

## Risk Factors Comparison 2025-02-14 to 2024-02-12 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

We are subject to various risks that make an investment in our securities risky. The events and consequences discussed in these risk factors could, in circumstances we may or may not be able to accurately predict, recognize, or control, have a material adverse effect on our business, liquidity, financial condition, and results of operations. In addition, these risks could cause our actual results to differ materially from those we express in forward- looking statements contained in this Annual Report or in other Company communications. You should read the following section in conjunction with the following sections of this Report: Part II. Item 7. **"**Management' s Discussion and Analysis of Financial Condition and Results of Operations, **"**our consolidated financial statements and the related notes, included in Part II. Item 8 and our ~~"~~ **"**Forward ~~"~~ Looking Information. <sup>22</sup>

**" RISKS RELATED TO JETBLUE Competitive** ~~Risks Related to JetBlue~~ We operate in an extremely competitive industry. The domestic airline industry is characterized by low profit margins, high fixed costs, and significant competition. We currently compete with other airlines on all of our routes. Most of our competitors are larger and have greater financial resources and name recognition than we do. Following our entry into new markets or expansion of existing markets, some of our competitors have chosen to add service or engage in extensive price competition. Unanticipated shortfalls in expected revenues as a result of price competition or in the number of passengers carried would negatively impact our financial results and harm our business. We also face competition from surface transportation and technological alternatives to travel, such as virtual meetings, teleconferencing and videoconferencing, particularly during periods of unfavorable economic conditions. The extremely competitive nature of the airline industry could prevent us from attaining the level of passenger traffic or maintaining the level of fares required to maintain profitable operations in new and existing markets and could impede our ~~profitable ability to~~ **execute on our** growth ~~and profitability strategy~~ **and profitability strategies , including JetForward** , which would harm our business. Furthermore, there have been numerous mergers and acquisitions within the airline industry over the years, as well as cooperative marketing alliances and joint ventures. The industry may continue to change. Any business combination, or other industry consolidation could significantly alter industry conditions and competition within the airline industry. Additionally, the current political climate may alter or prevent industry consolidation and growth ~~, including our intended merger with Spirit~~. Lastly, if a traditional network airline were to fully develop a low- cost structure, or if we were to experience increased competition from low cost carriers or new entrants, our business could be materially adversely affected. We **have also used certain assets from our TrueBlue ® loyalty program as collateral for the TrueBlue ® Financing, which contains covenants that impose restrictions on certain amendments or changes to certain of our TrueBlue ® loyalty program agreements provided as collateral under the TrueBlue ® Financing and other aspects of the TrueBlue ® loyalty program. These competitive factors and covenants (to the extent applicable) may affect our ability to attract and retain customers, increase usage of our loyalty program and maximize the revenue generated by our loyalty program. We** may be subject to competitive risks due to the long- term nature of our fleet order book. At present, we have existing aircraft commitments through ~~2029~~ **2033** . As technological evolution occurs in our industry, through the use of composites and other innovations, we may be competitively disadvantaged because we have existing extensive fleet commitments that could prohibit us from adopting new technologies on an expedited basis. **Unanticipated delays may require the Company to operate existing aircraft beyond the point at which it is economically optimal to retire them, resulting in increased maintenance costs, or reductions to the Company' s schedule, thereby reducing revenues.** **Operational Risks** **We may not be successful in executing elements of our strategic operating plan, which may have a material adverse impact on our reputation, business, operating results, and financial condition. JetForward, the Company' s strategic operating plan, includes initiatives aimed at enhancing our service, developing and maintaining our leisure network, identifying and providing the products and perks our customers value and promoting a secure financial future. In developing our JetForward plan, we made certain assumptions including, but not limited to, customer demand (in light of changing economic conditions), fuel costs, delivery of aircraft, aircraft certification approval timelines, labor market constraints and related costs, supply chain constraints, inflationary pressures, voluntary or mandatory groundings of aircraft, our regional network, competition, market consolidation and other macroeconomic and geopolitical factors. Actual conditions may be different from our assumptions at any time and could cause us to further adjust our strategic operating plan. In addition, we cannot provide any assurance that we will be able to successfully execute our strategic plan, that the growth that we anticipate will occur through execution of our strategic plan will not exacerbate any other risk described herein, that our strategic plan will not result in additional unanticipated costs, that our suppliers will timely provide adequate products or support for our products (including but not limited to engine support and certification of aircraft) or that our strategic plan will result in improvements in future financial performance. If we do not successfully execute our JetForward or other strategic plans, or if actual results vary significantly from our expectations, our business, operating results, financial condition and market capitalization could be materially and adversely impacted. The failure to successfully structure our business to meet market conditions could have a material adverse effect on our business, operating results and financial condition.** Our business is highly dependent on the availability of fuel , and fuel is subject to price volatility. Our results of operations are heavily impacted by the price and availability of fuel. Fuel costs comprise a substantial portion of our total operating expenses. Historically, fuel costs, such as US Gulf Coast Jet, have been subject to wide price fluctuations, ranging from a low of \$ 1. ~~32~~ **91** per gallon to a high of \$ 4. 41 per gallon from January 1, ~~2021~~ **2022** to December 31, ~~2023~~ **2024** . These fluctuations are based on geopolitical factors as well as supply and demand. The availability of fuel is not only dependent on

crude oil but also on refining capacity. When even a small amount of the domestic or global oil refining capacity becomes unavailable, supply shortages can result for extended periods of time. The availability of fuel is also affected by demand for home heating oil, gasoline and other petroleum products, as well as crude oil reserves, dependence on foreign imports of crude oil and potential hostilities in oil producing areas of the world. Given our large dependency on New York harbor jet fuel, we ~~have been~~ **may be** impacted more than our competitors by these price spikes due to decreases in refining capacity and increases in US exports filling the void left by Russia. The price per gallon for New York harbor jet fuel has ranged from a low of \$ 1. ~~39~~ **97** to \$ 7. 59 per gallon from January 1, ~~2021-2022~~ to December 31, ~~2023-2024~~. Because of the effects of these factors on the price and availability of fuel, the cost and future availability of fuel cannot be predicted with any degree of certainty. Our aircraft fuel purchase agreements do not protect us against price increases or guarantee the availability of fuel. Additionally, some of our competitors may have more leverage than we do in obtaining fuel. We have and may continue to enter into a variety of option contracts and swap agreements for crude oil, heating oil, and jet fuel to partially protect against significant increases in fuel prices. However, such contracts and agreements do not completely protect us against price volatility, are limited in volume and duration, and can be less effective during volatile market conditions and may carry counterparty risk. Under the fuel hedge contracts we may enter from time to time, counterparties to those contracts may require us to fund the margin associated with any loss position on the contracts. Meeting our obligations to fund these margin calls could adversely affect our liquidity. Due to the competitive nature of the domestic airline industry, at times we have not been able to adequately increase our fares to offset the increases in fuel prices nor may we be able to do so in the future. Future fuel price increases, continued high fuel price volatility or fuel supply shortages may result in a curtailment of scheduled services and could have a material adverse effect on our financial condition and results of operations. Our maintenance costs will increase as our fleet ages. Our maintenance costs will increase as our fleet ages. In the past, we have incurred lower maintenance expenses because most of the parts on our aircraft were under multi- year warranties, but many of these warranties on JetBlue's existing fleet types have expired. If any maintenance provider with whom we have a flight hour agreement fails to perform or honor such agreements, we could incur higher interim maintenance costs until we negotiate new agreements. Furthermore, we expect to continue to implement various fleet modifications over the next several years to facilitate our aircraft's continued efficiency, modernization, brand consistency, and safety. These fleet modifications require significant investment over several years, some of which involve taking aircraft out of service for days or weeks at a time. Our salaries, wages, and benefits costs will increase as our workforce ages. As our crewmembers' tenure with JetBlue matures, our salaries, wages, and benefits costs increase. As our overall workforce ages, we expect the cost of our medical and related benefits to increase as well, despite an increased corporate focus on crewmember wellness. As part of our overall profitability strategy, we ~~periodically have begun offering~~ **offer** voluntary separation packages to certain employees, with the goal of reducing fixed costs by giving people who work in a number of corporate functions, in our airports, and in our customer support ~~center-centers~~ the opportunity to leave JetBlue with a departing pay and benefits package. There can be no assurance that these measures will lead to a significant reduction in costs. A material reduction in the rate of interchange reimbursement fees could have an adverse effect on JetBlue's business and operating results. The TrueBlue® loyalty program operated by us, and the programs operated by our TrueBlue® partners and the payment card transactions conducted in connection with such programs, are significantly impacted by the rate of interchange reimbursement fees (i. e., the fees charged to merchants by the issuing banks), for which rates have historically been set by card processing networks. Interchange reimbursement fees continue to be subject to increased government regulation globally, and **such regulations may be conflicting across jurisdiction in which we operate. It may be complex, costly, or infeasible to comply with such regulations, which could have an adverse effect on JetBlue's business and operating results. In addition,** regulatory authorities and central banks in a number of jurisdictions have been reviewed or are reviewing these fees and related practices, and may enact regulations that exert downward pressure on such fees. For example, regulations adopted by the U. S. **Governors of the Federal Reserve System (" Federal Reserve")** cap the maximum U. S. debit interchange reimbursement rate received by ~~large financial institutions~~ **card issuers operating in the U. S. with assets of \$ 10 billion or more** at 21 cents plus 5 basis points per transaction, plus a possible fraud adjustment of 1 cent. There has also **been proposed revisions to the limits on interchange reimbursement fees set by the Federal Reserve and** ~~previously been bipartisan legislation that would limit interchange reimbursement fees proposed in Congress called the Credit Card Competition Act designed to increase credit card transaction routing options for merchants which, if enacted, could result in a reduction of the fees levied on credit card transactions~~ **which**. ~~If this legislation were successful, it if enacted,~~ could fundamentally alter the profitability of our agreements with co- branded credit card partners and the benefits we provide to our consumers through the co- branded credit cards issued by these partners. A material decrease in the rate of ~~credit~~ interchange reimbursement fees, either voluntarily by card processing networks or mandated by authorities, would adversely affect the TrueBlue® loyalty program, as well as the loyalty programs that our airline partners operate, and would have an adverse effect on JetBlue's business and operating results. There can be no assurance that there will not be a material decrease in ~~credit card~~ interchange reimbursement fees, including due to new laws or regulatory action by the government. Because we derive a portion of our revenues from operations outside the United States, the risks of doing business internationally, or in a particular country or region, could lower our revenues, increase our costs, reduce our profits, or disrupt our business. We currently operate in 31 countries around the world. Our available seat miles that take off or land outside the United States and Canada represented approximately ~~37~~ **39** % of our revenues for the year ended December 31, ~~2023-2024~~. Over the long term, we expect our international operations may account for an increasing portion of our total revenues and available seat miles. Expansion into new international markets may have risks due to factors specific to those markets. In connection with our international operations, we are required to comply with U. S. and other applicable economic and trade sanctions laws and regulations, which restrict our ability to transact and deal with certain countries, regions, governments, and persons. We have expanded and expect to continue to expand our service to countries in the Caribbean and Latin America, some of which have less developed legal systems, financial markets, and business and

political environments than the United States, and therefore present greater political, legal, regulatory, economic, and operational risks. We emphasize legal compliance and have implemented and continue to implement and refresh policies, procedures and certain ongoing training of crewmembers with regard to business ethics and compliance, compliance with economic and trade sanctions, anti- corruption policies and many key legal requirements; however, there can be no assurance our crewmembers or third-party service providers will adhere to our code of business conduct, anti- corruption and trade compliance policies, other Company policies, or other legal requirements. If we fail to enforce our policies and procedures properly or maintain adequate record- keeping and internal accounting practices to accurately record our transactions, we may be subject to sanctions. In the event we believe or have reason to believe our crewmembers have or may have violated applicable laws or regulations, we may be subject to investigation costs, potential penalties and other related costs which in turn could negatively affect our reputation, and our results of operations and cash flow. In addition, to the extent we continue to grow our business both domestically and internationally, opening new markets requires us to commit a substantial amount of resources even before the new services commence. Expansion is also dependent upon our ability to maintain a safe and secure operation and requires additional personnel, equipment, and facilities. As a result, we are subject to the risks of doing business outside the United States, including:

