownership of the Company's Ordinary Shares or ADRs". Details of Ryanair's annual general meetings and other shareholder meetings, together with the requirements for admission, voting or the appointment of a proxy are available on the website of the Company in accordance with the Irish Companies Act, the Company's Articles of Association and the Irish Listing Rules.
- NASDAQ requires that all members of a listed company's Nominating Committee be independent Directors, unless the Company, as a foreign private issuer, provides an attestation of non-conforming practice based upon home country practice and then discloses such non-conforming practice annually in its Form 20-F.

The Company also follows certain other practices under the U.K. Corporate Governance Code in lieu of those set forth in the NASDAQ corporate governance rules, as expressly permitted thereby.

Most significantly:

Independence. NASDAQ requires that a majority of an issuer's Board of Directors be "independent" under the standards set forth in the NASDAQ rules and that Directors deemed independent be identified in the Company's Annual Report on Form 20-F. The Board of Directors has determined that each of the Company's nine serving Non-Executive Directors is "independent" under the standards set forth in the U.K. Corporate Governance Code (the "Code").

Under the Code, there is no bright-line test establishing set criteria for independence, as there is under NASDAQ Rule 5605(a)(12). Instead, the Board of Directors determines whether the Director is independent, and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgment. Under the Code, the Board of Directors may determine that a Director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, but it should state its reasons if it makes such a determination. The Code specifies that relationships or circumstances that may be relevant include whether the Director: (i) is or has been an employee of the relevant company or group within the last five years; (ii) has, or has had within the last three years a direct or indirect material business relationship with such company; (iii) has received or receives payments from such company, subject to certain exceptions; (iv) has close family ties with any of the Company's advisers, Directors or senior employees; (v) holds cross-Directorships or other significant links with other Directors; (vi) represents a significant shareholder; or (vii) has served on the Board of Directors for more than nine years.

In determining that each of the nine serving Non-Executive Directors is independent under the Code standard, the Ryanair Holdings Board of Directors identified such relevant factors with respect to Non-Executive Directors Messrs. Cawley, Millar and O'Brien.

The Board considered Michael Cawley's independence given that he served as Deputy CEO and Chief Operating Officer of Ryanair from 2003 to March 2014 and before that as Ryanair's Chief Financial Officer and Commercial Director from 1997. The Board has considered Michael's employment and has concluded that Michael Cawley is an independent Non-Executive Director within the spirit and meaning of the Code.

The Board considered Howard Millar's independence given that he was Ryanair's Deputy CEO up to December 31, 2014, and Chief Financial Officer up to September 30, 2014. The Board has considered Howard's employment and has concluded that Howard Millar is an independent Non-Executive Director within the spirit and meaning of the Code.

The Board considered Mike O'Brien's independence given that he served as Chief Pilot and Flight Operations Manager of Ryanair from 1987 to 1991. The Board has considered Mr. O'Brien's employment and has concluded that he is an independent Non-Executive Director within the spirit and meaning of the Code.

The Board considers that each of these Directors is independent in character and judgment as they either have other significant commercial and professional commitments and/or bring their own level of senior experience gained in their fields of international business and professional practice.

The NASDAQ independence criteria specifically state that an individual may not be considered independent if, within the last three years, such individual or a member of his or her immediate family has had certain specified relationships with the Company, its parent, any consolidated subsidiary, its internal or external auditors, or any company that has significant business relationships with the Company, its parent or any consolidated subsidiary. Neither ownership of a significant amount of stock nor length of service on the Board is a *per se* bar to independence under the NASDAQ rules.

EXECUTIVE OFFICERS

The following table sets forth certain information concerning the Executive Officers of the Ryanair Group at July 23, 2021:

Name	Age	Position
Michael O'Leary	60	Group CEO
Neil Sorahan	49	Group CFO
Juliusz Komorek	43	Group CLO; Co. Secretary
Edward Wilson	57	Ryanair CEO
Carol Sharkey	46	Chief Risk Officer
Tracey McCann	47	Ryanair CFO
Andreas Gruber	36	Lauda Joint CEO
David O'Brien	57	Malta Air CEO & Lauda Joint CEO
Michal Kaczmarzyk	42	Buzz CEO
John Hurley	46	CTO

Michael O'Leary. Michael has served as a Director of Ryanair DAC since 1988 and a Director of Ryanair Holdings since 1996. Michael was appointed CEO of Ryanair in 1994 and Group CEO in April 2019, having previously served as CFO since 1988.

Neil Sorahan. Neil was appointed Group CFO in October 2019, having previously served as Ryanair's CFO from October 2014. Prior to this he was Ryanair's Finance Director since June 2006 and Treasurer from January 2003. Before joining Ryanair, Neil held various finance and treasury roles at CRH plc.

Juliusz Komorek. Juliusz was appointed Group CLO; Company Secretary in late 2019 having previously served as Ryanair's Chief Legal & Regulatory Officer; Company Secretary from May 2009 and Deputy Director of Legal and Regulatory Affairs since 2007. Prior to joining the Company in 2004, Juliusz had gained relevant experience in the European Commission's Directorate General for Competition and in the Polish Embassy to the EU in Brussels, as well as in the private sector in Poland and the Netherlands. Juliusz is a lawyer, holding degrees from the universities of Warsaw and Amsterdam.

Edward Wilson. Eddie was appointed Ryanair CEO in September 2019, having previously served as Ryanair's CPO since December 2002. Prior to this he served as Head of Personnel since December 1997. Before joining Ryanair, Eddie was the Human Resources Manager for Gateway 2000 and held a number of other human resources-related positions in the Irish financial services sector.

Carol Sharkey. Carol was appointed Chief Risk Officer in May 2018 having held the position of Director of Safety and Security since 2014. She has worked at Ryanair since 1995 having previously held roles in inflight, flight operations and in recent years has overseen the flight safety department.

Tracey McCann. Tracey was appointed Ryanair CFO in January 2020 having previously served as Ryanair's Director of Finance. She joined Ryanair in 1991 and has held various senior finance roles.

Andreas Gruber. Andreas was appointed CEO of Lauda in early 2018. Prior to that, he held various operational and network planning roles within the Aerberlin Group. Andreas remained as CEO of Lauda following its acquisition by the Ryanair Group and is currently Lauda's Joint CEO.

David O'Brien. David was appointed Joint CEO Lauda in April 2020 and CEO of Malta Air in December 2020, having previously served as Ryanair's CCO since January 2014. Prior to that David was Ryanair's Director of Flight and Ground Operations from December 2002. A graduate of the Irish Military College, David followed a military career with positions in the airport sector and agribusiness in the Middle East, Russia and Asia.

Michal Kaczmarzyk. Michal was appointed CEO of Buzz in April 2017. Prior to joining Buzz, Michal served as the General Director of the Polish Airports State Company and CEO of Warsaw Chopin Airport. A former CEO of LS Airport Services and supervisory board member of Euro LOT Airline, Krakow Airport and Gdansk Airport, Michal also held roles with the Polish Industrial Development Agency, the Office of Competition and Consumer Protection and PwC.

John Hurley. John was appointed CTO in September 2014. He joined Ryanair from Houghton Mifflin Harcourt, where he was Vice-President of Engineering and Product Operations, Director of Platform Development and Software Development Program Manager. He was previously Production Manager at both Intuition Publishing Ltd and Education Multimedia Group and has over 20 years of experience in the IT industry.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation

The aggregate amount of compensation paid by Ryanair Holdings and its subsidiaries to its key management personnel (defined as including each director, whether executive or otherwise, of the Group, as well as the Executive team reporting to the Board of Directors) named above in fiscal year 2021 was €6.6m. For details of Mr. O'Leary's compensation in such fiscal year, see "—Remuneration Agreement with Mr. O'Leary" below.

Each of Ryanair Holdings' Non-Executive Directors is entitled to receive €35,000 plus expenses per annum, as remuneration for their services to Ryanair Holdings. The Chairman of the Board receives a fee of €100,000 per annum. The additional remuneration paid to all Committee members for service on that committee is €15,000 per annum, with the exception of the Chair of the Safety and Security Committee who is entitled to receive €40,000 per annum in connection with the additional duties in relation to that committee.

For further details of share based remuneration that have been granted to the Company's employees, including the Executive Officers, see "Item 10. Additional Information—Options to Purchase Securities from Registrant or Subsidiaries," as well as Note 20 to the consolidated financial statements included herein.

Remuneration Agreement with Mr. O'Leary

The Group CEO is the only Executive Director of the Board. In February 2019, Mr. O'Leary signed a five-year contract as Group CEO commencing April 1, 2019 and expiring on July 31, 2024. As part of this contract the Group CEO agreed to a 50% cut in base pay from €1m to €500,000 per annum, a 50% cut to his maximum annual bonus (to €500,000) and, in line with best practice in the updated Corporate Governance Code, he does not receive any pension benefits from Ryanair. This new contract also includes 10m share options at a strike price of €11.12 which are exercisable at a price of €11.12 if the profit after tax (PAT) of Ryanair Holdings plc is doubled to exceed €2bn in any fiscal year up to March 31, 2024 and/or the share price of Ryanair Holdings plc exceeds €21 for a period of 28 days between April 1, 2021 and March 31, 2024 (and so long as Mr. O'Leary continues to be employed by the Group until July 31, 2024). Such options, to the extent that they vest, are exercisable between September 30, 2024 and early February 2026. The accounting charge for the share based remuneration is approximately €1.8m per annum over the 5 year term of the Group CEO's contract of employment. In March 2020, Mr. O'Leary agreed to further reduce his base pay to €250,000 until the end of fiscal year 2021 as part of the Company's response to the Covid-19 crisis.

STAFF AND LABOR RELATIONS

The following table sets forth the details of Ryanair's team (including all Group airlines) at each of March 31, 2021, 2020 and 2019:

Classification	Number of Staff at March 31,		
	2021	2020	2019
Management	97	150	177
Administrative/IT Labs	759	859	992
Maintenance	417	395	426
Ground Operations	312	555	704
Pilots	5,170	5,584	5,446
Cabin Crew	8,261	9,725	9,095
Total	<u>15,016</u>	<u>17,268</u>	<u>16,840</u>

Ryanair Group airlines are engaged in collective bargaining with unions in relation to long term pay and conditions agreements, as well as cost saving measures (including pay cuts) in response to the Covid-19 crisis. Ryanair will continue to defend its existing high productivity business model. Ryanair believes that existing terms and conditions for both pilots and cabin crew are industry leading among European low cost B737 operators with competitive pay, advantageous fixed rosters, outstanding promotional opportunities and a wide choice of base locations across Europe.

European regulations require pilots to be licensed as commercial pilots with specific ratings for each aircraft type flown. In addition, European regulations require all commercial pilots to be medically certified as physically fit. Licenses and medical certification are subject to periodic re-evaluation and require recurrent training and recent flying experience in order to be maintained. Maintenance engineers must be licensed and qualified for specific aircraft types. Cabin crew must undergo initial and periodic competency training. Training programs are subject to approval and monitoring by the competent authority. In addition, the appointment of senior management personnel directly involved in the supervision of flight operations, training, maintenance and aircraft inspection must be satisfactory to the competent authority. Based on its experience in managing the airline's growth to date, management believes that there is a sufficient pool of qualified and licensed pilots, engineers and mechanics within the EU to satisfy Ryanair's anticipated future needs in the areas of flight operations, maintenance and quality control. The consolidation within the aviation industry, airline closures and downsizing has resulted in an increase in pilot applications to join Ryanair. Ryanair has also been able to satisfy its needs for additional pilots and cabin crew through the use of contract agencies. These contract pilots and cabin crew are included in the table above.

Ryanair's crew earn productivity-based incentive payments, including a sales bonus for onboard sales for flight attendants and payments based on the number of hours or sectors flown by pilots and cabin crew (within limits set by industry standards or regulations governing maximum working hours.) Ryanair's pilots are currently subject to EASA-approved limits of 900 flight-hours per calendar year.

If more stringent regulations on flight-hours were to be adopted, Ryanair's flight personnel could experience a reduction in their total pay due to lower compensation for the number of hours or sectors flown and Ryanair could be required to hire additional flight personnel.

Ryanair Holdings' shareholders have approved a number of share based remuneration plans for employees and Directors including Share Option Plan 2013 and LTIP 2019 (which replaces Option Plan 2013 for share based remuneration granted after the 2019 AGM). Ryanair Holdings has issued share options to several of its senior managers. For details of all outstanding share options, see "Item 10. Additional Information – Options to Purchase Securities from Registrant or Subsidiaries."

Item 7. Major Shareholders and Related Party Transactions

As of June 30, 2021, there were 1,128,585,028 Ordinary Shares outstanding. As of that date, 97,672,993 ADRs, representing 488,364,966 Ordinary Shares, were held of record in the United States by 51 holders, and represented in the aggregate 43.3% of the number of Ordinary Shares then outstanding. See “Item 10. Additional Information—Articles of Association” and “—Limitations on Share Ownership by Non-EU Nationals.”

MAJOR SHAREHOLDERS

Based on information available to Ryanair Holdings, the following table summarizes the holdings of those shareholders holding 3% or more of the Ordinary Shares as of June 30, 2021, June 30, 2020 and June 30, 2019, the latest practicable date prior to the Company’s publication of its statutory Annual Report in each of the relevant years.

	As of June 30, 2021		As of June 30, 2020		As of June 30, 2019	
	No. of Shares	% of Class	No. of Shares	% of Class	No. of Shares	% of Class
Capital	130,030,773	11.5%	57,032,560	5.2%	59,883,817	5.3%
Baillie Gifford	102,427,272	9.1%	66,071,123	6.1%	61,916,922	5.5%
HSBC Holdings PLC	82,194,848	7.3%	67,354,927	6.2%	—	—
Société Générale SA (SG SA)	79,113,810	7.0%	—	—	—	—
Parvus Asset Management Europe	57,414,314	5.1%	—	—	—	—
AKO Capital	54,195,746	4.8%	52,742,694	4.8%	54,851,101	4.9%
Fidelity	47,096,727	4.2%	37,445,184	3.4%	—	—
Egerton Capital	46,430,130	4.1%	51,570,640	4.7%	—	—
Michael O’Leary	44,096,725	3.9%	44,096,725	4.0%	44,096,725	3.9%
MFS	39,839,051	3.5%	42,511,940	3.9%	—	—

As of June 30, 2021, the beneficial holdings in Ordinary Shares of the Directors of Ryanair Holdings as a group was 45,353,918 Ordinary Shares, representing 4.02% of Ryanair Holdings’ outstanding Ordinary Shares as of such date. See also Note 20(d) to the consolidated financial statements included herein.

As of March 31, 2021, there were 1,128,062,028 Ordinary Shares outstanding. Based on information available to Ryanair Holdings, the following table summarizes shareholdings in excess of 3% or more of the Ordinary Shares as of March 31, 2021, March 31, 2020 and March 31, 2019.

	As of March 31, 2021		As of March 31, 2020		As of March 31, 2019	
	No. of Shares	% of Class	No. of Shares	% of Class	No. of Shares	% of Class
Capital	127,825,495	11.3%	39,857,370	3.5%	100,394,424	8.9%
Baillie Gifford	105,753,192	9.4%	64,478,495	5.9%	58,805,558	5.2%
Société Générale SA (SG SA)	82,686,947	7.3%	-	-	-	-
HSBC Holdings PLC	81,175,344	7.2%	62,229,577	5.7%	-	-
AKO Capital	54,526,393	4.8%	55,240,252	5.1%	51,079,882	4.5%
Fidelity	47,674,061	4.2%	34,436,688	3.1%	-	-
Egerton Capital	46,270,426	4.1%	47,829,821	4.4%	-	-
Michael O’Leary	44,096,725	3.9%	44,096,725	4.0%	44,096,725	3.9%
Parvus Asset Management Europe	41,007,236	3.6%	-	-	-	-
MFS	39,933,396	3.5%	42,478,088	3.9%	-	-

RELATED PARTY TRANSACTIONS

The Company has not entered into any “related party transactions” (except for remuneration paid by Ryanair to members of key management personnel as disclosed in Note 28 to the consolidated financial statements) in the three fiscal years ending March 31, 2021 or in the period from March 31, 2021 to the date hereof.

Item 8. *Financial Information*

CONSOLIDATED FINANCIAL STATEMENTS

Please refer to “Item 18. Financial Statements.”

OTHER FINANCIAL INFORMATION

Legal Proceedings

The Company is engaged in litigation arising in the ordinary course of its business. Although no assurance can be given as to the outcome of any current or pending litigation, management does not believe that any such litigation will, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of the Company, except as described below.

EU State Aid-Related Proceedings. Since 2002, the European Commission has examined the agreements between Ryanair and various airports to establish whether they constituted illegal state aid. In many cases, the European Commission has concluded that the agreements did not constitute state aid. In other cases, Ryanair has successfully challenged the European Commission finding that there was state aid. In 2014, the European Commission announced findings of state aid to Ryanair in its arrangements with Pau, Nimes, Angouleme, Altenburg and Zweibrücken airports, ordering Ryanair to repay a total of approximately €10m of alleged aid. In 2016, the European Commission announced findings of state aid to Ryanair in its arrangements with Cagliari and Klagenfurt, ordering Ryanair to repay approximately €13m of alleged aid. Ryanair appealed the seven “aid” decisions to the EU General Court. In 2018, the EU General Court upheld the European Commission’s findings regarding Ryanair’s arrangements with Pau, Nimes, Angouleme and Altenburg airports, and overturned the European Commission’s finding regarding Ryanair’s arrangement with Zweibrücken airport. Ryanair appealed these four negative rulings to the European Court of Justice, but in December 2019 Ryanair discontinued the appeals as the Court had refused to grant an oral hearing in any of the cases. The appeal before the General Court regarding Ryanair’s arrangements with Cagliari airport is pending. In September 2020, the EU General Court hearing of Ryanair’s appeal of the Klagenfurt “aid” decision took place. The judgment is expected in 2021. In August 2019, the European Commission announced findings of state aid to Ryanair in its arrangements with Montpellier airport, ordering Ryanair to repay a total of approximately €9m of alleged aid. Ryanair appealed the Montpellier “aid” decision to the General Court. It is expected that the appeal proceedings before the General Court regarding Ryanair’s arrangements at Montpellier airport will conclude in 2022 or 2023.

Ryanair is facing similar legal challenges with respect to agreements with certain other airports, notably Paris (Beauvais), La Rochelle, Carcassonne, Girona, Reus, Târgu Mureş, Beziers and Frankfurt (Hahn). These investigations are ongoing and Ryanair currently expects that they will conclude in 2021, with any European Commission decisions appealable to the EU General Court.

Ryanair is also facing an allegation that it has benefited from unlawful state aid in a German court case in relation to its arrangements with Frankfurt (Hahn).

Adverse rulings in the above or similar cases could be used as precedents by competitors to challenge Ryanair's agreements with other publicly-owned airports and could cause Ryanair to strongly reconsider its growth strategy in relation to public or state-owned airports across Europe. This could in turn lead to a scaling back of Ryanair's growth strategy due to the smaller number of privately owned airports available for development. No assurance can be given as to the outcome of these proceedings, nor as to whether any unfavorable outcomes may, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of the Company.

Legal Proceedings Against Internet Ticket Touts. The Company is involved in a number of legal proceedings against internet ticket touts ("scrapers") in Ireland, Germany, France, Italy, Switzerland and the US. Scrapers gain unauthorized access to Ryanair's website and booking system, extract flight and pricing information and display it on their own websites for sale to customers at prices which include intermediary fees on top of Ryanair's fares. Ryanair does not allow any such commercial use of its website and objects to the practice of scraping also on the basis of certain legal principles, such as database rights, copyright protection, etc. The Company's objective is to prevent any unauthorized use of its website and to prevent consumer harm, and the resultant reputational damage to the Company, that may arise due to the failure by some operators of scraper websites to provide Ryanair with the passengers' genuine contact and payment method details. The Company also believes that the selling of airline tickets by scraper websites is inherently anti-consumer as it inflates the cost of air travel. At the same time, Ryanair encourages genuine price comparison websites which allow consumers to compare prices of several airlines and then refer consumers to the airline website in order to perform the booking at the original fare. Ryanair offers licensed access to its flight and pricing information to such websites. Ryanair also permits GDSs to provide access to Ryanair's fares to traditional bricks and mortar travel agencies. The Company has received favorable rulings in France, Germany, Ireland, Italy and The Netherlands, and unfavorable rulings in Germany, Spain, France, Switzerland and Italy. However, pending the outcome of these legal proceedings and if Ryanair were to be ultimately unsuccessful in them, the activities of scraper websites could lead to a reduction in the number of customers who book directly on Ryanair's website and loss of ancillary revenues which are an important source of profitability through the sale of car hire, hotels and travel insurance etc. Also, some customers may be lost to the Company once they are presented by a scraper website with a Ryanair fare inflated by the scraper's intermediary fee. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—The Company Faces Risks Related to Unauthorized Use of Information from the Company's Website".

U.S. Litigation. In November 2018, a putative securities class action complaint was filed against the Company and Mr. O'Leary in the United States District Court for the Southern District of New York (the "District Court"). The District Court appointed lead plaintiffs, the City of Birmingham Retirement and Relief System and City of Birmingham Firemen's and Policemen's Supplemental Pension System (the "Birmingham Funds"), in January 2019. The Birmingham Funds filed an amended complaint in April 2019 that purports to be on behalf of purchasers of Ryanair American Depositary Shares ("ADSs") between May 30, 2017 and September 28, 2018. The amended complaint alleges, among other things, that in filings with the SEC, investor calls, interviews, and other communications, the Company and/or Mr. O'Leary made materially false and misleading statements and omissions regarding employment and financial data, employee negotiation processes, the September 2017 pilot rostering management issue, and the likelihood and financial impact of unionization, which allegedly artificially inflated the market value of the Company's securities. In June 2020, the District Court issued a ruling dismissing in part the Birmingham Funds' claims, including claims regarding employment and financial data, employee negotiation processes, the September 2017 pilot rostering management issue, and the financial impact of unionization. The Birmingham Funds' claims regarding the likelihood of unionization were not dismissed. In March 2021, the Birmingham Funds issued a motion to amend their claim seeking, among other things, to re-introduce prior dismissed claims. The Company and Mr. O'Leary filed an opposition to the motion to amend in May 2021.

Dividend Policy

Since its incorporation as the holding company for Ryanair in 1996, Ryanair Holdings has only occasionally declared special dividends on both its Ordinary Shares and ADRs. The Directors of the Company declared on May 21, 2012 that Ryanair Holdings intended to pay a special dividend of €0.34 per ordinary share (approximately €492m) and this special dividend was paid on November 30, 2012. The Company indicated on May 19, 2014 that it planned to pay a special dividend of up to approximately €520m in the fourth quarter of fiscal year 2015, and this special dividend was paid on February 27, 2015. In September, 2015 the Company announced a B share scheme of €398m to return the proceeds from the sale of its shares in Aer Lingus to shareholders; payments to shareholders issued in October 2015.

Share Buyback Program

Following shareholder approval at the 2006 annual general meeting, a €300m share buyback program was formally announced on June 5, 2007. Permission was received at the annual general meeting held on September 20, 2007 to repurchase a maximum of 75.6m Ordinary Shares representing 5% of the Company's then outstanding share capital. The €300m share buyback of approximately 59.5m Ordinary Shares, representing approximately 3.8% of the Company's pre-existing share capital, was completed in November 2007. In February 2008, the Company announced a second share buyback program of up to €200m worth of Ordinary Shares, which was ratified by shareholders at the annual general meeting held on September 18, 2008. 18.1m Ordinary Shares were repurchased under this program at a cost of approximately €46m. The Company also completed share buybacks of €125m in respect of 36.5m Ordinary Shares in fiscal year 2012 and 15m Ordinary Shares at a cost of approximately €68m in fiscal year 2013.

In April 2012, the Company held an EGM to authorize the Directors to repurchase Ordinary Shares and ADRs for up to 5% of the issued share capital of the Company traded on the NASDAQ. Up until April 2012, shareholders had only authorized the Directors to repurchase Ordinary Shares. As the ADRs typically trade at a premium compared to Ordinary Shares, this has resulted in increased costs in performing share buybacks and may continue to do so in the future. This authority was renewed at the Annual General Meeting held on September 20, 2013 and at subsequent Annual General Meetings and an Extraordinary General Meeting in 2016.

In fiscal year 2014, 69.5m Ordinary Shares (including Ordinary Shares underlying just over 6m ADRs) were repurchased at a cost of approximately €482m. In February 2015, the Company announced a €400m ordinary share buyback program which was completed between February and August 2015. In February 2016, the Company announced an €800m Ordinary Share buyback program (including Ordinary Shares underlying ADRs) and this program was subsequently increased to €886m in June 2016. €418m of this program was completed in fiscal year 2016 to buyback approximately 29.1m shares (including approximately 19.9m shares underlying ADRs) with the remaining €468m spent in fiscal year 2017 to buyback approximately 36m shares (including approximately 3.9m shares underlying ADRs). In addition to the above, in fiscal year 2017, the Company bought back 36.4m shares (including approximately 17.7m shares underlying ADRs) at a total cost of approximately €550m during the period November 2016 to February 2017. In February 2017 the Company announced the commencement of a €150m share buyback program in respect of shares underlying ADRs. The Company bought back approximately 2m shares underlying ADRs at a cost of €39m under this program during fiscal year 2018. In addition to the above, in fiscal year 2018, the Company bought back 33m shares at a total cost of €600m under its €600m share buyback program which commenced in May 2017 and 11.7m shares at a total cost of €190m under its €750m share buyback which commenced in February 2018. In fiscal year 2019 the Company bought back 37.8m shares at a total cost of approximately €561m under its €750m share buyback which commenced in February 2018. In fiscal year 2020 the Company bought back approximately 47.2m shares (including 15.8m shares underlying ADRs) at a cost of €581m under its €700m share buyback program (including Ordinary Shares underlying ADRs) which was announced and commenced in May 2019. This share buyback program was terminated in March 2020 as part of a series of measures introduced to preserve cash during the Covid-19 crisis.

In fiscal year 2021 the Company issued approximately 35.2m shares under a non-pre-emptive placing to a number of institutional investors and certain of the Company's directors and members of its senior management team. The shares were issued at a price of €11.35 per share raising gross proceeds of approximately €400m. The shares issued represented approximately 3.2% of the Company's issued share capital immediately prior to the placing."

See "Item 9. The Offer and Listing—Trading Markets and Share Prices" below for further information regarding share buybacks.

SIGNIFICANT CHANGES

In May 2021, the Group raised approximately €1.2bn, 5-year unsecured, Eurobonds at a fixed coupon of 0.875% for general corporate purposes.

Item 9. The Offer and Listing

TRADING MARKETS

The primary market for Ryanair Holdings' Ordinary Shares is Euronext Dublin; Ordinary Shares are also traded on the London Stock Exchange. The Ordinary Shares were first listed for trading on the Official List of Euronext Dublin on June 5, 1997 and were first admitted to the Official List of the London Stock Exchange on July 16, 1998.

ADRs, each representing 5 Ordinary Shares, are traded on NASDAQ. The Bank of New York Mellon is Ryanair Holdings' depository for purposes of issuing ADRs evidencing the ADSs.

Ryanair Holdings' shares trade under the following stock symbols:

Euronext Dublin	RY4C
London Stock Exchange	RYA
NASDAQ	RYAAY

Since certain of the Ordinary Shares are held by brokers or other nominees, the number of direct record holders in the United States, which is reported as 51, may not be fully indicative of the number of direct beneficial owners in the United States, or of where the direct beneficial owners of such shares are resident.

In order to increase the percentage of its share capital held by EU nationals, beginning June 26, 2001, Ryanair Holdings instructed the Depository to suspend the issuance of new ADRs in exchange for the deposit of Ordinary Shares until further notice. Therefore, holders of Ordinary Shares cannot currently convert their Ordinary Shares into ADRs. The Depository will however convert existing ADRs into Ordinary Shares at the request of the holders of such ADRs. The Company in 2002 implemented additional measures to restrict the ability of non-EU nationals to purchase Ordinary Shares. As a result, non-EU nationals are currently effectively barred from purchasing Ordinary Shares. See "Item 10. Additional Information—Limitations on Share Ownership by Non-EU Nationals" for additional information.

The Company, at its AGM and EGM of the Shareholders, has, in recent years, passed a special resolution permitting the Company to engage in Ordinary Share buyback programs subject to certain limits noted below. Since June 2007 (when the Company engaged in its first Ordinary Share buyback program) the Company has repurchased the following Ordinary Shares:

Year ended March 31,	No. of shares (m)	Approx. cost (€m)
2009-2017	276.0	2,555.8
2018	46.7	829.1
2019	37.8	560.5
2020	47.2	580.5
2021	–	–
Period through July 23, 2021	–	–
Total	<u>407.7</u>	<u>4,525.9</u>

At an EGM of Shareholders held on April 19, 2012, the Company obtained a new repurchase authority which enables the Company to repurchase the Company's ADRs which are traded on NASDAQ. Any ADRs purchased are converted to Ordinary Shares by the Company's brokers for subsequent repurchase and cancellation by the Company.

As of June 30, 2021, the total number of options over Ordinary Shares outstanding under the Company's Option Plan 2013 was 29.2m, representing 2.6% of the Company's issued share capital at that date. As of June 30, 2021, the total number of conditional share awards outstanding under the Company's LTIP 2019 was 0.6m, representing 0.0% of the Company's issued share capital at that date.

Item 10. Additional Information

DESCRIPTION OF CAPITAL STOCK

Ryanair Holdings' capital stock consists of Ordinary Shares, each having a par value of 0.600 euro cent. As of March 31, 2021, a total of 1,128,062,028 Ordinary Shares were outstanding.

On February 26, 2007, Ryanair effected a 2-for-1 share split as a result of which each of its then existing Ordinary Shares, with a par value of 1.27 euro cent, was split into two new Ordinary Shares, with a par value of 0.635 euro. On October 27, 2015, the Company completed a capital reorganization which involved the consolidation of its ordinary share capital on a 39 for 40 basis which resulted in the reduction of ordinary shares in issue by 33.8m ordinary shares to 1,319.3m as at that date. The par value of an ordinary share was also reduced from 0.635 euro cent each to 0.600 euro each under the reorganization. All 'B' Shares and Deferred Shares issued in connection with the B scheme were either redeemed or cancelled during fiscal year 2016 such that there were no 'B' Shares or Deferred Shares remaining in issue as at March 31, 2016. Each Ordinary Share entitles the holder thereof to one vote in respect of any matter voted upon by Ryanair Holdings' shareholders.

OPTIONS TO PURCHASE SECURITIES FROM REGISTRANT OR SUBSIDIARIES

During fiscal year 2014, Ryanair Holdings' shareholders approved a stock option plan at the Company's 2013 AGM (referred to herein as "Option Plan 2013"), under which all employees and Directors were eligible to receive options. Grants of options were permitted to take place at the close of any of the ten years beginning with fiscal year 2014 (Option Plan 2013 was replaced by LTIP 2019 following shareholder approval at the 2019 AGM – see details below). Options are subject to a 5-year performance period. Under the rules of Option Plan 2013, no option is capable of being exercised after the eighth anniversary of the date of grant. The Remuneration Committee ("Remco") has discretion to determine the financial performance targets that must be met with respect to the financial year. Those targets relate directly to

the achievement of certain year-on-year growth targets in the Company's profit after tax ("PAT") figures for each of the financial years of the performance period and/or certain share price targets.

