



# **ENVIRONMENTAL POLICY**

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## INTRODUCTION

As Europe's largest airline group, Ryanair Holdings plc ("Ryanair" or "the Group") has an important role in helping to shape the future of sustainable aviation. The Group is committed to ensuring that its operations align with global efforts to mitigate the impacts of climate change.

Ryanair has a long-term target of achieving net zero emissions by 2050 ("Pathway to Net Zero"). Ryanair's Pathway to Net Zero aligns with a transition to a 1.5°C world scenario (global average temperature is limited to 1.5°C above pre-industrial levels) and covers Scope 1, 2 and 3 emissions. Ryanair's Pathway to Net Zero, we believe, will enable people from across Europe to travel for work, leisure and visit friends and relatives while ensuring this takes place in a world where we decarbonise our operations at a pace needed to align with a 1.5°C world.

Ryanair has set near-term carbon intensity targets to ensure progress towards our net zero goal is on track.

## PURPOSE

The Ryanair Environmental Policy ("Policy") sets out the guidelines Ryanair will strive towards to achieve our Pathway to Net Zero. The key topics this Policy addresses have been influenced by Ryanair's Double Materiality Assessment ("DMA") and focuses on the impacts, risks and opportunities ("IRO") identified as part of the DMA, namely:

- Climate Change Adaptation;
- Climate Change Mitigation;
- Energy;
- Pollution of Air; and
- Resources inflows (focused on resource scarcity as it relates to jet fuel).

## SCOPE

Ryanair operates a low fare, low cost scheduled airline group serving short-haul, point-to-point routes from bases to airports across Europe and North Africa. The Group is made up of five airlines – Buzz, Lauda, Malta Air, Ryanair and Ryanair UK.

The Policy applies to all Ryanair entities, airline operator, locations and offices. While some of the decisions Ryanair make may impact both upstream and downstream partners, the Policy does not include them in its scope, unless otherwise stated.

## POLICY DEVELOPMENT

In the development of this Policy, consideration was given to existing regulations and frameworks, including:

- The “Fit for 55” European Commission Regulations including Emission Trading System reform and Refuel EU Aviation - the Sustainable Aviation Fuel (“SAF”) blending mandates;
- The recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”);
- EU Taxonomy disclosures (Article 8 of the Regulation (“EU”) 2020/852); and
- Destination 2050<sup>1</sup> - the European aviation sector initiative to identify a pathway to net zero emissions by 2050.

External and internal stakeholders’ views were considered when drafting this Policy and such views were shared as part of Ryanair’s DMA. Insights were also gathered through other stakeholder fora, including the Group’s annual Corporate Governance Forum, trade association engagement, legislator engagement and other forms of stakeholder engagement.

## ENVIRONMENTAL OBJECTIVES

### Environmental Goals

Ryanair’s environmental targets (listed below) have been designed specifically to help Ryanair achieve its Pathway to Net Zero and manage its IROs in an efficient way.

- Net zero emissions by 2050 (Scope 1 MtCO<sub>2</sub>e)<sup>2</sup>
- Reduce CO<sub>2</sub> intensity by c. 26% by 2031<sup>3</sup> (baseline cal. 2023)
- 12.5% SAF use by 2030
- Scope 2 absolute emission reduction of 35% by 2030 (baseline 2022)
- Non-fuel Scope 3 absolute emission reduction of 50% by 2030 (baseline 2022)

<sup>1</sup> [https://www.destination2050.eu/wp-content/uploads/2021/03/Destination2050\\_Report.pdf](https://www.destination2050.eu/wp-content/uploads/2021/03/Destination2050_Report.pdf)

<sup>2</sup> “Net zero” refers to the concept of balancing the emission and absorption of carbon in the atmosphere. The outcome of limiting catastrophic climate change requires companies and countries to become net-zero.

<sup>3</sup> In aviation, emission intensity is typically measured by CO<sub>2</sub> per passenger (pax)/km.

# CLIMATE CHANGE ADAPTATION & MITIGATION; RESOURCE INFLOWS

## Sustainable Aviation Fuel

SAF is a sustainable, non-conventional, alternative to conventional aviation fuel. Ryanair believes that the use of these fuels is the most realistic and effective method for aviation to reduce emissions in the coming decades. The Group will continue to increase its use of SAF in line with both legislated blending mandate requirements and bilateral agreements with suppliers.

