

MATTERS RESERVED FOR THE BOARD

November 2016

CGC refers to the UK Corporate Governance Code

CA refers to the Companies Act 2006

DTR refers to the UKLA's Disclosure Guidance and Transparency Rules

LR refers to the UKLA's Listing Rules

References to Audit, Remuneration, Finance, Safety or Nomination in the Committee involved column refer to the board committee which may either have delegated responsibility for discharging the Board's authority over the item or consider the item prior to making recommendations to the board for the final decision. Where a committee can only make a recommendation for a final Board decision, this is indicated in the Matters column.

	Matters	References	Committee involved
1	Safety		
1.1	Assessment of the Company's oversight of safety systems, processes, operations and resources		Safety
1.2	Review and monitoring implementation of the annual safety plan of the Company		Safety
1.3	Appointment and removal of the Director of Safety and Security		Safety
2	Strategy and Management		
2.1	Responsible for long term strategy and overall management of the Group	CGC-A1	
2.2	Approval of the Group's long term strategy and overall objectives	CGC-A1	
2.3	Approval of the annual operating and capital expenditure budgets and any material changes to them		
2.4	Oversight of the Group's operations ensuring:		
2.4.1	competent and prudent management		
2.4.2	sound planning		
2.4.3	an adequate system of internal control		
2.4.4	adequate accounting and other records		
2.4.5	compliance with statutory and regulatory obligations		
2.5	Review of performance in the light of the Group's strategy, objectives, business plans and budgets ensuring that any necessary corrective action is taken	CGC-A1	
2.6	Extension of the Group's activities into high-risk geographical areas		
2.7	Any decision to cease to operate all or any material part of the Group's business		

	Matters	References	Committee involved
3	Structure and Capital		
3.1	Changes relating to the Company's capital structure and/or debt structuring including:		
3.1.1	reduction of capital in the Company		
3.1.2	share issues (except those which are routine under employee share plans, which are delegated to the Remuneration Committee) and grants of options (except where routine under already existing Share Scheme Rules)		Remuneration
3.1.3	share buybacks, including the use of treasury shares		
3.1.4	issues of public debt or other debt securities following recommendation by the Finance Committee		Finance
3.1.5	material inter-company distributions for the purpose of simplifying inter-company balances within the Group or reductions of capital in the group subsidiaries		Finance
3.2	Major changes to the Group's corporate structure		
3.3	Major changes to the Group's operational structure		
3.4	Any changes to the Company's listing or its status as a plc		
3.5	Prescribing or varying the Permitted Maximum number of shares as defined in the Articles of Association		
4	Financial Reporting and Controls		
4.1	Approval of preliminary announcement of interim and final results, following recommendation by the Audit Committee	CGC-C1, DTR4	Audit
4.2	Approval of interim management statements (with final sign off of preliminary announcements of interim and final results also being delegated from the Board)		Sub-Committee (Chairman, Deputy Chairman, CEO and CFO)
4.3	Approval of annual report and accounts including corporate governance statement and remuneration report, following recommendation by the Audit Committee (and the Remuneration Committee for the remuneration report)	CGC-C1, DTR4, LR9.8, CA chapter 5	Audit, Rem (for Rem report)
4.4	Approval of the dividend policy, following recommendation by the Audit Committee if requested		Audit
4.5	Declaration of the interim dividend and recommendation of the final dividend or special dividend	DTR6.1.13	
4.6	Approval of any significant changes in accounting policies or practices adopted by a Group company, following recommendation by the Audit Committee		Audit

	Matters	References	Committee involved
4.7	Approval of any treasury policies, including foreign currency exposure and the use of financial derivatives		Finance
5 Internal Controls			
5.1	Responsibility for determining the nature and extent of the principal risks the Company is willing to take to achieve its strategic objectives	CGC-C2	
5.2	Ensuring a sound system of internal control and risk management including:	CGC-C2	Audit
5.2.1	receiving the report on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives		Audit
5.2.2	undertaking an annual assessment of these processes	CGC-C2.1	Audit
5.2.3	approving an appropriate statement for inclusion in the annual report	CGC-C2.1	Audit
6 Contracts			
6.1	Contracts:		
6.1.1	with a cost commitment of more than £10m		
6.1.2	with a revenue impact of more than £50m		
6.1.3	which do not have not a firm commitment (e.g. airport or ground handling contracts where the business pays per movement) but are essential and standard to the easyJet operation, and have an expected annual cost commitment in excess of £30m (Substantial Direct Operating Contracts)		
6.1.4	of a long term nature (in excess of five years, including any contract with an automatic renewal of its term). Board approval is not required for contracts easyJet can terminate at nil or negligible cost/penalties within 5 years of the contract commencement date.		
6.1.5	which relate to activities not in the ordinary course of the Group's business		
6.2	Any partnership or joint venture in which a group company is a partner or shareholder respectively		
6.3	Entry into any related party transaction with a related party (e.g. director or a substantial shareholder), which is not exempt under Listing Rule 11.1.6.		
6.4	Entry into any significant transactions or arrangements required to be announced to the London Stock Exchange which are not covered otherwise in these Reserved Matters		
6.5	Major investments, including the acquisition or disposal of interests of more than 5% in the voting shares of any group company or the making of any takeover offer		
7 Communication			