Under Option Plan 2013, 36 senior managers were granted 10m share options, in aggregate, at a strike price of €6.25 in July 2014. These options vested in May 2019 for Managers/Directors who continued to be employed at April 30, 2019. Further, 3.5m share options were granted, in aggregate, to Executive Officers (excluding Mr. O'Leary) at a strike price of €6.74 in October 2014. These options vested in July 2019. In November 2014, 5m options were granted to Mr. O'Leary as part of his 5-year employment contract. These options, which were granted at a strike price of €8.35, vested in July 2019. During fiscal year 2016, 30,000 options were granted to new Non-Executive Board members at a strike price of €11.38. These options vested in May 2019. During the fiscal year 2017, 34 managers (excluding the Executive Officers) were granted 3m share options, in aggregate, at a strike price of €12.00. These options were subject to certain targets in relation to PAT and/or share price and partially vested in March 2021. The balance will vest in March 2023, subject to performance conditions being met and the managers remaining in the Group's employment until March 31, 2023. During fiscal year 2018, 100,000 options were granted at a strike price of €17.55 to a new senior manager as part of their employment contract. These options vested in May 2018. During fiscal year 2019, 10m options were granted to Mr. O'Leary as part of his new 5-year contract as Group CEO. These options, which were granted at a strike price of €11.12, will only vest in their entirety if the Group's PAT doubles to exceed €2bn in any fiscal year up to, and including, fiscal year 2024 or, alternatively, the Company's share price is equal to or exceeds €21.00 for any 28 day calendar period between April 1, 2021 and March 31, 2024 and, subject to the exceptions provided for in the rules of Option Plan 2013, will only be available if Mr. O'Leary continues to be employed by the Group through July 31, 2024. Also, during fiscal year 2019, 102 managers and the 9 Non-Executive Board Members were granted 10m share options, in aggregate (of which a cumulative 450,000 relates to Non-Executive Directors), at a strike price of €11.12. These options have the same vesting conditions as Mr. O'Leary's fiscal year 2019 grant referred to above.

At the 2019 AGM, shareholders approved a new Long Term Incentive Plan ("LTIP 2019"), which replaces Option Plan 2013 for all future grants. The implementation of LTIP 2019 followed a review by Remco (with the assistance of Deloitte) of the Company's remuneration policy for senior employees and directors of the Company to ensure it continued to support the Company's strategic objectives and aligns with external views on executive compensation. Awards to employees under LTIP 2019 will ordinarily be in the form of performance-based shares ("conditional shares") with an upper limit on the market value of such conditional shares of 150% of base salary applicable in any year for an employee or Executive Director of the Group, with the possibility of up to 200% of base salary if the Board determines that exceptional circumstances exist. For flexibility, LTIP 2019 also includes the ability to make awards of share options, with the expectation that any such awards will be on an infrequent basis and will be principally focused on a small number of the Group's executive management team. Non-executive directors will not be eligible to receive share option or performance-based-share awards under LTIP 2019. LTIP 2019 also contains provisions for the issue of conditional shares to facilitate the recruitment of senior management. In aggregate, in any ten-year period, the number of shares which may be in issue under the LTIP 2019 (and Option Plan 2013) by the Company may not exceed 10% of the issued ordinary share capital of the Company from time to time. Remco has determined that Mr. O'Leary will not be eligible to participate in LTIP 2019 grants until after the vesting period for his 2019 share options grant has elapsed.

No share based remuneration was granted in fiscal year 2021. The aggregate of 29.2m Ordinary Shares that would be issuable upon exercise in full of the options that were outstanding as of June 30, 2021 under Option Plan 2013 represent approximately 2.6% of the issued share capital of Ryanair Holdings as of such date. Of such total, options in respect of an aggregate of 21.5m Ordinary Shares were held by the Directors and Executive Officers of Ryanair Holdings. For further information, see Notes 16 and 20 to the consolidated financial statements included herein.

In April 2021 (fiscal year 2022), as a management retention tool, Remco granted conditional shares (approximately 0.6m in aggregate) under LTIP 2019 to over 80 managers (excluding the Group CEO and Non-Executive Directors). The market value of such grants ranged between 20% and 100% of base salary for participants (at the lower

end of potential allocations due to Covid-19 disruptions at that date). These conditional shares have a 3-year vesting period, with a 2-year hold period for certain senior managers, and will only vest in their entirety if (i) the cumulative Group PAT (50% weighting) is €3,550m or higher over the 3-years ended March 31, 2024; (ii) Ryanair's Total Shareholder Return (30% weighting) outperforms a peer group including AirFrance/KLM, easyJet, IAG, Southwest Airlines & Wizz over the 3-years vesting period; (iii) ESG (20% weighting), if the Ryanair Group's CDP environmental protection score improves from "B-" rating (achieved in fiscal year 2021) to an "A-" or better rating over the 3-year vesting period; (iv) participants sign a 12-month non-compete clause; and (v) participants continue to be employed by the Ryanair Group through March 31, 2024. These grants include malus and clawback provisions.

ARTICLES OF ASSOCIATION

The following is a summary of certain provisions of the Articles of Association of Ryanair Holdings. This summary does not purport to be complete and is qualified in its entirety by reference to the complete text of the Articles.

Objects. Ryanair Holdings' objects, which are detailed in its Articles, are broad and include carrying on business as an investment and holding company. Ryanair Holdings' Irish company registration number is 249885.

Directors. Subject to certain exceptions, Directors may not vote on matters in which they have a material interest. The ordinary remuneration of the Directors is determined from time to time by ordinary resolutions of the shareholders. Any Director who holds any executive office, serves on any committee or otherwise performs services, which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine. The Directors may exercise all the powers of the Company to borrow money. The Directors are not required to retire at any particular age. There is no requirement for Directors to hold shares. The Articles of Association provide that one-third of the Directors (rounded down to the next whole number if it is a fractional number) retire and offer themselves for re-election at each annual general meeting of the Company. However, in compliance with the requirements of the U.K. Corporate Governance Code, all Directors retire and present themselves for re-election by the shareholders annually. All of the shareholders entitled to attend and vote at the annual general meeting of the Company may vote on the re-election of Directors.

Annual and General Meetings. Annual and extraordinary meetings are called upon 21 days' advance notice. All Ryanair shareholders who are entitled to attend, speak at and vote at general meetings of the Company may appoint proxies electronically to attend, speak, ask questions and vote on behalf of them at annual general meetings. All holders of Ordinary Shares are entitled to attend, speak at and vote at general meetings of the Company, subject to limitations described under "—Limitations on the Right to Own Shares" and "Item 10. Additional Information—Limitations on Share Ownership by Non-EU Nationals".

Rights, Preferences and Dividends Attaching to Shares. The Company has only three classes of shares, Ordinary Shares with a par value of 0.600 euro cent per share, B Shares with a nominal value of 0.050 cent per share and Deferred Shares with a nominal value of 0.050 cent per share. The B Shares and the Deferred Shares were created at an EGM of the Company held on October 22, 2015 in connection with a return of value to shareholders arising from the sale of the Company's shareholding in Aer Lingus plc, and no such shares remain in issue. Accordingly, the Ordinary Shares currently represent the only class of shares in issue and rank equally with respect to payment of dividends and on any winding-up of the Company. Any dividend, interest or other sum payable to a shareholder that remains unclaimed for one year after having been declared may be invested by the Directors for the benefit of the Company until claimed. If the Directors so resolve, any dividend which has remained unclaimed for 12 years from the date of its declaration shall be forfeited and cease to remain owing by the Company. The Company is permitted under its Articles to issue redeemable shares on such terms and in such manner as the Company may, by special resolution, determine. The Ordinary Shares currently in issue are not redeemable. The liability of shareholders to invest additional capital is limited to the amounts remaining unpaid on the shares held by them. There are no sinking fund provisions in the Articles of the Company.

Action Necessary to Change the Rights of Shareholders. The rights attaching to shares in the Company may be varied by special resolutions passed at meetings of the shareholders of the Company.

Limitations on the Rights to Own Shares. The Articles contain detailed provisions enabling the Directors of the Company to limit the number of shares in which non-EU nationals have an interest or the exercise by non-EU nationals of rights attaching to shares. See “—Limitations on Share Ownership by Non-EU Nationals” below. Such powers may be exercised by the Directors if they are of the view that any license, consent, permit or privilege of the Company or any of its subsidiaries that enables it to operate an air service may be refused, withheld, suspended or revoked or have conditions attached to it that inhibit its exercise and the exercise of the powers referred to above could prevent such an occurrence. The exercise of such powers could result in non-EU holders of shares being prevented from attending, speaking or voting at general meetings of the Company and/or being required to dispose of shares held by them to EU nationals.

Disclosure of Share Ownership. Under Irish law, the Company can require parties to disclose their interests in shares. The Articles of the Company provide that the Directors will not register any person as a holder of shares unless such person has completed a declaration indicating his/her nationality and the nature and extent of any interest which he/she holds in Ordinary Shares. See, also “—Limitations on Share Ownership by non-EU nationals” below. Under Irish law, if a party acquires or disposes of Ordinary Shares so as to bring his interest above or below 3% of the total voting rights of the Company, and every whole percentage thereafter up to 100%, he must notify the Company and the Central Bank of Ireland of that. The Company must disclose any notification it receives through the regulatory announcement service of Euronext Dublin. Such notifications should also be filed by the party with the U.K. Financial Conduct Authority (the “FCA”), using the form and filing portal available on the FCA’s website, and passed on to the Company. The Company must disclose any notification it receives through an approved announcement service in the U.K., such the Regulatory News Service of the London Stock Exchange.

Other Provisions of the Articles of Association. There are no provisions in the Articles:

- (i) delaying or prohibiting a change in the control of the Company, but which operate only with respect to a merger, acquisition or corporate restructuring;
- (ii) discriminating against any existing or prospective holder of shares as a result of such shareholder owning a substantial number of shares; or
- (iii) governing changes in capital,

in each case, where such provisions are more stringent than those required by law.

MATERIAL CONTRACTS

In September 2014, the Group entered into an agreement with The Boeing Company to purchase up to 200 Boeing 737-8200 aircraft (100 firm orders and 100 aircraft subject to option), over a five year period originally due to commence in fiscal year 2020 (the “2014 Boeing Contract”). This agreement was approved by shareholders at an EGM of the Company on November 28, 2014. Subsequently, the Group agreed to purchase an additional 10 Boeing 737-8200 aircraft bringing the total number of Boeing 737-8200 aircraft on order to 210 (assuming all options are exercised). In April 2018, the Company announced that it had converted 25 Boeing 737-8200 options into firm orders bringing the Company’s firm order to 135 Boeing 737-8200s with a further 75 options remaining. In December 2020, Ryanair increased its firm orders from 135 to 210 aircraft. The value of the 210 Boeing 737-8200 aircraft under the 2014 Boeing Contract is approximately U.S. \$9.6bn at standard list price of U.S. \$102.5m per aircraft (net of basic credits and

reflective of price escalation over the originally scheduled delivery timeframe). The first Boeing 737-8200 aircraft was delivered to Ryanair in June 2021.

EXCHANGE CONTROLS

Except as indicated below, there are no restrictions on non-residents of Ireland dealing in Irish securities (including shares or depositary receipts of Irish companies such as the Company). Dividends and redemption proceeds also continue to be freely transferable to non-resident holders of such securities.

Under the Financial Transfers Act 1992 (the "1992 Act"), the Minister for Finance of Ireland may make provision for the restriction of financial transfers between Ireland and other countries. Financial transfers are broadly defined, and the acquisition or disposal of the ADRs, which represent shares issued by an Irish incorporated company, the acquisition or the disposal of Ordinary Shares and associated payments may fall within this definition. Dividends or payments on the redemption or purchase of shares and payments on the liquidation of an Irish-incorporated company would fall within this definition.

The 1992 Act and underlying EU regulations prohibit financial transfers involving President Lukashenko, the Belarusian leadership and certain other officials of Belarus, certain persons and entities associated with the now deceased Osama Bin Laden, the Al-Qaeda network and the Taliban of Afghanistan, certain persons, entities and activities in Afghanistan, Burma (Myanmar), Burundi, the Democratic Republic of Congo, China (relating to human rights violations of the Uyghur people), the Republic of Guinea, the Democratic People's Republic of Korea (North Korea), Iraq, Libya, Lebanon, Mali, Nicaragua, Pakistan, Palestinian Territory, Russia, Sudan, South Sudan, Somalia, Tunisia, Venezuela, Yemen, Zimbabwe, Syria, Iran, Ukraine, the Republic of Guinea-Bissau and certain known terrorists and terrorist groups, and countries that harbor certain terrorist groups, including the Albanian branch of Al-Haramain, and Boko Haram in Nigeria without the prior permission of the Central Bank of Ireland.

Any transfer of, or payment in respect of, an ADS involving the government of any country that is currently the subject of United Nations sanctions, any person or body controlled by any of the foregoing, or any person acting on behalf of the foregoing, may be subject to restrictions pursuant to such sanctions as implemented into Irish law. The Company does not anticipate that Irish exchange controls or orders under the 1992 Act or United Nations sanctions implemented into Irish law will have a material effect on its business.

LIMITATIONS ON SHARE OWNERSHIP BY NON-EU NATIONALS

The Board of Directors of Ryanair Holdings is given certain powers under the Articles to take action to ensure that the number of Ordinary Shares held in Ryanair Holdings by non-EU nationals does not reach a level which could jeopardize the Company's entitlement to continue to hold or enjoy the benefit of any license, permit, consent or privilege which it holds or enjoys and which enables it to carry on business as an air carrier (a "License"). In particular, EU Regulation 1008/2008 requires that, in order to obtain and retain an operating license, an EU air carrier must be majority-owned and effectively controlled by EU nationals. As described below, the Directors from time to time set a "Permitted Maximum" on the number of Ordinary Shares that may be owned by non-EU nationals at such level as they believe will comply with EU law. The Permitted Maximum is currently set at 49.9%.

In accordance with its Articles, Ryanair Holdings maintains a separate register (the "Separate Register") of Ordinary Shares in which non-EU nationals, whether individuals, bodies corporate or other entities, have an interest (such shares are referred to as "Affected Shares" in the Articles). Interest in this context is widely defined and includes any interest held through ADRs, through Belgian law rights in the Euroclear Bank settlement system, or through CREST Depositary Interests, in each case in the Ordinary Shares of Ryanair Holdings underlying the relevant ADRs, Belgian law rights or CREST Depositary Interests. The Directors can require relevant parties to provide them with information to

enable a determination to be made by the Directors as to whether Ordinary Shares are, or are to be treated as, Affected Shares. If such information is not available or forthcoming or is unsatisfactory then the Directors can, at their discretion, determine that Ordinary Shares are to be treated as Affected Shares. Registered holders of Ordinary Shares are also obliged to notify the Company if they are aware that any Ordinary Share which they hold ought to be treated as an Affected Share for this purpose. With regard to ADRs, the Directors can treat all of the relevant underlying shares as Affected Shares unless satisfactory evidence as to why they should not be so treated is forthcoming.

In the event that, inter alia, (i) the refusal, withholding, suspension or revocation of any License or the imposition of any condition which materially inhibits the exercise of any License (an "Intervening Act") has taken place, (ii) the Company (or any subsidiary) receives a notice or direction from any governmental body or any other body which regulates the provision of air transport services to the effect that an Intervening Act is imminent, threatened or intended, (iii) an Intervening Act may occur as a consequence of the level of non-EU ownership of Ordinary Shares or (iv) an Intervening Act is imminent, threatened or intended because of the manner of share ownership or control of Ryanair Holdings generally, the Directors can take action pursuant to the Articles to deal with the situation. They can, inter alia, (i) remove any Directors or change the chairman of the Board of Directors, (ii) identify those Ordinary Shares, ADRs or Affected Shares which give rise to the need to take action and treat such Ordinary Shares, ADRs, or Affected Shares as Restricted Shares (see below) or (iii) set a "Permitted Maximum" on the number of Affected Shares which may subsist at any time (which may not, save in the circumstances referred to below, be lower than 40% of the total number of issued shares) and treat any Affected Shares (or ADRs representing such Affected Shares) in excess of this Permitted Maximum as Restricted Shares (see below).

In addition to the above, if as a consequence of a change of law or a direction, notice or requirement of any state, authority or person it is necessary to reduce the total number of Affected Shares below 40% or reduce the number of Affected Shares held by any particular shareholder or shareholders in order to overcome, prevent or avoid an Intervening Act, the Directors may resolve to (i) set the Permitted Maximum at such level below 40% as they consider necessary in order to overcome, prevent or avoid such Intervening Act, and/or (ii) treat such number of Affected Shares (or ADRs representing Affected Shares) held by any particular shareholder or shareholders as they consider necessary (which could include all of such Affected Shares or ADRs) as Restricted Shares (see below). The Directors may serve a Restricted Share Notice in respect of any Affected Share, or any ADR representing any ADS, which is to be treated as a Restricted Share. Holders of Restricted Shares may be deprived of the rights to attend, vote and speak at general meetings, which they would otherwise have as a consequence of holding such Ordinary Shares or ADRs. Holders of Restricted Shares may also be required to dispose of the Ordinary Shares or ADRs concerned to an EU national (so that the relevant shares (or shares underlying the relevant ADRs) will then cease to be Affected Shares) within 21 days or such longer period as the Directors may determine. The Directors are also given the power to transfer such Restricted Shares, themselves, in cases of non-compliance with the Restricted Share Notice.

To enable the Directors to identify Affected Shares, transferees of Ordinary Shares are generally required to provide a declaration as to the nationality of persons having interests in those shares. Shareholders are also obliged to notify Ryanair Holdings if they are aware that any shares, which they hold, ought to be treated as Affected Shares for this purpose. Purchasers or transferees of ADRs need not complete a nationality declaration because the Directors automatically treat all of the Ordinary Shares held by the Depositary as Affected Shares. ADS holders must open ADR accounts directly with the Depositary if they wish to provide to Ryanair Holdings nationality declarations (or such other evidence as the Directors may require) in order to establish to the Directors' satisfaction that the Ordinary Shares underlying such holder's ADRs are not Affected Shares. Holders of interests in Ordinary Shares through Belgian law rights in the Euroclear system or CREST Depositary Interests in the CREST system must complete a nationality declaration in accordance with the processes and procedures of Euroclear Bank and Euroclear U.K. & Ireland respectively.

In deciding which Affected Shares are to be selected as Restricted Shares, the Directors may take into account which Affected Shares have given rise to the necessity to take action. Subject to that they will, insofar as practicable, firstly view as Restricted Shares those Affected Shares in respect of which no declaration as to whether or not such shares are Affected Shares has been made by the holder thereof and where information which has been requested by the Directors in accordance with the Articles has not been provided within specified time periods and, secondly, have regard to the chronological order in which details of Affected Shares have been entered in the Separate Register and, accordingly, treat the most recently registered Affected Shares as Restricted Shares to the extent necessary. Transfers of Affected Shares to Affiliates (as that expression is defined in the Articles) will not affect the chronological order of entry in the Separate Register for this purpose. The Directors do however have the discretion to apply another basis of selection if, in their sole opinion, that would be more equitable. Where the Directors have resolved to treat Affected Shares held by any particular shareholder or shareholders as Restricted Shares (i) because such Affected Shares have given rise to the need to take such action or (ii) because of a change of law or a requirement or direction of a regulatory authority necessitating such action (see above), such powers may be exercised irrespective of the date upon which such Affected Shares were entered in the Separate Register.

The Permitted Maximum is currently set at 49.9%. This maximum level can be reduced at any time if it becomes necessary for the Directors to exercise their powers in the circumstances described above. The decision to make any such reduction or to change the Permitted Maximum from time to time will be published in at least one national newspaper in Ireland and in any country in which the Ordinary Shares or ADRs are listed. The relevant notice will specify the provisions of the Articles that apply to Restricted Shares and the name of the person or persons who will answer queries relating to Restricted Shares on behalf of Ryanair Holdings. The Directors shall publish information as to the number of shares held by EU nationals annually.

In an effort to increase the percentage of its share capital held by EU nationals, on June 26, 2001, Ryanair Holdings instructed the Depositary to suspend the issuance of new ADSs in exchange for the deposit of Ordinary Shares until further notice to its shareholders. Holders of Ordinary Shares cannot convert their Ordinary Shares into ADRs during such suspension, and there can be no assurance that the suspension will ever be lifted.

As a further measure to increase the percentage of Ordinary Shares held by EU nationals, on February 7, 2002, the Company issued a notice to shareholders to the effect that any purchase of interests in Ordinary Shares by a non-EU national after such date will immediately result in the issue of a Restricted Share Notice to such non-EU national purchaser. The Restricted Share Notice compels the non-EU national purchaser to sell the interests in Affected Shares to an EU national within 21 days of the date of issuance. In the event that any such non-EU national shareholder does not sell its interests in Ordinary Shares to an EU national within the specified time period, the Company can then compel such a sale. As a result, non-EU nationals are effectively barred from purchasing Ordinary Shares for as long as these restrictions remain in place. There can be no assurance that these restrictions will ever be lifted.

As an additional measure to manage the Company's EU nationality requirements, at the EGM held on April 19, 2012 the Company obtained a repurchase authority to enable the repurchase of ADRs for up to 5% of the issued share capital of the Company traded on the NASDAQ. This authority (which in 2017 was increased to 10% of the issued share capital of the Company traded on the NASDAQ) was renewed at each subsequent Annual General Meeting up to and including the September 2020 meeting.

In order to protect the Company's operating license and ensure that the Company (and its subsidiary EU airlines) remain majority EU owned and controlled in the event of a no-deal or "hard" Brexit, on March 8, 2019 the Board resolved that with effect from the date on which U.K. nationals cease to qualify as nationals of Member States for the purposes of Article 4 of EU Regulation 1008/2008 all Ordinary Shares and Depositary Shares held by or on behalf of non-EU (including U.K.) shareholders would be treated as Restricted Shares.

In anticipation of the end of the Brexit transition period on December 31, 2020, on December 29, 2020 the Company announced that, with effect from January 1, 2021 U.K. nationals would cease to qualify as EU nationals and in accordance with the resolutions passed by the Board of the Company on March 8, 2019 all Ordinary Shares and Depositary Shares held by or on behalf of non-EU nationals (including U.K. nationals) would be treated as “Restricted Shares” (within the meaning of the Articles of Association). Restricted Share Notices were issued to the registered holder(s) of each Restricted Share specifying that the holder(s) of such shares are not entitled to attend, speak or vote at any general meeting of the Company for so long as those shares are treated as Restricted Shares pursuant to Article 41(J)(i) of the Articles of Association. U.K. nationals are not required to dispose of Ordinary Shares which they purchased prior to January 1, 2021.

In January 2021, the Company published a notice in the Financial Times, the Irish Times and the Wall Street Journal to again notify and confirm to shareholders that with effect from January 1, 2021 U.K. nationals ceased to qualify as EU nationals and in accordance with the resolutions passed by the Board of the Company on March 8, 2019, all Ordinary Shares and Depositary Shares held by or on behalf of non-EU nationals (including U.K. nationals) are treated as “Restricted Shares” (within the meaning of the Articles of Association).

Notwithstanding the powers vested in the chairman of general meetings of the Company pursuant to Article 41(J)(i) of the Articles of Association, the chairman will not vote any Restricted Shares at any meeting of the Company.

Concerns about the foreign ownership restrictions described above could result in the exclusion of Ryanair from certain stock tracking indices. Any such exclusion may adversely affect the market price of the Ordinary Shares and ADRs. See also “Item 3. Key Information—Risk Factors—Risks Related to Ownership of the Company’s Ordinary Shares or ADRs—EU Rules Impose Restrictions on the Ownership of Ryanair Holdings’ Ordinary Shares by Non-EU Nationals and the Company has Applied a Ban on the Purchase of Ordinary Shares by Non-EU Nationals since 2002” above.

As a result of the measures introduced by the Company at the beginning of 2021 to protect the Group’s operating licenses under EU Regulation 1008/2008 following Brexit, as at March 31, 2021, EU nationals owned 100% of the Ryanair Holdings’ Ordinary Shares with voting rights and approximately 32% of the Ryanair Holdings’ Ordinary Shares with economic rights (in each case assuming conversion of all outstanding ADRs into Ordinary Shares)

TAXATION

Irish Tax Considerations

The following is a discussion of certain Irish tax consequences of the purchase, ownership and disposition of Ordinary Shares or ADRs. This discussion is based upon tax laws and practice of Ireland at the date of this document, which are subject to change, possibly with retroactive effect. Particular rules may apply to certain classes of taxpayers (such as dealers in securities) and this discussion does not purport to deal with the tax consequences of purchase, ownership or disposition of the relevant securities for all categories of investors.

The discussion is intended only as a general guide based on current Irish law and practice and is not intended to be, nor should it be considered to be, legal or tax advice to any particular investor or stockholder. Accordingly, current stockholders or potential investors should satisfy themselves as to the overall tax consequences by consulting their own tax advisers.

Dividends. If Ryanair Holdings pays dividends or makes other relevant distributions, the following is relevant:

Withholding Tax. Unless exempted, a withholding (currently 25%) will apply to dividends or other relevant distributions paid by an Irish resident company. The withholding tax requirement will not apply to distributions paid to

certain categories of Irish resident stockholders or to distributions paid to certain categories of non-resident stockholders.

The following Irish resident stockholders, inter-alia, are exempt from withholding if they make to the Company, in advance of payment of any relevant distribution, an appropriate declaration of entitlement to exemption:

- Irish resident companies;
- Pension schemes approved by the Irish Revenue Commissioners (“Irish Revenue”);
- Qualifying fund managers or qualifying savings managers in relation to approved retirement funds (“ARF”s) or approved minimum retirement funds (“AMRF”s);
- Personal Retirement Savings Account (“PRSA”) administrators who receive the relevant distribution as income arising in respect of PRSA assets;
- Qualifying employee share ownership trusts;
- Collective investment undertakings;
- Tax-exempt charities;
- Designated brokers receiving the distribution for special portfolio investment accounts;
- Any person who is entitled to exemption from income tax under Schedule F on dividends in respect of an investment in whole or in part of payments received in respect of a civil action or from the Personal Injuries Assessment Board for damages in respect of mental or physical infirmity;
- Certain qualifying trusts established for the benefit of an incapacitated individual and/or persons in receipt of income from such a qualifying trust;
- Any person entitled to exemption to income tax under Schedule F by virtue of Section 192(2) Taxes Consolidation Act (“TCA”) 1997;
- Unit trusts to which Section 731(5)(a) TCA 1997 applies; and
- Certain Irish Revenue-approved amateur and athletic sport bodies.

The following non-resident stockholders are exempt from withholding if they make to the Company, in advance of payment of any dividend, an appropriate declaration of entitlement to exemption:

- Persons (other than a company) who (i) are neither resident nor ordinarily resident in Ireland and (ii) are resident for tax purposes in (a) a country which has signed a Double Taxation Agreement with Ireland (a “tax treaty country”) or (b) an EU member state other than Ireland;
- Companies not resident in Ireland which are resident in an EU member state or a tax treaty country, by virtue of the law of an EU member state or a tax treaty country and are not controlled, directly or indirectly, by an Irish resident or Irish residents;

- Companies not resident in Ireland which are directly or indirectly controlled by a person or persons who are, by virtue of the law of a tax treaty country or an EU member state, resident for tax purposes in a tax treaty country or an EU member state other than Ireland and which are not controlled directly or indirectly by persons who are not resident for tax purposes in a tax treaty country or EU member state;
- Companies not resident in Ireland the principal class of shares of which is substantially and regularly traded on a recognized stock exchange in a tax treaty country or an EU member state including Ireland or on an approved stock exchange; or
- Companies not resident in Ireland that are 75% subsidiaries of a single company, or are wholly-owned by two or more companies, in either case the principal classes of shares of which is or are substantially and regularly traded on a recognized stock exchange in a tax treaty country or an EU member state including Ireland or on an approved stock exchange.

In the case of an individual non-resident stockholder resident in an EU member state or tax treaty country, the declaration must be accompanied by a current certificate of tax residence from the tax authorities in the stockholder's country of residence. In the case of both an individual and corporate non-resident stockholder resident in an EU member state or tax treaty country, the declaration also must contain an undertaking by the individual or corporate non-resident stockholder that he, she or it will advise the Company accordingly if he, she or it ceases to meet the conditions to be entitled to the DWT exemption. No declaration is required if the stockholder is a 5% parent company in another EU member state in accordance with section 831 TCA 1997. Neither is a declaration required on the payment by a company resident in Ireland to another company so resident if the Company making the dividend is a 51% subsidiary of that other company.

The Irish Department of Finance had sought to introduce a Dividend Withholding Tax Real-Time Reporting system from January 1, 2021. Under this system, Irish resident companies would be required to obtain tax reference numbers from shareholders in advance of making a distribution. A public consultation process between stakeholders, shareholders and representative bodies with the Irish Revenue Commissioners ran between October 2019 and March 2020, the outcomes of which are to be published in due course. One of the main areas of concern raised was in regards the impracticality of managing such a system in respect of listed companies who have a large and diverse base of international investors. In May 2020, having regard to the scale of the challenge facing the industry in preparing for the transfer of the Irish equities market to a new settlement system by March 2021, and business challenges and disruption caused by the Covid-19 pandemic, the Irish Revenue Commissioners postponed the planned introduction of the Real-Time Reporting System from January 1, 2021 until an undefined later date.

American Depositary Receipts. Special arrangements with regard to the dividend withholding tax obligation apply in the case of Irish companies using ADRs through U.S. depository banks that have been authorized by the Irish Revenue. Such banks, which receive dividends from the Company and pass them on to the U.S. ADR holders beneficially entitled to such dividends, will be allowed to receive and pass on the gross dividends (i.e. before withholding) based on an "address system" where the recorded addresses of such holder, as listed in the depository bank's register of depository receipts, is in the United States.

Taxation on Dividends. Companies resident in Ireland other than those taxable on receipt of dividends as trading income are exempt from corporation tax on distributions received on Ordinary Shares from other Irish resident companies. Stockholders that are "close" companies for Irish taxation purposes may, however, be subject to a 20% corporation tax surcharge on undistributed investment income.

Individual stockholders who are resident or ordinarily resident in Ireland are subject to income tax on the gross dividend at their marginal tax rate but are entitled to a credit for the tax withheld by the Company paying the dividend.

The dividend will also be subject to the universal social charge. An individual stockholder who is not liable or not fully liable for income tax by reason of exemption or otherwise may be entitled to receive an appropriate refund of tax withheld. A charge to Irish social security taxes can also arise for such individuals on the amount of any dividend received from the Company.