Ryanair does not support the production of SAF at the expense of food supplies or that result in deforestation. Ryanair has advocated directly with the EU Commission for the exclusion of palm fatty acid distillates ("PFAD") from the list of eligible feedstocks under ReFuel EU. Ryanair's objective is to only procure SAF that complies with [Annex IX](#) of Renewable Energy Directive ("RED II").

## Managing Non-CO<sub>2</sub> emissions

Aviation's total climate impact includes not only CO<sub>2</sub> emissions but also non-carbon dioxide ("non-CO<sub>2</sub>") emissions. Non-CO<sub>2</sub> emission impacts are primarily generated from the formation of persistent contrails and from nitrous oxides ("NO<sub>x</sub>") emissions. Flying also produces various other non-CO<sub>2</sub> effects, including sulphur oxides ("SO<sub>x</sub>"), water vapour, soot and aerosols.

The impact of these non-CO<sub>2</sub> effects is not yet fully understood. Ryanair believes it is important that the science around aviation's non-CO<sub>2</sub> warming effects is advanced to reduce the current level of uncertainty.

Ryanair actions to better understand non-CO<sub>2</sub> impacts:

- Ryanair will contribute to the European Commission's Monitoring, Reporting and Verification ("MRV") for aviation non-CO<sub>2</sub> emissions, whereby airlines report the non-CO<sub>2</sub> emissions of each individual flight.
- In 2024, Ryanair announced the expansion of the research being undertaken at the Ryanair Sustainable Aviation Research Centre, Trinity College Dublin, to examine aviation non-CO<sub>2</sub> emissions. The aim of the research is to understand and develop predictive tools for contrail formation and the development of an internationally recognised methodology that supports the predictions of NO<sub>x</sub>, SO<sub>x</sub> and soot particles.

## ENERGY

### Reducing Scope 2 Emissions

In the context of Ryanair, "Energy" refers to non-jet fuel energy. Energy is the power used to support Ryanair ancillary buildings e.g. maintenance hangars, training centres, offices, etc.

At the time of contract renewal, the Group will engage with energy providers to procure certified renewable energy (where appropriate and economically viable) in the quantities needed to meet Ryanair's Scope 2 emissions goals.

# GOVERNANCE

## Board & Audit Committee

Ryanair's Board has ultimate oversight and responsibility for Ryanair's climate transition plan, strategy in achieving sustainability goals and managing climate related risks and opportunities. Ryanair's Director of Sustainability & Finance and the Group CFO provide updates to the Ryanair Board and Audit Committee at least quarterly.

Annually, the Board self-assess their skills set against key requirements including, amongst others, climate change.

## Sustainability Committee

The Sustainability Committee is an Executive/Management level committee that meets regularly (typically monthly). It is chaired by the Director of Sustainability & Finance and is tasked with identifying, assessing and managing day-to-day climate-related risks and opportunities. It covers all airlines within the Ryanair Group and its members are drawn from all areas of the business, including senior managers from Operations (both Ground and Flight Operations), Engineering, Labs, Sustainability, Safety and Finance.

## Sustainability Team

Ryanair's Sustainability Team is responsible for the day-to-day management and delivery of Ryanair's sustainability strategy and targets. The team reports to the Group CFO with a dotted line to the Ryanair Board and Audit Committee. The Sustainability Team are key members of the Sustainability Committee and provide weekly and monthly emission intensity analysis to Ryanair leadership.

The team is also responsible for procuring SAF blends in line with the targets set by the Ryanair Board and executive management team, ensuring compliance with carbon trading schemes, most notably, the EU & UK Emission Trading System and CORSIA. Finally, monitoring of emission savings from projects implemented by the Sustainability Committee is performed by the Sustainability Team with regular updates provided to the Committee.

## Enterprise Risk Register

Key risks, including climate related risks, are analysed as part of a semi-annual review of Ryanair's Enterprise Risk Register ("ERM"). The ERM is prepared by senior management, reviewed by the Audit Committee, presented to the Ryanair Board and feedback is shared with Ryanair's management.

## Senior Management Remuneration

Senior management's short and long-term variable pay is linked to Ryanair's Environmental, Social and Governance ("ESG") performance. Annual and long-term targets are reviewed and approved by the Board's Remuneration Committee ("Remco").

# ENVIRONMENTAL COMMITMENTS

## Reporting

The majority of Ryanair's flights fall under the European Union's and UK's Emission Trading Systems ("ETS"). Under ETS, Ryanair is required to monitor, report and verify its Scope 1 emissions generated from such flights, with ETS reporting taking place annually.