- the costs of complying with laws, regulations, and policies (including taxation policies) of foreign governments relating to investments and operations, the costs or desirability of complying with local practices and customs, and the impact of various anti- corruption and other laws affecting the activities of U. S. companies abroad;
- evolving local data residency requirements that require data to be stored only in and, in some cases, also to be accessed only from within, a certain jurisdiction;
- U. S. **and foreign** taxation of income earned abroad;
- import and export licensing requirements and regulations, as well as unforeseen changes in regulatory requirements, including imposition of tariffs or embargoes, import or export regulations, controls, and other trade restrictions;
- political and economic instability, including as a result of the ongoing conflict between Russia and Ukraine;
- fluctuations in GDP, interest and currency exchange rates, civil disturbances, government instability, nationalization and expropriation of private assets, trafficking and the imposition of taxes or other charges by governments;
- health and safety protocols, including global care and cleanliness certifications, at the airports in which we operate;
- the complexity of managing an organization doing business in many jurisdictions;
- uncertainties as to local laws and enforcement of contract and intellectual property rights and occasional requirements for onerous contract clauses; and
- rapid changes in government, economic, and political policies; political or civil unrest; acts of terrorism; or the threat of international boycotts or U. S. anti- boycott legislation. While these factors and the impact of these factors are difficult to predict, any one or more of them could lower our revenues, affect our operations, increase our costs, reduce our profits, or disrupt our business. The occurrence of any of these events in markets served by us and the resulting instability may adversely affect our business.

**Moreover, the Organization for Economic Co- operation and Development (the " OECD") has announced an accord commonly referred to as " Pillar Two" to set a minimum global corporate tax rate of 15 %, which is being or may be implemented in many jurisdictions, including the United States. The OECD is also issuing guidelines that are different, in some respects, than current international tax principles, and adoption of these guidelines may increase tax uncertainty and increase taxes applicable to us. We cannot predict whether the U. S. Congress or any other governmental body may enact new tax legislation or tax regulations, or offer any assurance that new legislation or regulations, including changes to existing laws and regulations, will not have an adverse effect on our business, results of operations, financial condition or prospects .**

Our high aircraft utilization rate helps us keep our costs low, but also makes us vulnerable to delays and cancellations; such delays and cancellations could reduce our profitability and harm our reputation. We maintain a high daily aircraft utilization rate, which is the amount of time our aircraft spend in the air carrying passengers. High daily aircraft utilization is achieved in part by reducing turnaround times at airports so we can fly more hours on average in a day. Aircraft utilization is reduced by delays and cancellations from various factors, many of which are beyond our control, including adverse weather conditions, security requirements, air traffic congestion, infrastructure failures (such as technical issues with air- traffic control systems), unscheduled maintenance events, issues associated with the availability and effectiveness of air traffic personnel, and labor shortages, including with respect to pilots. The majority of our operations are concentrated in the Northeast and Florida, which are particularly vulnerable to weather and congestion delays. Reduced aircraft utilization may limit our ability to achieve and maintain profitability as well as lead to customer dissatisfaction and reputational harm. Our business is highly dependent on the New York metropolitan market and increases in competition or congestion or a reduction in demand for air travel in this market, or governmental reduction of our operating capacity at JFK, could harm our business. We are highly dependent on the New York metropolitan market where we maintain a large presence with approximately one- half of our daily flights having JFK, LaGuardia, Newark, or Westchester County Airport as either their origin or destination. We have historically experienced an increase in flight delays and cancellations at these airports due to airport congestion which has adversely affected our operating performance and results of operations. Our business could be further harmed by an increase in the amount of direct competition we face in the New York metropolitan market or by continued or increased congestion, delays or cancellations. Our business would also be harmed by any circumstances causing a reduction in demand for air transportation in the New York metropolitan area, such as adverse changes in local economic conditions, health concerns, ~~including a resurgence of COVID-19~~, climatic concerns (including adverse weather and sea- level rise), negative public perception of New York City, acts of terrorism, or significant price or tax increases linked to increases in airport access costs and fees imposed on passengers. In addition, ATC **staffing** shortages in the Northeast **and Florida** have forced us to cut back our capacity plans to help protect our operations. The FAA has granted a temporary slot relief of 10 % until October ~~2024~~ **2025**, but there is no guarantee that relief will be extended and ATC **staffing** shortages may continue beyond the period of relief. Extended interruptions or disruptions in service at one or more of our focus cities could have a material adverse impact on our operations. Our business is heavily dependent on our operations in the New York Metropolitan area, particularly at JFK, and in our other focus cities: Boston, Orlando, Fort Lauderdale, the Los Angeles basin, and San Juan. Each of these operations

includes flights that gather and distribute traffic to other major cities. A significant interruption or disruption in service at one or more of our focus cities could have a serious impact on our business, financial condition, and results of operations. We may be impacted by increases in airport expenses relating to infrastructure and facilities, as well as by infrastructure disruptions or failures. In order to operate within our current markets as well as continue to grow in new markets, we must be able to obtain adequate infrastructure and facilities within the airports we serve. This includes gates, check-in facilities, operations facilities, and landing slots, where applicable. The costs associated with these airports are often negotiated on a short-term basis with the airport authority and we could be subject to increases in costs on a regular basis with or without our approval. There is a possibility that airport authorities, suffering from revenue shortfalls due to the pandemic, may attempt to recover those shortfalls by passing along the costs or increasing rents or fees to airline tenants. Our operations may in the future be impacted by disruptions associated with the current ATC system utilized by the U. S. government. The air traffic controller shortage and outdated ATC system has led to short-term capacity constraints imposed by government agencies and has resulted in delays and disruptions of air traffic during peak travel periods in certain markets due to its inability to handle demand and reduced resiliency in the event of a failure causing flight cancellations and delays. Failure to ensure adequate ATC controller staffing and update the ATC system in a timely manner and the substantial funding requirements of a modernized ATC system that may be imposed on air carriers may have an adverse impact on the Company's financial condition or operating results. Our results of operations fluctuate due to seasonality, weather, and other factors. We expect our quarterly operating results to fluctuate due to seasonality including high vacation and leisure demand generally occurring on our Florida and Caribbean routes between October and April and on our western routes during the summer. Actions of our competitors and travel restrictions may also contribute to fluctuations in our results. We are more susceptible to adverse weather conditions, including snow storms and hurricanes, than some of our competitors as a result of our operations being concentrated on the East Coast. Certain of these seasonal factors, including adverse weather conditions in the East Coast, Florida and Caribbean, have been adversely affected by climate change in recent years, and are likely to continue to be adversely exacerbated by the physical effects of climate change for the foreseeable future. As we enter new markets we could be subject to additional seasonal variations along with any competitive responses to our entry by other airlines. Price changes in aircraft fuel as well as the timing and amount of maintenance and advertising expenditures may also impact our operations. As a result of these factors, quarter-to-quarter comparisons of our operating results may not be a good indicator of our future performance. In addition, it is possible in any future period our operating results could be below the expectations of investors and any published reports or analysis regarding JetBlue. In such an event, the price of our common stock could decline, perhaps substantially. We are subject to the risks of having a limited number of suppliers for our aircraft, engines, and our Fly-Fi® product. Our current dependence on five specific types of aircraft and engines for all of our flights makes us vulnerable to any significant problems associated with Pratt & Whitney Geared Turbofan Engines (the "PW1100G"), on our A321neo fleet; International Aero Engines (the "IAE V2533-A5"), on our Airbus A321 fleet, International Aero Engines (the "IAE V2527-A5"), on our Airbus A320 fleet, collectively (the "V2500") engine type; Pratt & Whitney Geared Turbofan Engines (the "PW1500G"), on our A220 fleet; and General Electric Engines (the "CF34-10"), on our Embraer E190 fleet. This could include, but is not limited to design defects, mechanical problems, contractual performance, such as delivery delays by the manufacturers, or adverse perception by the public which may result in customer avoidance or in actions by the FAA that would impede our ability to operate our aircraft. In the event of design defects or mechanical problems, we cannot be certain that any remediation steps will be effective, which may lead to a material, adverse effect on our business, operating results, and financial condition. In As announced in July 2023, we are subject to the removal of certain Pratt & Whitney, a division of RTX Corporation, announced the requirement, mandated by the FAA, for removal of certain engines for inspection due to contaminated a rare condition involving powdered metal used to manufacture in the production of certain engine parts on the V2500, PW1100G and PW1500G engine types. These engines power our Airbus A220 and Airbus A321neo fleets. The powdered metal affects engines manufactured between October 2015 and September 2021. Those engines are now required to be inspected after they have reached a reduced number of cycles dependent on the fleet type. As a result of these required inspections and other engine reliability deficiencies, as of December 31, 2023-2024, we had six-11 aircraft and 12 engines grounded for required inspection due to lack of engine availability. The Company currently expects each removed engine to take approximately up to 360 days to complete a shop visit and return to a serviceable condition and. We currently expects expect aircraft out of service in 2025 to average in the mid- to high teens. Given that we expect to have a certain number of out of service aircraft groundings into to rise to between 13 and 15 by the end of 2024-2025. While and beyond, we plan to continue to assess the resulting impact on our future capacity plans. We are currently working with Pratt & Whitney on a resolution to secure compensation, the full impact of the removal and any potential remediation steps remains uncertain. The engine groundings, including but not limited to a reduction in capacity, could adversely impact our future operations and financial results. Carriers operating a more diversified fleet are better positioned than we are to manage such events. Our Fly-Fi® service uses technology and satellite access through our agreement with Thales Avionics, Inc. ("Thales"). An integral component of the Fly-Fi® system is the antenna, which is supplied to us by Thales. If Thales were to stop supplying us with its antennas for any reason, we would have to incur significant costs to procure an alternate supplier. Additionally, if the satellites Fly-Fi® uses were to become inoperable for any reason, we would have to incur significant costs to replace the service. Remaining impacts We are in the process of unwinding the wind down of our Northeast Alliance with American Airlines, which may result in additional costs that have an adverse impact on our business, financial condition and results of operations. In July 2020, JetBlue and American entered into the NEA which was designed to optimize our respective networks at JFK, LaGuardia Airport, Newark Liberty International Airport, and BOS Boston Logan International Airport (the "NEA Airports"). Following review and agreement by the DOT, JetBlue and American began implementing the NEA in July 2021. On September 21, 2021, the United States Department of Justice, along with the Attorneys General of six states and the