Except in certain circumstances, a person who is neither resident nor ordinarily resident in Ireland and is entitled to receive dividends without deductions is not liable for Irish tax on the dividends. Where a person who is neither resident nor ordinarily resident in Ireland is subject to withholding tax on the dividend received due to not benefiting from any exemption from such withholding, the amount of that withholding will generally satisfy such person's liability for Irish tax, however individual shareholders should confirm this with their own tax adviser.

Capital Gains Tax. A person who is either resident or ordinarily resident in Ireland will generally be liable for Irish capital gains tax on any gain realized on the disposal of the Ordinary Shares or ADRs. The current capital gains tax rate is 33%. A person who is neither resident nor ordinarily resident in Ireland and who does not carry on a trade in Ireland through a branch or agency will not be subject to Irish capital gains tax on the disposal of the Ordinary Shares or ADRs.

Irish Capital Acquisitions Tax. A gift or inheritance of the Ordinary Shares or ADRs will be within the charge to Irish Capital Acquisitions Tax ("CAT") notwithstanding that the donor or the donee/successor in relation to such gift or inheritance is resident outside Ireland. CAT is charged at a rate of 33% above a tax-free threshold. This tax-free threshold is determined by the amount of the current benefit and of previous benefits taken since December 5, 1991, as relevant, within the charge to CAT and the relationship between the donor and the successor or donee. Gifts and inheritances between spouses (and in certain cases former spouses) are not subject to CAT.

In a case where an inheritance or gift of the Ordinary Shares or ADRs is subject to both Irish CAT and foreign tax of a similar character, the foreign tax paid may in certain circumstances be credited in whole or in part against the Irish tax.

Irish Stamp Duty. It is assumed for the purposes of this paragraph that ADRs are dealt in on a recognized stock exchange in the United States (NASDAQ is a recognized stock exchange in the United States for this purpose). Under current Irish law, no stamp duty will be payable on the acquisition of ADRs by persons purchasing such ADRs or on any subsequent transfer of ADRs. A transfer of Ordinary Shares (including transfers effected through Euroclear UK & Ireland Limited) wherever executed and whether on sale, in contemplation of a sale or by way of a gift, will be subject to duty at the rate of 1% of the consideration given or, in the case of a gift or if the purchase price is inadequate or unascertainable, on the market value of the Ordinary Shares. Transfers of Ordinary Shares that are not liable for duty at the rate of 1% (e.g., transfers under which there is no change in beneficial ownership) may be subject to a fixed duty of €12.50.

The Irish Revenue treats a conversion of Ordinary Shares to ADRs made in contemplation of a sale or a change in beneficial ownership (under Irish law) as an event subject to stamp duty at a rate of 1%. The Irish Revenue has indicated that a re-conversion of ADRs to Ordinary Shares made in contemplation of a sale or a change in beneficial ownership (under Irish law) will not be subject to a stamp duty. However, the subsequent sale of the re-converted Ordinary Shares may give rise to Irish stamp duty at the 1% rate. If the transfer of the Ordinary Shares is a transfer under which there is no change in the beneficial ownership (under Irish law) of the Ordinary Shares being transferred, nominal stamp duty only may be payable on the transfer. Under Irish law, it is not clear whether the mere deposit of Ordinary Shares for ADRs or ADRs for Ordinary Shares would be deemed to constitute a change in beneficial ownership. Accordingly, it is possible that holders would be subject to stamp duty at the 1% rate when merely depositing Ordinary Shares for ADRs or ADRs for Ordinary Shares and, consequently, the Depository reserves the right in such circumstances to require payment of stamp duty at the rate of 1% from the holders.

The person accountable for payment of stamp duty is the transferee or, in the case of a transfer by way of a gift or for a consideration less than the market value, all parties to the transfer. Stamp duty is normally payable within 30

days after the date of execution of the transfer. Late or inadequate payment of stamp duty will result in liability for interest, penalties and fines.

United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of Ordinary Shares or ADRs by a beneficial owner of the Ordinary Shares or ADRs who is a citizen or resident of the United States, a U.S. domestic corporation or otherwise subject to U.S. federal income tax on a net income basis in respect of the Ordinary Shares or the ADRs (a "U.S. Holder"). This summary does not purport to be tax advice or a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, hold, or dispose of the Ordinary Shares or the ADRs. In particular, the summary deals only with U.S. Holders that will hold Ordinary Shares or ADRs as capital assets and generally does not address the tax treatment of U.S. Holders that may be subject to special tax rules such as banks, regulated investment companies, insurance companies, tax-exempt organizations dealers in securities or currencies, partnerships or partners therein, entities subject to the branch profits tax, traders in securities electing to mark to market, persons that own 10% or more of the stock of the Company (measured by vote or value), persons whose "functional currency" is not U.S. dollars or persons that hold the Ordinary Shares or the ADRs as a synthetic security or as part of an integrated investment (including a "straddle" or hedge) consisting of the Ordinary Shares or the ADRs and one or more other positions. Moreover, this summary does not address state, local or foreign taxes, the U.S. federal estate and gift taxes, the Medicare contribution tax on net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of Ordinary Shares or ADSs.

This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), its legislative history, existing and proposed regulations promulgated thereunder, published rulings and court decisions, all as currently in effect. These authorities are subject to change, possibly on a retroactive basis. In addition, this summary assumes the deposit agreement, and all other related agreements, will be performed in accordance with their terms.

Holders of the Ordinary Shares or the ADRs should consult their own tax advisors as to the U.S. or other tax consequences of the purchase, ownership, and disposition of the Ordinary Shares or the ADRs in light of their particular circumstances, including, in particular, the effect of any foreign, state or local tax laws.

For U.S. federal income tax purposes, holders of the ADRs generally will be treated as the beneficial owners of the Ordinary Shares represented by those ADRs.

Taxation of Dividends

The gross amount of any dividends (including any amount withheld in respect of Irish taxes) paid with respect to the Ordinary Shares, including Ordinary Shares represented by ADRs, will generally be includible in the taxable income of a U.S. Holder when the dividends are received by the holder, in the case of Ordinary Shares, or when received by the Depositary, in the case of ADRs. Such dividends will not be eligible for the "dividends received" deduction allowed to U.S. corporations in respect of dividends from a domestic corporation. Dividends paid in euro generally should be included in the income of a U.S. Holder in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day they are received by the holder, in the case of Ordinary Shares, or the Depositary, in the case of ADRs. U.S. Holders generally should not be required to recognize any foreign currency gain or loss to the extent such dividends paid in euro are converted into U.S. dollars immediately upon receipt.

Subject to certain exceptions for short-term and hedged positions, the U.S. dollar amount of dividends received by an individual with respect to the Ordinary Shares or ADRs will be taxable at the preferential rates for "qualified dividends" if (i) the Company is eligible for the benefits of a comprehensive income tax treaty with the United States that the Internal Revenue Service ("IRS") has approved for the purposes of the qualified dividend rules and (ii) the Company

was not, in the year prior to the year in which the dividend is paid, and is not, in the year in which the dividend is paid, a passive foreign investment company (a "PFIC"). The Convention between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, dated as of July 28, 1999 (the "U.S.-Ireland Income Tax Treaty") has been approved for the purposes of the qualified dividend rules. Based on the Company's audited financial statements and relevant market data, the Company believes that it was not treated as a PFIC for U.S. federal income tax purposes with respect to its 2020 and 2021 taxable years. In addition, based on the Company's audited financial statements and its current expectations regarding the value and nature of its assets, the sources and nature of its income, and relevant market data, the Company does not anticipate becoming a PFIC for its 2022 taxable year.

Dividends received by U.S. Holders generally will constitute foreign source and "passive category" income for U.S. foreign tax credit purposes. Subject to limitations under U.S. federal income tax law concerning credits or deductions for foreign taxes, any Irish taxes withheld at the appropriate rate from cash dividends on the Ordinary Shares or ADRs may be treated as a foreign income tax eligible for credit against a U.S. Holder's U.S. federal income tax liability (or at a U.S. Holder's election, may be deducted in computing taxable income if the U.S. Holder has elected to deduct all foreign income taxes for the taxable year). The rules with respect to foreign tax credits are complex and U.S. Holders should consult their own tax advisors concerning the implications of these rules in light of their particular circumstances.

Distributions of Ordinary Shares that are made as part of a *pro rata* distribution to all stockholders generally should not be subject to U.S. federal income tax, unless the U.S. Holder has the right to receive cash or property instead, in which case the U.S. Holder will be treated as if it received cash equal to the fair market value of the distribution.

Taxation of Capital Gains

Upon a sale or other disposition of the Ordinary Shares or ADRs, U.S. Holders will recognize a gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the U.S. dollar value of the amount realized on the disposition and the U.S. Holder's tax basis, determined in U.S. dollars, in the Ordinary Shares or ADRs. Generally, such gains or losses will be capital gains or losses, and will be long-term capital gains or losses if the Ordinary Shares or ADRs have been held for more than one year. Short-term capital gains are subject to U.S. federal income taxation at ordinary income rates, while long-term capital gains realized by a U.S. Holder that is an individual generally are subject to taxation at preferential rates. Gains realized by a U.S. Holder generally should constitute income from sources within the United States for foreign tax credit purposes and generally should constitute "passive category" income for such purposes. The deductibility of capital losses, in excess of capital gains, is subject to limitations.

Deposits and withdrawals of Ordinary Shares by U.S. Holders in exchange for ADRs should not result in the realization of gain or loss for U.S. federal income tax purposes.

Foreign Financial Asset Reporting

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.\$50,000 on the last day of the taxable year or U.S.\$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. The understatement of income attributable to "specified foreign financial assets" in excess of U.S.\$5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. U.S. Holders who fail to report the required information could be subject to substantial penalties. Holders are encouraged to consult with their own tax advisors regarding the possible application of these rules, including the application of the rules to their particular circumstances.

Information Reporting and Backup Withholding

Dividends paid on, and proceeds from, the sale or other disposition of the Ordinary Shares or ADRs that are made within the United States or through certain U.S. related financial intermediaries generally will be subject to information reporting and may also be subject to backup withholding unless the holder (i) provides a correct taxpayer identification number and certifies that it is not subject to backup withholding or (ii) otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld may be allowed as a refund or credit against a U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

DOCUMENTS ON DISPLAY

Copies of Ryanair Holdings' Articles may be examined at its registered office and principal place of business at Dublin Office, Airside Business Park, Swords, County Dublin, K67 NY94, Ireland and are also available on the Ryanair website.

Ryanair Holdings also files reports, including Annual Reports on Form 20-F, periodic reports on Form 6-K and other information, with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. You may read and copy any materials filed with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

Item 11. *Quantitative and Qualitative Disclosures About Market Risk*

GENERAL

Ryanair is exposed to market risks relating to fluctuations in commodity prices, interest rates and currency exchange rates. The objective of financial risk management at Ryanair is to minimize the negative impact of commodity price, interest rate and foreign exchange rate fluctuations on the Company's earnings, cash flows and equity.

To manage these risks, Ryanair uses various derivative financial instruments, including cross currency swaps, interest rate swaps, foreign currency forward contracts and commodity forwards. These derivative financial instruments are generally held to maturity and are not actively traded. The Company enters into these arrangements with the goal of hedging its operational and balance sheet risk. However, Ryanair's exposure to commodity price, interest rate and currency exchange rate fluctuations cannot be neutralized completely.

In executing its risk management strategy, Ryanair currently enters into forward contracts for the purchase of some of the jet fuel (jet kerosene) that it expects to use. It also uses foreign currency forward contracts intended to reduce its exposure to risks related to foreign currencies, principally the U.S. dollar. Furthermore, it enters into interest rate contracts with the objective of fixing certain borrowing costs and hedging principal repayments, particularly those associated with the purchase of new Boeing 737s. Ryanair is also exposed to the risk that the counterparties to its derivative financial instruments may not be creditworthy. If a counterparty was to default on its obligations under any of the instruments described below, Ryanair's economic expectations when entering into these arrangements might not be achieved and its financial condition could be adversely affected. Transactions involving derivative financial instruments are also relatively illiquid as compared with those involving other kinds of financial instruments. It is Ryanair's policy not to enter into transactions involving financial derivatives for speculative purposes.

The following paragraphs describe Ryanair's fuel hedging, foreign currency and interest rate swap arrangements and analyze the sensitivity of the market value, earnings and cash flows of the financial instruments to hypothetical changes in commodity prices, interest rates and exchange rates as if these changes had occurred at March 31, 2021. The range of changes selected for this sensitivity analysis reflects Ryanair's view of the changes that are reasonably possible over a one-year period.

FUEL PRICE EXPOSURE AND HEDGING

Fuel costs constitute a substantial portion of Ryanair's operating expenses (approximately 22% and 37% of such expenses in fiscal years 2021 and 2020, respectively). Ryanair engages in fuel price hedging transactions from time to time, pursuant to which Ryanair and a counterparty agree to exchange payments equal to the difference between a fixed price for a given quantity of jet fuel and the market price for such quantity of jet fuel at a given date in the future, with Ryanair receiving the amount of any excess of such market price over such fixed price and paying to the counterparty the amount of any deficit of such fixed price under such market price.

Ryanair has historically entered into arrangements providing for substantial protection against fluctuations in fuel prices, generally through forward contracts covering periods of up to 24 months of anticipated jet fuel requirements. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company's Results" for additional information on recent trends in fuel costs and the Company's related hedging activities, as well as certain associated risks. See also "Item 5. Operating and Financial Review and Prospects—Fiscal Year 2021 Compared with Fiscal Year 2020—Fuel and Oil." Prior to the Covid-19 related groundings in March 2020, Ryanair had entered into forward jet fuel (jet kerosene) contracts covering approximately 90% of its estimated requirements for the fiscal year ending March 31, 2021 at prices equivalent to approximately US\$606 per metric ton. Due to Covid-19 related groundings and reduced capacity in fiscal year 2021, the Company recorded a charge of €192m (net of a tax credit) to the fiscal year 2021 income statement due to the discontinuation of hedge accounting for jet fuel. As of July 2021, the Company had entered into forward jet fuel hedging contracts covering approximately 60% of its estimated requirements for the fiscal year 2022 and approximately 35% of its estimated requirements for the fiscal year 2023 at prices equivalent to approximately US\$545 and approximately US\$600 per metric ton respectively. The Company believes these hedges to be effective for hedge accounting purposes.

While these hedging strategies can cushion the impact on Ryanair of fuel price increases in the short term, in the medium to longer-term, such strategies cannot be expected to eliminate the impact on the Company of an increase in the market price of jet fuel. The unrealized losses or gains on outstanding forward agreements at March 31, 2021 and 2020, based on their fair values, amounted to a €20m loss and €1,228m loss (gross of tax), respectively. Based on Ryanair's fuel consumption for fiscal year 2021, a change of US\$1.00 in the average annual price per metric ton of jet fuel would have caused a change of approximately €0.8m in Ryanair's fuel costs. See "Item 3. Key Information—Risk Factors—Risks Related to the Company—Changes in Fuel Costs and Availability Affect the Company's Results."

Under IFRS, the Company's fuel forward contracts are treated as cash-flow hedges of forecast fuel purchases for risks arising from the commodity price of fuel. The contracts are recorded at fair value in the balance sheet and are re-measured to fair value at the end of each fiscal period through equity to the extent effective, with any ineffectiveness recorded through the income statement. In fiscal year 2021, the Company recorded a positive fair-value adjustment of €589m (net of tax), and in fiscal year 2020, the Company recorded a negative fair-value adjustment of €896m (net of tax) within accumulated other comprehensive income in respect of jet fuel forward contracts.

FOREIGN CURRENCY EXPOSURE AND HEDGING

In recent years, Ryanair's revenues have been denominated primarily in two currencies, the euro and the U.K. pound sterling. The euro and the U.K. pound sterling accounted for approximately 67% and 27%, respectively, of Ryanair's total revenues in fiscal year 2021 (2020: 66% and 24% respectively). As Ryanair reports its results in euro, the Company is not exposed to any material currency risk as a result of its euro-denominated activities. Ryanair's operating expenses are primarily euro, U.K. pounds sterling and U.S. dollars. Ryanair's operations can be subject to significant direct exchange rate risks between the euro and the U.S. dollar because a significant portion of its operating costs (particularly those related to fuel purchases) is incurred in U.S. dollars, while practically none of its revenues are denominated in U.S. dollars. Appreciation of the euro against the U.S. dollar positively impacts Ryanair's operating income because the euro equivalent of its U.S. dollar operating costs decreases, while depreciation of the euro against the U.S. dollar negatively impacts operating income. It is Ryanair's policy to hedge a significant portion of its exposure to fluctuations in the exchange rate between the U.S. dollar and the euro. From time to time, Ryanair hedges its operating surpluses and shortfalls in U.K. pound sterling. Ryanair matches certain U.K. pound sterling costs with U.K. pound sterling revenues and may choose to sell any surplus U.K. pound sterling cash flows for euro.

Hedging associated with the income statement. In fiscal years 2021 and 2020, the Company entered into a series of forward contracts, principally euro/U.S. dollar forward contracts to hedge against variability in cash flows arising from market fluctuations in foreign exchange rates associated with its forecast fuel, maintenance and insurance costs. At March 31, 2021, the total unrealized loss relating to these contracts amounted to €22m, compared to a €166m total unrealized gain at March 31, 2020.

Under IFRS, these foreign currency forward contracts are treated as cash-flow hedges of forecast U.S. dollar and U.K. pound sterling purchases to address the risks arising from U.S. dollar and U.K. pound sterling exchange rates. The derivatives are recorded at fair value in the balance sheet and are re-measured to fair value at the end of each reporting period through equity to the extent effective, with ineffectiveness recorded through the income statement. Ryanair considers these hedges to be highly effective in offsetting variability in future cash flows arising from fluctuations in exchange rates, because the forward contracts are timed so as to match exactly the amount, currency and maturity date of the forecast foreign currency-denominated expense being hedged. In fiscal year 2021, the Company recorded a negative fair-value adjustment of €521m (net of tax) within accumulated other comprehensive income in respect of these contracts, as compared to a negative fair-value adjustment of €124m (net of tax) in fiscal year 2020.

Hedging associated with the balance sheet. In prior years, the Company entered into a series of cross currency interest rate swaps to manage exposures to fluctuations in foreign exchange rates of U.S. dollar-denominated floating rate borrowings, together with managing the exposures to fluctuations in interest rates on these U.S. dollar-denominated floating rate borrowings. Cross currency interest rate swaps are primarily used to convert a portion of the Company's U.S. dollar-denominated debt to euro and floating rate interest exposures into fixed rate exposures and are set so as to match exactly the critical terms of the underlying debt being hedged (i.e. notional principal, interest rate settings, repricing dates). These are all classified as cash-flow hedges of the forecasted U.S. dollar variable interest payments on the Company's underlying debt and have been determined to be highly effective in achieving offsetting cash flows. Accordingly, no ineffectiveness has been recorded in the income statement relating to these hedges.

At March 31, 2021, the fair value of the cross-currency interest rate swap agreements relating to this U.S. dollar-denominated floating rate debt was represented by a gain of €3m (gross of tax) compared to a gain of €8m (gross of tax) in fiscal year 2020. In fiscal year 2021, the Company recorded a positive fair-value adjustment of €4m (net of tax), compared to a positive fair-value adjustment of €4m (net of tax) in fiscal year 2020, within accumulated other comprehensive income in respect of these contracts.

Hedging associated with capital expenditures. During fiscal years 2020 and 2019, the Company also held a series of euro/U.S. dollar contracts to hedge against changes in the fair value of aircraft purchase commitments under the Boeing contracts, which arise from fluctuations in the euro/U.S. dollar exchange rates. At March 31, 2021, the total unrealized gain relating to these contracts amounted to €178m, compared to €495m unrealized gain at March 31, 2020.

Under IFRS, the Company generally accounts for these contracts as cash-flow hedges. Cash-flow hedges are recorded at fair value in the balance sheet and are re-measured to fair value at the end of the financial period through equity to the extent effective, with any ineffectiveness recorded through the income statement. The Company has found these hedges to be highly effective in offsetting changes in the fair value of the aircraft purchase commitments arising from fluctuations in exchange rates because the forward exchange contracts are always for the same amount, currency and maturity dates as the corresponding aircraft purchase commitments.

At March 31, 2021, the total unrealized gains relating to these contracts amounted to €178m, while at March 31, 2020 unrealized gain amounted to €495m. Under IFRS, the Company recorded a negative fair-value adjustment of €217m and a positive fair-value adjustments of €221m for cash-flow hedges in fiscal years 2020 and 2019, respectively. No fair-value adjustments were recorded with respect to fair-value hedges in fiscal years 2020 and 2019 as the Company did not enter into any fair value hedges.

A plus or minus change of 10% in relevant foreign currency exchange rates, based on outstanding foreign currency-denominated financial assets and financial liabilities at March 31, 2021 would have a positive impact of €40m on the income statement (net of tax) (2020: €246m; 2019: nil) if the rate fell by 10% and a negative impact of €33m on the income statement (net of tax) (2020: €235m; 2019: nil) if the rate increased by 10%. The same movement of 10% in foreign currency exchange rates would have a negative €372m impact (net of tax) on equity if the rate fell by 10% and a positive €304m impact (net of tax) if the rate increased by 10% (2020: €649m positive or €531m negative; 2019: €894m positive or €731m negative).

INTEREST RATE EXPOSURE AND HEDGING

The Company's purchase of 66 of the 422 Boeing 737 aircraft in the fleet as of March 31, 2021 has been funded by financing in the form of loans supported by a loan guarantee from Ex-Im Bank. In addition, the Company has raised unsecured debt via capital market bond issuances and syndicated bank loans. The Company had outstanding cumulative borrowings under the above facilities of €5,243.7m with a weighted average interest rate of 1.30% at March 31, 2021. See "Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources—Capital Resources" for additional information on these facilities and the related swaps, including a tabular summary of the "Effective Borrowing Profile" illustrating the effect of the swap transactions (each of which is with an established international financial counterparty) on the profile of Ryanair's aircraft-related debt at March 31, 2021. At March 31, 2021, the fair value of the interest rate swap agreements relating to this debt was represented by a gain of €3m (gross of tax), as compared with a gain of €8m at March 31, 2020. See Note 13 to the consolidated financial statements included in Item 18 for additional information.

Interest rate risk. Based on the levels of and composition of year-end interest bearing assets and liabilities, including derivatives, at March 31, 2021, a plus one-percentage-point movement in interest rates would result in a respective increase of €6.4m (net of tax) in net interest income and expense in the income statement and a minus one-percentage-point movement in interest rates would result in a respective increase of €47.8m (net of tax) in net interest income and expense in the income statement (2020: €10m; 2019: €10m).

Item 12. Description of Securities Other than Equity Securities

Holders of ADSs are required to pay certain fees and expenses. The table below sets forth the fees and expenses which, under the deposit agreement between the Company and The Bank of New York Mellon, holders of ADRs can be charged or be deducted from dividends or other distributions on the deposited shares. The Company and The Bank of New York Mellon have also entered into a separate letter agreement, which has the effect of reducing some of the fees listed below.

<i>Persons depositing or withdrawing ADSs must pay:</i>	<i>For:</i>
\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs).	Issuance of ADSs, including issuances resulting from a distribution of common shares or rights or other property. Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates.
\$0.02 (or less) per ADS.	Any cash distribution to the holder of the ADSs.
\$0.02 (or less) per ADS per calendar year.	Depository services.
A fee equivalent to the fee that would be payable if securities distributed to the holder of ADSs had been shares and the shares had been deposited for issuance of ADSs.	Distribution of securities distributed by the issuer to the holders of common securities, which are distributed by the depository to ADS holders.
Registration or transfer fees.	Transfer and registration of shares on Ryanair's share register to or from the name of the depository or its agent when the holder of ADSs deposits or withdraws common shares.
Expenses of the depository.	Cable, telex and facsimile transmissions (when expressly provided for in the deposit agreement). Expenses of the depository in converting foreign currency to U.S. dollars.
Taxes and other governmental charges the depository or the custodian have to pay on any ADSs or common shares underlying ADSs (for example, stock transfer taxes, stamp duty or withholding taxes).	As necessary.
Any charges incurred by the depository or its agents for servicing the deposited securities.	As necessary.

Reimbursement of Fees

From April 1, 2020 to June 30, 2021 the Depository collected annual depository services fees equal to approximately U.S.\$1.7m from holders of ADSs, net of fees paid to the Depository by the Company.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

DISCLOSURE CONTROLS AND PROCEDURES

The Company has carried out an evaluation, as of March 31, 2021, under the supervision and with the participation of the Company's management, including the Group CEO and Group CFO, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon the Company's evaluation, the Group CEO and Group CFO have concluded that, as of March 31, 2021, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports the Company files or submits under the Exchange Act is recorded, processed, summarized and reported as and when required, within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to the Company's management, including the Group CEO and Group CFO, as appropriate to allow timely decisions regarding required disclosure.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management evaluated the effectiveness of the Company's internal control over financial reporting as of March 31, 2021, based on the criteria established in the 2013 Framework in "Internal Control – Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on

the evaluation, management has concluded that the Company maintained effective internal control over financial reporting as of March 31, 2021.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There has been no change in the Company's internal control over financial reporting during fiscal year 2021 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 16. Reserved

Item 16A. Audit Committee Financial Expert

The Company's Board of Directors has determined that Dick Milliken qualifies as an "Audit Committee financial expert" within the meaning of this Item 16A. Mr. Milliken is "independent" for purposes of the listing rules of NASDAQ.

Item 16B. Code of Ethics

The Company has adopted a broad Code of Business Conduct and Ethics and an Anti-bribery and Corruption (ABAC) policy that meets the requirements for a "code of ethics" as defined in Item 16B of Form 20-F. The Code of Business Conduct and Ethics and the ABAC policy applies to the Company's Group CEO, Group CFO, Chief Accounting Officer, controller and persons performing similar functions, as well as to all of the Company's other officers, Directors and employees. The Code of Business Conduct and Ethics and ABAC policy is available on Ryanair's website at <http://www.ryanair.com>. (Information appearing on the website is not incorporated by reference into this Annual Report.) The Company has not made any amendment to, or granted any waiver from, the provisions of this Code of Business Conduct and Ethics or the ABAC policy that apply to its Group CEO, Group CFO, Chief Accounting Officer, controller or persons performing similar functions during its most recently completed fiscal year.

Item 16C. Principal Accountant Fees and Services

Audit and Non-Audit Fees

The following table sets forth the fees billed or billable to the Company by its independent auditors, KPMG, during the fiscal years ended March 31, 2021, 2020 and 2019:

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Audit fees	0.6	0.7	0.5
Audit related fees	0.1	0.0	0.0
Tax fees	0.1	0.2	0.2
Total fees	0.8	0.9	0.7

Audit fees in the above table are the aggregate fees billed or billable by KPMG in connection with the audit of the Company's annual financial statements, as well as work that generally only the independent auditor can reasonably be expected to provide, including the provision of statutory audits, discussions surrounding the proper application of financial accounting and reporting standards and services provided in connection with certain regulatory requirements including those under the Sarbanes-Oxley Act of 2002.

Audit related fees comprise fees for assurance and services related to audit and other attestation services performed by KPMG as required by statute, regulation or contract and which are not reported under "Audit fees".

Tax fees include fees for all services, except those services specifically related to the audit of financial statements, performed by the independent auditor's tax personnel, work performed in support of other tax-related regulatory requirements and tax compliance reporting.

All Other Fees

No fees were billed for each of the last two fiscal years for products and services other than above.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee expressly pre-approves every engagement of Ryanair's independent auditors for all audit and non-audit services provided to the Company.

Item 16D. Exemptions from the Listing Standards for Audit Committees

None.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

From April 1, 2020 to July 23, 2021 the Company did not buy any ordinary shares.

See "Item 8. Financial Information—Other Financial Information—Share Buyback Program" and "Item 9. The Offer and Listing—Trading Markets and Share Prices" for further information regarding the Company's Ordinary Share buyback program, pursuant to which all of the shares purchased by the Company and disclosed in the table above were purchased.

Item 16F. Change in Registrant's Certified Accountant

Not applicable.

Item 16G. Corporate Governance

See "Item 6. Directors, Senior Management and Employees—Directors—Exemptions from NASDAQ Corporate Governance Rules" for further information regarding the ways in which the Company's corporate governance practices differ from those followed by domestic companies listed on NASDAQ.