Ryanair's extra-European Economic Area ("ex-EEA") flights fall under Carbon Offsetting and Reduction Scheme for International Aviation ("CORSIA"). Under CORSIA, Ryanair is required to monitor, report and verify Scope 1 emissions generated from ex-EEA flights. CORSIA reporting takes place on an annual basis.

Under the Corporate Sustainability Reporting Directive (“CSRD”), Ryanair is required to report and verify its Scope 1, 2 and 3 emissions, Energy use, climate related risks and opportunities, and other material environmental topics. Annual CSRD reporting is effective from fiscal year 2025 (“FY25”). Ryanair will report voluntarily by the following means:

- Climate Disclosure Project (“CDP”) – annually
- SEC Form 20-F – annually
- ESG Rating Agency engagements – ad hoc
- Emissions intensity – monthly

### **Suppliers**

Ryanair cannot achieve all of its goals by itself. It will require a sustained effort from all of our suppliers. Please see the [Ryanair Supplier Code of Conduct](#) for information on how Ryanair works with suppliers to achieve environmental goals.

### **Compliance**

Ryanair complies with relevant environmental regulations and other mandatory requirements.

### **Communication**

This policy is publicly available on the Ryanair website and internal communication channels.

### **Review**

This Policy will be reviewed by the Sustainability Committee and, if necessary, updated annually.

## APPENDIX

Term	Definition
<b>Climate Change Adaptation</b>	The process of Ryanair adjusting to actual and expected climate change and its impact.
<b>Climate Change Mitigation</b>	The process of reducing greenhouse gas (“GHG”) emissions and holding the increase in the global average temperature to 1.5 °C above pre-industrial levels, in line with the Paris Climate Accords.
<b>Double Materiality Assessment</b>	A process to evaluate how sustainability issues impact a company financially (outside-in perspective) and how the company’s actions affect society and the environment (inside-out perspective).
<b>Net Zero Emissions</b>	The concept of balancing the emission and absorption of carbon in the atmosphere. The outcome of limiting catastrophic climate change requires companies and countries to become net-zero.
<b>Negative Impact</b>	The negative effect the Ryanair has or could have on the environment. This can be connected to Ryanair’s own operations, upstream and downstream value chain.
<b>Non-CO<sub>2</sub> Emissions</b>	Emissions from burning jet fuel including water vapour (“H <sub>2</sub> O”), NO <sub>x</sub> , SO <sub>x</sub> , carbon monoxide (“CO”), soot (“PM 2.5”), unburned hydrocarbons (“UHC”), aerosols, and trace hydroxyl compounds (“-OH”). Water vapour released from engines, under certain conditions, forms condensation trails.
<b>Opportunity</b>	Sustainability-related opportunities with positive financial effects.
<b>Pollution of Air</b>	Air pollution refers to direct or indirect introduction, because of human activity, of pollutants into air, which may be harmful to human health and/or the environment. The following seven greenhouse gases are connected to air pollution: carbon dioxide (“CO <sub>2</sub> ”), methane (“CH <sub>4</sub> ”), nitrous oxide (“N <sub>2</sub> O”), hydrofluorocarbons (“HFCs”), perfluorocarbons (“PFCs”), sulphur hexafluoride (“SF <sub>6</sub> ”) and nitrogen trifluoride (“NF <sub>3</sub> ”).
<b>Positive Impact</b>	The positive effect Ryanair has or could have on the environment.
<b>Resources inflows</b>	Materials and products that enters Ryanair’s operations (the most material of which is Jet fuel).
<b>Risk</b>	Sustainability related risks with negative financial effects arising from environmental matters that may negatively affect the undertaking’s financial position, financial performance, cash flows, access to finance or cost of capital in the short, medium or long term.
<b>Ryanair Holdings plc</b>	Ryanair Holdings was incorporated in 1996 as a holding company for 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 (a Maltese wet lease provider to the Ryanair Group with a Maltese AOC), and set-up Ryanair UK (with a UK 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 UK are wholly owned airlines within the Ryanair Group.
<b>Scope 1 Emissions</b>	Direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by Ryanair including Wake-to-Tail (“WTT”) Jet A1 and purchased natural gas in Ryanair owned buildings.
<b>Scope 2 Emissions</b>	Indirect GHG emissions associated with any purchases of electricity, steam, heat, or cooling in Ryanair operated buildings.
<b>Scope 3 Emissions</b>	Emissions resulting from activities from assets not owned or controlled by the reporting Ryanair, but that Ryanair indirectly impacts in its value chain.