District of Columbia filed suit against JetBlue and American seeking to enjoin the NEA, alleging that it violates Section 1 of the Sherman Act. The court issued a decision on May 19, 2023, permanently enjoining the NEA, and **shortly thereafter we initiated a wind down of the NEA. On July 28, 2023, the court** issued its Final Judgement and Order Entering Permanent Injunction (“Final Injunction”) on July 28, 2023. The Final Injunction, which took effect on August 18, 2023, sets forth, among other things, provisions for the prompt and certain termination of the NEA, including applicable dates for the termination of JetBlue and American’s revenue-sharing arrangements and procedures governing the termination of any remaining slot-sharing agreements. Pursuant to the Final Injunction, JetBlue and American may not enter into any new alliance, partnership, joint venture, or other agreement with each other, if such agreement provides for revenue sharing, or for coordination of routes or capacity, in a manner substantially similar to the NEA for a period of ten years following the effectiveness of the Final Injunction. On September 25, 2023, American filed an appeal of the court’s ruling. The wind down of the NEA is substantially complete, but remaining impacts, **including the outcome of putative class action lawsuits involving the NEA,** could require us to incur additional costs and therefore have an impact on our financial condition and results of operations. In December 2022 and February 2023, four putative class actions lawsuits were filed in the United States District Court for the Eastern District of New York and the United States District Court for the District of Massachusetts, respectively, alleging that the NEA violates Sections 1 and 2 of the Sherman Act. Among other things, plaintiffs seek monetary damages on behalf of a putative class of direct purchasers of airline tickets from JetBlue and American Airlines and, depending on the specific case, other airlines on flights to or from the NEA Airports from July 16, 2020 through the present. Plaintiffs in these actions also seek to enjoin the NEA. JetBlue believes these lawsuits are without merit and has moved to dismiss the claims. Tariffs imposed on commercial aircraft and related parts imported from outside the United States, or tariffs that may be escalated over time, may have a material adverse effect on our fleet, business, financial condition, and results of operations. Certain of the products and services that we purchase, including aircraft and related parts, are sourced from suppliers located outside the United States, and the imposition of new tariffs, or any increase in existing tariffs, by the U. S. government on the importation of such products or services could materially increase the amounts we pay for them. We may seek to postpone or cancel delivery of certain aircraft or parts currently scheduled for delivery or purchase, and we may choose not to purchase in the future as many aircraft as we intended. In addition, should additional or different retaliatory tariffs be imposed, our business could be harmed. Any such action could have a material adverse effect on the size of our fleet, business, financial condition, and results of operations. **Risks Related** **Stockholder activism has and could in the future disrupt our business, cause us to incur significant expenses, hinder execution of our business strategy, and impact our stock price. The Company has been and may continue to be subject to actions from activist shareholders or others that may not align with Spirit In order to consummate its business strategies or may not be in the Merger best interests of all of its shareholders. Shareholder activism has resulted in**, we and **could in the future result in** Spirit must obtain certain governmental approvals and satisfy closing conditions, and if **substantial costs, such as legal fees** approvals are not granted or are granted untimely and **expenses** /or with conditions, and **divert management** if closing conditions are not satisfied, consummation of the Merger may be jeopardized or the anticipated benefits of the Merger could be reduced. On July 28, 2022, we entered into a Merger Agreement with Spirit, pursuant to which we would acquire Spirit. Although we and Spirit have agreed to use reasonable best efforts to make certain governmental filings and obtain the required governmental approvals, including from the FCC, the FAA, the DOJ, and the DOT, and approval under certain foreign antitrust laws, there can be no assurance that the necessary regulatory approvals will be obtained. In March 2023, the U. S. Department of Justice, along with the Attorneys General of six states and the District of Columbia, filed suit in the U. S. District Court for the District of Massachusetts against JetBlue and Spirit, seeking a permanent injunction preventing the Merger. The trial commenced on October 31, 2023 and on January 17, 2024, the Court issued its Final Judgment and Order granting the plaintiffs’ request for a permanent injunction of the Merger. On January 19, 2024, JetBlue and Spirit filed a Notice of Appeal with respect to the January 17, 2024 Final Judgment and Order and the Court’s corresponding January 16, 2024 Findings of Facts and Conclusion of Law. On February 2, 2024, the Court of Appeals ordered that the appeal shall be fully briefed by April 25, 2024 and will contemplate argument during the court’s June sitting. The Merger remains subject to numerous other closing conditions. There can be no assurance that all conditions to the closing of the Merger will be satisfied or waived or that the Merger will be completed. The Merger remains subject to other regulatory approvals. There can be no assurance that necessary regulatory approvals will be obtained. As a condition to approving the Merger, governmental entities may impose conditions, terms, obligations or restrictions or require divestitures or place restrictions on the conduct of our business after consummation of the Merger. As part of the Merger Agreement, we have agreed to take any such required divestiture actions in connection with the consummation of Merger, provided that we are not required to take any divestiture actions if such action would or would reasonably be expected to result in a material adverse effect on us and our subsidiaries (including, following the consummation of the Merger, Spirit and its subsidiaries). There can be no assurance that governmental entities will not impose conditions, terms, obligations or restrictions and that such conditions, terms, obligations or restrictions will not have the effect of delaying or preventing consummation of the Merger or imposing additional material costs on or materially limiting the revenues of the combined company following the Merger, or otherwise adversely affecting, including to a material extent, our business, results of operations and financial condition after consummation of the Merger. If the Merger is not completed in a timely manner or at all, our ongoing business may be adversely affected as follows: • the anticipated benefits of the Merger could be reduced; • we may experience negative reactions from the financial markets, including investors and rating agencies, and the price of our common stock could decline to the extent that the current market price reflects an **and** assumption that the Merger will be completed; • we may experience negative reactions from crewmembers, customers, suppliers or **our Board** other third parties; • we may be subject to litigation, which could result in significant costs and expenses; • management’s focus may be diverted from day-to-day business operations and pursuing other opportunities that could have been beneficial to us; • in certain circumstances, if the Merger is not consummated solely for

specific antitrust reasons, JetBlue may be obligated to pay Spirit a reverse break-up fee of \$ 70 million and pay Spirit stockholders a reverse break-up fee of \$ 400 million, less the aggregate amount of the prepayment of \$ 2.50 per share in cash paid following Spirit stockholders' approval of the transaction and the aggregate amount of ticking fees of \$ 0.10 per share per month that commenced in January 2023 and continues under the Merger Agreement through the earlier of the date of the closing or termination of the transaction. As of December 31, 2023, JetBlue has made an aggregate of \$ 403 million in prepayments to Spirit shareholders and \$ 25 million in payments to Spirit for the reimbursement of Frontier transaction costs; and our costs of pursuing the Merger may be higher than anticipated. The pendency of the Merger may cause disruption in our business. The preparation for the Merger and the subsequent integration with Spirit's business following closing of the Merger is expected to place a significant burden on our management and internal resources. Any diversion of management's attention away **and resources** from our day-to-day business concerns and **strategic plans. Additionally, shareholder activism** any difficulties encountered in the transition and integration process could **give rise to perceived uncertainties as to our future,** adversely affect our **relationships with our customers, partners, licensees, business partners**; results of operations and financial condition. While the Merger is pending, we intend to continue to grow our **or** business which will entail the continued hiring of additional crewmembers, including pilots and other **investors** skilled workers, presently in short supply in the airline industry. Any disruption or perceived uncertainty may make it more difficult **to attract and retain qualified personnel, and cause our stock price to fluctuate based on temporary** for **or us** to meet **speculative market perceptions** our **or** crewmember hiring **other factors that do not necessarily reflect the underlying fundamentals** and **prospects of** retention goals, which could materially impact our business; results of operations and financial condition. The pendency of the Merger could cause disruptions to our business or business relationships, which could have an adverse impact on our results of operations. Parties with which we have business relationships, including customers, crewmembers, business partners or suppliers, unions, third-party service providers and third-party distribution channels, may be uncertain as to the future of such relationships and may delay or defer certain business decisions, seek alternative relationships or seek to alter their present business relationships with us. Parties with whom we otherwise may have sought to establish business relationships may seek alternative relationships with third parties. We will incur significant costs, expenses and fees for professional services and other transaction costs in connection with the Merger, which we expect to continue as we seek regulatory and other approvals to complete the Merger. We may also incur unanticipated costs in connection with our integration with Spirit's business. The substantial majority of these **These risks** costs will be non-recurring expenses relating to the Merger, and many of these costs are payable regardless of whether or not the Merger is consummated. Current and/or potential future litigation related to the Merger, could also prevent or delay the consummation of the Merger and result in significant costs and expenses. Our indebtedness following consummation of the Merger will be substantially greater than our indebtedness on a stand-alone basis and greater than the combined indebtedness of JetBlue and Spirit existing prior to the announcement of the Merger, which could adversely affect our business flexibility, and increase our borrowing costs. Downgrades in our credit ratings could adversely affect our business, cash flows, financial condition and operating results. In order to consummate the Merger, we expect to incur acquisition-related debt financing of up to \$ 3.5 billion and we will also assume Spirit's indebtedness outstanding at closing. Our substantially increased indebtedness following consummation of the Merger may impact, among other things, our flexibility to respond to changing business and economic conditions. In addition, the amount of cash required to service our increased indebtedness will be greater than the amount of cash flows required prior to the Merger. The increased indebtedness could also reduce funds available to engage in investments in our business development, capital expenditures and other activities and may create competitive disadvantages for us relative to other companies with lower debt levels. In addition, our credit ratings impact the cost and availability of our future borrowings, and, as a result, our cost of capital. Our ratings reflect each rating organization's opinion of our financial strength, operating performance and ability to meet our debt obligations or, following consummation of the Merger, those obligations of the combined company. Each ratings organization reviews our ratings periodically, and there can be no assurance that our current ratings will be maintained in the future. The rating agencies have published reports which indicate that an increase in our consolidated leverage following the consummation of the Merger may negatively impact our credit ratings. Further, if interest rates increase, variable rate debt will create higher debt service requirements, which could adversely affect our cash flows. We may also be required to raise substantial additional financing to fund working capital, capital expenditures, acquisitions or other general corporate requirements. Our ability to arrange additional financing will depend on, among other factors, our financial position and performance, as well as prevailing market conditions and other factors beyond our control. We cannot assure you that we will be able to obtain additional financing on terms acceptable to us or at all. Although we expect the Merger will result in synergies and other benefits to us, we may not realize those benefits to the full extent predicted because of required divestitures, difficulties related to integration and other challenges. Until consummation of the Merger, we and Spirit will operate independently, and there can be no assurances that our businesses can be combined in a manner that allows for the achievement of substantial benefits. Historically, the integration of separate airlines has proven to be more time consuming, costly and require more resources than initially expected. We expect we will be required to devote significant management attention and financial and other resources to integrating our two business practices, cultures, and operations. If we are not able to successfully integrate our business with Spirit's, the anticipated benefits and operational synergies of the Merger may take longer than expected to be realized or may not be realized at all. In connection with the integration of our business with Spirit's in a manner that permits us to achieve the synergies anticipated to result from the Merger we will need to address, among other things, the following issues: • combining the companies' separate operational, financial, reporting and internal control functions; • maintaining existing or negotiating new agreements with unions, crewmembers, suppliers, third-party service providers and third-party distribution channels, and avoiding delays in entering into new agreements with prospective crewmembers, suppliers, third-party service providers and third-party distribution channels; • integrating complex systems and technologies, including implementing an integrated customer reservations system;