Item 16H. Mine Safety Disclosure

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

**RYANAIR HOLDINGS PLC
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Consolidated Balance Sheet

	Note	At March 31,		
		2021	2020	2019
		€M	€M	€M
Non-current assets				
Property, plant and equipment	2	8,361.1	9,438.0	9,029.6
Right of use assets	3	188.2	236.8	–
Intangible assets	5	146.4	146.4	146.4
Derivative financial instruments	13	111.3	378.5	227.5
Other assets	7	48.7	–	–
Deferred tax	14	14.0	53.6	43.2
Total non-current assets		<u>8,869.7</u>	<u>10,253.3</u>	<u>9,446.7</u>
Current assets				
Inventories	6	3.6	3.3	2.9
Other assets	7	179.8	178.7	238.0
Current tax	14	–	44.5	–
Assets held for sale	8	–	98.7	–
Trade receivables	9	18.6	67.5	59.5
Derivative financial instruments	13	106.0	293.2	308.7
Restricted cash	10	34.1	34.4	34.9
Financial assets: cash > 3 months	13	465.5	1,207.2	1,484.4
Cash and cash equivalents	13	2,650.7	2,566.4	1,675.6
Total current assets		<u>3,458.3</u>	<u>4,493.9</u>	<u>3,804.0</u>
Total assets		<u>12,328.0</u>	<u>14,747.2</u>	<u>13,250.7</u>
Current liabilities				
Provisions	15	10.3	43.3	–
Trade payables	11	336.0	1,368.2	573.8
Accrued expenses and other liabilities	12	1,274.9	2,589.4	2,992.1
Current lease liability	3	52.5	75.0	–
Current maturities of debt	13	1,725.9	382.3	309.4
Current tax	14	48.1	–	31.6
Derivative financial instruments	13	79.2	1,050.0	189.7
Total current liabilities		<u>3,526.9</u>	<u>5,508.2</u>	<u>4,096.6</u>
Non-current liabilities				
Provisions	15	47.4	36.6	135.6
Trade payables	11	179.9	–	–
Derivative financial instruments	13	6.4	180.5	8.0
Deferred tax	14	272.4	353.5	460.6
Non-current lease liability	3	130.6	170.9	–
Non-current maturities of debt	13	3,517.8	3,583.0	3,335.0
Total non-current liabilities		<u>4,154.5</u>	<u>4,324.5</u>	<u>3,939.2</u>
Shareholders' equity				
Issued share capital	16	6.7	6.5	6.8
Share premium account	16	1,161.6	738.5	719.4
Other undenominated capital		3.5	3.5	3.2
Retained earnings		3,232.3	4,245.0	4,181.9
Other reserves	17	242.5	(79.0)	303.6
Shareholders' equity		<u>4,646.6</u>	<u>4,914.5</u>	<u>5,214.9</u>
Total liabilities and shareholders' equity		<u>12,328.0</u>	<u>14,747.2</u>	<u>13,250.7</u>

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

Consolidated Income Statement

	Note	Year ended March 31,		
		2021	2020	2019
		€M	€M	€M
Operating revenues				
Scheduled revenues	18	1,036.0	5,566.2	5,261.1
Ancillary revenues	18	599.8	2,928.6	2,436.3
Total operating revenues	18	1,635.8	8,494.8	7,697.4
Operating expenses				
Depreciation	2 & 3	(571.0)	(748.7)	(640.5)
Fuel and oil		(542.6)	(2,762.2)	(2,427.3)
Staff costs	19	(472.2)	(1,106.9)	(984.0)
Airport and handling charges		(287.2)	(1,140.2)	(1,061.5)
Maintenance, materials and repairs		(206.7)	(256.4)	(190.9)
Marketing, distribution and other		(201.5)	(578.8)	(547.3)
Route charges		(187.3)	(736.0)	(745.2)
Aircraft rentals		(6.7)	(38.2)	(83.9)
Total operating expenses		(2,475.2)	(7,367.4)	(6,680.6)
Operating (loss)/profit		(839.4)	1,127.4	1,016.8
Other income/(expense)				
Finance expense	21	(297.1)	(480.1)	(59.1)
Finance income		16.0	21.4	3.7
Foreign exchange gain/(loss)		11.8	1.6	(3.5)
Gain on sale of associate	4	–	–	6.0
Share of associate losses	4	–	–	(15.8)
Total other expenses		(269.3)	(457.1)	(68.7)
(Loss)/profit before tax		(1,108.7)	670.3	948.1
Tax credit/(expense)	14	93.6	(21.6)	(63.1)
(Loss)/profit for the year – all attributable to equity holders of parent		(1,015.1)	648.7	885.0
Basic (loss)/earnings per ordinary share (€)	23	(0.9142)	0.5824	0.7739
Diluted (loss)/earnings per ordinary share (€)	23	(0.9142)	0.5793	0.7665
Number of weighted average ordinary shares (in Ms)	23	1,110.4	1,113.8	1,143.6
Number of weighted average diluted shares (in Ms)	23	1,110.4	1,119.8	1,154.6

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

Consolidated Statement of Comprehensive Income

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
(Loss)/profit for the year	(1,015.1)	648.7	885.0
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Movements in hedging reserve, net of tax:			
Effective portion of changes in fair value of cash-flow hedges	691.1	197.4	325.5
Net change in fair value of cash-flow hedges transferred to property, plant and equipment	4.8	–	59.6
Net hedge ineffectiveness and discontinuation transferred to profit or loss	(147.4)	(353.5)	–
Net other changes in fair value of cash-flow hedges transferred to profit or loss	(225.9)	(229.8)	249.2
Net movements in cash-flow hedge reserve	322.6	(385.9)	634.3
Total other comprehensive income/(loss) for the year, net of income tax	322.6	(385.9)	634.3
Total comprehensive (loss)/income for the year – all attributable to equity holders of parent	(692.5)	262.8	1,519.3

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board

Stan McCarthy
Chairman
July 23, 2021

Michael O'Leary
Group CEO

Consolidated Statement of Changes in Shareholders' Equity

	Ordinary Shares	Issued Share Capital	Share Premium Account	Retained Earnings	Other Undenominated Capital	Other Reserves Hedging	Other Reserves	Total
	M	€M	€M	€M	€M	€M	€M	€M
Balance at March 31, 2018	1,171.2	7.0	719.4	4,077.9	3.0	(359.7)	21.3	4,468.9
Adjustment on initial application of IFRS 15 (net of tax)	-	-	-	(249.4)	-	-	-	(249.4)
Adj. balance at April 1, 2018	1,171.2	7.0	719.4	3,828.5	3.0	(359.7)	21.3	4,219.5
Profit for the year	-	-	-	885.0	-	-	-	885.0
<i>Other comprehensive income</i>								
Net movements in cash-flow reserve	-	-	-	-	-	634.3	-	634.3
Total other comprehensive income/(loss)	-	-	-	-	-	634.3	-	634.3
Total comprehensive income	-	-	-	885.0	-	634.3	-	1,519.3
<i>Transactions with owners of the Company, recognized directly in equity</i>								
Share-based payments	-	-	-	-	-	-	7.7	7.7
Repurchase of ordinary equity shares	-	-	-	(560.5)	-	-	-	(560.5)
Other	-	-	-	28.9	-	-	-	28.9
Cancellation of repurchased ordinary shares	(37.8)	(0.2)	-	-	0.2	-	-	-
Balance at March 31, 2019	1,133.4	6.8	719.4	4,181.9	3.2	274.6	29.0	5,214.9
Adjustment on initial application of IFRS 16 (net of tax)	-	-	-	(9.7)	-	-	-	(9.7)
Adj. balance at April 1, 2019	1,133.4	6.8	719.4	4,172.2	3.2	274.6	29.0	5,205.2
Profit for the year	-	-	-	648.7	-	-	-	648.7
<i>Other comprehensive income</i>								
Net movements in cash-flow reserve	-	-	-	-	-	(385.9)	-	(385.9)
Total other comprehensive income	-	-	-	-	-	(385.9)	-	(385.9)
Total comprehensive income	-	-	-	648.7	-	(385.9)	-	262.8
<i>Transactions with owners of the Company, recognized directly in equity</i>								
Issue of ordinary equity shares	3.0	-	19.1	-	-	-	-	19.1
Share-based payments	-	-	-	-	-	-	7.0	7.0
Repurchase of ordinary equity shares	-	-	-	(580.5)	-	-	-	(580.5)
Other	-	-	-	0.9	-	-	-	0.9
Cancellation of repurchased ordinary shares	(47.2)	(0.3)	-	-	0.3	-	-	-
Transfer of exercised and share based awards	-	-	-	3.7	-	-	(3.7)	-
Balance at March 31, 2020	1,089.2	6.5	738.5	4,245.0	3.5	(111.3)	32.3	4,914.5
Loss for the year	-	-	-	(1,015.1)	-	-	-	(1,015.1)
<i>Other comprehensive loss</i>								
Net movements in cash-flow reserve	-	-	-	-	-	322.6	-	322.6
Total comprehensive loss	-	-	-	(1,015.1)	-	322.6	-	(692.5)
<i>Transactions with owners of the Company, recognized directly in equity</i>								
Issue of ordinary equity shares	38.9	0.2	423.1	(2.3)	-	-	-	421.0
Share-based payments	-	-	-	-	-	-	3.6	3.6
Transfer of exercised and expired share based awards	-	-	-	4.7	-	-	(4.7)	-
Balance at March 31, 2021	1,128.1	6.7	1,161.6	3,232.3	3.5	211.3	31.2	4,646.6

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

	Note	Year ended March 31,		
		2021	2020	2019
		€M	Restated*	Restated*
Operating activities				
(Loss)/profit after tax		(1,015.1)	648.7	885.0
Adjustments to reconcile profit after tax to net cash provided by operating activities				
Depreciation	2 & 3	571.0	748.7	640.5
(Increase)/decrease in inventories	6	(0.3)	(0.4)	0.8
Tax (credit)/expense on (loss)/profit	14	(93.6)	21.6	63.1
Share-based payments	19	3.6	7.0	7.7
Decrease/(increase) in trade receivables	9	48.9	(8.1)	(1.9)
Increase/(decrease) in other assets		(3.5)	61.9	(2.1)
Decrease/(increase) in trade payables		(407.6)	15.2	66.0
(Decrease)/increase in accrued expenses & other liabilities		(1,318.8)	(401.4)	198.6
(Decrease) in other creditors		–	–	(2.8)
(Decrease) in provisions	15	(21.9)	(55.7)	(2.5)
Decrease/(increase) in finance income		–	2.9	(0.5)
(Decrease) in finance expense		(3.7)	–	(1.5)
Gain on sale of associate		–	–	(6.0)
Share of associate losses		–	–	15.8
Hedge ineffectiveness/foreign exchange		(294.1)	407.2	–
Income tax refunded/(paid)	14	87.1	(120.5)	(100.9)
Net cash (used in)/provided by operating activities		<u>(2,448.0)</u>	<u>1,327.1</u>	<u>1,759.3</u>
Investing activities				
Capital expenditure - purchase of property, plant and equipment		(294.7)	(578.8)	(1,288.5)
Supplier reimbursements for property, plant and equipment	2	377.6	–	–
Proceeds from sale of property, plant and equipment		112.1	–	–
Decrease/(increase) in restricted cash	10	0.3	0.5	(0.3)
Decrease in financial assets: cash > 3 months		741.7	277.2	646.1
Acquisition of subsidiary (net of cash acquired)	4	–	–	(86.5)
Investment in associate	4	–	–	(15.0)
Net cash provided by/(used in) investing activities		<u>937.0</u>	<u>(301.1)</u>	<u>(744.2)</u>
Financing activities				
Shareholder returns (net of tax)		–	(580.5)	(531.6)
Net proceeds from shares issued		421.0	19.1	–
Proceeds from borrowings	13	2,228.6	750.0	99.9
Repayments of borrowings	13	(950.3)	(408.1)	(422.8)
Lease liabilities paid		(76.8)	(67.5)	–
Net cash provided by/(used in) financing activities	25	<u>1,622.5</u>	<u>(287.0)</u>	<u>(854.5)</u>
Increase in cash and cash equivalents		111.5	739.0	160.6
Net foreign exchange differences		(27.2)	151.8	–
Cash and cash equivalents at beginning of year		2,566.4	1,675.6	1,515.0
Cash and cash equivalents at end of year	13	<u><u>2,650.7</u></u>	<u><u>2,566.4</u></u>	<u><u>1,675.6</u></u>
Included in the cash flows from operating activities for the year are the following amounts:				
Interest income received		0.2	24.4	3.2
Interest expense paid		(59.2)	(74.3)	(60.6)

The accompanying notes are an integral part of the consolidated financial statements.

* Includes amendments to trade payables and capital expenditure. See note 1 (vi) for further detail.

Notes forming part of the Consolidated Financial Statements

1. Basis of preparation and significant accounting policies

The accounting policies applied in the preparation of the consolidated financial statements for fiscal year 2021 are set out below. These have been applied consistently for all periods presented, except as otherwise stated.

(i) Business activity

Ryanair DAC and its subsidiaries ("Ryanair DAC") has operated as an international airline since commencing operations in 1985. On August 23, 1996, Ryanair Holdings Limited, a newly formed holding company, acquired the entire issued share capital of Ryanair DAC. On May 16, 1997, Ryanair Holdings Limited re-registered as a public limited company, Ryanair Holdings plc (the "Company"). Ryanair Holdings plc and its subsidiaries are hereafter together referred to as "Ryanair Holdings plc" (or "we", "our", "us", "Ryanair", the "Company", the "Ryanair Group", or the "Group") and currently operate a low fares airline Group headquartered in Dublin Office, Airside Business Park, Swords, Dublin, Ireland. Ryanair Holdings plc incorporated Buzz during the year ended March 31, 2018; it acquired Lauda and set-up Ryanair U.K. during the year ended March 31, 2019 and Malta Air during the year ended March 31, 2020. The principal trading activities of the Group are undertaken by Buzz, Lauda, Malta Air and Ryanair DAC.

(ii) Statement of compliance

In accordance with the International Accounting Standards ("IAS") Regulation (EC 1606 (2002)) which applies throughout the European Union ("EU"), the consolidated financial statements have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards ("IFRS") as adopted by the EU ("IFRS as adopted by the EU"), which are effective for the year ended and as at March 31, 2021. In addition to complying with its legal obligation to comply with IFRS as adopted by the EU, the consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") ("IFRS as issued by the IASB"). The consolidated financial statements have also been prepared in accordance with the Companies Act 2014.

Details of legislative changes and new accounting standards or amendments to accounting standards, which are not yet effective and have not been early adopted in these consolidated financial statements, and the likely impact on future financial statements are set forth below in the prospective accounting changes section.

(iii) Basis of preparation

These consolidated financial statements are presented in euro millions, the euro being the functional currency of the parent entity and the majority of the group companies. They are prepared on the historical cost basis, except for derivative financial instruments which are stated at fair value, and share-based payments, which are based on fair value determined as at the grant date of the relevant share options. Certain non-current assets, when they are classified as held for sale, are stated at the lower of cost and fair value less costs to sell.

In adopting the going concern basis in preparing the financial statements, the Directors have considered Ryanair's available sources of finance including access to the capital markets, sale and leaseback transactions, secured debt structures, the Group's cash on-hand and cash generation and preservation projections, together with factors likely to affect its future performance, as well as the Group's principal risks and uncertainties.

The Covid-19 pandemic and measures to reduce its spread have had, and will likely continue to have, a material adverse impact on the Group's business, results of operations, financial condition and liquidity. Since February 2020, governments globally have implemented a range of travel restrictions including lockdowns, "do not travel" advisories, restrictions on travel from certain international locations, enhanced airport screenings, mandatory quarantine requirements, mandatory pre-travel PCR test requirements and other similar measures. Other governmental restrictions

and regulations in the future in response to Covid-19 could include additional travel restrictions, quarantines of additional populations (including the Group's personnel), restrictions on our ability to access our facilities or aircraft or requirements to collect additional passenger data. In addition, governments, non-governmental organizations and entities in the private sector have issued and may continue to issue non-binding advisories or recommendations regarding air travel or other social distancing measures, including limitations on the number of persons that should be present at public gatherings. In addition, Ryanair has incurred, and will continue to incur, significant Covid-19 related costs for enhanced aircraft cleaning and additional procedures to limit transmission among its personnel and customers. Although these procedures are currently elective, the industry may in the future be subject to further cleaning and safety measures, which may be costly and take a significant amount of time to implement. These measures, individually and combined, could have a material adverse impact on the Group's business.

The full extent of the ongoing impact of Covid-19 on the Group's longer-term operational and financial performance will depend on future developments, many of which are outside its control, including the duration and spread of Covid-19 and related EU Governments travel advisories and restrictions, the impact of Covid-19 on overall long-term demand for air travel, the impact of Covid-19 on the financial health and operations of the Group's business partners (particularly Boeing), and other governmental actions including the roll-out of Covid-19 vaccines, all of which are highly uncertain and cannot be predicted.

The Group has taken a number of actions in response to decreased demand and EU flight restrictions, including grounding a substantial portion of its fleet, reducing flight schedules and reducing capital and operating expenditures (including by postponing projects deemed non-critical to the Group's operations, cancelling share buybacks, implementing restructurings and freezing discretionary spending, and renegotiating contractual terms and conditions (including salaries) with personnel, airports and vendors).

The Directors have reviewed the financial forecasts across a range of scenarios. Ryanair has modeled a base case of how the business plans to return to operation as travel restrictions are lifted across Europe, and this assumes a phased return to its flight schedule. In Quarter 2 of fiscal year 2022, the Group expects to operate approximately 83% of its pre Covid-19 schedules. Ryanair is forecasting traffic of between 90m and 100m guests in the year ending March 31, 2022. The Group has also considered ongoing cost reductions, the projected increase in bookings upon the widespread rollout of Covid-19 vaccines during 2021, and potential cost preservation measures. However, there remains a risk that multiple waves of the pandemic could lead to further travel restrictions being imposed. Accordingly, Ryanair has also modeled downside scenarios based on further waves of the pandemic. These downside scenarios include combinations of a decrease in yield, additional grounding periods, adverse variations in fuel price, and unfavorable foreign exchange rate movements.

As at June 30, 2021, the Group had a strong liquidity position with cash of over €4bn and net debt of €1,662m down approximately €615m from March 31, 2021. The Group raised €1.2bn in unsecured 5-year financing at a fixed coupon of 0.875% in May 2021 and has the ability to raise additional financing at low interest rates if needed. This level of cash, together with available sources of finance, is sufficient to cover the Group's projected cash requirements for operating expenses, capital expenditure (primarily related to the acquisition of new Boeing 737-8200 aircraft), repayments of indebtedness and payment of corporation tax liabilities as they fall due, within at least the next 12 month period. Furthermore, as at July 23, 2021, Ryanair has 378 unencumbered, owned aircraft (just under 90% of its owned fleet) and a BBB credit rating (from both Standard & Poor's and Fitch Ratings).

Based on the assessment of the adequacy of the financial forecasts, testing various scenarios and considering the uncertainties described above, and current funding facilities outlined, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements and that there were no material uncertainties that may cast significant doubt on

the Group's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

(iv) New IFRS standards adopted during the year

The following new and amended standards, have been issued by the IASB, and have also been endorsed by the EU. These standards are effective for the first time for the financial year beginning on April 1, 2020 and therefore have been applied by the Group for the first time in these consolidated financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Definition of a Business (Amendments to IFRS 3)
- Interest Rate Benchmark Reform – Phase 1 (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Covid-19-Related Rent Concessions (Amendments to IFRS 16)
- Extension of the temporary exemption from applying IFRS 9 (amendments to IFRS 4)

The calculation methodology of EURIBOR changed during 2019. In July 2019, the Belgian Financial Services and Markets Authority granted authorization with respect to EURIBOR under the European Union Benchmarks regulation. This allows market participants to continue to use EURIBOR for both existing and new contracts and the Group expects that EURIBOR will continue to exist as a benchmark for the foreseeable future. The Group has evaluated the extent to which its cashflow hedging relationships are subject to uncertainty driven by IBOR reform. The Group's hedged items and hedging instruments continue to be indexed to EURIBOR and as such there is no impact on the Group's financial position or performance. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with counterparties as usual.

The Group has early adopted COVID-19-Related Rent Concessions – Amendment to IFRS 16 issued on May 28, 2020. The amendment introduces an optional practical expedient for leases in which the Group is a lessee – i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the Covid-19 pandemic are lease modifications. The Group has applied the amendment retrospectively. The amendment has no impact on retained earnings at April 1, 2020.

The adoption of these new or amended standards did not have a material impact on the Group's financial position or results from operations in the year ended March 31, 2021.

(v) Prospective IFRS accounting changes, new standards and interpretations not yet effective

The following new or revised IFRS standards and IFRIC interpretations will be adopted for the purposes of the preparation of future financial statements, where applicable. Those that are not as of yet EU endorsed are flagged. While under review, we do not anticipate that the adoption of the other new or revised standards and interpretations will have a material impact on our financial position or results from operations.

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) (effective for periods beginning on or after January 1, 2021)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) (effective for periods beginning on or after January 1, 2022)*
- Annual Improvements to IFRS Standards 2018-2020 (effective for periods beginning on or after January 1, 2022)

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) (effective for periods beginning on or after January 1, 2022)*
- Reference to the Conceptual Framework (Amendments to IFRS 3) (effective for periods beginning on or after January 1, 2022)*
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (effective for periods beginning on or after January 1, 2023)*
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts (effective for periods beginning on or after January 1, 2023)*
- Amendments to IAS 8 – Definition of Accounting Estimates (effective for fiscal periods beginning on or after January 1, 2023)*
- Amendments to IFRS 16 – Covid-19 Related Rent Concessions Beyond June 30, 2021 (effective for fiscal periods beginning on or after April 1, 2021)*
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policy (effective for fiscal periods beginning on or after January 1, 2023)*
- Definition of Accounting Estimate (Amendments to IAS 8) (effective for fiscal periods beginning on or after January 1, 2023)*
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for fiscal periods beginning on or after January 1, 2023)*

*These standards or amendments to standards are not as of yet EU endorsed.

(vi) Statement of Cash Flows restatement

Operating cash inflows and investing cash outflows for the year ended March 31, 2020 and 2019 have been restated. They have been reduced by €617m (2019: €258m) to reflect accrued supplier payables which had previously been presented as capital expenditure in the consolidated cash flows. Accrued supplier payables were originally presented as cash flows relating to capital expenditure but were subsequently included as an adjustment to trade payables as they have not been paid and do not constitute actual cash flows.

There is no impact on the Group's consolidated balance sheet, consolidated income and basic and diluted earnings per share for the years ended March 31, 2020 or March 31, 2019.

(vii) Critical accounting policies

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, and the results of such estimates form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ materially from these estimates. These underlying assumptions are reviewed on an ongoing basis. A revision to an accounting estimate is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if these are also affected. Principal sources of estimation

uncertainty have been set forth in the critical accounting policies section below. Actual results may differ from estimates.

The Group believes that its critical accounting policies, which are those that require management's most difficult, subjective and complex judgements, are those described in this section. These critical accounting policies, the judgements and other uncertainties affecting application of these policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered in reviewing the consolidated financial statements.

Long-lived assets

As of March 31, 2021, Ryanair had €8.4bn of property, plant and equipment long-lived assets, of which €8.2bn were aircraft. In accounting for long-lived assets, Ryanair must make estimates about the expected useful lives of the assets, the expected residual values of the assets, the cost of major airframe and engine overhaul and the potential for impairment based on the fair value of the assets and the cash flows they generate.

In estimating the lives and expected residual values of its aircraft and the cost of major airframe and engine overhaul, Ryanair has primarily relied on its own and industry experience, recommendations from the Boeing Company ("Boeing"), the manufacturer of all of the Group's owned aircraft, valuations from appraisers and other available marketplace information. Subsequent revisions to these estimates, which can be significant, could be caused by changes to Ryanair's maintenance program, changes in utilization of the aircraft, governmental regulations on aging aircraft, changes in new aircraft technology, changes in governmental and environmental taxes, changes in new aircraft fuel efficiency and changing market prices for new and used aircraft of the same or similar types. Ryanair evaluates its estimates and assumptions in each reporting period, and, when warranted, adjusts these assumptions. Generally, these adjustments are accounted for on a prospective basis, through depreciation expense.

Ryanair periodically evaluates its long-lived assets for impairment. Factors that would indicate potential impairment would include, but are not limited to, significant decreases in the market value of an aircraft, a significant change in an aircraft's physical condition and operating or cash flow losses associated with the use of the aircraft. Despite the losses and cash outflows incurred in the current year as a result of the impact of Covid-19, Ryanair is forecasting a return to profitability and positive cash flows in 2022 and subsequent years. Consequently, Ryanair has not yet identified any impairments related to its existing aircraft fleet. The Group will continue to monitor its long-lived assets and the general airline operating environment.

The Group's estimate of the recoverable amount of aircraft residual values is 15% of current market value of new aircraft, determined periodically, based on independent valuations and actual aircraft disposals during prior periods. Aircraft are depreciated over a useful life of 23 years from the date of manufacture to residual value.

Derivative financial instruments

Ryanair uses various derivative financial instruments to manage its exposure to market risks, including the risks relating to fluctuations in commodity prices and currency exchange rates. Ryanair uses forward contracts for the purchase of its jet fuel (jet kerosene) requirements to reduce its exposure to commodity price risk. It also uses foreign currency forward contracts to reduce its exposure to risks related to foreign currencies, principally the U.S. dollar exposure associated with the purchase of new Boeing 737-8200 aircraft and the U.S. dollar exposure associated with the purchase of jet fuel.

Ryanair recognizes all derivative instruments as either assets or liabilities in its consolidated balance sheet and measures them at fair value. At March 31, 2021, a liability of €46m (2020: net liability €1,228m) was recognized on-balance sheet in respect of the Company's jet fuel and carbon commodity derivative instruments and an asset of €171m

(2020: net asset €486m) was recognized in respect of its foreign currency derivative instruments associated with future aircraft purchases.

Jet fuel and foreign currency forward contracts are designated as a hedge of the variability in cash flows of highly probable forecasted transactions, whereby the effective part of any gain or loss on the derivative financial instrument is recognized in other comprehensive income (included in "other reserves" on the balance sheet).

In determining the hedge effectiveness of derivative instruments used to hedge Ryanair's fuel requirements, there is significant judgement involved in assessing whether the volumes of jet fuel hedged are still expected to be highly probable forecast transactions. Specifically, significant judgement is required in respect of the assumptions related to the timing of the removal of flight restrictions imposed by governments relating to the Covid-19 pandemic, the expected recovery of passenger demand and the subsequent flight schedules. All of these assumptions impact upon forecast fuel consumption, and minor changes to these assumptions, in particular for those forecast transactions that are still probable to occur, could have a significant effect on the assessment of hedge effectiveness.

In Quarter 2 of fiscal year 2022, the Group expects to operate approximately 83% of its pre Covid-19 schedules, with further growth into the winter.

In respect of foreign currency hedge effectiveness for future aircraft purchases, there is a high degree of judgement involved in assessing whether the future aircraft payments are still considered highly probable of occurring, and the timing of these future payments for aircraft. The timing of future payments for aircraft is dependent on the aircraft manufacturer's ability to meet forecast aircraft delivery schedules. The company took delivery of its first Boeing 737-8200 aircraft in June 2021 and expects to have received 12 Boeing 737-8200s during Summer 2021, with a further 50 aircraft delivering in advance of Summer 2022.

(viii) Basis of consolidation

The consolidated financial statements comprise the financial statements of Ryanair Holdings plc and its subsidiary undertakings as of March 31, 2021. Subsidiaries are entities controlled by Ryanair. Control exists when Ryanair is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

All inter-company account balances and any unrealized income or expenses arising from intra-group transactions have been eliminated in preparing the consolidated financial statements.

The results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated income statement from the date of acquisition or up to the date of disposal. Upon the acquisition of a business, fair values are attributed to the separable net assets acquired.

(iv) Summary of significant accounting policies

Accounting for assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on re-measurement are recognized in the income statement. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

Accounting for business combinations

Business combinations are accounted for using the acquisition method from the date that control is transferred to the Group. Under the acquisition method, consideration transferred is measured at fair value on the acquisition date, as are the identifiable assets acquired and liabilities assumed. When the initial values of assets and liabilities in a business combination have been determined provisionally, any subsequent adjustments to the values allocated to the identifiable assets and liabilities (including contingent liabilities) are made within twelve months of the acquisition date and presented as adjustments to the original acquisition accounting. Acquisition related costs are expensed in the period incurred.

Accounting for subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to (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 results of subsidiary undertakings acquired during the year are included in the consolidated income statement from the date at which control of the entity was obtained. They continue to be included in the consolidated income statement until control ceases.

Foreign currency translation

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in euro, which is the functional currency of the majority of the Group entities.

Transactions arising in foreign currencies are translated into the respective functional currencies at the rates of exchange in effect at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated to euro at foreign exchange rates in effect at the dates the transactions were effected. Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising on qualifying cash-flow hedges, which are recognized in other comprehensive income.

Segment reporting

The Group determines and presents operating segments based on the information that is provided internally to the Group CEO, who is the Chief Operating Decision Maker (CODM).

The Group currently comprises four key separate airlines, Buzz, Lauda, Malta Air and Ryanair DAC. Ryanair U.K. has only two aircraft on its register at this time and is included in the Ryanair DAC segment.

Historically, the Group was managed as a single business unit and was reported as a single reportable segment. A new group structure was announced in February 2019 and became effective in fiscal year 2020, comprising primarily four separate airlines: Buzz, Lauda, Malta Air and Ryanair DAC. Accordingly, in line with the revised management and organizational structures of the businesses, the Group changed the basis of segmentation to identify each of the airlines as a separate operating segment.

The CODM assessed the performance of the business based on the profit/(loss) after tax of each airline for the reporting period. Resource allocation decisions for all airlines are based on airline performance for the relevant period, the objective in making resource allocation decisions is to optimize consolidated financial results.

In fiscal year 2021, Ryanair DAC and Malta Air are reportable segments for financial reporting purposes. Buzz and Lauda do not exceed the quantitative thresholds for reporting purposes and accordingly have been presented on an aggregate basis.

Income statement classification and presentation

Individual income statement captions have been presented on the face of the income statement, together with additional line items, headings and sub-totals, where it is determined that such presentation is relevant to an understanding of our financial performance, in accordance with IAS 1, "Presentation of Financial Statements".

Expenses are classified and presented in accordance with the nature-of-expenses method. We disclose separately on the face of the income statement, within other income and expense, gain on sale of associates and share of associate losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Cost may also include transfers from other comprehensive income of any gain or loss on qualifying cash-flow hedges of foreign currency purchases of property, plant and equipment.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are capitalized, until such time as the assets are substantially ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Depreciation is calculated so as to write off the cost, less estimated residual value, of assets on a straight-line basis over their expected useful lives at the following annual rates:

	Rate of Depreciation
Hangar and buildings	3.33 to 5%
Plant and equipment (excluding aircraft)	20 to 33.3%
Fixtures and fittings	20%
Motor vehicles	33.3%

Aircraft are depreciated on a straight-line basis over their estimated useful lives to estimated residual values. The estimates of useful lives and residual values at year-end are:

Aircraft Type	Number of Owned Aircraft at March 31, 2021	Useful Life	Residual Value
Boeing 737s	419 (a)	23 years from date of manufacture	15% of current market value of new aircraft, determined periodically

(a) The Group operated 451 aircraft as of March 31, 2021, of which 3 were leased Boeing 737 aircraft and 29 were leased Airbus A320 aircraft.

The Company's estimate of the recoverable amount of aircraft residual values is 15% of current market value of new aircraft, determined periodically, based on independent valuations and actual aircraft disposals during prior periods.

An element of the cost of an acquired aircraft is attributed on acquisition to its service potential, reflecting the maintenance condition of its engines and airframe. This cost, which can equate to a substantial element of the total aircraft cost, is amortized over the shorter of the period to the next maintenance check (usually between 8 and 12 years for Boeing 737 aircraft) or the remaining life of the aircraft. The costs of subsequent major airframe and engine maintenance checks are capitalized and amortized over the shorter of the period to the next check or the remaining life of the aircraft.

Advance and option payments in respect of aircraft purchase commitments and options to acquire aircraft are recorded at cost and are initially recognized in Trade Payables prior to payment. On acquisition of the related aircraft, these payments are included as part of the cost of aircraft and are depreciated from that date. Where the company receives reimbursements from the supplier they are reflected as a reduction in the cost of the asset.

Rotable spare parts held by the Company are classified as property, plant and equipment if they are expected to be used over more than one period.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized on a net basis within other income/(expenses) in profit or loss.

Aircraft maintenance costs

The accounting for the cost of providing major airframe and certain engine maintenance checks for owned aircraft is described in the accounting policy for property, plant and equipment.

For aircraft held under lease agreements, Ryanair is contractually committed to either return the aircraft in a certain condition or to compensate the lessor based on the actual condition of the airframe, engines and life-limited parts upon return. In order to fulfill such conditions of the lease, maintenance, in the form of major airframe overhaul, engine maintenance checks, and restitution of major life-limited parts, is required to be performed during the period of the lease and upon return of the aircraft to the lessor. The estimated airframe and engine maintenance costs and the costs associated with the restitution of major life-limited parts, are accrued and charged to profit or loss over the lease term for this contractual obligation, based on the present value of the estimated future cost of the major airframe overhaul, engine maintenance checks, and restitution of major life-limited parts, calculated by reference to the number of hours flown or cycles operated during the year. Lauda's A320 lease agreements typically have a term of up to five years which, due to their older age, aligns with the timing of their heavy maintenance checks.