	Matters	References	Committee involved
7.1	Approval of resolutions and corresponding key documentation to be put forward to shareholders at an annual general meeting or general meeting	LR13	
7.2	Approval of all circulars and listing particulars (other than routine documents)	LR13	
7.3	Approval of press releases or RNSs concerning major matters decided by the Board (this excludes approval of routine matters such as notifications of major interests in shares and of interests of directors)		
8 Board Membership and other Appointments			
8.1	Changes to the structure, size and composition of the Board, following recommendation by the Nominations Committee		Nomination
8.2	Ensuring adequate succession planning for the Board and senior management, following recommendation by the Nominations Committee		Nomination
8.3	Appointments to the Board, following recommendation by the Nominations Committee		Nomination
8.4	Selection of the Chairman of the Board and the Chief Executive, following recommendation by the Nominations Committee		Nomination
8.5	Appointment of the Senior Independent Director, following recommendation by the Nominations Committee	CGC-A4	Nomination
8.6	Membership and chairmanship of the Board committees, following recommendation by the Nominations Committee		Nomination
8.7	Continuation in office of directors at the end of the term of office when they are to be re-elected by shareholders at the AGM and otherwise as appropriate, following recommendation by the Nominations Committee		Nomination
8.8	Continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract, following recommendation by the Nominations Committee		Nomination
8.9	Appointment or removal of the Company Secretary	CGC-B5.2, CA.s271	
8.10	Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following recommendation by the Audit Committee	CGC-C3.2, CA.s489	Audit

	Matters	References	Committee involved
8.11	Appointment to boards of subsidiaries		
9 Remuneration			
9.1	Approving the remuneration policy for the executive directors and Chairman, and following recommendation from the Remuneration Committee, monitor the level and structure of remuneration for the Airline Management Board, (subject to shareholder approval as applicable)	CGC-D2.2	Remuneration
9.2	Determining the remuneration of the non-executive directors	CGC-D2.3	
9.3	The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval, following recommendation by the Remuneration Committee		Remuneration
10 Delegation of Authority			
10.1	The division of responsibilities between the Chairman and Chief Executive Officer, which should be in writing	CGC-A2.1	
10.2	Approval of terms of reference of Board committees, following recommendation by the relevant committee	CGC-B2.1, D2.1, C3.1	Audit, Remuneration, Nomination, Finance and Safety
10.3	Approval of the Delegated Authority document to be reviewed annually by the Audit Committee, and at least once every three years by the full Board		Audit
11 Corporate Governance Matters			
11.1	Undertaking annually a formal and rigorous review of its own performance, that of its committees and individual directors	CGC-B6	
11.2	Determining the independence of directors	CGC-B1.1	
11.3	Considering the balance of interests between shareholders, employees, customers and the community	CA.172	
11.4	Review of the Group's overall corporate governance arrangements		
11.5	Receiving reports on the view of the Company's shareholders	CGC-E1.1	
11.6	Authorising matters which would amount to a breach of director's duty to avoid a conflict of interest		Audit
12 Policies			
12.1	Approval of high level policies in particular those which will be placed in the public domain, including but not limited to:	CGC-A1	

	Matters	References	Committee involved
12.1.1	Code of Ethics		
12.1.2	Share dealing code		
12.1.3	Charitable donations policy		
12.1.4	Diversity policy		
12.1.5	Human rights policy		
13	Other		
13.1	The making of donations, including political and charitable donations over £5,000 (having regard to the political donation limits in the relevant resolution for the year's AGM)		
13.2	Prosecution, defence or settlement of litigation of an amount in excess of the opex limits set out in Delegated Authority document or being otherwise material to the interests of the Group		
13.3	This schedule of matters reserved for board decisions to be reviewed at least once every three years by the Board		