operating procedures, regulatory compliance programs, aircraft fleets, networks, and other assets in a manner that minimizes any adverse impact on customers, suppliers, crewmembers and other constituencies; • addressing possible differences in business backgrounds, corporate cultures, and management philosophies; • integrating the businesses' corporate, administrative and information technology infrastructure, including coordinating geographically dispersed companies; • managing any diversion of the attention of management and other key crewmembers; • harmonizing the companies' employee development, compensation and benefit programs and related policies, procedures and practices; • integrating workforces and attracting and retaining key personnel while maintaining focus on providing consistent, high quality customer service and running an efficient operation; • identifying and eliminating redundant and underperforming operations and assets in both companies; • managing the expanded operations of a significantly larger and more complex company; • coordinating sales, distribution and marketing efforts, including the rebranding initiatives related to the Spirit business; • effecting potential actions that may be required in connection with obtaining regulatory approvals; and • resolving potential unknown liabilities, adverse consequences and unforeseen increased expenses associated with the Merger. Even if the operations of our business and Spirit's business are integrated successfully, the full expected benefits and synergies of the Merger may not be realized. Additional unanticipated costs, which could be material, may also be incurred in the integration of our business and Spirit's business. Further, it is possible that there could be loss of key JetBlue or Spirit crewmembers, loss of customers, disruption of either or both of our or Spirit's ongoing businesses or unexpected issues, higher than expected costs and an overall post-completion process that takes longer than originally anticipated. Additionally, the full benefits of the Merger may not be realized if the combined business does not perform as expected or demand for the combined company's services does not meet our expectations. The risks currently facing each of our and Spirit's business and the airline industry, including any possible resurgence in COVID-19 infection rates and the related impact on airline travel, will also present additional challenges for us to successfully integrate our two companies. We plan to submit to the FAA a transition plan for merging the day-to-day operations of JetBlue and Spirit under a single operating certificate. The issuance of a single operating certificate will occur when the FAA agrees that we have achieved a level of integration that can be safely managed under one certificate. The actual time required and cost incurred to receive this approval cannot be predicted and no actual integration may start until after closing. Any delay in the grant of such approval or increase in costs beyond those presently expected could have a material adverse effect on the completion date of our integration plan and receipt of the benefits expected from that plan. All of these factors could materially adversely affect our business, results of operations and financial condition. We may face challenges in integrating our computer, communications and other technology systems. Among the principal risks of integrating our and Spirit's businesses and operations are the risks relating to integrating various computer, communications and other technology systems, including implementing an integrated customer reservations system, that will be necessary to operate JetBlue and Spirit as a single airline. The integration of these systems may be more disruptive and cost more than we may originally estimate. The implementation process to integrate these various systems will involve a number of risks that could adversely impact our business, results of operations and financial condition. The related implementation will be a complex and time-consuming project involving internal resources, substantial expenditures for implementation consultants, system hardware, software and implementation activities, as well as the transformation of business and financial processes. As with any large project, there will be many factors that may materially affect the schedule, cost and execution of the integration of our computer, communications and other technology systems. These factors could include, among others: problems during the design, implementation and testing phases; systems delays and/or malfunctions; the risk that suppliers and contractors will not perform as required under their contracts; the diversion of management attention from daily operations to the project; reworks due to unanticipated changes in business processes; challenges in simultaneously activating new systems throughout our network; training crewmembers in the operations of new systems; the risk of security breach or disruption; and other unexpected events beyond our control. We cannot assure you that our and Spirit's security measures, change control procedures or disaster recovery plans will be adequate to prevent disruptions or delays. Disruptions in or changes to these systems could result in a disruption to our business and our operations and the loss of important data. Any of the foregoing could result in a material adverse effect on our business, results of operations and financial condition. The combined company is expected to incur substantial expenses related to the Merger and the integration of JetBlue and Spirit. The combined company is expected to incur substantial expenses in connection with the Merger and the integration of JetBlue and Spirit. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting and finance, sales, payroll, pricing, revenue management, reservations, maintenance, flight operations, marketing and benefits. While we and Spirit have assumed that a certain level of expenses would be incurred, there are many factors beyond our control that could affect the total amount or the timing of integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These integration expenses likely will result in the combined company taking significant charges against earnings following the consummation of the Merger, and the amount and timing of such charges are uncertain at present. Uncertainties associated with the Merger may cause a loss of management personnel and other key employees which could adversely affect the future business and operations of the combined company. We and Spirit are dependent on the experience and industry knowledge of our respective officers and other key personnel to execute our respective business plans. The combined company's success after the Merger will depend in part upon the ability of us and Spirit to retain key management personnel and other key employees. Current and prospective employees of JetBlue and Spirit may experience uncertainty about their roles within the combined company following the Merger, which may impair the ability of both entities to attract, retain and motivate key management and other key personnel. Employee retention may be particularly challenging during the pendency of the Merger, as employees of JetBlue and Spirit may experience uncertainty about their future roles in the combined business. Various Spirit officers and employees hold Spirit common shares, Spirit restricted stock units ("Spirit RSUs") and Spirit performance stock units ("Spirit PSUs"), some of which are subject to accelerated vesting upon a change in control. If the Merger is completed, these officers

and employees may be entitled to the cash consideration payable under the Merger Agreement in respect of such Spirit common shares, Spirit RSUs and Spirit PSUs. These payouts could also make retention of these officers and employees following the closing more difficult. Additionally, pursuant to employment agreements and/or other agreements or arrangements with Spirit, certain key employees of Spirit are entitled to receive severance payments upon a termination without cause and/or a resignation for “good reason” following consummation of the Merger. Under these agreements, certain key employees of Spirit could resign from employment following specified circumstances set forth in the applicable agreement, including an adverse change in title, authority or responsibilities, compensation and benefits or primary office location, and receive significant severance payments. Furthermore, if key employees of JetBlue or Spirit depart or are at risk of departing, we may have to incur significant costs (in addition to the retention program to be implemented by Spirit in connection with the Merger Agreement) in retaining such individuals or in identifying, hiring and retaining replacements. We may lose significant expertise and talent, and our ability to realize the anticipated benefits of the Merger may be materially and adversely affected. Accordingly, no assurance can be given that the combined company will be able to attract or retain key management personnel and other key personnel of JetBlue and Spirit to the same extent that JetBlue and Spirit have previously been able to attract or retain their own employees. The future results of the combined company will suffer if the combined company does not effectively manage its expanded operations following the Merger. Following the Merger, the size of the business of the combined company will increase significantly beyond the current size of either our or Spirit’s business. The combined company’s future success depends, in part, upon its ability to manage this expanded business, which will pose challenges for management, including those related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that the combined company will be successful or that it will realize the expected synergies, operating efficiencies, cost savings, revenue enhancements and other benefits currently anticipated from the Merger. Following consummation of the Merger, we will be bound by all of the obligations and liabilities of both companies. Following consummation of the Merger, we will become bound by all of the obligations and liabilities of JetBlue and Spirit. Neither we nor Spirit can predict the financial condition of JetBlue or Spirit at the time of that combination or our ability to satisfy the obligations and liabilities of the combined company. The need to integrate the JetBlue and Spirit workforces following the Merger and negotiate joint labor agreements presents the potential for delay in achieving expected synergies, and for increased labor costs or labor disputes that could adversely affect the combined company’s operations. The successful integration of JetBlue and Spirit and achievement of the anticipated benefits of the combination depend significantly on integrating employee groups and on maintaining productive employee relations. Failure to do so presents the potential for delays in achieving expected synergies of integration, increased labor costs and labor disputes that could adversely affect the combined company’s operations. Spirit is a highly unionized company; JetBlue’s two unionized groups are its pilots and inflight crewmembers. The process for integrating labor groups in an airline merger is governed by a combination of the United States Railway Labor Act (“RLA”), the McCaskill-Bond Act, and where applicable, the existing provisions of each company’s collective bargaining agreements. The process is also governed to a certain extent, by union policy related to seniority integration. Pending operational integration, it is generally necessary to maintain a “fence” between employee groups, during which time the combined company will keep the employee groups separate and apply the terms of the existing collective bargaining agreements, unless other terms have been negotiated. Under the RLA, the NMB has exclusive authority to resolve representation disputes arising out of airline mergers. The disputes that the NMB has authority to resolve include (i) whether the merger has created a “single carrier” for representation purposes; (ii) designation of the appropriate “craft or class”—the RLA term for “bargaining unit”—for bargaining at the combined company on a system wide basis, an issue which typically arises from minor inconsistencies over which positions are included within a particular craft or class at the two companies; and (iii) designation of the representative of each craft or class at the combined company. In order to fully integrate the pre-merger represented employee groups, the combined company must negotiate a joint collective bargaining agreement covering each combined group. These negotiations can begin immediately where the same union represents employees of both companies within the craft or class in question, but otherwise will likely begin after a single post-merger representative has been certified by the NMB. Prior to the consummation of the Merger, there is a risk of litigation or arbitration by unions or individual employees that could delay or halt the Merger or result in monetary damages on the basis that the Merger either violates a provision of an existing collective bargaining agreement or an obligation under the RLA or other applicable law. The unions or individual employees might also pursue judicial or arbitral claims arising out of changes implemented as a result of the Merger. There is also a possibility that employees or unions could engage in unlawful job actions such as slow-downs, work-to-rule campaigns, sick-outs or other actions designed to disrupt our and Spirit’s normal operations, whether in opposition to the Merger or in an attempt to pressure the companies in collective bargaining negotiations. Although the RLA makes such actions unlawful until the parties have been lawfully released to self-help, and we and Spirit can seek injunctive relief against premature self-help, such actions can cause significant harm even if ultimately enjoined. The Merger may not be accretive, and may be dilutive, to our earnings per share, which may negatively affect the market price of shares of our common stock. We currently project that the Merger will result in a number of benefits, including enhanced competitive positioning and a platform from which to accelerate growth, and that it will be accretive to earnings per share in the first full year after the close of the Merger. This projection is based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay the accretion that is currently projected or could result in dilution, including adverse changes in market conditions, additional transaction and integration-related costs and other factors such as the failure to realize some or all of the anticipated benefits of the Merger. Any dilution of, decrease in or delay of any accretion to, our earnings per share could cause the price of shares of our common stock to decline or grow at a reduced rate. Data and Information Security and Privacy Related Risks Our reputation and business may be harmed, and we may be subject to legal claims if there is disruption to our information technology systems or loss, unlawful disclosure or misappropriation of, or unsanctioned access to, our customers’<sup>2</sup>, crewmembers’<sup>2</sup>, business partners’<sup>2</sup> or our own information