Ryanair's Boeing aircraft lease agreements typically have a term of seven or eight years, which closely correlates with the timing of heavy maintenance checks. The contractual obligation to maintain and replenish aircraft held under lease exists independently of any future actions within the control of Ryanair. While Ryanair may, in very limited circumstances, sub-lease its aircraft, it remains fully liable to perform all of its contractual obligations under the 'head lease' notwithstanding any such sub-leasing.

All other maintenance costs, other than major airframe overhaul, engine maintenance checks, and restitution of major life-limited parts costs associated with leased aircraft, are expensed as incurred.

Intangible assets - landing rights

Intangible assets acquired are recognized to the extent it is considered probable that expected future benefits will flow to the Company and the associated costs can be measured reliably. Landing rights acquired as part of a business combination are capitalized at fair value at that date and are not amortized, where those rights are considered to be indefinite. The carrying values of those rights are reviewed for impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that carrying values may not be recoverable. No impairment to the carrying values of the Company's intangible assets has been recorded to date.

Other financial assets

Other financial assets comprise cash deposits of greater than three months' maturity. All amounts are categorized as amortized cost (prior years: "loans and receivables") and are recognized initially at fair value and then subsequently are measured at amortized cost, using the effective interest method in the balance sheet.

Derivative financial instruments

Ryanair is exposed to market risks relating to fluctuations in commodity prices, interest rates and currency exchange rates. The objective of financial risk management at Ryanair is to minimize the impact of commodity price, interest rate and foreign exchange rate fluctuations on the Company's earnings, cash flows and equity.

To manage these risks, Ryanair uses various derivative financial instruments, including interest rate swaps, foreign currency forward contracts and commodity contracts. These derivative financial instruments are generally held to maturity. The Company enters into these arrangements with the goal of hedging its operational and balance sheet risk. However, Ryanair's exposure to commodity price, interest rate and currency exchange rate fluctuations cannot be neutralized completely.

Derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, derivative financial instruments continue to be re-measured to fair value, and changes therein are accounted for as described below. The derivative financial instruments entered into by the Group are not subject to offsetting, enforceable master netting arrangements.

The fair value of interest rate swaps is computed by discounting the projected cash flows on the Company's swap arrangements to present value using an appropriate market rate of interest. The fair value of forward foreign exchange contracts and commodity contracts is determined based on the present value of the quoted forward price. The credit quality of Ryanair and counterparties are considered in setting fair value. Recognition of any resultant gain or loss depends on the nature of the item being hedged.

The Group has elected not to adopt the new general hedge accounting model in IFRS 9 and continues to hedge account in accordance with IAS 39. Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognized asset or liability or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognized in other comprehensive income (included in "other reserves" on the balance sheet). When the hedged forecasted transaction results in the recognition of a non-financial asset or liability, the cumulative gain or loss is removed from other comprehensive income and included in the initial measurement of that asset or liability. Otherwise the cumulative gain or loss is removed from other comprehensive income and recognized in the income statement at the same time as the hedged transaction. The ineffective part of any hedging transaction and the gain or loss thereon is recognized in the income statement immediately.

When a hedging instrument or hedge relationship is terminated but the underlying hedged transaction is still expected to occur, the cumulative gain or loss at that point remains in other comprehensive income and is recognized

in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealized gain or loss recognized in other comprehensive income is recognized in the income statement immediately.

Where a derivative financial instrument hedges the changes in fair value of a recognized asset or liability or an unrecognized firm commitment, any gain or loss on the hedging instrument is recognized in the income statement. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss also being recognized in the income statement.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is based on invoiced price on an average basis for all stock categories. Net realizable value is calculated as the estimated selling price arising in the ordinary course of business, net of estimated selling costs.

Trade and other receivables and payables

Trade and other receivables and payables are stated on initial recognition at fair value plus any incremental direct costs and subsequently at amortized cost, net (in the case of receivables) of any impairment losses, which approximates fair value given the short-dated nature of these assets and liabilities.

Cash and cash equivalents

Cash represents cash held at banks and available on demand, and is categorized for measurement purposes as amortized cost (prior years "loans and receivables").

Cash equivalents are current asset investments (other than cash) that are readily convertible into known amounts of cash, typically cash deposits of more than one day but less than three months at the date of purchase. Deposits with maturities greater than three months but less than one year are recognized as short-term investments, are measured at amortized cost (prior years "loans and receivables") and are carried initially at fair value and then subsequently at amortized cost, using the effective- interest method.

Interest-bearing loans and borrowings

All loans and borrowings are initially recorded at fair value, being the fair value of the consideration received, net of attributable transaction costs. Subsequent to initial recognition, non-current interest-bearing loans are measured at amortized cost, using the effective interest yield methodology.

Leases

The Group has early adopted Covid-19-Related Rent Concessions - Amendment to IFRS 16 issued on May 28, 2020. The amendment introduces an optional practical expedient for leases in which the Group is a lessee - i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the Covid-19 pandemic are lease modifications. The Group has applied the amendment retrospectively. The amendment has no impact on retained earnings at April 1, 2021.

The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

Accounting policy applied from April 1, 2019 (IFRS 16 Leases, or IFRS 16)

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Right of use assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. In determining the net present value of lease payments, the Group uses its incremental borrowing rate based on information available at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred.

The Group recognizes a depreciation charge for right of use assets on a straight-line basis over the lease term within depreciation expenses, and an interest expense on lease liabilities within finance expenses in the Group's consolidated income statement. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortized cost using the effective interest method. The interest rate implicit in the lease cannot be readily determined, and therefore the incremental borrowing rate of the Group has been used. The incremental borrowing rate is determined by reference to the borrowing rate the Group would be offered if it took out a securitized loan from a third party financial institution for a similar amount and similar period. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Group has lease agreements for aircraft with lease and non-lease components, which the Group has elected to account for as a single lease component.

The Group has elected to take the short-term lease exemption and, therefore, does not recognize a right of use asset or corresponding liability for lease arrangements with an original term of 12 months or less. Lease payments associated with short-term leases are recognized in the Group's consolidated income statement on a straight-line basis over the lease term.

The Group has elected to take the low value lease exemption and, therefore, does not recognize a right of use asset or corresponding liability for lease arrangements for which the underlying value is of low value. Lease payments associated with these leases are recognized in the Group's consolidated income statement on a straight-line basis over the lease term.

Accounting policy applied up until March 31, 2019 (IAS 17 Leases, or IAS 17)

Leases under which the Company assumes substantially all of the risks and rewards of ownership are classified as finance leases. Assets held under finance leases are capitalized in the balance sheet, at an amount equal to the lower of their fair value and the present value of the minimum lease payments and are depreciated over their estimated useful lives. The present values of the future lease payments are recorded as obligations under finance leases and the interest

element of a lease obligation is charged to the income statement over the period of the lease in proportion to the balances outstanding.

Other leases are operating leases and the associated leased assets are not recognized on the Company's balance sheet. Expenditure arising under operating leases is charged to the income statement as incurred. The Company also enters into sale-and-leaseback transactions whereby it sells the rights to an aircraft to an external party and subsequently leases the aircraft back, by way of an operating lease. Any profit or loss on the disposal where the price achieved is not considered to be at fair value is spread over the period during which the asset is expected to be used. The profit or loss amount deferred is included within "other creditors" and split into components of greater than and less than one year.

Provisions and contingencies

A provision is recognized in the balance sheet when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefit will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future outflow at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

The Company assesses the likelihood of any adverse outcomes to contingencies, including legal matters, as well as probable losses. We record provisions for such contingencies when it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated. A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. Provisions are re-measured at each balance sheet date based on the best estimate of the settlement amount.

In relation to legal matters, the Company develops estimates in consultation with internal and external legal counsel taking into account the relevant facts and circumstances known to the Group. The factors that the Company considers in developing legal provisions include the merits and jurisdiction of the litigation, the nature and number of other similar current and past litigation cases, the nature of the subject matter of the litigation, the likelihood of settlement and current state of settlement discussions, if any.

Revenues

Scheduled revenues comprise the invoiced value of airline and other services, net of government taxes. Revenue from the sale of flight seats is recognized in the period in which the flight service is provided.

Unearned revenue represents flight seats sold but not yet flown and a provision for government tax refund claims attributable to unused tickets, and is included in accrued expenses and other liabilities. Revenue, net of government taxes, is released to the income statement as passengers fly.

A refund liability is recognized for consideration received or receivable if the Group expects to refund some, or all, of the consideration to the customer. This is included in accrued expenses and other liabilities, separate to the unearned revenue liability, as it does not constitute deferred revenue.

Ancillary revenues are recognized when performance obligations have been satisfied. The majority of ancillary services are related to passenger travel and accordingly are recognized in the period in which the flight service is provided.

Share-based payments

The Company engages in equity-settled, share-based payment transactions in respect of services received from certain employees. The fair value of the services received is measured by reference to the fair value of the share options on the date of the grant. The grant measurement date is the date that a shared understanding of the terms of the award is established between the Company and the employee. The cost of the employee services received in respect of the share options granted is recognized in the income statement over the period that the services are received, which is the vesting period, with a corresponding increase in equity. To the extent that service is provided prior to the grant measurement date, the fair value of the share options is initially estimated and re-measured at each balance sheet date until the grant measurement date is achieved. The fair value of the options granted is determined using a binomial lattice option-pricing model, which takes into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the Ryanair Holdings plc share price over the life of the option and other relevant factors. Non-market vesting conditions are taken into account by adjusting the number of shares or share options included in the measurement of the cost of employee services so that ultimately, the amount recognized in the income statement reflects the number of vested shares or share options.

Retirement benefit obligations

The Company provides certain employees with post-retirement benefits in the form of pensions. The Company currently operates a number of defined contribution schemes.

Costs arising in respect of the Company's defined contribution pension schemes (where fixed contributions are paid into the scheme and there is no legal or constructive obligation to pay further amounts) are charged to the income statement in the period in which they are incurred. Any contributions unpaid at the balance sheet date are included as a liability.

Government grants

Grants that compensate the Company for related expenses incurred are recognized in the income statement on a systematic basis in the periods in which the related expenses are recognized in staff costs.

During the year ended March 31, 2021, many European countries in which the Ryanair Group operates made available payroll support schemes. The Group utilized a number of these employment retention schemes to protect jobs within the Group. These schemes were a mix of short term Covid-19 specific programs and long-term schemes linked to social security that existed pre Covid-19. The total amount of payroll supports received by the Group under the various schemes amounted to approximately €84M and are offset against staff costs in the Consolidated Income Statement. In April 2020, the Group raised £600M unsecured debt for general corporate purposes under the HMT and Bank of England CCFF. The 0.44% interest rate was the prevailing rate for strong BBB rated companies. This debt was subsequently extended in March 2021 for a further 12 months at a 0.46% interest rate.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. It is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income ("OCI"). The Group has determined that the interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 - *Provisions, Contingent Liabilities and Contingent Assets*.

Current Tax

Current tax comprises the expected tax payable and receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising from the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date and expected to apply when the temporary differences reverse.

The following temporary differences are not provided for: (i) the initial recognition of assets and liabilities that effect neither accounting nor taxable profit and (ii) differences relating to investments in subsidiaries to the extent that it is probable they will not reverse in the future.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilized. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that a sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realized.

Tax liabilities are based on the best estimate of the likely obligation at each reporting period. These estimates are subject to revision based on the outcome of tax audits and discussions with revenue authorities that can take several years to conclude

Social insurance, passenger taxes and sales taxes

Social insurance, passenger taxes and sales taxes are recorded as a liability based on laws enacted in the jurisdictions to which they relate. Liabilities are recorded when an obligation has been incurred.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects. When share capital recognized as equity is repurchased, the amount of consideration paid, which includes any directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity, until they are canceled.

Dividend distributions are recognized as a liability in the period in which the dividends are declared by the Company's shareholders.

2. Property, plant and equipment

	Aircraft €M	Hangar and Buildings €M	Plant and Equipment €M	Fixtures and Fittings €M	Motor Vehicles €M	Total €M
Year ended March 31, 2021						
Cost						
At March 31, 2020	13,278.9	107.4	127.8	80.7	5.0	13,599.8
Additions in year	274.4	16.7	4.1	4.5	0.3	300.0
Supplier Reimbursements*	(377.6)	—	—	—	—	(377.6)
Contractual amendments*	(496.9)	—	—	—	—	(496.9)
Disposals in year	(83.7)	—	—	—	—	(83.7)
At March 31, 2021	12,595.1	124.1	131.9	85.2	5.3	12,941.6
Depreciation						
At March 31, 2020	4,009.9	29.7	50.6	67.1	4.5	4,161.8
Charge for year	476.0	4.3	14.3	7.4	0.4	502.4
Eliminated on disposal	(83.7)	—	—	—	—	(83.7)
At March 31, 2021	4,402.2	34.0	64.9	74.5	4.9	4,580.5
Net book value						
At March 31, 2021	8,192.9	90.1	67.0	10.7	0.4	8,361.1
Year ended March 31, 2020						
Cost						
At March 31, 2019	12,629.2	78.1	87.9	74.3	4.5	12,874.0
Additions in year	1,160.8	29.3	39.9	6.5	0.5	1,237.0
Disposals in year	(412.4)	—	—	(0.1)	—	(412.5)
Transfer to assets held for sale	(98.7)	—	—	—	—	(98.7)
At March 31, 2020	13,278.9	107.4	127.8	80.7	5.0	13,599.8
Depreciation						
At March 31, 2019	3,716.7	26.1	38.2	59.5	3.9	3,844.4
Charge for year	665.0	3.6	12.4	7.7	0.6	689.3
Eliminated on disposal	(371.8)	—	—	(0.1)	—	(371.9)
At March 31, 2020	4,009.9	29.7	50.6	67.1	4.5	4,161.8
Net book value						
At March 31, 2020	9,269.0	77.7	77.2	13.6	0.5	9,438.0
Year ended March 31, 2019						
Cost						
At March 31, 2018	11,303.5	82.7	40.7	62.7	4.3	11,493.9
Additions in year	1,485.2	2.4	47.2	11.7	0.2	1,546.7
Disposals in year	(159.5)	(7.0)	—	(0.1)	—	(166.6)
At March 31, 2019	12,629.2	78.1	87.9	74.3	4.5	12,874.0
Depreciation						
At March 31, 2018	3,251.3	29.5	32.9	53.3	3.5	3,370.5
Charge for year	624.9	3.6	5.3	6.3	0.4	640.5
Eliminated on disposal	(159.5)	(7.0)	—	(0.1)	—	(166.6)
At March 31, 2019	3,716.7	26.1	38.2	59.5	3.9	3,844.4
Net book value						
At March 31, 2019	8,912.5	52.0	49.7	14.8	0.6	9,029.6

*In December 2020, the Group revised its 2014 agreement with Boeing to increase its firm orders with Boeing from 135 to 210. The terms of this agreement are confidential, but it sets out a restructured payment schedule over the delivery period from June 2021 to December 2024. This has resulted in a reversal of certain pre-delivery trade payables of approximately €497m and the related amount capitalized into PPE. In addition, the €378m reimbursements related to reasonable, and fair, compensation agreed with Boeing for the 2-year delivery delay of the Boeing 737-8200 aircraft is recorded as a reduction in PPE.

At March 31, 2021, the cost and net book value of aircraft included advance payments on aircraft, net of reimbursements, of approximately €507m (2020: €1,329m; 2019: €711m). Such amounts are not depreciated. The cost and net book value also includes capitalized aircraft maintenance, aircraft simulators and the stock of rotatable spare parts.

At March 31, 2021, aircraft with a net book value of €950m (2020: €1,337m; 2019: €2,395m) were mortgaged to lenders as security for loans. Under the security arrangements for the Company's Ex-Im financed Boeing 737-800 "next generation" aircraft, the Company does not hold legal title to those aircraft while these loan amounts remain outstanding.

The net book value of leased assets classified as property, plant and equipment (see note 3) at March 31, 2021, 2020 and 2019 was €nil, €132m and €198m, respectively.

3. Right of use assets & lease liabilities

	Year ended March 31,	
	2021	2020
	€M	€M
Leases under IFRS 16 recognized in Profit and Loss		
Interest on lease liabilities	4.6	5.6
Depreciation charge	68.6	59.4
Expenses relating to short-term leases	6.7	38.2
Lease charge for year end	79.9	103.2
Leases under IAS 17		
Lease expense		83.9
Right of use-assets		
At March 31,		
	2021	2020
Balance at beginning of year	236.8	130.7
Depreciation charge for the year	(68.6)	(59.5)
Additions	27.9	166.1
Modification of leases	(7.9)	(0.5)
Balance at end of year	188.2	236.8
Net book value of leased assets classified as property, plant and equipment (note 2)	–	132.0
Total right of use assets at end of year	188.2	368.8
Lease Liabilities		
At March 31,		
	2021	2020
Balance at beginning of year	245.9	140.4
Additions	27.9	166.1
Financing cash outflows from lease liabilities	(76.8)	(67.5)
Interest expense	4.6	5.6
Modification of leases	(2.7)	–
Exchange movements	(15.8)	1.3
Balance at end of year	183.1	245.9
Present value of future minimum lease payments classified as debt	–	172.0
Total lease liabilities at end of year	183.1	417.9
Lease Liabilities		
At March 31,		
	2021	2020
Current lease liability	52.5	75.0
Non-current lease liability	130.6	170.9
Total lease liabilities at end of year	183.1	245.9

A maturity analysis of our lease liabilities as at March 31, 2021 has been disclosed within Note 13.

The Group negotiated rent concessions with its lessors for some of its aircraft leases as a result of the severe impact of the Covid-19 pandemic during fiscal year 2021. The Group applied the practical expedient for Covid-19-related rent concessions consistently to eligible rent concessions.

The amount recognized in profit or loss for the reporting period to reflect changes in lease payments arising from rent concessions to which the Group has applied the practical expedient for Covid-19-related rent concessions is €nil (2020: €nil, 2019: €nil).

4. Business combinations

Acquisition of a Subsidiary

In April 2018, the Company purchased a 24.9% stake in Lauda for €15m consideration. This investment was accounted for using the equity method. In August 2018, the Company acquired a further 50.1% of the shares and voting interests in Lauda. As a result, the Group's equity interest increased from 24.9% to 75%, with a put option over the remaining 25%. From this date, the Group had a controlling interest and Lauda has been accounted for as a consolidated subsidiary. In December 2018, the Company subsequently exercised the put option and increased its holding in Lauda to 100%.

As part of purchase accounting, Ryanair recognized a gain on sale of associate of €6m within the consolidated income statement. The put option over the remaining 25% ownership interest in Lauda was accounted for under the anticipated acquisition method i.e. the 25% residual interest was deemed to have been acquired at the date of acquisition and the financial liability arising from the put option was included in the consideration transferred at its fair value of €6m (see table below). Lauda provided the Group access to valuable landing slots at slot constrained airports in Germany, Austria and Spain.

The following table summarizes the fair value of assets acquired, and liabilities assumed at the date of acquisition of control and the consideration transferred to acquire control of Lauda.

Consideration transferred and assets and liabilities assumed

	Year ended March 31, 2019
	€M
Consideration:	
Fair value of cash consideration	26.0
Fair value of put option for remaining 25% of Lauda	6.0
Fair value of existing 24.9% equity interest	6.0
Settlement of pre-existing loans	60.5
	98.5
Net assets acquired:	
Intangible assets	99.6
Cash and cash equivalents	7.0
Trade receivables	38.5
Inventories	3.4
Property, plant and equipment	1.4
Other assets	0.1
Accrued expenses and other liabilities	(42.1)
Trade payables	(9.1)
Current tax	(0.3)
	98.5

The excess of the purchase consideration over the acquired assets and assumed liabilities, was entirely attributable to the value of identifiable intangible assets acquired, being the landing slots. Accordingly, no goodwill was recognized in respect of the Lauda acquisition. Further, no contingent liabilities were recognized in respect of the Lauda acquisition.

In the year ended March 31, 2019, Lauda contributed revenue of approximately €135m and an operating loss of approximately €173m to the Group's results. Ryanair also recognized approximately €16m in share of losses in associate prior to consolidation of Lauda in August 2018, and recognized a deferred tax credit of approximately €43m relating to the recognition of a deferred tax asset in respect of Lauda's post-acquisition losses.

5. Intangible assets

Landing rights	At March 31,		
	2021	2020	2019
	€M	€M	€M
Balance at beginning of year	146.4	146.4	46.8
Acquisition through business combination (note 4)	–	–	99.6
Balance at end of year	146.4	146.4	146.4

Landing slots were acquired with the acquisition of Buzz Stansted Limited in April 2003 and Lauda in fiscal year 2019.

As these landing slots have no expiry date and are expected to be used in perpetuity, they are considered to be of indefinite life and accordingly are not amortized. The Company also considers that there has been no impairment of the value of these rights to date. The recoverable amount of these rights has been determined on a value-in-use basis, using discounted cash-flow projections for a twenty year period for each route that has an individual landing right. The calculation of value-in-use is most sensitive to the operating margin and discount rate assumptions. Operating margins are based on the existing margins generated from these routes and adjusted for any known trading conditions, including an estimate of the impact of the travel restrictions imposed by Covid-19 at the reporting date. The trading environment is subject to both regulatory and competitive pressures that can have a material effect on the operating performance of the business. Foreseeable events, however, are unlikely to result in a change of projections of a significant nature so as to result in the landing rights' carrying amounts exceeding their recoverable amounts. These projections have been discounted based on the estimated discount rate applicable to the asset of 11.5% for 2021, 9% for 2020 and 6% for 2019.

6. Inventories

Consumables	At March 31,		
	2021	2020	2019
	€M	€M	€M
	3.6	3.3	2.9

7. Other assets

Prepayments* Interest receivable	At March 31,		
	2021	2020	2019
	€M	€M	€M
	228.5	176.4	237.2
	–	2.3	0.8
	228.5	178.7	238.0

*Included in prepayments are amounts due after 1 year of approximately €49m (2020: €nil; 2019: €nil).

8. Assets held for sale

In August 2019, the Company entered into an agreement to sell 10 Boeing 737NG aircraft for delivery in fiscal year 2020 and 2021. 3 of these aircraft were sold in the year ended March 31, 2020. The remaining 7 aircraft were sold in the year ended March 31, 2021 resulting in a gain of just over €13m, which is included in finance income on the Consolidated Income Statement. Note 18 shows the reportable segments for the Group. The segment to which the sold aircraft relate is Ryanair DAC.

9. Trade receivables

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Trade receivables	18.6	67.5	59.6
Allowance for impairment	—	—	(0.1)
	<u>18.6</u>	<u>67.5</u>	<u>59.5</u>

All amounts fall due within one year.

There has been no change to the allowance for impairment during the year (2020: €nil; 2019: €nil). There were no bad debt write-offs in the year (2020: €nil; 2019: €nil).

At March 31, 2021, €1.0m (2020: €3.3m; 2019: €0.8m) of the total accounts receivable balance were past due, of which €nil (2020: €nil; 2019: €0.1m) was impaired and €nil (2020: €3.3m; 2019: €0.6m) was considered past due but not impaired for which the expected credit loss was considered immaterial.

10. Restricted cash

Restricted cash consists of approximately €34m (2020: €34m; 2019: €35m) placed in escrow accounts for certain legal cases and appeals (which accounts for the majority of the balance).

11. Trade payables

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Trade payables - Current	336.0	1,368.2	573.8
Trade payables - Non-current	179.9	—	—
	<u>515.9</u>	<u>1,368.2</u>	<u>573.8</u>

During the year ended March 31, 2021, the Group revised its 2014 agreement with Boeing which resulted in a reversal of certain pre-delivery trade payables of €497m. Refer to note 2 to the consolidated financial statements for further details.

12. Accrued expenses and other liabilities

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Accruals	887.3	1,553.1	320.8
Indirect tax and duties	96.7	489.8	709.0
Unearned revenue (contract liabilities)	290.9	546.5	1,962.3
	<u>1,274.9</u>	<u>2,589.4</u>	<u>2,992.1</u>

Contract liabilities comprises:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Opening contract liabilities	546.5	1,962.3	1,408.3
IFRS 15 transition adjustment	–	–	287.0
Revenue deferred during the year	1,248.0	6,107.2	6,914.9
Revenue recognized during the year	(1,503.6)	(7,523.0)	(6,647.9)
Closing contract liabilities	<u>290.9</u>	<u>546.5</u>	<u>1,962.3</u>

Indirect tax and duties comprise:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
PAYE (payroll taxes)	11.2	25.3	20.1
Other tax (principally air passenger duty in various countries)	85.5	464.5	688.9
	<u>96.7</u>	<u>489.8</u>	<u>709.0</u>

13. Financial instruments – Fair values and risk management

The Company utilizes financial instruments to reduce exposures to market risks throughout its business. Borrowings, cash and cash equivalents and liquid investments are used to finance the Company's operations. The Company uses derivative financial instruments, principally jet fuel derivatives, interest rate swaps, cross-currency interest rate swaps and forward foreign exchange contracts to manage commodity risks, interest rate risks and currency exposures and to achieve the desired profile of fixed and variable rate borrowings and leases in appropriate currencies. It is the Company's policy that no speculative trading in financial instruments shall take place.

The main risks attaching to the Company's financial instruments, the Company's strategy and approach to managing these risks, and the details of the derivatives employed to hedge against these risks have been disclosed in Note 13 to the consolidated financial statements.

(a) Accounting classifications and fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, by class and category, as at March 31, 2021, 2020 and 2019. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value (including cash and cash equivalents, financial assets: cash > 3 months, restricted cash, trade receivables, other assets, trade payables and accrued expenses).

The carrying value and fair value of the Company's financial assets by class and category at March 31, 2021, 2020 and 2019 were as follows:

	Amortized Cost	Cash- Flow Hedges	Fair value through Profit & Loss	Total Carrying Value	Total Fair Value
	€M	€M	€M	€M	€M
At March 31, 2021					
Cash and cash equivalents	2,650.7	–	–	2,650.7	–
Financial asset: cash > 3 months	465.5	–	–	465.5	–
Restricted cash	34.1	–	–	34.1	–
Derivative financial instruments:					
- U.S. dollar currency forward contracts	–	208.9	–	208.9	208.9
- Cross-currency swaps	–	3.0	–	3.0	3.0
- GBP currency swaps	–	5.4	–	5.4	5.4
Trade receivables	18.6	–	–	18.6	–
Other assets	–	–	–	–	–
Total financial assets at March 31, 2021	<u>3,168.9</u>	<u>217.3</u>	<u>–</u>	<u>3,386.2</u>	<u>217.3</u>
At March 31, 2020					
Cash and cash equivalents	2,566.4	–	–	2,566.4	–
Financial asset: cash > 3 months	1,207.2	–	–	1,207.2	–
Restricted cash	34.4	–	–	34.4	–
Derivative financial instruments:					
- U.S. dollar currency forward contracts	–	663.7	–	663.7	663.7
- Interest rate swaps	–	8.0	–	8.0	8.0
Trade receivables	67.5	–	–	67.5	–
Other assets	2.3	–	–	2.3	–
Total financial assets at March 31, 2020	<u>3,877.8</u>	<u>671.7</u>	<u>–</u>	<u>4,549.5</u>	<u>671.7</u>
At March 31, 2019					
Cash and cash equivalents	1,675.6	–	–	1,675.6	–
Financial asset: cash > 3 months	1,484.4	–	–	1,484.4	–
Restricted cash	34.9	–	–	34.9	–
Derivative financial instruments:					
- U.S. dollar currency forward contracts	–	527.7	–	527.7	527.7
- Interest rate swaps	–	4.0	–	4.0	4.0
- Jet fuel derivative contracts	–	4.5	–	4.5	4.5
Trade receivables	59.5	–	–	59.5	–
Other assets	0.8	–	–	0.8	–
Total financial assets at March 31, 2019	<u>3,255.2</u>	<u>536.2</u>	<u>–</u>	<u>3,791.4</u>	<u>536.2</u>

The carrying values and fair values of the Company's financial liabilities by class and category were as follows:

	Liabilities at Amortized Cost €M	Cash-Flow Hedges €M	Fair value through Profit & Loss €M	Total Carrying Value €M	Total Fair Value €M
At March 31, 2021					
Current and non-current maturities of debt	5,243.7	–	–	5,243.7	5,356.4
Derivative financial instruments:					
- U.S. dollar currency forward contracts	–	40.0	25.8	65.8	65.8
- Jet fuel & carbon derivative contracts	–	19.8	–	19.8	19.8
- Interest rate swaps	–	–	–	–	–
Trade payables (Current)	336.0	–	–	336.0	–
Trade payables (Non-current)	179.9	–	–	179.9	179.9
Accrued expenses	887.3	–	–	887.3	–
Total financial liabilities at March 31, 2021	<u>6,646.9</u>	<u>59.8</u>	<u>25.8</u>	<u>6,732.5</u>	<u>5,621.9</u>
At March 31, 2020					
Current and non-current maturities of debt	3,965.3	–	–	3,965.3	3,495.8
Derivative financial instruments:					
- U.S. dollar currency forward contracts	–	2.2	–	2.2	2.2
- Jet fuel derivative contracts	–	1,228.3	–	1,228.3	1,228.3
- Interest rate swaps	–	–	–	–	–
Trade payables	1,368.2	–	–	1,368.2	–
Accrued expenses	1,553.1	–	–	1,553.1	–
Total financial liabilities at March 31, 2020	<u>6,886.6</u>	<u>1,230.5</u>	<u>–</u>	<u>8,117.1</u>	<u>4,726.3</u>
At March 31, 2019					
Current and non-current maturities of debt	3,644.4	–	–	3,644.4	3,725.3
Derivative financial instruments:					
-U.S. dollar currency forward contracts	–	8.0	–	8.0	8.0
-Jet fuel derivative contracts	–	189.7	–	189.7	189.7
- Interest rate swaps	–	–	–	–	–
Trade payables	573.8	–	–	573.8	–
Accrued expenses	320.8	–	–	320.8	–
Total financial liabilities at March 31, 2019	<u>4,539.0</u>	<u>197.7</u>	<u>–</u>	<u>4,736.7</u>	<u>3,923.0</u>

(b) Measurement of fair values

Valuation techniques

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The different valuation levels are defined as follows:

- Level 1: Inputs are based on unadjusted quoted prices in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability are not based on observable market data.

The following paragraphs describe the valuation techniques used in measuring Level 2 and Level 3 fair values for each material class of financial instruments in the consolidated balance sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Derivatives – interest rate swaps: Discounted cash-flow analyses have been used to determine their fair value, taking into account current market inputs and rates. The Group's credit risk and counterparty's credit risk is taken into account when establishing fair value (Level 2).

Derivatives – currency forwards and aircraft jet fuel contracts: A comparison of the contracted rate to the market rate for contracts providing a similar risk profile at March 31, 2021 has been used to establish fair value. The Group's credit risk and counterparty's credit risk is taken into account when establishing fair value (Level 2).

Financial instruments not measured at fair value

Fixed-rate long-term debt: The repayments which Ryanair is committed to make have been discounted at the relevant market rates of interest applicable (including credit spreads) at the relevant reporting year end date to arrive at a fair value representing the amount payable to a third party to assume the obligations.

Trade payables: The value of trade payables has not been discounted as the effects of discounting would not be material.

	Level 1 €M	Level 2 €M	Level 3 €M	Total €M
At March 31, 2021				
Derivative assets measured at fair value for risk management purposes				
U.S. dollar currency forward contracts	–	208.9	–	208.9
GBP currency swap	–	5.4	–	5.4
Cross-currency swaps	–	3.0	–	3.0
	–	217.3	–	217.3
Derivative liabilities measured at fair value for risk management purposes				
U.S. currency forward contracts	–	65.8	–	65.8
Jet fuel	–	19.8	–	19.8
	–	85.6	–	85.6
Liabilities not measured at fair value				
Debt	–	5,356.4	–	5,356.4
Non-current trade payables	–	179.9	–	179.9
	–	5,536.3	–	5,536.3
At March 31, 2020				
Derivative assets measured at fair value for risk management purposes				
U.S. dollar currency forward contracts	–	663.7	–	663.7
Jet fuel & carbon derivative contracts	–	–	–	–
Cross-currency swaps	–	8.0	–	8.0
	–	671.7	–	671.7
Derivative liabilities measured at fair value for risk management purposes				
U.S. currency forward contracts	–	2.2	–	2.2
Jet fuel & carbon derivative contracts	–	1,228.3	–	1,228.3
	–	1,230.5	–	1,230.5
Liabilities not measured at fair value				
Long-term debt	–	3,495.8	–	3,495.8
At March 31, 2019				
Derivative assets measured at fair value for risk management purposes				
U.S. dollar currency forward contracts	–	527.7	–	527.7
Jet fuel derivative contracts	–	4.5	–	4.5
Cross-currency swaps	–	4.0	–	4.0
	–	536.2	–	536.2
Derivative liabilities measured at fair value for risk management purposes				
U.S. currency forward contracts	–	8.0	–	8.0
Jet fuel derivative contracts	–	189.7	–	189.7
	–	197.7	–	197.7
Liabilities not measured at fair value				
Long-term debt	–	3,725.3	–	3,725.3

Transfers between Levels 1 and 2 and transfers out of Level 3

During the years ended March 31, 2021, 2020, and 2019 there were no transfers between Level 1 and Level 2 fair-value measurements, and no transfers into or out of Level 3 fair-value measurement.

(c) Financial risk management

Risk management framework

The Audit Committee of the Board of Directors has responsibility for monitoring the treasury policies and procedures of the Group, which include controls over the procedures used to manage the main financial risks arising from the Group's operations. Such risks comprise market risks including commodity price, foreign exchange and interest rate risks, credit risk and liquidity risk. The Group uses a range of financial instruments to manage exposures arising from these risks, as fully set out below. These instruments include borrowings, cash deposits and derivatives (principally jet fuel derivatives, interest rate swaps, cross-currency interest rate swaps and forward foreign exchange contracts). Derivative financial instruments are designated as hedging derivatives, where effective, for the purposes of IAS 39 and accounted for at fair value in the Group's consolidated balance sheet. It is the Group's policy that no speculative trading in financial instruments takes place.

Market risk

Ryanair is exposed to market risks relating to fluctuations in commodity prices, interest rates and currency exchange rates. The objective of financial risk management at Ryanair is to minimize the impact of commodity price, interest rate and foreign exchange rate fluctuations on the Company's earnings, cash flows and equity.

The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Audit Committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies is the euro. The main currencies in which non-euro transactions occur giving rise to foreign currency risk are primarily denominated in U.S. dollars and U.K. pounds sterling.

The Company manages this risk by typically matching U.K. pounds sterling revenues against U.K. pounds sterling costs. Surplus U.K. pounds sterling revenues are sometimes used to fund forward foreign exchange contracts to hedge U.S. dollar currency exposures that arise in relation to fuel, maintenance, aviation insurance, and capital expenditure costs and typically U.K. pounds sterling are converted into euro. Additionally, the Group swaps euro for U.S. dollars using forward currency contracts to cover any expected U.S. dollar outflows for these costs. From time to time, the Company also swaps euro for U.K. pounds sterling using forward currency contracts to hedge expected future surplus U.K. pounds sterling. From time to time the Group also enters into cross-currency interest rate swaps to hedge against fluctuations in foreign exchange rates and interest rates in respect of U.S. dollar denominated borrowings.

Forward currency contracts are designated as cash-flow hedges of forecasted U.S. dollar payments and have been determined to be highly effective in offsetting variability in future cash flows arising from the fluctuation in the U.S. dollar and euro exchange rates for the forecasted U.S. dollar purchases.

In these hedge relationships, the main sources of ineffectiveness are changes in the timing of the hedged transactions. The Group recorded a hedge ineffectiveness loss of €8m on ineffective currency cash-flow hedges for

fiscal year 2021 (2020: €40m gain, 2019: nil) primarily related to delayed capital expenditure (principally due to the late delivery of new aircraft) and a reduced requirement for USD fuel purchases.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	At March 31,								
	2021			2020			2019		
	GBP	U.S.\$	Euro €	GBP	U.S.\$	Euro €	GBP	U.S.\$	Euro €
	£M	\$M	€M	£M	\$M	€M	£M	\$M	€M
Monetary assets									
U.K. pounds sterling cash and liquid resources	8.1	—	9.5	22.5	—	25.3	17.0	—	19.6
U.S. Dollar cash and liquid resources	—	506.7	432.0	—	2,150.1	1,949.5	—	485.2	432.5
	<u>8.1</u>	<u>506.7</u>	<u>441.5</u>	<u>22.5</u>	<u>2,150.1</u>	<u>1,974.8</u>	<u>17.0</u>	<u>485.2</u>	<u>452.1</u>

	At March 31,								
	2021			2020			2019		
	GBP	U.S.\$	Euro €	GBP	U.S.\$	Euro €	GBP	U.S.\$	Euro €
	£M	\$M	€M	£M	\$M	€M	£M	\$M	€M
Monetary liabilities									
U.S. dollar long term debt	—	95.7	81.6	—	129.2	117.1	—	202.4	180.5
U.K. GBP debt	597.3	—	701.8	—	—	—	—	—	—
Pre-delivery payments due to Boeing	—	517.3	441.1	—	1,051.8	957.6	—	—	—
	<u>597.3</u>	<u>613.0</u>	<u>1,224.5</u>	<u>—</u>	<u>1,181.0</u>	<u>1,074.7</u>	<u>—</u>	<u>202.4</u>	<u>180.5</u>

The following exchange rates have been applied:

	At March 31,		
	2021	2020	2019
	€	€	€
USD 1.0000	1.1728	1.1029	1.1217
GBP 1.0000	0.8510	0.8883	0.8606

The notional principal amounts of forward foreign exchange contracts are as follows:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Within Year 1	1,506.9	3,670.9	4,007.0
Greater than 1 Year	1,562.4	4,075.7	4,665.0
Total	<u>3,069.3</u>	<u>7,746.6</u>	<u>8,672.0</u>

These foreign currency exchange contracts were all initially treated as cash-flow hedges to hedge jet fuel, capital expenditure and maintenance contracts in U.S. dollars. See section (d) below for details of the ineffectiveness of certain of these hedges. As at March 31, 2021 the hedged U.S. dollar rate is US\$1.2099 to €1.00.

Sensitivity analysis

A plus or minus change of 10% in relevant foreign currency exchange rates, based on outstanding foreign currency-denominated financial assets and financial liabilities at March 31, 2021 would have a positive impact of €40m

on the income statement (net of tax) (2020: €246m; 2019: nil) if the rate fell by 10% and a negative impact of €33m on the income statement (net of tax) (2020: €235m; 2019: nil) if the rate increased by 10%. The same movement of 10% in foreign currency exchange rates would have a negative €372m impact (net of tax) on equity if the rate fell by 10% and a positive €304m impact (net of tax) if the rate increased by 10% (2020: €649m positive or €531m negative; 2019: €894m positive or €731m negative).

Interest rate risk

The Group's objective for interest rate risk management is to reduce interest-rate risk through a combination of financial instruments, which lock in interest rates on debt and by matching a proportion of floating rate assets with floating rate liabilities. In line with the above interest rate risk management strategy, the Group has entered into a series of interest rate swaps to hedge against fluctuations in interest rates for certain floating rate financial arrangements and certain other obligations.

The Group also utilizes cross currency interest rate swaps to manage exposures to fluctuations in foreign exchange rates of U.S. dollar denominated floating rate borrowings, together with managing the exposures to fluctuations in interest rates on these U.S. dollar denominated floating rate borrowings. Cross currency interest rate swaps are primarily used to convert a portion of the Group's U.S. dollar denominated debt to euro and floating rate interest exposures into fixed rate exposures and are set so as to match exactly the critical terms of the underlying debt being hedged (i.e. notional principal, interest rate settings, re-pricing dates). These are all designated in cash-flow hedges of the forecasted U.S. dollar variable interest payments on the Group's underlying debt and have been determined to be highly effective in achieving offsetting cash flows. Accordingly, no ineffectiveness has been recorded in the income statement relating to these hedges in the current year.

Floating interest rates on financial liabilities are referenced to European interbank interest rates (EURIBOR). Secured long-term debt and interest rate swaps typically re-price on a quarterly basis. The Group uses current interest rate settings on existing floating rate debt at each year-end to calculate contractual cash flows. Fixed interest rates on financial liabilities are fixed for the duration of the underlying structures.

Exposures to interest rate risk

The following was the maturity profile of the Group's financial liabilities (excluding aircraft provisions, trade payables and accrued expenses).

	Weighted average rate (%)	2022 €M	2023 €M	2024 €M	2025 €M	2026 - 2027 €M	Total €M
At March 31, 2021							
Fixed rate							
Secured debt	2.47%	63.5	61.4	51.3	11.3	–	187.5
Unsecured debt	1.46%	1,617.4	916.2	808.9	49.0	849.0	4,240.5
Debt	1.50%	1,680.9	977.6	860.2	60.3	849.0	4,428.0
Lease liabilities - right of use	2.39%	52.5	53.8	48.1	24.8	3.9	183.1
Total fixed rate debt		1,733.4	1,031.4	908.3	85.1	852.9	4,611.1
Floating rate							
Secured long term debt	0.70%	45.0	20.7	–	–	–	65.7
Unsecured long term debt		–	–	–	750.0	–	750.0
Total floating rate debt	0.70%	45.0	20.7	–	750.0	–	815.7
Total financial liabilities		1,778.4	1,052.1	908.3	835.1	852.9	5,426.8
At March 31, 2020							
Fixed rate							
Secured long term debt	2.48%	63.8	65.4	63.0	52.2	12.1	256.5
Unsecured long term debt	1.32%	34.0	876.9	877.5	770.2	50.0	2,608.6
Long term debt	1.42%	97.8	942.3	940.5	822.4	62.1	2,865.1
Finance leases	2.51%	116.0	–	–	–	–	116.0
Lease liabilities - right of use	2.47%	75.0	51.6	52.1	46.0	21.2	245.9
Total fixed rate debt		288.8	993.9	992.6	868.4	83.3	3,227.0
Floating rate							
Secured long term debt	0.58%	105.9	45.0	20.7	–	–	171.6
Unsecured long term debt		–	–	–	–	750.0	750.0
Finance leases	1.19%	62.6	–	–	–	–	62.6
Total floating rate debt	0.62%	168.5	45.0	20.7	–	750.0	984.2
Total financial liabilities		457.3	1,038.9	1,013.3	868.4	833.3	4,211.2
At March 31, 2019							
Fixed rate							
Secured long term debt	2.52%	75.8	63.3	64.9	62.5	63.8	330.3
Unsecured long term debt	1.30%	34.0	34.0	876.9	877.5	819.7	2,642.1
Long term debt	1.44%	109.8	97.3	941.8	940.0	883.5	2,972.4
Finance leases	2.54%	(2.8)	116.0	–	–	–	113.2
Total fixed rate debt		107.0	213.3	941.8	940.0	883.5	3,085.6
Floating rate							
Secured long term debt	0.75%	181.1	161.9	105.8	26.0	–	474.8
Finance leases	1.27%	21.4	62.6	–	–	–	84.0
Total floating rate debt	0.83%	202.5	224.5	105.8	26.0	–	558.8
Total financial liabilities		309.5	437.8	1,047.6	966.0	883.5	3,644.4

The Group holds significant cash balances that are invested on a short-term basis. At March 31, 2021, all of the Group's cash and liquid resources attracted a weighted average interest rate of -0.26% (2020: 0.73%; 2019: 0.01%). Interest rates on cash and liquid resources are generally based on the appropriate EURIBOR or bank rates dependent on the principal amounts on deposit.

	At March 31,		
	2021	2020	2019
	Within 1 year €M	Within 1 year €M	Within 1 year €M
Financial assets			
Cash and cash equivalents	2,650.7	2,566.4	1,675.6
Cash > 3 months	465.5	1,207.2	1,484.4
Restricted cash	34.1	34.4	34.9
Total financial assets	<u>3,150.3</u>	<u>3,808.0</u>	<u>3,194.9</u>

Derivative financial instruments – Interest rate risk exposure

The Group has cross currency swaps to swap fixed rate U.S. dollar denominated debt of US\$65m (2020: US\$82m; 2019: US\$98m) into a fixed rate euro debt of €52m (2020: €65m; 2019: €78m). As at March 31, 2021 the hedged euro fixed interest rate varies between 1.54% to 1.79% depending on the various tranches.

Sensitivity analysis

Based on the levels of and composition of year-end interest bearing assets and liabilities, including derivatives, at March 31, 2021, a plus one-percentage-point movement in interest rates would result in a respective increase of approximately €6m (net of tax) and a minus one-percentage point movement in interest rates would result in a respective increase of approximately €48m in net interest income and expense in the income statement (2020: €38m; 2019: €5m) and a nil increase or decrease in equity (2020: nil; 2019: nil). All of the Group's interest rate swaps (to the extent that it has any) are used to swap variable rate debt to fixed rate debt; consequently, any changes in interest rates would have an equal and opposite income statement effect for both the interest rate swaps and the debt.

Jet fuel and carbon credits price risk

The Group's historical fuel risk management policy has been to hedge up to approximately 90% of the forecast fuel consumption to ensure that the future cost per gallon of fuel is locked in. This policy was adopted to prevent the Group being exposed, in the short term, to adverse movements in global jet fuel prices. However, when deemed to be in the best interests of the Group, the Group does not necessarily hedge up to this limit. At March 31, 2021 approximately 50% of the Group's estimated fuel exposure for fiscal year 2022.

The Group utilizes jet fuel forward contracts to manage exposure to jet fuel prices. These are used to hedge the Group's forecasted fuel purchases, and are arranged so as to match as closely as possible against forecasted fuel delivery and payment requirements. These are designated as cash-flow hedges of forecasted fuel payments and have been determined to be highly effective in offsetting variability in future cash flows arising from fluctuations in jet fuel prices.

The Group has entered into jet fuel forward contracts with a number of counterparties to hedge jet fuel purchases over a period of up to 18 months. The notional amount of these contracts are €609m (2020: €2,829m; 2019: €2,482m) at an average hedged rate of approximately US\$545 per metric tonne. (2020: US\$588; 2019: US\$705).

In these hedging relationships the main sources of ineffectiveness are changes in the timing of the hedged transactions. The Group recorded a hedge ineffectiveness charge of €219m in fiscal year 2021 (2020: €447m; 2019: nil)

in relation to jet fuel hedges (€161m in relation to jet fuel swaps, and €58m in relation currency forward contracts). This is due to the widespread grounding of aircraft, travel restriction and lockdowns as a result of European Governments reactions to the spread of Covid-19.

The European Union Emissions Trading System ("EU-ETS") is applicable to airlines from January 1, 2012. Ryanair recognizes the cost associated with the purchase of carbon credits as part of the EU-ETS as an expense in the income statement. This expense is recognized in line with fuel consumed during the fiscal year as the Group's carbon emissions and fuel consumptions are directly linked.

The Group's fuel risk management policy includes hedging of the Group's EU-ETS (carbon) exposures. This policy was adopted to prevent the Group being exposed, in the short term, to adverse movements in carbon credit prices. However, when deemed to be in the best interests of the Group, it may deviate from this policy. At March 31, 2021, the Group had hedged approximately 100% and 55% of the Group's estimated carbon exposure for fiscal year 2022 and fiscal year 2023 respectively at approximately €24 per EUA.

Sensitivity Analysis

A plus or minus change of 10% in the price of jet fuel at March 31, 2021 would have a €3.5m impact (2020: €26m) on the income statement (net of tax) if the price fell by 10% and a €3.5m impact (2020: €26m) if the price increased by 10%. The same movement of 10% in the price of jet fuel at March 31, 2021 would have a €65m impact (2020: €31m) on equity if the price fell by 10% and a €65m impact (2020: €31m) if the price increased by 10%.

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 and arises principally from trade receivables, cash and cash equivalents, derivatives and guarantees.

Trade receivables

The Group's revenues derive principally from airline travel on scheduled services, internet income and in-flight and related sales. Revenue is primarily derived from European routes. No individual customer accounts for a significant portion of total revenue.

At March 31, 2021, approximately €1m (2020: €3m; 2019: €1m) of our total accounts receivable balance were past due, of which €0m (2020: €0m; 2019: €0m) was impaired and €0m (2020: €3m; 2019: €1m) was considered past due but not impaired for which the expected credit loss was considered immaterial.

Cash and cash equivalents

The Group holds significant cash balances, which are classified as either cash and cash equivalents or financial assets >3 months. These deposits and other financial instruments (principally certain derivatives and loans as identified above) give rise to credit risk on amounts due from counterparties. Credit risk is managed by limiting the aggregate amount and duration of exposure to any one counterparty through regular review of counterparties' market-based ratings, Tier 1 capital level and credit default swap rates and by taking into account bank counterparties' systemic importance to the financial systems of their home countries. The Group limits the concentration of risk in relation to any one institution for cash and cash equivalents. Deposits are entered into with parties that have high investment grade credit ratings from the main rating agencies, including Standard & Poor's ("S&P") Moody's and Fitch ratings. The Group also monitors where counterparty credit default swaps are trading. The maximum exposure arising in the event of

default on the part of the counterparty is the carrying value of the relevant financial instrument. The Group is authorized to place funds on deposit for periods up to 18 months.

Derivatives

In line with the Group's policies and procedures, derivatives are entered into with parties that have high investment grade credit ratings from the main rating agencies, including Standard & Poor's ("S&P"), Moody's and Fitch ratings. The Group also avoids concentration of risk in relation to derivative counterparties.

Guarantees

At March 31, 2021, the Group has provided approximately €5,432m (2020: €4,236m; 2019: €3,797m) in letters of guarantee to secure obligations of subsidiary undertakings in respect of loans, bank advances and long dated foreign currency transactions.

In order to avail itself of the exemption contained in Section 357 of the Companies Act, 2014, the holding company, Ryanair Holdings plc, has guaranteed the liabilities and commitments of its subsidiary undertakings registered in Ireland. As a result, the subsidiary undertakings have been exempted from the requirement to annex their statutory financial statements to their annual returns.

Liquidity risk and capital management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial activities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when fall due and to provide adequately for contingencies.

The Group's cash and liquid resources comprise cash and cash equivalents, short-term investments and restricted cash. The Group defines the capital that it manages as the Group's long-term debt and equity. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to maintain sufficient financial resources to mitigate against risks and unforeseen events. In addition, the Group aims to achieve the best available return on investments of surplus cash – subject to credit risk and liquidity constraints.

The Group finances its working capital requirements through a combination of cash generated from operations, bank loans, debt capital market issuances and government corporate financing facilities for general corporate purposes including the acquisition of aircraft. The Group had cash and liquid resources at March 31, 2021 of €3,150m (2020: €3,808m; 2019: €3,195m). During the year, the Group had a net cash inflows of €195m in relation to property, plant and equipment (2020: outflow of €579m; 2019: outflow of €1,547m). Cash generated from operations has been the principal source for these cash requirements, supplemented primarily by general corporate purposes debt capital market issuances, a €400m share placing and participation in the HMT and Bank of England CCF. During the year, the Group funded €nil in share buybacks (2020: €581m; 2019: €561m).

The Board of Directors periodically reviews the capital structure of the Group, considering the cost of capital and the risks associated with each class of capital. The Board approves any material adjustments to the capital structure in terms of the relative proportions of debt and equity. Management believes that the working capital available to the Group is sufficient for its present requirements and will be sufficient to meet its anticipated requirements for capital expenditures and other cash requirements for fiscal year 2022.

At March 31, 2021, the Group had total borrowings of €5,427m (2020: €4,211m; 2019: €3,644m), including capitalized leases (under IFRS 16) of €183m (2020: €246m; 2019: €nil) from various financial institutions and the debt capital markets. Financing for the acquisition of 66 Boeing 737-800 "next-generation" aircraft (2020: 89; 2019: 144) was

provided on the basis of guarantees granted by the Ex-Im Bank. The guarantees are secured with a first fixed mortgage on the delivered aircraft. The remaining long-term debt relates to four unsecured Eurobonds, three for €850m, and one for €750m, a €750m unsecured syndicate bank loan leases, and 31 aircraft held under leases in right of use assets.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. These amounts are gross and undiscounted and include contractual interest payments. The total contractual cash flows for the derivative financial instruments have been presented to reflect the gross settled amounts associated with the currency and commodity forward contracts.

	Total Carrying Value €M	Total Contractual Cash Flows €M	2022 €M	2023 €M	2024 €M	2025 €M	Thereafter €M
At March 31, 2021							
Long and short term debt and leases:							
- Fixed rate debt: 1.40%	4,428.0	4,646.7	1,746.7	1,022.8	894.2	85.1	897.9
- Floating rate debt: 0.70%	815.7	834.4	50.8	26.5	5.7	751.4	–
- Lease liabilities – Right of use	183.1	189.0	56.3	54.6	49.7	24.5	3.9
	<u>5,426.8</u>	<u>5,670.1</u>	<u>1,853.8</u>	<u>1,103.9</u>	<u>949.6</u>	<u>861.0</u>	<u>901.8</u>
Derivative financial instruments							
- Currency forward contracts – outflows	65.8	3,181.9	2,718.7	428.7	8.9	22.9	2.7
- Currency forward contracts – inflows		(3,117.2)	(2,662.8)	(418.7)	(9.1)	(23.8)	(2.8)
- Commodity forward contracts	19.8	19.8	19.8	–	–	–	–
Trade payables	515.9	515.9	336.0	130.0	26.8	23.1	–
Accrued expenses	887.3	887.3	887.3	–	–	–	–
Total at March 31, 2021	<u>6,915.6</u>	<u>7,157.8</u>	<u>3,152.8</u>	<u>1,243.9</u>	<u>976.2</u>	<u>883.2</u>	<u>901.7</u>
	Total Carrying Value €M	Total Contractual Cash Flows €M	2021 €M	2022 €M	2023 €M	2024 €M	Thereafter €M
At March 31, 2020							
Long term debt and leases:							
- Fixed rate debt 1.42%	2,981.1	3,089.8	253.8	980.6	961.1	832.0	62.3
- Floating rate debt 0.62%	984.2	1,006.5	174.6	50.1	25.7	4.9	751.2
- Lease liabilities – Right of use	245.9	245.9	75.0	51.6	52.1	46.0	21.2
	<u>4,211.2</u>	<u>4,342.2</u>	<u>503.4</u>	<u>1,082.3</u>	<u>1,038.9</u>	<u>882.9</u>	<u>834.7</u>
Derivative financial instruments							
- Currency forward contracts	2.2	2.2	2.2	–	–	–	–
- Commodity forward contracts	1,228.3	1,228.3	1,047.8	180.5	–	–	–
Trade payables	1,368.2	1,368.2	1,368.2	–	–	–	–
Accrued expenses	1,553.1	1,553.1	1,553.1	–	–	–	–
Total at March 31, 2020	<u>8,363.0</u>	<u>8,494.0</u>	<u>4,474.7</u>	<u>1,262.8</u>	<u>1,038.9</u>	<u>882.9</u>	<u>834.7</u>
	Total Carrying Value €M	Total Contractual Cash Flows €M	2020 €M	2021 €M	2022 €M	2023 €M	Thereafter €M
At March 31, 2019							
Long term debt and finance leases:							
- Fixed rate debt: 1.48%	3,085.6	3,242.0	151.6	256.0	980.1	960.6	893.7
- Floating rate debt: 0.83%	558.8	562.3	204.8	226.5	105.3	25.7	–
	<u>3,644.4</u>	<u>3,804.3</u>	<u>356.4</u>	<u>482.5</u>	<u>1,085.4</u>	<u>986.3</u>	<u>893.7</u>
Derivative financial instruments							
- Currency forward contracts	8.0	8.0	–	–	0.6	4.6	2.8
- Commodity forward contracts	189.7	189.7	189.7	–	–	–	–
Trade payables	573.8	573.8	573.8	–	–	–	–
Accrued expenses	320.8	320.8	320.8	–	–	–	–
Total at March 31, 2019	<u>4,736.7</u>	<u>4,896.6</u>	<u>1,440.7</u>	<u>482.5</u>	<u>1,086.0</u>	<u>990.9</u>	<u>896.5</u>

The interest payments on floating rate debt in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above table as interest rates and exchange rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significant earlier, or at significantly different amounts.

(d) Derivative financial instruments – Designated as cash flow hedges

As a result of the widespread grounding of aircraft due to the Covid-19 pandemic, the Group operated a significantly reduced flying schedule in the year ending March 31, 2021 compared to what was originally expected. Accordingly, as at March 31, 2021, the Group's exposures for jet fuel and foreign currency were significantly reduced, causing some derivative financial instruments, which previously qualified for hedge accounting, to become ineffective, resulting in the discontinuance of certain cash-flow hedge arrangements. As a result, a net expense of €200m (net of tax) was recognized within the income statement for the year ended March 31, 2021 (2020: €407m), comprising a charge of €192m (net of tax) in respect of jet fuel exposures (2020: €447m) and a charge of €8m (net of tax), primarily associated with ineffective currency cash-flow hedges, jet fuel and delayed capital expenditure (2020: gain of €40m).

As of March 31, 2021, a €109m gain (net of tax) is recognized in the cash flow hedge reserve in respect of continuing hedges and €102m gain in respect of hedging relationships for which hedge accounting is no longer applied. The balance on the hedging reserve as of March 31, 2021 is a gain of €211m.

Derivative financial instruments:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	170.1	495.3	284.7
Fuel and oil operating expenses	(27.0)	166.2	235.0
GBP currency swaps	5.4	–	–
Interest rate risk			
Variable-rate instruments	3.0	8.0	4.0
Commodity price risk			
Fuel and carbon operating expenses	(19.8)	(1,228.3)	(185.3)
Net derivative position at year end	<u>131.7</u>	<u>(558.8)</u>	<u>338.4</u>

Change in gross value used for calculating hedge ineffectiveness:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	356.7	(170.8)	697.7
Fuel and oil operating expenses	210.6	131.0	425.2
GBP currency swap	(5.4)	–	–
Interest rate risk			
Variable-rate instruments	5.1	(3.8)	(10.1)
Commodity price risk			
Fuel and carbon operating expenses	(1,108.5)	271.9	(688.0)
Total	<u>(541.5)</u>	<u>228.3</u>	<u>424.8</u>

The gross amounts at the reporting date relating to items designated as hedged items were as follows:

	At March 31, 2021		
	Continuing hedges	Balance remaining **	Total
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	139.7	102.3	242.0
Fuel and oil operating expenses	(10.6)	–	(10.6)
GBP currency swaps	5.4	–	5.4
Interest rate risk			
Variable-rate instruments	(6.1)	–	(6.1)
Commodity price risk			
Fuel and carbon operating expenses	(14.0)	–	(14.0)
Gross cashflow hedge reserve	<u>114.4</u>	<u>102.3</u>	<u>216.7</u>

* *Deferred taxes included in Hedge reserve were €5m*

** *Balance remaining in the cashflow hedge reserve for which hedge accounting is no longer applied*

	At March 31, 2020		
	Continuing hedges	Balance remaining **	Total
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	406.3	47.8	454.1
Fuel and oil operating expenses	97.0	–	97.0
Interest rate risk			
Variable-rate instruments	(2.8)	–	(2.8)
Commodity price risk			
Fuel and carbon operating expenses	(711.8)	–	(711.8)
Gross cashflow hedge reserve	<u>(211.3)</u>	<u>47.8</u>	<u>(163.5)</u>

* *Deferred taxes included in Hedge reserve were €52m*

** *Balance remaining in the cashflow hedge reserve for which hedge accounting is no longer applied*

	At March 31, 2019		
	Continuing hedges	Balance remaining **	Total
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	284.6	–	284.6
Fuel and oil operating expenses	235.0	–	235.0
Interest rate risk			
Variable-rate instruments	(17.4)	–	(17.4)
Commodity price risk			
Fuel and carbon operating expenses	(185.3)	–	(185.3)
Gross cashflow hedge reserve	<u>316.9</u>	<u>–</u>	<u>316.9</u>

* *Deferred taxes included in Hedge reserve were €42m*

** *Balance remaining in the cashflow hedge reserve for which hedge accounting is no longer applied*

Movement: in derivative financial instruments designated as hedging instruments were as follows:

	At March 31, 2021		
	Change in fair value recognized in OCI	Hedge ineffectiveness recognized in profit or loss*	Reclassified from hedging reserve to profit or loss**
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	(356.7)	38.4	–
Fuel and oil operating expenses	(210.6)	(57.1)	5.2
GBP currency swaps	5.4	–	–
Interest rate risk			
Variable-rate instruments	(5.1)	–	0.1
Commodity price risk			
Fuel and carbon operating expenses	1,108.5	(153.1)	(263.5)
Total movement in derivative instruments	<u>541.5</u>	<u>(171.8)</u>	<u>(258.2)</u>
	At March 31, 2020		
	Change in fair value recognized in OCI	Hedge ineffectiveness recognized in profit or loss*	Reclassified from hedging reserve to profit or loss**
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	170.8	40.0	–
Fuel and oil operating expenses	(131.0)	69.2	(7.0)
Interest rate risk			
Variable-rate instruments	3.8	–	0.2
Commodity price risk			
Fuel and carbon operating expenses	(271.9)	(516.4)	(254.8)
Total movement in derivative instruments	<u>(228.3)</u>	<u>(407.2)</u>	<u>(261.6)</u>
	At March 31, 2019		
	Change in fair value recognized in OCI	Hedge ineffectiveness recognized in profit or loss*	Reclassified from hedging reserve to profit or loss**
	€M	€M	€M
Foreign currency risk			
Property, plant and equipment - aircraft additions	(697.7)	–	–
Fuel and oil operating expenses	(425.2)	–	8.8
Interest rate risk			
Variable-rate instruments	(10.1)	–	(0.6)
Commodity price risk			
Fuel and carbon operating expenses	688.0	–	(293.0)
Total movement in derivative instruments	<u>(445.0)</u>	<u>–</u>	<u>(284.8)</u>

* Hedge ineffectiveness is classified within "Finance Expense" on the Consolidated Income Statement

** Reclassified from hedging reserve to profit or loss – Fuel & Oil Foreign Currency & Commodity are reclassified in Fuel and Oil; Variable rate instruments are reclassified to Finance expense

The effective (gains)/losses arising on the hedging of aircraft capital expenditure are recognized as part of the capitalized cost of aircraft additions, within property, plant and equipment. The (gains)/losses arising on the hedging of interest rate swaps, commodity forward contracts and forward currency contracts (excluding aircraft capital expenditure) are recognized in the income statement when the hedged transaction occurs.