or other breaches of our information security. We rely on computer systems, hardware, software, technology infrastructure and online sites and networks for both internal and external operations that are critical to our business (collectively, “IT Systems”). We own and manage some of these IT Systems but also rely on third parties for a range of IT Systems and related products and services, including but not limited to cloud computing services and encryption and authentication technologies licensed from third parties for credit card processing activities. In addition, we and certain of our third-party providers collect, process, and maintain data about customers, crewmembers, employees, contractors, business partners and others, including credit card data and personally identifiable information, as well as trade secrets, financial information and other sensitive and proprietary business information (collectively, “Confidential Information”). The secure maintenance and transmission of customer and crewmember information, in particular, is a critical element of our operations. We face numerous and evolving cybersecurity and privacy risks and threats, such as criminal hackers, hacktivists, state-sponsored intrusions, industrial espionage, social engineering, employee malfeasance, and human or technological error, including misconfigurations, bugs, and other vulnerabilities in software and hardware that support our operations. High-profile cyberattacks and security breaches at other companies and in government agencies have increased in recent years, and security industry experts and government officials have warned about the risks of cyberattacks targeting businesses such as ours. Because we make extensive use of third-party providers, such as online services and centralized data processing, successful cyberattacks that disrupt or result in unauthorized access to third-party IT Systems beyond our control could materially impact our business. **Given the nature of complex systems, software and services like ours, and the scanning tools that we and our third parties deploy across our IT Systems, we regularly identify and track security vulnerabilities. We are unable to comprehensively apply patches or confirm that measures are in place to mitigate all such vulnerabilities, or that patches will be applied before vulnerabilities are exploited by a threat actor. If attackers are able to exploit vulnerabilities before patches are installed or mitigating measures are implemented, significant compromises could impact IT Systems and Confidential Information.** Threat actors routinely attempt to disrupt or gain access to our IT Systems and Confidential Information. While we make significant efforts to design and implement security measures, we cannot provide any assurances that our efforts will defend against all cyberattacks. We remain vulnerable to denial-of-service attacks, viruses, malicious software (for example, ransomware), zero-day vulnerabilities, social engineering / phishing, breaches of our security policies and controls, and the negligence or malfeasance of parties who have or obtain access to our IT Systems or Confidential Information. For example, threat actors regularly attempt to fraudulently induce our crewmembers, customers, and others to disclose Confidential Information or provide access to our IT Systems. We have experienced cyberattacks and other incidents in the past, and will continue to experience varying degrees of attacks and incidents in the future. While to date no incidents have had a material impact on our business or financial results, we cannot guarantee that material incidents will not occur in the future. Cyberattacks are expected to accelerate on a global basis in frequency and magnitude as threat actors become increasingly sophisticated in leveraging techniques and tools (including artificial intelligence) that circumvent security controls, evade detection and even remove forensic evidence. This means we may be unable to detect, investigate, remediate or recover from future attacks or incidents, or to avoid a material adverse impact on our IT Systems or Confidential Information. ~~Continued hybrid working arrangements also increase cybersecurity risks due to lack of security controls and greater number of vulnerabilities observed in many non-corporate and home networks.~~ There can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our systems and information. Any compromises to the confidentiality, integrity or availability, integrity or confidentiality of our IT Systems or Confidential Information could have a material adverse effect on our reputation, business, operating results, and financial condition, and could result in a loss of customers. For example, personal information may be lost, disclosed, accessed, or taken without consent. Additionally, any material failure by us to achieve or maintain compliance with the Payment Card Industry Data Security Standards, (“PCI DSS”) and related requirements or rectify a security issue may result in fines and the imposition of restrictions on our ability to accept credit cards as a form of payment. Any such loss, disclosure or misappropriation of, or access to, customers’, crewmembers’ or business partners’ information or other breach of our information security or IT Systems can result in legal claims or legal proceedings (such as class actions), regulatory investigations and enforcement actions, fines and penalties, negative reputational impacts that cause us to lose existing or future customers, and / or significant incident response, system restoration / remediation and regulatory compliance costs. Any or all of the foregoing could materially adversely affect our business, operating results, and financial condition. Furthermore, the loss, disclosure or misappropriation of our business information may materially adversely affect our business, operating results, and financial condition. While we evaluate and procure insurance policies that are intended to address liabilities and losses associated with cybersecurity risks and threats, there is no guarantee that any policies would cover any or all of the losses associated with a cyberattack or other security incident, or that we will be able to procure such coverage in the future. Data security compliance requirements could increase our costs, and any significant data breach could disrupt our operations and harm our reputation, business, results of operations and financial condition. We are subject to increasing legislative, regulator **regulatory**, and customer focus on privacy issues and data security. Our business requires the appropriate and secure utilization of customer, crewmember, business partner, and other sensitive information. We cannot be certain that advances in criminal capabilities (including cyberattacks or cyber intrusions over the Internet, malware, computer viruses, and the like), discovery of new vulnerabilities or attempts to exploit existing vulnerabilities in our systems, other data thefts, physical system or network break-ins or inappropriate access, or other developments will not compromise or breach the technology protecting the networks that access and store sensitive information. The risk of a security breach or disruption, particularly through cyberattack or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. Furthermore, there has been heightened legislative and regulatory focus on data security in the U. S. and abroad, including requirements for

varying levels of customer notification in the event of a data breach. Federal and state regulations in the cybersecurity and privacy area continue to develop and evolve, including laws in jurisdictions such as California that now provide for potential statutory damages if in certain types of personal information are subject to a data breach breaches. International regulations add complexity as we expand our services and include more passengers from other countries. Many of our commercial business partners, including credit card companies, have imposed data security standards that we must meet. In particular, we are required by the PCI DSS Payment Card Industry Security Standards Council, founded by the credit card companies, to comply with their highest level of data security standards. We will continue our efforts to meet the privacy and data security obligations; however, it is possible that certain new obligations may be difficult to meet and could increase our costs. A significant data security breach or our failure to comply with applicable U. S. or foreign data security regulations or other data security standards may expose us to litigation, claims for contract breach, fines, sanctions or other penalties, which could disrupt our operations, harm our reputation, and materially and adversely affect our business, results of operations, and financial condition. The costs to remediate breaches and similar system compromises that do occur could be material. In addition, as cyber criminals become more frequent, intense, and sophisticated, the costs of proactive defensive measures may increase. Failure to address these issues appropriately could also give rise to additional legal risks, which, in turn, could increase the size and number of litigation claims and damages asserted or subject us to enforcement actions, fines and penalties, and cause us to incur further related costs and expenses. We rely heavily on automated systems to operate our business; any failure of these systems could harm our business. We are dependent on a broad range of IT Systems, for example, automated systems and technology to operate our business, enhance the JetBlue Experience experience, and achieve low operating costs. The performance and reliability of our automated systems and data centers is critical to our ability to operate our business and compete effectively. These systems include our computerized airline reservation system, flight operations system, telecommunications systems, website, maintenance systems, check- in kiosks, and our primary and redundant data centers. Our website and reservation system must be able to securely accommodate a high volume of traffic and deliver important flight information. These systems require upgrades or replacement periodically, which involve implementation and other operational risks. Our business may be harmed if we fail to operate, replace or upgrade our systems or data center infrastructure successfully. We rely on third -party providers of our current automated systems and data center infrastructure for technical support. If our current providers were to fail to adequately provide technical support for any one of our key existing systems or if new or updated components were not integrated smoothly, we could experience service disruptions, which could result in the loss of important data, increase our expenses, decrease our revenues and generally harm our business, reputation, and brand. Furthermore, our automated systems cannot be completely protected against events beyond our control, including natural disasters, computer viruses, cyberattacks, other security breaches, or telecommunications failures. Substantial or sustained system failures could impact customer service and result in our customers purchasing tickets from other airlines. We have implemented security measures, and change control procedures and have disaster recovery plans. We also require our third -party providers to have disaster recovery plans; however, we cannot assure you these measures are adequate to prevent disruptions, which, if they were to occur, could result in the loss of important data, increase our expenses, decrease our revenues, and generally harm our business, reputation, and brand

**. Compliance with ever- evolving federal, state, and foreign laws and other requirements relating to the handling of information about individuals necessitates significant expenditure and resources, and any failure by us or our vendors to comply may result in significant liability, negative publicity, and / or an erosion of trust, which could materially adversely affect our business, results of operations, and financial condition. In connection with running our business, we receive, store, use and otherwise process information that relates to individuals and / or constitutes" personal data," "personal information," "personally identifiable information," or similar terms under applicable data privacy laws (collectively, " Personal Information"), including from and about actual customers, as well as our employees, crew members, and business contacts. We also depend on a number of third- party vendors in relation to the operation of our business, a number of which process Personal Information on our behalf. We and our vendors are subject to a variety of federal, state and foreign data privacy laws, rules, regulations, industry standards and other requirements, including those that apply generally to the handling of Personal Information, and those that are specific to certain industries, sectors, contexts, or locations. These requirements, and their application, interpretation and amendment are constantly evolving. It is also possible that new laws, regulations and other requirements, or amendments to or changes in interpretations of existing laws, regulations and other requirements, may require us to incur significant costs, implement new processes, or change our handling of information and business operations, which could hinder our ability to grow our business by extracting value from our data assets. In recent years, certain states have adopted or modified data privacy and security laws and regulations that may apply to our business. For example, the California Consumer Privacy Act (" CCPA") requires businesses that process personal information of California residents to, among other things: provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt- out of certain disclosures of their personal information; and enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. The enactment of the CCPA is prompting a wave of similar legislative developments in other states in the United States, which creates a patchwork of overlapping but different state laws. These laws are in some cases relatively new and the interpretation and application of these laws are uncertain. Any failure or perceived failure by us to comply with privacy laws, rules, regulations, industry standards and other requirements could result in proceedings or actions against us by individuals, consumer rights groups, government agencies, or others. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages or fines or be required to make changes to our business. Further, these proceedings and any subsequent adverse outcomes may subject us to significant**