The following table indicates the amounts that were reclassified from other comprehensive income into the income statement, analyzed by income statement category, in respect of cash-flow hedges realized during the year:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Commodity forward contracts			
Reclassification adjustments for (gains)/losses recognized in fuel and oil operating expenses	(263.5)	(254.8)	293.0
Interest rate swaps			
Reclassification adjustments for (gains)/losses recognized in finance expense	0.1	0.2	0.6
Foreign currency forward contracts			
Reclassification adjustments for (gains) recognized in fuel and oil operating expenses	(5.2)	(7.0)	(8.8)
	<u>(268.6)</u>	<u>(261.6)</u>	<u>284.8</u>

The following table indicates the amounts that were reclassified from other comprehensive income into the capitalized cost of aircraft additions within property, plant and equipment, in respect of cash-flow hedges realized during the year:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Foreign currency forward contracts			
Recognized in property plant and equipment – aircraft additions	5.0	–	59.6
	<u>5.0</u>	<u>–</u>	<u>59.6</u>

The following table sets out the fair values of the derivative financial instruments, as reported in the consolidated balance sheet, analyzed between those designated as continuing cash flow hedges and those where hedge accounting is no longer applied, along with the notional amounts and average price or rate for the hedging instrument, where applicable, for cash flow hedges.

At March 31,

	2021			2020			2019		
	Within 1 Year (current)	> 1 Year (non- current)	Total	Within 1 Year (current)	> 1 Year (non- current)	Total	Within 1 Year (current)	> 1 Year (non- current)	Total
	€M	€M	€M	€M	€M	€M	€M	€M	€M
Foreign currency risk notional amounts for effective hedges									
PP&E – aircraft additions	1,632.7	1,935.7	3,568.4	1,519.8	2,763.7	4,283.5	1,455.8	3,982.0	5,437.8
Fuel and oil operating expenses	1,202.2	–	1,202.2	–	1,312.0	1,312.0	2,515.9	718.9	3,234.8
GBP currency swaps	695.3	–	695.3	–	–	–	–	–	–
– Within derivative financial assets	104.9	109.4	214.3	291.2	372.5	663.7	307.0	220.7	527.7
– Within derivative financial liabilities	(59.4)	(6.4)	(65.8)	(2.2)	–	(2.2)	–	(8.0)	(8.0)
	<u>45.5</u>	<u>103.0</u>	<u>148.5</u>	<u>289.0</u>	<u>372.5</u>	<u>661.5</u>	<u>307.0</u>	<u>212.7</u>	<u>519.7</u>
Interest rate risk notional amounts for effective hedges									
Variable–rate instruments	13.4	38.2	51.6	64.8	–	64.8	(77.8)	–	(77.8)
Total fair value for all interest rate risk related derivative instruments									
– Within derivative financial assets	1.0	2.0	3.0	2.0	6.0	8.0	1.7	2.3	4.0
	<u>1.0</u>	<u>2.0</u>	<u>3.0</u>	<u>2.0</u>	<u>6.0</u>	<u>8.0</u>	<u>1.7</u>	<u>2.3</u>	<u>4.0</u>
Commodity price risk notional amounts for effective hedges									
Fuel and carbon operating expenses	577.6	–	577.6	–	672.7	672.7	(2,482.1)	–	(2,482.1)
Total fair value for all interest rate risk related derivative instruments:									
– Within derivative financial assets	–	–	–	–	–	–	–	4.5	4.5
– Within derivative financial liabilities	(19.8)	–	(19.8)	(1,047.8)	(180.5)	(1,228.3)	(189.7)	–	(189.7)
	<u>(19.8)</u>	<u>–</u>	<u>(19.8)</u>	<u>(1,047.8)</u>	<u>(180.5)</u>	<u>(1,228.3)</u>	<u>(189.7)</u>	<u>4.5</u>	<u>(185.2)</u>
Fair values as reported in the consolidated balance sheet									
Derivative financial assets	106.0	111.3	217.3	293.2	378.5	671.7	308.7	227.5	536.2
Derivative financial liabilities	(79.2)	(6.4)	(85.6)	(1,050.0)	(180.5)	(1,230.5)	(189.7)	(8.0)	(197.7)
Derivative financial assets analyzed between those:									
– Designated as continuing cash flow hedges	72.3	98.1	170.4	184.0	378.5	562.5	308.7	227.5	536.2
– Where hedge accounting is no longer applied	33.7	13.2	46.9	109.2	–	109.2	–	–	–
	<u>106.0</u>	<u>111.3</u>	<u>217.3</u>	<u>293.2</u>	<u>378.5</u>	<u>671.7</u>	<u>308.7</u>	<u>227.5</u>	<u>536.2</u>
Derivative financial liabilities analyzed between those:									
– Designated as continuing cash flow hedges	(36.9)	(0.6)	(37.5)	(533.5)	(180.5)	(714.0)	(189.7)	(8.0)	(197.7)
– Where hedge accounting is no longer applied	(22.4)	–	(22.4)	(516.5)	–	(516.5)	–	–	–
– Designated as fair value financial instruments	(19.9)	(5.8)	(25.7)	–	–	–	–	–	–
	<u>(79.2)</u>	<u>(6.4)</u>	<u>(85.6)</u>	<u>(1,050.0)</u>	<u>(180.5)</u>	<u>(1,230.5)</u>	<u>(189.7)</u>	<u>(8.0)</u>	<u>(197.7)</u>

The components of the tax expense in the income statement were as follows:

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Corporation tax charge in year	5.5	44.4	96.5
Deferred tax credit relating to origination and reversal of temporary differences	(99.1)	(22.8)	(33.4)
	<u>(93.6)</u>	<u>21.6</u>	<u>63.1</u>

The tax credit in the year to March 31, 2021 consisted mainly of temporary differences of a net credit of €99m for property, plant and equipment, tax losses, transitional adjustments and debit of €58m for derivatives. The tax credit in the year to March 31, 2020 consisted mainly of temporary differences of a net credit of €23m for property, plant and equipment, deferred tax losses, transitional adjustments and a credit of €95m for derivatives. The tax charge in the year to March 31, 2019 consisted of temporary differences of a credit of €69m (including IFRS 15 adjustment of €36m which was recognized directly in equity) for property, plant and equipment, deferred tax losses and a charge of €91m for derivatives.

The following table reconciles the statutory rate of Irish corporation tax to the Company's effective corporation tax rate:

	Year ended March 31,		
	2021	2020	2019
	%	%	%
Statutory rate of Irish corporation tax on (loss)/profits	(12.5)	12.5	12.5
Non-Irish profits and losses taxed at other rates	(0.7)	(9.3)*	(5.8)*
Other movements	4.8**	—	—
Total effective rate of taxation on (loss)/profits	<u>(8.4)</u>	<u>3.2</u>	<u>6.7</u>

* Primarily relates to the impact of net operating losses incurred in LaudaMotion (taxable at 25%).

** Primarily relates to the derecognition of deferred tax asset in respect of net operating losses incurred in LaudaMotion (taxable at 25%).

The deferred tax movement per each type of temporary difference is detailed below:

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Property, plant and equipment	(21.9)	(14.4)	2.7
IFRS 15 transition adjustment	7.1	7.1	7.1
Right of use assets & lease liabilities	0.6	(1.1)	—
Deferred tax asset on net operating losses	(138.7)	(10.4)	(43.2)
Derecognition of deferred tax asset	53.7*	—	—
Pension payments	—	—	—
Share based payments	0.1	(4.0)	—
Deferred tax credit	<u>(99.1)</u>	<u>(22.8)</u>	<u>(33.4)</u>

*Relates to the derecognition by Group of a deferred tax asset in respect of losses of LaudaMotion operations in Austria, as part of an internal group restructure.

Deferred tax applicable to items charged or credited to other comprehensive income were as follows:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Effective portion of changes in fair value of cash-flow hedges	124.5	(9.4)	55.6
Net change in fair value of cash-flow hedges transferred to property, plant and equipment	0.2	–	–
Net hedge ineffectiveness and discontinuation transferred to profit or loss	(24.4)	(53.5)	–
Net other changes in fair value of cash-flow hedges transferred to profit or loss	(42.7)	(31.8)	35.6
Total tax charge in other comprehensive income	57.6	(94.7)	91.2

The principal components of net deferred tax at each year-end were:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Arising on capital allowances and other temporary differences	392.9	299.3	343.3
Arising on losses	(138.7)	53.6	32.4
Arising on derivatives	4.8	(52.4)	42.3
Arising on pension	(0.6)	(0.6)	(0.6)
Total	258.4	299.9	417.4

Deferred tax assets are recognized on the basis that sufficient future profits will be available against which they may be utilized.

The Company recognized all appropriate deferred tax assets and liabilities at March 31, 2021, 2020 and 2019, with the exception of some deductible temporary differences. The tax value of deductible temporary differences where near-term recovery is not probable and therefore have not been recognized in the Consolidated Balance Sheet amounts to approximately €104m (2020: €132m; 2019: €nil). These deductible temporary differences are not subject to expiry based on current tax legislation and are subject to annual review. No deferred tax has been provided for unremitted earnings of overseas subsidiaries. No temporary differences arise on the carrying value of the tax base of subsidiary companies as the Company's trading subsidiaries are resident in countries with which Ireland has concluded double taxation agreements.

15. Provisions

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Provision for aircraft maintenance on leased aircraft (a)	53.2	75.4	130.7
Provision for pension obligation (b)	4.5	4.5	4.9
	57.7	79.9	135.6

	At March 31,		
	2021	2020	2019
	€M	€M	€M
(a) Provision for aircraft maintenance on leased aircraft			
At beginning of year	75.4	130.7	133.2
Increase in provision during the year	37.3	23.2	19.8
Utilization of provision upon the hand-back of aircraft	(59.5)	(78.5)	(22.3)
At end of year	53.2	75.4	130.7

During fiscal year 2021, the Company returned 11 Boeing 737 aircraft held under lease to the lessors.

The expected timing of the outflows of economic benefits associated with the provision at March 31, 2021, 2020 and 2019 are as follows:

	Carrying Value	2022	2023	2024	2025	Thereafter
	€M	€M	€M	€M	€M	€M
At March 31, 2021						
Provision for leased aircraft maintenance	53.2	10.3	4.1	11.5	24.3	3.0

	Carrying Value	2021	2022	2023	2024	Thereafter
	€M	€M	€M	€M	€M	€M
At March 31, 2020						
Provision for leased aircraft maintenance	75.4	43.3	12.1	3.2	5.9	10.9

	Carrying Value	2020	2021	2022	2023	Thereafter
	€M	€M	€M	€M	€M	€M
At March 31, 2019						
Provision for leased aircraft maintenance	130.7	100.5	18.8	7.6	3.8	–

	At March 31,		
	2021	2020	2019
	€M	€M	€M
(b) Provision for pension obligation			
At beginning of year	4.5	4.9	4.9
Movement during the year	–	(0.4)	–
At end of year	4.5	4.5	4.9

See Note 22 to the consolidated financial statements for further details.

16. Issued share capital, share premium account and share options

(a) Share capital

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Authorized/Share Capital reorganization			
1,550,000,000 ordinary equity shares of 0.600 euro cent each	9.3	9.8	9.3
1,368,000,000 'B' Shares of 0.050 euro cent each	0.7	0.7	0.7
1,368,000,000 Deferred shares of 0.050 euro cent each	0.7	0.7	0.7
	10.7	11.2	10.7
Allotted, called-up and fully paid:			
1,089,181,737 ordinary equity shares of 0.600 euro cent each	–	6.5	–
1,133,395,322 ordinary equity shares of 0.600 euro cent each	–	–	6.8
1,128,062,028 ordinary equity shares of 0.600 euro cent each	6.7	–	–

In September 2020, 35.2m ordinary shares were issued via an ordinary share placing at a price of €11.35 per share generating approximately €400m proceeds. Transaction costs of approximately €2m were accounted for as a deduction from equity.

Other movement in the share capital balance year-on-year principally relates 3.6m new shares issued in fiscal year 2021, following the exercise of vested share options, (2020: 3m; 2019: nil). There were no share buybacks, resulting in no cancelled shares, in fiscal year 2021 (2020: 47.2m; 2019: 37.8m).

Ordinary equity shares do not confer on the holders thereof the specific right to be paid a dividend out of profits.

(b) Share premium account

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Balance at beginning of year	738.5	719.4	719.4
Issue of ordinary equity shares	423.1	19.1	–
Balance at end of year	1,161.6	738.5	719.4

(c) Share options and share purchase arrangements

Option Plan 2013 allows employees or Directors to purchase shares in the Company up to an aggregate of approximately 5% (when aggregated with other ordinary shares over which options are granted and which have not yet been exercised) of the outstanding ordinary shares of Ryanair Holdings plc, subject to certain conditions. All grants are subject to approval by the Remuneration Committee. These are exercisable at a price equal to the market price of the ordinary shares at the time options are granted. The key terms of these option plans include the requirement that certain employees remain in employment with the Company for a specified period of time and that the Company achieves certain net profit targets and/or share price targets. At the 2019 AGM, shareholders approved LTIP 2019. LTIP 2019 replaces Option Plan 2013 for all future share based remuneration grants. There were no grants under LTIP 2019 in fiscal year 2021.

Details of the share options outstanding are set out below:

	Share Options	Weighted Average Exercise Price
	M	(€)
Outstanding at March 31, 2018	20.1	7.70
Exercised	–	–
Granted	20.0	11.12
Forfeited	(0.3)	12.00
Outstanding at March 31, 2019	39.8	9.38
Granted	–	–
Forfeited	(2.0)	12.47
Exercised	(3.0)	6.31
Outstanding at March 31, 2020	34.8	9.57
Granted	–	–
Forfeited	(1.2)	11.56
Exercised	(3.6)	6.42
Outstanding at March 31, 2021	30.0	9.83

The mid-market price of Ryanair Holdings plc's ordinary shares on Euronext Dublin at March 31, 2021 was €16.55 (2020: €9.33; 2019: €11.67). The highest and lowest prices at which the Company's shares traded on Euronext Dublin in fiscal year 2021 were €17.56 and €8.20 respectively (fiscal year 2020 were €16.07 and €8.32 respectively; fiscal year 2019 were €16.72 and €10.04 respectively). There were 10.9m options exercisable at March 31, 2021 (2020: nil; 2019: nil). The average share price for fiscal year 2021 was €13.01 (2020: €11.77; 2019: €13.28).

There were 3.6m options exercised during fiscal years 2021 (2020: 3.0m; 2019: nil).

At March 31, 2021 the range of exercise prices and weighted average remaining contractual life of outstanding options are shown in the table below.

	Exercise price €	No. options outstanding M	Remaining contractual life (years)
Vested	6.25	3.6	1.3
Vested	6.74	2.2	1.5
Vested	8.35	5.0	1.6
	11.12	17.4	5.9
	12.00	1.6	3.4
	14.40	0.1	4.1
	17.55	0.1	1.3
Weighted average	9.83	30.0	4.1

The Company has accounted for its share option grants to employees at fair value, in accordance with IFRS 2, using a binomial lattice model to value the option grants. This has resulted in a charge of approximately €4m to the income statement (2020: €7m; 2019: €8m) being recognized within the income statement in accordance with employee services rendered.

A blend of the historical and implied volatilities of the Company's own ordinary shares is used to determine expected volatility for share option granted. The weighted-average volatility is determined by calculating the weighted-average of volatilities for all share options granted in a given year. The expected term of share option grants represents the weighted-average period the awards are expected to remain outstanding. The service period is five years.

17. Other equity reserves

The total share-based payments reserve at March 31, 2021 was approximately €31m (2020: €32m; 2019: €29m). The treasury reserve amounted to €nil at March 31, 2021 (2020: €nil; 2019: €nil). The total cash-flow hedge reserve amounted to positive €211m at March 31, 2021 (2020: negative €111m; 2019: positive €275m). Further details of the Group's derivatives are set out in note 13 of the consolidated financial statements

18. Analysis of operating revenues and segmental analysis

The Group determines and presents operating segments based on the information that is provided internally to the Group CEO, who is the Company's Chief Operating Decision Maker (CODM). The Group currently comprises four key separate airlines, Buzz, Lauda, Malta Air and Ryanair DAC. Ryanair DAC and Malta Air are separate reportable segments as they each exceed the applicable quantitative thresholds for reporting purposes. Buzz and Lauda do not individually exceed the quantitative thresholds and accordingly are presented on an aggregate basis as they exhibit similar economic characteristics and their services, activities and operations are sufficiently similar in nature. The results of these operations are included as 'Other Airlines.' This is the first year that Malta Air has been required to be presented as a separate reportable segment and hence the prior year information has been represented for comparability purposes.

The CODM assesses the performance of the business based on the profit/(loss) after tax of each airline for the reporting period. Resource allocation decisions for all airlines are based on airline performance for the relevant period, with the objective in making these resource allocation decisions being to optimize consolidated financial results.

Reportable segment information is presented as follows overleaf:

	At March 31, 2021				
	Ryanair DAC €M	Malta Air €M	Other Airlines €M	Elimination €M	Total €M
External revenue	1,620.0	–	15.8	–	1,635.8
Inter-segment revenue	586.4	464.2	196.9	(1,247.5)	–
Segment revenue	2,206.4	464.2	212.7	(1,247.5)	1,635.8
Reportable segment profit/(loss) after income tax (i)	(641.6)	(18.7)	(155.1)	–	(815.4)
Other segment information:					
Depreciation	(506.6)	–	(64.4)	–	(571.0)
Finance expense	(65.6)	–	(4.2)	–	(69.8)
Finance income	10.9	–	5.1	–	16.0
Capital expenditure	(343.0)	–	(33.6)	–	(376.6)
Reportable segment assets	11,898.7	86.7	342.6	–	12,328.0
Reportable segment liabilities	6,830.8	108.3	742.3	–	7,681.4
	At March 31, 2020				
	Ryanair DAC €M	Malta Air €M	Other Airlines €M	Elimination €M	Total €M
External revenue	8,122.6	–	372.2	–	8,494.8
Inter-segment revenue	2.4	210.8	187.2	(400.4)	–
Segment revenue	8,125.0	210.8	559.4	(400.4)	8,494.8
Reportable segment profit/(loss) after income tax (i)	1,097.7	(3.2)	(92.4)	–	1,002.1
Other segment information:					
Depreciation	(693.7)	–	(55.0)	–	(748.7)
Finance expense	(475.2)	–	(4.9)	–	(480.1)
Finance income	21.4	–	–	–	21.4
Capital expenditure	(1,195.8)	–	–	–	(1,195.8)
Reportable segment assets	14,194.5	64.4	488.3	–	14,747.2
Reportable segment liabilities	8,995.2	67.9	769.6	–	9,832.7
	At March 31, 2019				
	Ryanair DAC €M	Malta Air €M	Other Airlines €M	Elimination €M	Total €M
Segment revenue	7,525.8	–	171.6	–	7,697.4
Reportable segment profit/(loss) after income tax (i)	1,023.7	–	(138.7)	–	885.0
Other segment information:					
Depreciation	(635.4)	–	(5.1)	–	(640.5)
Finance expense	(59.1)	–	–	–	(59.1)
Finance income	3.7	–	–	–	3.7
Capital expenditure`	(1,546.7)	–	–	–	(1,546.7)
Reportable segment assets	13,037.6	–	213.1	–	13,250.7
Reportable segment liabilities	7,635.8	–	400.0	–	8,035.8

(i) Adjusted loss after tax in the financial year ended March 31, 2021, excludes a charge of €200m (March 31, 2020: €353m), attributable to a hedge ineffectiveness charge on jet fuel derivative instruments, foreign currency derivative instruments related to jet fuel, and aircraft delivery delays.

Entity-wide disclosures:

Disaggregation of revenues

The following table disaggregates revenue by primary geographical market. In accordance with IFRS 8 paragraph 13, revenue by country of origin has been provided where revenue for that country is in excess of 10% of total revenue. Ireland is presented as it represents the country of domicile. "Other European countries" includes all other countries in which the Group has operations.

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
United Kingdom	251.4	1,782.3	1,715.3
Italy	377.5	1,522.1	1,440.8
Spain	315.7	1,107.1	1,005.6
Germany	N/A	823.3	773.2
Ireland	81.0	594.5	529.8
Other European countries	610.2	2,665.5	2,232.7
Total revenue	<u>1,635.8</u>	<u>8,494.8</u>	<u>7,697.4</u>

Ancillary revenues comprise of revenues from non-flight scheduled operations, in-flight sales and Internet-related services. Non-flight scheduled revenue arises from the sale of priority boarding, allocated seats, car hire, travel insurance, room reservations and other sources, including excess baggage charges and administration fees, all directly attributable to the low-fares business.

The vast majority of ancillary revenue is recognized at a point in time, which is typically the flight date. The economic factors that would impact the nature, amount, timing and uncertainty of revenue and cashflows associated with the provision of passenger travel related ancillary services are homogeneous across the various component categories within ancillary revenue. Accordingly, there is no further disaggregation of ancillary revenue required in accordance with IFRS 15, paragraph 114.

All of the Company's operating profit arises from low fares airline-related activities. The major revenue earning assets of the Company are its aircraft. As the majority of the Groups' aircraft were registered in Ireland at March 31, 2021 losses accrue principally in Ireland, although all Group Airlines recorded losses in fiscal year 2021. Since the Company's aircraft fleet is flexibly employed across its route network in Europe, there is no suitable basis of allocating such assets and related liabilities to geographical segments.

19. Staff numbers and costs

The average weekly number of staff, including the Executive Director, during the year, analyzed by category, was as follows:

	Year ended March 31,		
	2021	2020	2019
Flight and cabin crew	13,806	15,653	13,911
Sales, operations, management and administration	1,896	2,289	2,027
Average	<u>15,702</u>	<u>17,942</u>	<u>15,938</u>

At March 31, 2021 the Company had a team of 15,016 aviation professionals (2020: 17,268, 2019: 16,840).

The aggregate payroll costs of these persons were as follows:

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Staff and related costs	438.4	1,039.4	929.2
Social welfare costs	25.0	47.5	38.5
Other pension costs (a)	5.2	13.0	8.6
Share based payments (b)	3.6	7.0	7.7
	<u>472.2</u>	<u>1,106.9</u>	<u>984.0</u>

(a) Costs in respect of defined-contribution benefit plans and other pension arrangements were €5m in 2021 (2020: €13m; 2019: €9m).

(b) In the year ended March 31, 2021 the charge in the income statement of €3.6m for share based compensation comprises a charge for the fair value of various share options granted in prior periods, which are being recognized in the income statement in accordance with services rendered.

Government grants and assistance

During fiscal year 2021, many European countries in which the Ryanair Group operates made available payroll support schemes. The Group utilized a number of these employment retention schemes to protect jobs within the Group airlines. These schemes were a mix of short term Covid-19 specific programs and long-term schemes linked to social security that existed pre Covid-19. The total amount of payroll supports received by the Group under the various schemes amounted to approximately €84m and are offset against staff costs in the Consolidated Income Statement.

In April 2020, the Group raised £600m unsecured debt for general corporate purposes under the HMT and Bank of England CCFF. The 0.44% interest rate was the prevailing rate for strong BBB rated companies. This debt was subsequently extended in March 2021 for a further 12 months at a 0.46% interest rate.

There are no unfulfilled conditions or other contingencies attaching to government assistance at March 31, 2021.

20. Statutory and other information

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Directors' emoluments:			
-Fees	0.5	0.6	0.7
-Share based compensation	1.9	2.7	1.9
-Other emoluments	0.3	0.9	1.8
Total Directors' emoluments	<u>2.7</u>	<u>4.2</u>	<u>4.4</u>
Auditor's remuneration (including reimbursement of outlay):			
- Audit fees (i)	0.6	0.7	0.5
- Audit related fees (ii)	0.1	–	–
- Tax advisory fees (iii)	0.1	0.2	0.2
Total fees	<u>0.8</u>	<u>0.9</u>	<u>0.7</u>
Included within the above total fees, the following fees were payable to other KPMG firms outside of Ireland:			
Audit fees (i)	0.1	0.1	0.1
Audit related fees (ii)	–	–	–
Tax advisory fees (iii)	–	0.1	0.1
Total fees	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>
Depreciation of owned property, plant and equipment	496.5	683.5	633.4
Depreciation of property, plant and equipment held under finance leases	5.9	5.9	7.1
Lease charges, principally for aircraft (iv)	6.7	38.2	83.9

- (i) Audit fees comprise audit work performed on the consolidated financial statements, including statutory financial statements of subsidiary entities. In fiscal year 2021 €1,000 (2020: €1,000; 2019: €1,000) of audit fees relate to the audit of the Parent Company.
- (ii) Audit related fees comprise fees for assurance and services related to audit and other attestation services performed by KPMG as required by statute, regulation or contract and which are not reported under "Audit fees".
- (iii) Tax fees include all services, except those services specifically related to the audit of financial statements, performed by the independent auditor's tax personnel, supporting tax-related regulatory requirements, and tax compliance and reporting.
- (iv) Lease charges relates to leases with a duration of less than 12 months for which the Company availed of the short-term lease exemption under IFRS 16.

(a) Fees and emoluments - Executive Director

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Basic salary	0.25	0.50	1.06
Bonus (performance and target-related)	–	0.46	0.77
Share based compensation (i)	1.78	2.51	1.55
	<u>2.03</u>	<u>3.47</u>	<u>3.38</u>

- (i) 2020 and 2021 include €1.78m non-cash accounting charge for 10m share options granted under the Group CEO's new 5-year contract in February 2019. The remaining charge in 2020 and 2019 relates to share options that vested in 2019.

During the years ended March 31, 2021, 2020, and 2019 Michael O'Leary was the only Executive Director.

(b) Fees and emoluments – Non-Executive Directors

	Year ended March 31,		
	2021	2020	2019
	€'000	€'000	€'000
Fees			
David Bonderman (i)	16.7	100.0	100.0
Róisín Brennan (ii)	45.8	50.0	40.0
Michael Cawley	45.8	50.0	50.0
Emer Daly	45.8	50.0	50.0
Stan McCarthy (iii)	87.5	50.0	50.0
Charles McCreevy (iv)	–	–	30.0
Declan McKeon (v)	–	–	30.0
Kyran McLaughlin (i)	11.9	50.0	50.0
Howard Millar	45.8	50.0	50.0
Dick Milliken	45.8	50.0	50.0
Mike O'Brien	68.8	80.0	80.0
Julie O'Neill	45.8	50.0	50.0
Louise Phelan	45.8	50.0	50.0
	<u>505.5</u>	<u>630.0</u>	<u>680.0</u>
Emoluments			
Share based compensation	83.1	150.0	290.0
Total	<u>588.6</u>	<u>780.0</u>	<u>970.0</u>

- (i) David Bonderman and Kyran McLaughlin retired from the Board of Directors on May 31, 2020.
- (ii) Róisín Brennan was appointed to the Board of Directors in May 2018.
- (iii) Stan McCarthy was appointed Chairman from June 1, 2020.
- (iv) Charles McCreevy retired from the Board of Directors in September 2018.
- (v) Declan McKeon retired from the Board of Directors in September 2018.

(c) Pension benefits

From October 1, 2008, Michael O'Leary was no longer an active member of a Company defined benefit plan. The total accumulated accrued benefit for Mr. O'Leary at March 31, 2021 was €0.1m (2020: €0.1m; 2019: €0.1m). Pension benefits have been computed in accordance with Section 6.1 of the Listing Rules of Euronext Dublin. Increases in transfer values of the accrued benefits have been calculated as at the year-end in accordance with version 1.1 of Actuarial Standard of Practice PEN-11.

Mr. O'Leary is a member of a defined contribution plan. During the years ended March 31, 2021, 2020 and 2019 the Company did not make contributions to the defined contribution plan for Mr. O'Leary. No Non-Executive Directors are members of the Company defined benefit plan or received contributions under the defined contribution plan in fiscal years ended March 31, 2021, 2020 and 2019.

(d) Shares and share options

(i) Shares

Ryanair Holdings plc is listed on the Euronext Dublin, London and NASDAQ stock exchanges.

The beneficial interests as at March 31, 2021, 2020 and 2019 of the Directors in office at March 31, 2021 and of their spouses and dependent children in the share capital of the Company are as follows:

	No. of Shares at March 31,		
	2021	2020	2019
Michael Cawley	756,198	756,198	756,198
Emer Daly	6,840	3,260	3,260
Stan McCarthy	10,000	10,000	10,000
Howard Millar	435,000	390,000	390,000
Dick Milliken	9,750	9,750	9,750
Mike O'Brien	4,405	—	—
Michael O'Leary	44,096,725	44,096,725	44,096,725
Julie O'Neill	5,000	1,000	1,000
Louise Phelan	30,000	30,000	30,000

(ii) Share options

The share options held by each Director in office at the end of fiscal year 2021 were as follows:

	No. of Options at March 31,		
	2021	2020	2019
Róisín Brennan (d)	50,000	50,000	50,000
Michael Cawley (a) (d)	80,000	80,000	80,000
Emer Daly (d)	50,000	50,000	50,000
Stan McCarthy (d)	50,000	50,000	50,000
Howard Millar (c) (d)	50,000	80,000	80,000
Dick Milliken (a) (d)	80,000	80,000	80,000
Mike O'Brien (d)	50,000	50,000	50,000
Michael O'Leary (b) (e)	15,000,000	15,000,000	15,000,000
Julie O'Neill (a) (d)	50,000	80,000	80,000
Louise Phelan (a) (d)	80,000	80,000	80,000

- (a) 30,000 options were granted to these Directors at an exercise price of €6.25 (the market value at the date of grant) during fiscal year 2015, these options vested in May 2019.
- (b) 5,000,000 options were granted to Mr. O'Leary during fiscal year 2015 at an exercise price of €8.35 (the market value at the date of grant), these options vested in July 2019.
- (c) 30,000 options were granted to this Director at an exercise price of €11.38 (the market price at the date of grant) during fiscal year 2016, these options vested in May 2019.
- (d) 50,000 options were granted to these Directors at an exercise price of €11.12 (the market value at the date of grant) during fiscal year 2019. These options are exercisable subject to the Director still being a Non-Executive Director of the Company through July 31, 2024.
- (e) 10,000,000 options were granted to Mr. O'Leary at an exercise price of €11.12 (the market value at the date of grant) during fiscal year 2019. These options are exercisable subject to him still being an employee of the Ryanair Group through July 31, 2024.