**negative publicity and an erosion of trust. If any of these events were to occur, our business, results of operations, and financial condition could be materially adversely affected.** Human Capital Related Risks If we are unable to attract and retain qualified personnel or fail to maintain our company culture, our business could be harmed. We compete against other major U. S. airlines for pilots, mechanics, and other skilled labor; some of them offer wage and benefit packages exceeding ours. As more pilots in the industry approach mandatory retirement age, the U. S. airline industry has been affected by a pilot shortage, which may worsen over time. At times, we have been required to increase wages and benefits in order to attract and retain qualified personnel, and we may be required to commit to further increases in the future or risk considerable crewmember turnover. Separately, there is increased scrutiny on companies' diversity, equity, and inclusion ("DEI") initiatives. If we are unable to **hire attract**, train, and retain qualified crewmembers **representing diverse of all** backgrounds, experiences, and skill sets, our business could be harmed and we may be unable to implement our growth plans. However, negative perception of **DEI our crewmember talent** initiatives, whether due to our perceived over- or under- pursuit of such initiatives, may likewise result in issues **hiring or retaining qualified** employees, as well as potential litigation or other adverse impacts. In addition, our business may be harmed if we lose too many individuals with institutional knowledge. We believe one of our competitive strengths is our service- oriented company culture, which emphasizes friendly, helpful, **qualified**, team- oriented, and customer- focused crewmembers. Our company culture is important to providing high quality customer service and having a productive workforce in order to help keep our costs low. As we experience turnover, we may be unable to identify, hire, or retain enough people who demonstrate the values of our company culture, including those in management or other key positions. **Our company culture could otherwise be adversely affected by our growing operations and broader geographic diversity.** If we fail to maintain the strength of our company culture, our competitive ability and our business may be harmed. We may be subject to **further** unionization, work stoppages, slowdowns or increased labor costs and the unionization of our pilots and inflight crewmembers **have and could continue to** result in increased labor costs. Our business is labor intensive and the unionization of any of our crewmembers could result in demands that may increase our operating expenses and adversely affect our financial condition and results of operations. Any of the different crafts or classes of our crewmembers could unionize at any time, which would require us to negotiate in good faith with the crewmember group's certified representative concerning a collective bargaining agreement. In addition, we may be subject to disruptions by unions protesting the non- union status of our other crewmembers. Any of these events would be disruptive to our operations and could harm our business. In general, unionization has increased costs in the airline industry. In 2014, our pilots voted to be represented by the **Airlines Pilot Association ("ALPA")**, and our first collective bargaining agreement was ratified by the pilots and became effective on August 1, 2018. In February 2022, we commenced negotiations for a successor contract, in accordance with the collective bargaining agreement, and in December 2022 we reached a tentative agreement with ALPA to extend the current collective bargaining agreement by two years. The agreement was ratified by the JetBlue pilots in January 2023. In April 2018, JetBlue inflight crewmembers elected to be solely represented by TWU. The NMB certified the TWU as the representative body for JetBlue inflight crewmembers. In November 2020, our inflight crewmembers voted to decline the ratification of a tentative collective bargaining agreement between JetBlue and TWU. In December 2021, our inflight crewmembers ratified our first collective bargaining agreement with TWU, which is a five- year, renewable contract effective December 13, 2021. **On July 14, 2022, TWU filed a representation application with the NMB seeking an election among the 35 pilot instructors ("Flight Instructors"). JetBlue disputed the TWU's application alleging that Flight Instructors do not constitute a craft or class. On October 26, 2023, the NMB notified the participants that it rejected JetBlue's argument and ordered an election. The Flight Instructors voted for TWU representation. Contract negotiations for an initial CBA began in April 2024 and are ongoing.** Reputational Risks Our reputation and financial results could be harmed in the event of an accident or incident involving our aircraft. An accident or incident involving one of our aircraft could involve significant potential claims of injured passengers or others in addition to repair or replacement of a damaged aircraft and its consequential temporary or permanent loss from service. We are required by the DOT to carry liability insurance. Although we believe we currently maintain liability insurance in amounts and of the type generally consistent with industry practice, the amount of such coverage may not be adequate and we may be forced to bear substantial losses from an accident or incident. Substantial claims resulting from an accident or incident in excess of our related insurance coverage would harm our business and financial results. Moreover, any aircraft accident or incident, even if fully covered by our existing insurance, could cause a public perception we are less safe or reliable than other airlines which would harm our business. Our business depends on our strong reputation and the value of the JetBlue brand. The JetBlue brand name symbolizes our values of high- quality friendly customer service, innovation, fun, and a pleasant travel experience. JetBlue is a widely recognized and respected global brand; the JetBlue brand is one of our most important and valuable assets. The JetBlue brand name and our corporate reputation are powerful sales and marketing tools and we devote significant resources to promoting and protecting them. Adverse publicity, whether or not justified, relating to activities by our crewmembers, contractors, or agents could tarnish our reputation and reduce the value of our brand. Increasingly the perception our customers and other stakeholders have about how we address the risks and opportunities we face related to **DEI hiring and retention initiatives** and climate change engagement, our role in the communities in which we operate **and**, our relationship with our crewmembers **, will have an and other considerations may** impact on our reputation. Furthermore, increased usage of social media platforms presents increased risks to our reputation and our business. We may suffer damage to our reputation as a result of negative or inaccurate posts or comments about JetBlue on social media platforms, including related delays or cancellations on our flights even when these are due to weather or other circumstances that are outside of our control. In addition, inappropriate and / or unauthorized use of our social media platforms by our crewmembers or others associated with us may damage our reputation, and could lead to legal implications in the event that information is improperly collected and / or disseminated, or non- public sensitive information related to JetBlue or others is disclosed. Damage to our reputation and loss of brand equity could reduce demand for our services and thus have an adverse effect on our financial condition, liquidity, and

results of operations, as well as require additional resources to rebuild our reputation and restore the value of our brand.

**Financing and Financial Risks** We have a significant amount of fixed obligations and we will incur significantly more fixed obligations **in the future**, which could harm our ability to service our current obligations or satisfy future fixed obligations. As of December 31, **2023-2024**, our debt and finance lease obligations, including interest were approximately \$ **6-12**. 0 billion. In addition, we have a significant amount of other fixed obligations under operating leases related to our aircraft, airport terminal space, airport hangars, other facilities, and office space. As of December 31, **2023-2024**, future minimum payments under non-cancelable leases and other financing obligations were approximately \$ **3-2**, **3-7** billion. **Terminal 5 ("T5")** at JFK is under a lease with the **Port Authority of New York and New Jersey ("PANYNJ")** that ends on the 28th anniversary of the date of beneficial occupancy of the new International Arrivals facility and three net new gates at the former Terminal 6 ("**T5i**"). The minimum payments under this lease have been included in the future minimum payment totals above. As of December 31, **2023-2024**, we had commitments of approximately \$ **7-6**, **2-4** billion to purchase **131-106** additional aircraft and related flight equipment through **2029-2033**, including estimated amounts for contractual price escalations and pre-delivery deposits. We may incur additional debt and other fixed obligations as we take delivery of new aircraft or finance unencumbered aircraft in our fleet and other equipment and continue to expand into new or existing markets. In an effort to limit the incurrence of significant additional debt, we may seek to defer some of our scheduled deliveries, sell or lease aircraft to others, or pay cash for new aircraft, to the extent necessary or possible. The amount of our existing debt, and other fixed obligations, and potential increases in the amount of our debt and other fixed obligations, ~~including in connection with the Merger with Spirit~~, could have important consequences to investors and could require a substantial portion of cash flows from operations for debt service payments, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, and other general corporate purposes. Our level of debt and other fixed obligations could: • impact our ability to obtain additional financing to support capital expansion plans, **including our JetForward strategy** and for working capital and other purposes on acceptable terms or at all; • divert substantial cash flow from our operations, execution of our commercial initiatives, and expansion plans in order to service our fixed obligations; • require us to incur more interest expense than we currently do if rates were to increase, since approximately **2-20** % of our debt has floating interest rates; • place us at a possible competitive disadvantage compared to less leveraged competitors and competitors with better access to capital resources or more favorable financing terms; and • lead to rating agency downgrades which in turn could impact our ability to raise capital at attractive terms. Our ability to make scheduled payments on our debt and other fixed obligations will depend on our future operating performance and cash flows, which in turn will depend on prevailing economic and political conditions and financial, competitive, regulatory, business and other factors, many of which are beyond our control. We are principally dependent upon our operating cash flows and access to the capital markets to fund our operations and to make scheduled payments on debt and other fixed obligations. We cannot assure that we will be able to generate sufficient cash flows from our operations or from capital market activities to pay our debt and other fixed obligations as they become due. If we fail to do so our business could be harmed. If we are unable to make payments on our debt and other fixed obligations, we could be forced to renegotiate those obligations or seek to obtain additional equity or other forms of additional financing. ~~As described in "Risks Related to the Merger with Spirit,"~~ **Agreements governing our debt include financial and other covenants. Failure to comply with these covenants could result in events of default. Our debt agreements contain various affirmative, negative and financial covenants and complying with certain of these covenants, or entering into agreements with additional covenants, may restrict our ability to execute our strategies, including JetForward, or otherwise constrain our operations. If we fail to comply with these covenants and are expected unable to remedy or obtain a waiver or amendment, an event of default would result, which could lead to incur, among other things, an acceleration of outstanding obligations under such agreements. In addition, an event of default or declaration of acceleration under one financing agreement could also result in an event of default under other of our financing agreements due to cross-default and cross-acceleration provisions. The acceleration of significant amounts of debt could require us to meet future renegotiate, repay or refinance the obligations under our financing needs arrangements, and there can be no assurance that we will be able to do so on commercially reasonable terms or at all.**