In fiscal year 2021 the Company incurred total share-based compensation expense of €1.9m (2020: €2.7m; 2019: €1.9m) in relation to Directors.

21. Finance expense

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Interest expense	69.8	72.9	59.1
Hedge discontinuance and ineffectiveness (see note 13)	227.3	407.2	–
	<u>297.1</u>	<u>480.1</u>	<u>59.1</u>

22. Retirement benefits

Defined contribution schemes

At March 31, 2021 the Company operates defined-contribution retirement plans in Ireland and the U.K. The costs of these plans are charged to the consolidated income statement in the period in which they are incurred. The pension cost of these defined contribution plans was €5m in fiscal year 2021 (2020: €13m; 2019: €9m).

Defined-benefit schemes

During fiscal year 2016 the Company closed the defined benefit plan for U.K. employees to future accruals. The net pension liability recognized in the consolidated balance sheet for the scheme at March 31, 2021 was €4m (2020: €4m; 2019: €4m). Costs associated with the scheme during fiscal year 2021 was €nil (2020: €nil; 2019: €nil).

The amounts recognized in the consolidated balance sheet in respect of defined benefit plans are as follows:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Present value of benefit obligations	(14.9)	(14.9)	(15.0)
Fair value of plan assets	10.4	10.4	10.3
Present value of net obligations	<u>(4.5)</u>	<u>(4.5)</u>	<u>(4.7)</u>
Related deferred tax asset	0.6	0.6	0.6
Net pension liability	<u>(3.9)</u>	<u>(3.9)</u>	<u>(4.1)</u>

23. (Loss)/Earnings per share

	Year ended March 31,		
	2021	2020	2019
Basic (loss)/earnings per ordinary share (€)	(0.9142)	0.5824	0.7739
Diluted (loss)/earnings per ordinary share (€)	<u>(0.9142)</u>	<u>0.5793</u>	<u>0.7665</u>
Number of ordinary shares (in Ms) used for EPS (weighted average)			
Basic	1,110.4	1,113.8	1,143.6
Diluted (a)	1,110.4	1,119.8	1,154.6

(a) Details of share options in issue have been described more fully in note 16 to the consolidated financial statements. See below for explanation of diluted number of ordinary shares.

Diluted earnings per share takes account solely of the potential future exercise of share options granted under the Company's share option schemes. For fiscal year 2021, due to the loss-making position, share options are anti-dilutive in accordance with IAS 33 and therefore are not assumed to be converted. For fiscal year 2020, the weighted average number of shares in issue of 1,120m includes weighted average share options assumed to be converted, and equal to a total of 6m shares. For fiscal year 2019, the weighted average number of shares in issue of 1,155m includes weighted average share options assumed to be converted, and equal to a total of 11m shares.

The average market value of the Company's shares for the purpose of calculating the dilutive effect of the share options was based on quoted market prices for the year during which the options were outstanding.

24. Commitments and contingencies

Commitments

In September 2014, the Group agreed to purchase up to 200 Boeing 737-8200 aircraft (100 firm orders and 100 subject to option) from The Boeing Company over a five year period originally due to commence in fiscal year 2020 (the "2014 Boeing Contract"). This agreement was approved at an EGM of Ryanair Holdings plc on November 28, 2014. Subsequently, the Group agreed to purchase an additional 10 Boeing 737-8200 aircraft bringing the total number of Boeing 737-8200 aircraft on order to 210 (assuming all options are exercised). In April 2018, the Company announced that it had converted 25 Boeing 737-8200 options into firm orders bringing the Company's firm order to 135 Boeing 737-8200s with a further 75 options remaining. In December 2020, shortly after the FAA's ungrounding of the Boeing 737-MAX aircraft in the U.S., the Company announced that it had converted its remaining 75 Boeing 737-8200 options into firm orders bringing the Company's firm order to 210 Boeing 737-8200 aircraft. Following certification of the Boeing 737-8200 by the FAA in late March 2021, and EASA in early April 2021, the Group took delivery of its first Boeing 737-8200 in June 2021. Deliveries are expected to continue until December 2024.

The table below reflects the future purchase obligations for firm aircraft purchases under the existing 2014 Boeing Contract, and are calculated by multiplying the number of firm aircraft the Company is obligated to purchase under its agreement with Boeing during the relevant period by the standard list price of approximately U.S. \$102.5m for each aircraft (net of basic credits and reflective of price escalation over the originally scheduled delivery timeframe, and taking account of advance payments paid in prior fiscal years) pursuant to the relevant contract, with the dollar-denominated obligations being converted into euro at an exchange rate of \$1.1725 = €1.00 (based on the European Central Bank Rate on March 31, 2021). The Company is eligible for further customer specific credits (reflective, inter alia, of its longstanding partnership with Boeing, its launch customer status for the Boeing 737-8200 aircraft, its commitment to purchase 210 Boeing 737-8200 aircraft under the 2014 Boeing Contract and the delayed commencement of aircraft deliveries) which will reduce the average amount payable per aircraft.

Under the terms of the 2014 Boeing Contract, the Company is required to make periodic advance payments of the purchase price for aircraft it has agreed to purchase over the two-year period preceding the scheduled delivery of aircraft with the balance of the purchase price being due at the time of delivery. Purchase obligations detailed below are based on an agreed delivery schedule as of March 31, 2021.

Purchase Obligations	Obligations Due by Period				
	Total	< 1 year	1-2 years	2-5 years	After 5 years
	€M	€M	€M	€M	€M
2014 Boeing Contract	7,752	1,801	5,063	888	–

Finance leases

The Company financed 30 Boeing 737 aircraft delivered between March 2005 and March 2014 with 13-year euro-denominated Japanese Operating Leases with Call Options ("JOLCOs"). These structures were accounted for as finance leases and are initially recorded at fair value in the Company's balance sheet. Under each of these contracts, Ryanair had a call option to purchase the aircraft at a pre-determined price ahead of maturity. Ryanair exercised these options, the last 10 of which were purchased during fiscal year 2021.

The following table sets out the total future minimum payments of leasing the remaining nil aircraft (2020: 10 aircraft; 2019: 12 aircraft) under JOLCOs at March 31, 2021, 2020 and 2019, respectively:

	At March 31,					
	2021		2020		2019	
	Minimum payments €M	Present value of Minimum payments €M	Minimum payments €M	Present value of Minimum payments €M	Minimum payments €M	Present value of Minimum payments €M
Due within one year	—	—	178.9	172.1	21.4	20.9
Due between two and five years	—	—	—	—	178.7	165.5
Due after five years	—	—	—	—	—	—
Total minimum lease payments	—	—	178.9	172.1	200.1	186.4
Less amounts allocated to future financing costs	—	—	—	—	(0.7)	(0.6)
Present value of minimum lease payments	—	—	178.9	172.1	199.4	185.8

Commitments resulting from the use of derivative financial instruments by the Company are described in note 13 to the consolidated financial statements.

Contingencies

The Company is engaged in litigation arising in the ordinary course of its business. Although no assurance can be given as to the outcome of any current or pending litigation, management does not believe that any such litigation will, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of the Company, except as described below.

Since 2002, the European Commission has examined the agreements between Ryanair and various airports to establish whether they constituted illegal state aid. In many cases, the European Commission has concluded that the agreements did not constitute state aid. In other cases, Ryanair has successfully challenged the EU commission finding that there was state aid. In July and October 2014, the European Commission announced findings of state aid to Ryanair in its arrangements with Pau, Nimes, Angouleme, Altenburg and Zweibrücken airports, ordering Ryanair to repay a total of approximately €10m of alleged aid. In July and November 2016, the European Commission announced findings of state aid to Ryanair in its arrangements with Cagliari and Klagenfurt respectively, ordering Ryanair to repay approximately €13m of alleged aid. Ryanair appealed the seven “aid” decisions to the EU General Court. In late 2018, the General Court upheld the Commission’s findings regarding Ryanair’s arrangements with Pau, Nimes, Angouleme and Altenburg airports, and overturned the Commission’s finding regarding Ryanair’s arrangement with Zweibrücken airport. Ryanair appealed these four negative findings to the European Court of Justice. In December 2019, Ryanair discontinued the appeals to the European Court of Justice of these four negative findings as the Court had refused to grant an oral hearing in any of the cases. The appeal proceedings before the General Court regarding Ryanair’s arrangements with Cagliari and Klagenfurt airports are expected to take approximately two years. In August 2019, the European Commission announced findings of state aid to Ryanair in its arrangements with Montpellier airport, ordering Ryanair to repay a total of approximately €9m of alleged aid. Ryanair appealed the Montpellier “aid” decision in Feb 2021.

Ryanair is facing similar legal challenges with respect to agreements with certain other airports, notably Paris (Beauvais), La Rochelle, Carcassonne, Girona, Reus, Târgu Mureş, Beziers and Frankfurt (Hahn). These investigations are ongoing, and Ryanair expects that they will conclude in 2020, with any European Commission decisions appealable to the EU General Court.

Ryanair is also facing an allegation that it has benefited from unlawful state aid in a German court case in relation to its arrangements with Frankfurt (Hahn).

Adverse rulings in the above or similar cases could be used as precedents by competitors to challenge Ryanair's agreements with other publicly-owned airports and could cause Ryanair to strongly reconsider its growth strategy in relation to public or state-owned airports across Europe. This could in turn lead to a scaling back of Ryanair's growth strategy due to the smaller number of privately owned airports available for development. No assurance can be given as to the outcome of these proceedings, nor as to whether any unfavorable outcomes may, individually or in the aggregate, have a material adverse effect on the results of operations or financial condition of the Company.

25. Note to cash flow statement

The following table outlines the changes in the carrying value of net debt:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Net debt at beginning of year	(403.2)	(449.5)	(282.9)
Changes from financing cashflows			
Increase in cash and cash equivalents in year, including net foreign exchange differences	84.3	890.8	160.6
(Decrease) in financial assets: cash > 3 months	(741.7)	(277.2)	(646.1)
Decrease/(increase) in restricted cash	(0.3)	(0.5)	0.3
Net cash flow from (increase)/decrease in debt	(1,201.5)	(274.4)	322.9
Movement in net funds resulting from cash flows	(1,859.2)	338.7	(162.3)
Other changes			
Translation on U.S. dollar denominated debt	15.7	19.7	(4.3)
Adjustment on initial application of IFRS 16 (net of tax)	–	(140.4)	–
Lease additions	(25.2)	(166.1)	–
Interest expense	(4.6)	(5.6)	–
Movement from other changes	(14.1)	(292.4)	(4.3)
Net debt at end of year	(2,276.5)	(403.2)	(449.5)
Analyzed as:			
Cash and cash equivalents, cash > 3 months and restricted cash	3,150.3	3,808.0	3,194.9
Total borrowings*	(5,426.8)	(4,211.2)	(3,644.4)
Net debt	(2,276.5)	(403.2)	(449.5)

*Total borrowings include current and non-current maturities of debt and current and non-current lease liabilities.

The following table outlines the changes in the carrying value of share premium:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Balance at beginning of year	738.5	719.4	719.4
Changes from financing cashflows			
Net proceeds from shares issued	423.1	19.1	–
Movement in net funds resulting from cash flows	423.1	19.1	–
Balance at end of year	1,161.6	738.5	719.4

During fiscal year 2021 the Group had cash outflows of €nil relating to the repurchase of ordinary shares (net of stamp duty) (2020: €581m, 2019: €561m), which affected the retained earnings account. Please refer to the Consolidated Statement of Changes in Equity for further detail.

The following table outlines the changes in liabilities arising from financing activities:

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Balance at beginning of year	(4,211.2)	(3,644.4)	(3,963.0)
Net cash flow from (increase)/decrease in debt	(1,201.5)	(274.4)	322.9
Adjustment on initial application of IFRS 16 (net of tax)	–	(140.4)	–
Lease additions	(25.2)	(166.1)	–
Interest expense	(4.6)	(5.6)	–
Foreign exchange	15.7	19.7	(4.3)
Balance at end of year	<u>(5,426.8)</u>	<u>(4,211.2)</u>	<u>(3,644.4)</u>
Less than one year	(1,778.4)	(457.3)	(309.4)
More than one year	<u>(3,648.4)</u>	<u>(3,753.9)</u>	<u>(3,335.0)</u>
	<u>(5,426.8)</u>	<u>(4,211.2)</u>	<u>(3,644.4)</u>

26. Shareholder returns

There were no shareholder returns during the year ended March 31, 2021.

In the year ended March 31, 2020 the Company bought back 47.2m ordinary shares at a total cost of approximately €581m. This buyback was equivalent to approximately 4.2% of the Company's issued share capital at March 31, 2020. All of these repurchased ordinary shares were canceled at March 31, 2020. As a result of the share buybacks, share capital decreased by 47.2m ordinary shares with a nominal value of €0.3m and other undenominated capital reserve increased by a corresponding €0.3m. The other undenominated capital reserve is required to be created under Irish law to preserve permanent capital in the Parent Company.

In the year ended March 31, 2019 the Company bought back 37.8m ordinary shares at a total cost of approximately €561m. This buyback was equivalent to approximately 3.2% of the Company's issued share capital at March 31, 2019. All of these repurchased ordinary shares were canceled at March 31, 2019.

As a result of the share buybacks, share capital decreased by 37.8m ordinary shares with a nominal value of €0.2m and the other undenominated capital reserve increased by a corresponding €0.2m. The other undenominated capital reserve is required to be created under Irish law to preserve permanent capital in the Parent Company.

27. Post-balance sheet events

In May 2021, the Group raised approximately €1.2bn, 5-year unsecured, Eurobonds at a fixed coupon of 0.875% for general corporate purposes.

28. Subsidiary undertakings and related party transactions

The following are the principal subsidiary undertakings of Ryanair Holdings plc.

Name	% Held in ordinary shares	Registered Office	Nature of Business
Buzz (Ryanair Sun S.A.)	100	21 Cybernetyki Street, 02-677 Warsaw, Poland	Airline operator
Lauda Europe Limited	100	191, Level 3, Triq Marina, Pieta' PTA 9041, Malta	Airline operator
Malta Air Limited	100	191, Level 3, Triq Marina, Pieta' PTA 9041, Malta	Airline operator
Ryanair DAC	100	Airside Business Park, Swords, Co. Dublin, Ireland	Airline operator
Ryanair U.K. Limited	100	Enterprise House, 2 nd Floor, London Stansted Airport, England	Airline operator

Pursuant to Sections 314-316 of the Companies Act 2014, a full list of subsidiary undertakings will be annexed to the Company's Annual Return to be filed with the Companies Registration Office in Ireland.

In accordance with the basis of consolidation policy, as described in Note 1 of these consolidated financial statements, the subsidiary undertakings referred to above have been consolidated in the financial statements of Ryanair Holdings plc for the years ended March 31, 2021, 2020 and 2019.

The total amount of remuneration paid to key management personnel (defined as including each director, whether executive or otherwise, of the Group, as well as the Executive team reporting to the Board of Directors, as set out on page 144 amounted to €6.6m in the fiscal year 2021 (2020: €11.3m; 2019: €13.4m).

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Basic salary and bonus*	3.5	6.8	8.0
Pension contributions	0.2	0.2	0.2
Non-executive directors' fees	0.5	0.6	0.7
Share-based compensation expense	2.4	3.7	4.5
	6.6	11.3	13.4

*No bonus was paid for fiscal year 2021. Additionally, the Board and management agreed to significant fee/basic salary cuts for fiscal year 2021 as part of the Company's response to the Covid-19 crisis.

29. Date of approval

The consolidated financial statements were approved by the Board of Directors of the Company on July 23, 2021.

Company Balance sheet

	Note	At March 31,		
		2021	2020	2019
		€M	€M	€M
Non-current assets				
Investments in subsidiaries	31	167.3	138.7	131.5
Current assets				
Loans and receivables due from subsidiaries	32	1,391.1	996.0	858.7
Cash and cash equivalents		10.8	10.0	8.1
Total assets		1,569.2	1,144.7	998.3
Current liabilities				
Amounts due to subsidiaries	33	35.2	35.2	35.2
Shareholders' equity				
Issued share capital		6.7	6.5	6.8
Share premium account		1,161.6	738.5	719.4
Other undenominated capital reserve		3.5	3.5	3.2
Retained earnings		331.0	328.7	204.7
Other reserves		31.2	32.3	29.0
Shareholders' equity		1,534.0	1,109.5	963.1
Total liabilities and shareholders' equity		1,569.2	1,144.7	998.3

The accompanying notes are an integral part of the financial information.

On behalf of the Board

Stan McCarthy
Director
July 23, 2021

Michael O'Leary
Director

Company Statement of Cash Flows

	Year ended March 31,		
	2021	2020	2019
	€M	€M	€M
Operating activities			
Profit for the year	(0.1)	699.9	–
Net cash provided by operating activities	(0.1)	699.9	–
Investing activities			
Decrease/(increase) in investments in subsidiaries	(25.0)	0.2	5.4
(Increase)/decrease in loans to subsidiaries	(395.1)	(137.7)	526.6
Net cash (used in)/from investing activities	(420.1)	(137.5)	532.0
Financing activities			
Shareholder returns (net of tax)	–	(579.6)	(531.6)
Net proceeds from shares issued	421.0	19.1	–
Net cash (used in) financing activities	421.0	(560.5)	(531.6)
Increase in cash and cash equivalents	0.8	1.9	0.4
Cash and cash equivalents at beginning of year	10.0	8.1	7.7
Cash and cash equivalents at end of year	10.8	10.0	8.1

The accompanying notes are an integral part of the financial information.

Company Statement of Changes in Shareholders' Equity

	Ordinary Shares	Issued Share Capital	Share Premium Account	Retained Earnings	Other Undenom- inated Capital	Other Reserves	Total
	M	€M	€M	€M	€M	€M	€M
Balance at March 31, 2018	1,171.2	7.0	719.4	736.3	3.0	21.3	1,487.0
<i>Comprehensive income</i>							
Profit for the year	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	–	–	–
<i>Transactions with owners of the Company, recognized directly in equity</i>							
Issue of ordinary equity shares	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	–	7.7	7.7
Repurchase of ordinary equity shares / stamp duty	–	–	–	(531.6)	–	–	(531.6)
Cancellation of repurchased ordinary Shares	(37.8)	(0.2)	–	–	0.2	–	–
Balance at March 31, 2019	1,133.4	6.8	719.4	204.7	3.2	29.0	963.1
<i>Comprehensive income</i>							
Profit for the year	–	–	–	699.9	–	–	699.9
Total comprehensive income	–	–	–	699.9	–	–	699.9
<i>Transactions with owners of the Company, recognized directly in equity</i>							
Issue of ordinary equity shares	3.0	–	19.1	–	–	–	19.1
Share-based payments	–	–	–	–	–	7.0	7.0
Repurchase of ordinary equity shares / stamp duty	–	–	–	(579.6)	–	–	(579.6)
Transfer of exercised and expired share based awards	–	–	–	3.7	–	(3.7)	–
Cancellation of repurchased ordinary Shares	(47.2)	(0.3)	–	–	0.3	–	–
Balance at March 31, 2020	1,089.2	6.5	738.5	328.7	3.5	32.3	1,109.5
<i>Comprehensive income</i>							
Profit for the year	–	–	–	(0.1)	–	–	(0.1)
Total comprehensive income	–	–	–	(0.1)	–	–	(0.1)
<i>Transactions with owners of the Company, recognized directly in equity</i>							
Issue of ordinary equity shares	38.9	0.2	423.1	(2.3)	–	–	421.0
Share-based payments	–	–	–	–	–	3.6	3.6
Transfer of exercised and expired share based awards	–	–	–	4.7	–	(4.7)	–
Balance at March 31, 2021	1,128.1	6.7	1,161.6	331.0	3.5	31.2	1,534.0

The accompanying notes are an integral part of the financial information.

Notes forming part of the Company Financial Statements

30. Basis of preparation and significant accounting policies

The Company's financial statements have been prepared in accordance with International Accounting Standards and International Reporting Standards (collectively "IFRS") as adopted by the European Union (EU), which are effective for the year ended as at March 31, 2021. In addition to complying with its legal obligation to comply with IFRS as adopted by the EU, the consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have also been prepared in accordance with the Companies Act, 2014. The Company financial statements are presented in euro millions, being its functional currency. They are prepared on an historical cost basis except for certain share based payment transactions, which are based on fair values determined at grant date.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates. These underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if these are also affected. Principal sources of estimation uncertainty have been set out in the critical accounting policy section in Note 1 to the consolidated financial statements. Such uncertainties may impact the carrying value of investments in subsidiaries at future dates.

Statement of compliance

The Company financial statements have been prepared in accordance with IFRS as adopted by the EU. In addition to complying with its legal obligation to comply with IFRS as adopted by the EU, the Company financial statements comply with IFRS as issued by the IASB. The Company financial statements have also been prepared in accordance with the Companies Act, 2014. On publishing parent entity financial statements together with group financial statements the Company is taking advantage of the exemption contained in Section 304 of the Companies Act, 2014 not to present its individual income statement, statement of comprehensive income and related notes that form a part of these approved financial statements.

The Directors have reviewed all new or revised IFRS standards and IFRIC interpretations, effective for future financial years, as set forth in Note 1 to the consolidated financial statements, and have concluded their adoption will not have a significant impact on the parent entity financial statements.

Share-based payments

The Company accounts for the fair value of share options granted to employees of a subsidiary as an increase in its investment in that subsidiary. The fair value of such options is determined in a consistent manner to that set out in the Group share-based payments accounting policy and as set out in Note 1 and 16 (c) to the consolidated financial statements.

Income taxes

Income taxes are accounted for by the Company in a manner consistent to that set out in the Group income tax accounting policy.

Investments in subsidiaries

The Company holds investments in subsidiary companies, which are carried at cost less any impairments.

Guarantees

The Company occasionally guarantees certain liabilities of subsidiary companies. These are considered to be insurance arrangements and are accounted for as such i.e. a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee. Additional details are provided in Note 35 to these Company financial statements.

Loans and borrowings

All loans and borrowings are initially recorded at the fair value of consideration received, net of attributable transaction costs. Subsequent to initial recognition, non-current interest bearing loans are measured at amortized cost, using the effective interest yield methodology.

31. Investments in subsidiaries

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Balance at start of year	138.7	131.5	129.2
Increase/(decrease) in investments	25.0	0.2	(5.4)
New investments in subsidiaries by way of share option grant to subsidiary employees	3.6	7.0	7.7
Balance at end of year	<u>167.3</u>	<u>138.7</u>	<u>131.5</u>

32. Loans and receivables due from subsidiaries

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Due from Ryanair DAC (subsidiary)	1,391.1	996.0	858.7
	<u>1,391.1</u>	<u>996.0</u>	<u>858.7</u>

All amounts due from subsidiaries are interest free and repayable upon demand. The expected credit loss associated with the above balances is considered to be insignificant.

33. Amounts due to subsidiaries

	At March 31,		
	2021	2020	2019
	€M	€M	€M
Due to Ryanair DAC (subsidiary)	35.2	35.2	35.2
	<u>35.2</u>	<u>35.2</u>	<u>35.2</u>

At March 31, 2021, Ryanair Holdings plc had borrowings of €35.2m (2020: €35.2m; 2019: €35.2m) from Ryanair DAC. The loan is interest free and repayable on demand.

34. Financial instruments

The Company does not undertake hedging activities on behalf of itself or other companies within the Group. Financial instruments in the Company primarily take the form of loans to subsidiary undertakings.

Amounts due to or from subsidiary undertakings (primarily Ryanair DAC) in the form of inter-company loans are interest free and are repayable upon demand and further details of these have been given in Notes 32 and 33 of these Company financial statements. These inter-company balances are eliminated in the group consolidation.

The euro is the functional and presentation currency of the Company and all transactions entered into by the Company are euro denominated. As such, the Company does not have any significant foreign currency risk.

The credit risk associated with the Company's financial assets principally relates to the credit risk of the Ryanair Group as a whole. Ryanair has received a BBB credit rating from both Standard & Poor's and Fitch Ratings. Additionally, the Company had guaranteed certain subsidiary company liabilities. Details of these arrangements are given in Note 32 of these Company financial statements.

35. Contingencies

a) The Company has provided €5,432m (2020: €4,236m; 2019: €3,797m) in letters of guarantee to secure obligations of subsidiary undertakings in respect of loans, bank advances and long dated foreign currency transactions.

b) In order to avail itself of the exemption contained in Section 357 of the Companies Act, 2014, the holding company, Ryanair Holdings plc, has guaranteed the liabilities of its subsidiary undertakings registered in Ireland. As a result, the subsidiary undertakings have been exempted from the requirement to annex their statutory financial statements to their annual returns.

Details of the Group's principal subsidiaries have been included at Note 28.

36. Shareholders' returns

Please refer to Note 26 of the Consolidated Financial Statements.

37. Post-balance sheet events

Please refer to Note 27 of the Consolidated Financial Statements.

38. Date of approval

The Company financial statements were approved by the Board of Directors of the Company on July 23, 2021.

Directors and Other Information

Directors	S. McCarthy L. Phelan R. Brennan M. Cawley E. Daly H. Millar D. Milliken M. O'Brien M. O'Leary J. O'Neill	Chairman Senior Independent Director Group CEO
Secretary	J. Komorek	
Registered Office	Ryanair Dublin Office Airside Business Park Swords Co. Dublin K67 NY94 Ireland	
Auditors	KPMG Chartered Accountants One Stokes Place St. Stephens Green Dublin 2 Ireland DO2 DE03	
Principal Bankers	Citibank Europe Plc One North Wall Quay Dublin 1 Ireland D01 T8Y1	
Solicitors & Attorneys at Law	Arthur Cox Ten Earlsfort Terrace Dublin 2 DO2 T380 Ireland Cleary Gottlieb Steen & Hamilton LLP One Liberty Plaza New York, NY 10006, United States	

APPENDIX A

GLOSSARY

Certain of the terms included in the section on Selected Operating and Other Data and elsewhere in this Annual Report on Form 20-F have the meanings indicated below and refer only to Ryanair's scheduled passenger service.

Average Booked Passenger Fare	Represents the average fare paid by a fare-paying passenger who has booked a ticket.
Average Daily Flight Hour Utilization	Represents the average number of flight hours flown in service per day per aircraft for the total fleet of operated aircraft.
Average Fuel Cost Per U.S. Gallon	Represents the average cost per U.S. gallon of jet fuel for the fleet (including fueling charges) after giving effect to fuel hedging arrangements.
Average Length of Passenger Haul	Represents the average number of miles traveled by a fare-paying passenger.
Ancillary Revenue per Booked Passenger	Represents the average revenue earned per booked passenger flown from ancillary services.
Baggage Commissions	Represents the commissions payable to airports on the revenue collected at the airports for excess baggage and airport baggage fees.
Booked Passenger Load Factor	Represents the total number of seats sold as a percentage of total seat capacity on all sectors flown.
Break-even Load Factor	Represents the number of RPMs at which passenger revenues would have been equal to operating expenses divided by ASMs (based on Average Yield per RPM). For the purposes of this calculation, the number of RPMs at which passenger revenues would have been equal to operating expenses is calculated by dividing operating expenses by Average Revenue per RPM.
Cost Per Booked Passenger	Represents operating expenses divided by revenue passengers booked.
Net Margin	Represents profit after taxation as a percentage of total revenues.
Number of Airports Served	Represents the number of airports to/from which the carrier offered scheduled service at the end of the period.
Number of Owned Aircraft Operated	Represents the number of aircraft owned and operated at the end of the period.
Operating Margin	Represents operating profit as a percentage of total revenues.
Part 145	The European regulatory standard for aircraft maintenance established by the European Aviation Safety Agency.
Revenue Passengers Booked	Represents the number of fare-paying passengers booked.
Sectors Flown	Represents the number of passenger flight sectors flown.

CUSTOMER FEEDBACK

Don't just take our word for it!



PRICE

Olga M. (Warsaw)



My family and I really enjoy the time we get to spend together on holidays. It's even better when the cost to go to your holiday destination is so low! It makes a massive difference travelling in numbers and means we can put money towards something else or just save.

May. 2021



NEW ROUTES

Julian & Johan (Palma)



We're holidaying in Bucharest! We're finally seeing the city we've been meaning to for so long and it doesn't disappoint. There are so many other places we can visit from Palma too. It feels like there's someplace new to see each week.

Jul. 2021



CUSTOMER SERVICE

Noah S. (Frankfurt)



I had to make a change to my booking and flight plans recently. I contacted Customer Care and they told me exactly what to do. It was a laid-back and simple process. I was pleasantly surprised, and grateful.

Feb. 2021



ENVIRONMENT

Holly G. (Manchester)



I love travelling but I also try to do my bit for the planet and I'm conscious of the collective impact we all make when holidaying. I only learned how environmentally friendly Ryanair is. I've travelled with Ryanair lots of times, but now, I think they're my go-to!

Aug. 2020



PRICE

Chiara R. (Rome)



I often fly for business and flying with Malta Air you just can't beat them for price. Even if I'm bringing extra luggage for a longer business trip, it's all very affordable and if a work trip gets cancelled, it's all very easy to rearrange.

Sep. 2020



CUSTOMER SERVICE

Sophie M. (London)



I had to make a change to my flight when I could no longer get away the day I wanted to. I thought it would take ages and that there might be a fee too, but it was painless and the person I spoke with in Customer Care was so helpful.

May. 2021



REFUND

Stephen S. (Dublin)



My girlfriend and I were supposed to be travelling to Spain but had to cancel due to unforeseen circumstances. We wanted a full refund and so we used Ryanair's ChatBot to see what our next move should be and who to contact. It was so easy... and we got all our money back!

Apr. 2020



CHOICE

Ben F. (Vienna)



After not being able to fly for so long it's amazing to see how many places I can fly to with Lauda. The trouble now is deciding where to go. After so long with limited travel, the world is my oyster again!

Jun. 2021



RYANAIR GROUP

THE GREENEST WAY TO FLY



Ryanair is the most efficient major EU airline group. With the youngest fleet and the highest load factors, our CO2 per passenger/km is only 66g.



“ The last decade has brought a lot of changes at Ryanair, and putting the environment at the forefront of our business is shaping the present and future of the airline. Although aviation represents only a small proportion of man-made emissions worldwide, we must do our part to achieve a carbon neutral industry by 2050.

Our efforts include a \$22bn investment in new efficient aircraft that will carry more passengers, but with 16% lower fuel consumption and 40% lower noise emissions, and we're supporting the development of Sustainable Aviation Fuels. As Europe's largest airline group, we recognise we have an important responsibility and we are committed to leading the way in this journey to a green, decarbonised future. ”

Tom Fowler - Director of Sustainability

WHAT MAKES RYANAIR EUROPE'S MOST EFFICIENT AIRLINE GROUP?



YOUNGEST FLEET
AVERAGE 9 YEARS



96% FILLED SEATS
(PRE COVID-19)



FLYING DIRECT ROUTES



66G CO2 PAX/KM
LOWEST EMISSIONS