We typically finance our aircraft through either secured debt, lease financing, or through cash from operations. The impact on financial institutions from global economic conditions may adversely affect the availability and cost of credit to JetBlue as well as to prospective purchasers of our aircraft should we undertake to sell in the future, including financing commitments we have already obtained for purchases of new aircraft or financing or refinancing of existing aircraft. To the extent we finance our activities with additional debt, we may become subject to financial and other covenants that may restrict our ability to pursue our ~~strategy~~ **strategies, including JetForward**, or otherwise constrain our operations. Our liquidity could be adversely impacted in the event one or more of our credit card processors were to impose material reserve requirements for payments due to us from credit card transactions. We currently have agreements with organizations that process credit card transactions arising from purchases of air travel tickets by our customers. Credit card processors have financial risk associated with tickets purchased for travel which can occur several weeks after the purchase. Our credit card processing agreements provide for reserves to be deposited with the processor in certain circumstances. We do not currently have reserves posted for our credit card processors. If circumstances were to occur requiring us to deposit reserves, the negative impact on our liquidity could be significant which could materially adversely affect our business. We have ~~been subject to certain restrictions on our business as a result of our participation in governmental programs under the CARES Act, the Consolidated Appropriations Act, and the American Rescue Plan Act (collectively the "Acts").~~ CARES Act – Payroll Support Program Under the CARES Act, assistance was made available to the aviation industry in the form of direct payroll support (the "Payroll Support Program") and secured loans (the "Loan Program") from the United States Department of the Treasury ("Treasury"). Under the Payroll Support Program, on April 23, 2020, Treasury provided us with a total of approximately \$ 963 million consisting of \$ 704

million in grants and \$ 259 million in unsecured term loans. As part of the agreement, JetBlue issued to Treasury warrants to acquire more than 2.7 million shares of our common stock at an exercise price of \$ 9.50 per share. CARES Act—Secured Loan Program Under the Loan Program, JetBlue had the ability to borrow up to a total of approximately \$ 1.9 billion from Treasury and initially drew \$ 115 million on September 29, 2020. In connection with this drawing, we entered into a warrant agreement with Treasury, pursuant to which we issued to Treasury warrants to purchase approximately 1.2 million shares of our common stock at an exercise price of \$ 9.50 per share. The Company repaid all outstanding amounts in 2021. Consolidated Appropriations Act—Payroll Support Program 2 On January 15, 2021, we entered into a Payroll Support Program Extension Agreement with Treasury governing our participation in the federal Payroll Support Program for passenger air carriers under the United States Consolidated Appropriations Act, 2021. Treasury provided us with a total of approximately \$ 580 million, consisting of \$ 436 million in grants and \$ 144 million in unsecured term loans, with funding received on January 15, 2021, March 5, 2021 and April 29, 2021. In consideration for these payments, we issued warrants to purchase approximately 1.0 million shares of our common stock to Treasury at an exercise price of \$ 14.43 per share. American Rescue Plan Act—Payroll Support Program 3 On May 6, 2021, we entered into a Payroll Support 3 Agreement with Treasury governing our participation in the federal payroll support program for passenger air carriers under Section 7301 of the American Rescue Plan Act of 2021. Treasury provided us with a total of approximately \$ 541 million, consisting of \$ 409 million in grants and \$ 132 million in unsecured term loans. In consideration for these payments, we issued warrants to purchase approximately 0.7 million shares of our common stock to Treasury at an exercise price of \$ 19.90 per share. Each of the unsecured loans described above has a 10-year term and bears interest on the principal amount outstanding at an annual rate of 1.00% for the first five year and the applicable Secured Overnight Financing Rate (“SOFR”) plus 2.00% thereafter. In addition, the principal amount may be repaid at any time prior to maturity at par. The warrants associated with each of the programs described above will expire 5 years after issuance and will be exercisable either through net cash settlement or net share settlement, at our option, in whole or in part at any time. In accordance with any grants and / or loans received under the Acts, we were required, among other things to use such payments exclusively for the continuation of crewmember wages, salaries, and benefits. The Acts also required, subject to various timeframes, certain levels of commercial air service be maintained; the prohibitions on share repurchases and the payment of common stock dividends; and, through April 1, 2023, restrictions on the payment of certain executive compensation. The continued effects of restrictions under the grants and / or loans under the Acts, including, but not limited to, those outlined above, could still materially affect our operations, and we may not be successful in managing these impacts. Further, these restrictions limited and could in the future continue to limit our ability to take actions that we otherwise might have determined to be in the best interest of our Company and our shareholders. Moreover, we cannot predict whether additional assistance will be required or available in the future in the event of any resurgence of the COVID-19 pandemic or other global emergency that adversely impacts our business. We have a significant amount of indebtedness from fixed obligations and may seek material amounts of additional financial liquidity in the short- term, and insufficient liquidity may have a material adverse effect on our financial condition and business. We have a significant amount of indebtedness from fixed obligations, including aircraft lease and debt financings, leases of airport property, **our TrueBlue® Financings (as defined below)**, secured loan facilities and other facilities, and other material cash obligations. In addition, we have substantial non- cancelable commitments for capital expenditures, including for the acquisition of new aircraft and related spare engines. In the event of **a global emergency** any resurgence of the COVID-19 pandemic or other exigent circumstances that materially impact our business, we may be required to seek additional short- term liquidity, which may include the issuance of additional unsecured or secured debt securities, equity securities and equity- linked securities, the sale of assets, the entry into sale- leaseback transactions, as well as additional bilateral and syndicated secured and / or unsecured credit facilities, among other items. If our credit ratings were to be downgraded, or general market conditions were to ascribe higher risk to our rating levels, the airline industry, or our business, our access to capital and the cost of any debt financing would be negatively affected. There can be no assurance as to the availability of any such financing if it becomes necessary, or that any such additional financing will be completed on favorable terms. Although our cash flows from operations and available capital, including the proceeds from financing transactions, have been sufficient to meet our obligations and commitments to date, our liquidity has been, and may in the future be, negatively affected by the risk factors described herein. If our liquidity **is were to be** materially diminished, we might not be able to timely pay our leases and debts or comply with certain operating and financial covenants under our financing and credit card processing agreements or with other material provisions of our contractual obligations. Moreover, as a result of our recent financing activities, the number of financings and the aggregate amount of indebtedness with respect to which such covenants and provisions apply has increased, thereby subjecting us to more substantial risk of cross- default and cross- acceleration in the event of breach, and additional operating and financial covenants could become binding on us as we continue to seek additional liquidity. **Issuing additional shares of our capital stock, other equity securities or additional securities convertible into equity, or issuing shares of our capital stock upon the exercise or conversion of our convertible notes, warrants issued in connection with our participation in payroll support programs under the CARES Act, Consolidated Appropriations Act and American Rescue Plan Act, restricted stock unit awards or other securities that may be issued from time to time, may dilute the economic and voting rights of our existing stockholders, reduce the market price of our common stock, or both. Our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, which may adversely affect the availability, amount, timing, or nature of our future offerings. As a result, holders of our common stock bear the risk that our future offerings may reduce the market price of our common stock and dilute their percentage ownership.** In addition, we have agreements with financial institutions that process customer credit card transactions for the sale of air travel and other services. Under certain of our credit card processing agreements, the financial institutions in certain circumstances have the right to require that we maintain a reserve equal to a portion of advance ticket sales that have been processed by that financial institution, but for which we have not yet provided the air transportation.

Such financial institutions may require cash or other collateral reserves to be established or withholding of payments related to receivables to be collected, including if we do not maintain certain minimum levels of unrestricted cash, cash equivalents, and short-term investments. Refunds lower our liquidity and put us at risk of triggering liquidity covenants in these processing agreements and, in doing so, could force us to post cash collateral with the credit card companies for advance ticket sales. We also maintain certain insurance- and surety- related agreements under which counterparties may require collateral. See “Our liquidity could be adversely impacted in the event one or more of our credit card processors were to impose material reserve requirements for payments due to us from credit card transactions.” Our substantial level of indebtedness and non-investment grade credit rating, as well as market conditions and the availability of assets as collateral for loans or other indebtedness, may make it difficult for us to raise additional capital if needed to meet our liquidity needs on acceptable terms, or at all. ~~Following the consummation of our Merger with Spirit, our ability to raise additional capital to meet our liquidity needs will be further challenged.~~ See “Part II. Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this report **Report** for additional information regarding our liquidity as of December 31, 2023-2024. We may never realize the full value of our intangible assets or our long-lived assets causing us to record impairments that may negatively affect our financial condition and operating results. In accordance with applicable accounting standards, we are required to test our indefinite-lived intangible assets for impairment on an annual basis, or more frequently where there is an indication of impairment. In addition, we are required to test certain of our other assets for impairment where there is any indication that an asset may be impaired. We may be required to recognize losses in the future due to, among other factors, extreme fuel price volatility, tight credit markets, government regulatory changes, decline in the fair values of certain tangible or intangible assets, such as aircraft, route authorities, airport slots and frequent flyer database, unfavorable trends in historical or forecasted results of operations and cash flows and an uncertain economic environment, as well as other uncertainties. For example, during the year ended December 31, 2022, we recorded \$ 52 million of impairment as well as engine exchanges as part of the retirement of our Embraer E190 fleet. We can provide no assurance that a material impairment loss of tangible or intangible assets will not occur in a future period. The value of our aircraft could also be impacted in future periods by changes in supply and demand for these aircraft. Such changes in supply and demand for certain aircraft types could result from the grounding of aircraft. A further impairment loss could have a material adverse effect on our financial condition and operating results. **Our ability to use certain tax attributes could be subject to limitations. As of December 31, 2024, we had U. S. federal net operating loss carryforwards of approximately \$ 3. 8 billion and net interest expense carryforwards of approximately \$ 441 million available to offset future U. S. federal taxable income. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an “ ownership change,” the corporation’s ability to use certain pre- change U. S. federal income tax attributes (including carryforward tax attributes) to offset its post- change taxable income may be limited. In general, an “ ownership change” occurs if there is a cumulative change in ownership of the relevant corporation by “ 5 % shareholders” (as defined under U. S. income tax laws) that exceeds 50 percentage points over a rolling three- year period. Similar rules apply under state tax laws. We could experience ownership changes as a result of future shifts in our stock ownership. If we experience such an ownership change, then we may be limited in our ability to use certain of our tax attributes that could otherwise reduce taxes owed on our net taxable income. Any such limitations could adversely impact our business, operating results, liquidity and financial condition. Future legislative or regulatory changes also could limit our ability to use certain of our tax attributes.** **Artificial Intelligence (“ AI”) Related Risks**

**Associated-**Our development and use of AI- powered solutions could lead to operational, reputational, or competitive harm, legal and regulatory risk, and additional costs. We use automated technology and systems, including both predictive and generative AI- powered solutions to facilitate a more efficient operation of our business. Our use of AI- powered solutions includes, but is not limited to, AI- powered solutions that enable quick and personalized customer interactions, provide predictive pricing and route analysis and assist with candidate assessments for certain roles within the Company. We anticipate increased investments in the future to continuously improve our use of AI, however, ~~the~~ **there** ~~Airline Industry~~ can be no assurance that the development or usage of, or our investments in, AI will always enhance our products or services or be beneficial to our business. In particular, the performance of our services and business, as well as our reputation, could suffer or we could incur liability resulting from the violation of laws or contracts to which we are a party if the AI- powered solutions used by the Company are inadequately or incorrectly designed or implemented; trained or reliant on, inadequate, inaccurate, incomplete, misleading, biased or otherwise poor- quality data or algorithms, or on data or algorithms to which we do not have sufficient rights or in relation to which we and / or the providers of such data or algorithms have not implemented sufficient legal compliance measures; used without sufficient oversight and governance to ensure their responsible use; and / or adversely impacted by unforeseen defects, technical challenges, cyberattacks, cybersecurity threats, service outages, or other similar incidents, or material performance issues. Certain AI- powered solutions used by the Company are licensed by third parties and when used as a hosted service, any disruption, outage, or loss of information through such hosted services could disrupt our operations or solutions, damage our reputation, cause a loss of confidence in our solutions, or result in legal claims or proceedings, for which we may be unable to recover damages from the affected provider. There is also a risk that our use of generative AI could produce biased, inaccurate, incomplete, misleading or poor- quality content or other discriminatory or unexpected results or behaviors, all of which could harm our reputation, business, or customer relationships. While we exercise diligence in ensuring the accuracy of AI generated content, those measures may not always be successful, and in some cases, we may need to rely on end users to report such inaccuracies. We also use and have modified certain third- party generative AI- powered solutions that are made available under an open- source license. Use of open- source generative AI could introduce inaccuracies or vulnerabilities that we are unable to anticipate, detect, or control. If the licensor for such open- source generative AI developed their models by training on

data or algorithms that was inadequate, inaccurate, incomplete, misleading biased or otherwise poor- quality, or for which it did not have the appropriate rights, we could be subject to claims or lawsuits, including for infringement of third- party intellectual property. It is also possible that sophisticated attackers may exploit vulnerabilities in open- source generative AI to obtain access to our sensitive data or alter the outputs or results. For additional information concerning risks with respect to cyberattacks, cybersecurity breaches, service outages or other similar incidents, see "Information Security and Privacy Related Risks." A number of aspects of intellectual property protection in the field of AI and machine learning are currently under development, and there is uncertainty and ongoing litigation in different jurisdictions as to the degree and extent of protection warranted for AI and machine learning systems and relevant system inputs and outputs. If we or any of our third- party service providers are deemed to not have sufficient rights to the data we use to train our AI, we may be subject to litigation by the owners of the content or other materials that comprise such data and, if such claim relates to our third- party service providers, we may not be successful in adequately recovering our losses from such third- party service providers in connection with such claims. Further, any content or other output created by us using AI- powered solutions may not be subject to copyright protection, which may adversely affect our ability to commercialize or use, or the validity or enforceability of any intellectual property rights in, any such content or other output. If we fail to obtain protection for the intellectual property rights concerning our AI, or later have our intellectual property rights invalidated or otherwise diminished, our competitors may be able to take advantage of our research and development efforts to develop competing products which could adversely affect our business, reputation and financial condition. The regulatory framework for AI is rapidly evolving as many federal, state and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations. Additionally, existing laws and regulations may be interpreted in ways that would affect our current uses of AI, or could be rescinded or amended as new administrations take differing approaches to evolving AI. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet completely determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations. Already, certain existing legal regimes (e. g., relating to data privacy) regulate certain aspects of AI, and new laws regulating the use of AI have either entered into force in the United States and the EU or are expected to enter into force. For example, the European Union's Artificial Intelligence Act (the "AI Act"), which entered into force on August 1, 2024, establishes, among other things, a risk- based governance framework for regulating AI systems operating in the EU. The majority of the substantive requirements from the AI Act will apply from August 2, 2026 and this framework categorizes AI systems, based on the risks associated with such AI systems' intended purposes, as creating unacceptable or high risks, with all other AI systems being considered limited or low risk. There is a risk that our current or future use of AI may obligate us to comply with the applicable requirements of the AI Act, which may impose additional costs on us, increase our risk of liability and fines or otherwise adversely affect our business, results of operations, financial condition and future prospects. For additional information concerning risks with respect to compliance with data privacy laws, see "Information Security and Privacy Related Risks." The cost to comply with federal, foreign, state or other laws, regulations, or decisions and / or guidance applicable to our business could be significant and could increase our operating expenses (such as by imposing additional reporting obligations regarding our use of AI). Such an increase in operating expenses, as well as any actual or perceived failure to comply with such laws and regulations, could adversely affect our business, financial condition and results of operations.

**RISKS ASSOCIATED WITH THE AIRLINE INDUSTRY** We could be adversely affected by an outbreak or resurgence of a disease or an environmental disaster that significantly affects travel behavior. Any outbreak or resurgence of a disease, including variants of COVID-19, which affect travel behavior, travel demand, or travel restrictions, or a similar public health threat, or fear of such an event could have a material adverse impact on airlines. In addition, outbreaks of disease could result in quarantines of our personnel, business partners and their suppliers, or an inability to access facilities or our aircraft, which could adversely affect our operations. Certain environmental disasters may be caused or adversely exacerbated by the physical impacts of climate change. For more information, please see our risk factor titled "We may be affected by global climate change or by legal, regulatory or market responses to such change." The extent, duration, and magnitude of an outbreak or the COVID-19 pandemic's possible resurgent resurgence effects of a disease will depend on various factors, all of which are highly uncertain, difficult to predict and not controlled by us. In addition, we cannot predict whether business travel for in- person meetings will return to pre- COVID- 19 levels over the long- term due to technological advancements in, and consumer acceptance and adaptation to, virtual meetings and / or changes in customer preferences. Similarly, if an environmental disaster were to occur and adversely impact any of our destination cities, travel behavior could be affected and in turn, could materially adversely impact our business, operating results, liquidity and financial condition. Compliance with environmental laws and regulations may cause us to incur substantial costs. Many aspects of airlines' operations are subject to increasingly stringent environmental regulations and enforcement policies, and growing concerns about climate change and other matters, including an evolving set of previously unregulated substances, may result in the imposition of additional regulation. Compliance with environmental laws and regulations can require significant expenditures, and violations can lead to significant fines and penalties, as well as civil liability. Environmental laws and regulations may require us to investigate and remediate soil or groundwater. Under many environmental laws, generators of waste materials, and current and former owners or operators of facilities, can be subject to liability for investigation and remediation costs at locations that have been identified as contaminated. Liability under these laws may be retroactive, strict, joint and several, meaning that we could be liable for the costs of cleaning up environmental contamination regardless of when it occurred, fault or the amount of waste directly attributable to us. **Governmental authorities in the U. S. and abroad are increasingly focused on potential contamination**

resulting from the use of certain chemicals, most notably per- and polyfluoroalkyl, substances ("PFAS"). Products containing PFAS have been used in manufacturing, industrial, and consumer applications over many decades, including those related to aviation. Among other things, recent changes to federal requirements for firefighting foams containing PFAS, as well as related state regulations affecting their use, will require operational changes. In August 2022, the US Environmental Protection Agency ("USEPA") published for public comment a new rulemaking that would designate two PFAS substances (perfluorooctanoic acid and perfluorooctanesulfonic acid) as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act. This rule, which was finalized in April 2024, requires entities to immediately report current and past releases that meet or exceed the reportable quantity for such substances to USEPA's National Response Center. With this final rule and the introduction of any additional state or federal regulations or enforcement policies, we may incur costs in connection with reporting obligations and costs related to historic usage of PFAS-containing materials, transitioning away from the usage of PFAS-containing products, disposing of PFAS-containing waste or remediating any residual environmental impacts. Under our leases and related contracts for our airport facilities, we may be responsible for a share of the airport's or other operators' costs in meeting new or upgraded regulatory requirements including, for example, implementation of US Environmental Protection Agency ("USEPA") and state stormwater regulations that require building or reconfiguring airport de-icing facilities to limit capture and treat discharges of ethylene glycol de-icing and anti-icing chemicals. In addition, USEPA is proposing to add PFAS stormwater monitoring requirements from industrial facilities in areas where USEPA is the National Pollutant Discharge Elimination System permitting authority. Since the domestic airline industry is increasingly price sensitive, we may not be able to recover the cost of compliance with new or more stringent environmental laws and regulations from our customers, which could adversely affect our business and financial results. Although we do not expect the costs of complying with current environmental regulations will have a material adverse effect on our financial position, results of operations, or cash flows, no assurance can be made that the costs of complying with environmental regulations in the future will not have such an effect. There are inherent climate-related risks wherever business is conducted. Various meteorological phenomena and extreme weather events (including, but not limited to, storms, flooding, drought, wildfire, and extreme temperatures) may disrupt our operations or those of our suppliers and business partners, cause inflight cancellations, delays, and diversions, require us to incur additional operating or capital expenditures, reduce the demand for certain of our flight offerings, or otherwise adversely impact our business, financial condition, or results of operations. The climate change may impact the frequency and / or intensity of such events may increase over time. While we may take various actions to mitigate our business risks associated with climate change extreme weather events, this may require us to incur substantial costs and may not be successful, due to, among other things, the uncertainty associated with the longer-term projections associated with managing climate such risks. Additionally, regulatory, market, and other changes to respond to climate change may adversely impact our business, financial condition, or results of operations. For example, there have been significant U. S. and international legislative and regulatory efforts to limit GHG emissions, including our aircraft and ground operations emissions. In October 2016, the ICAO passed a resolution adopting CORSIA, which is a global, market-based emissions offset program to encourage carbon-neutral growth in international aviation. Annual international emissions reporting is required via CORSIA as of the 2019 reporting year, and offsetting compliance is scheduled to be implemented through multiple phases that began in 2021. ICAO continues to develop details regarding implementation and, while we expect compliance with CORSIA will increase our operating costs, the anticipated cost of compliance with CORSIA is uncertain due to a number of factors, including the volatility in demand for international air travel and the uncertainty in the supply and price of eligible carbon offsets or low-carbon aircraft fuels. The In January 2021, the USEPA promulgated a final rule implementing the ICAO aircraft engine GHG emission standards. Pursuant to the Clean Air Act, which the FAA issued a final rule in February 2024 to implement these standards, introducing new fuel efficiency certification regulations. These regulations took effect in April 2024 and will apply to larger business and commercial jet aircraft with either new design types (not previously certified by the FAA) or existing design types that are in production as of January 1, 2028. On November 15, 2021 the USEPA announced its intention to seek even more More stringent ambitious GHG emission standards within, or the other ICAO process. Since restrictions, may also be adopted in the future, the USEPA and ICAO's Committee on Aviation Environmental Protection have had several meetings on this issue, but no further progress has been made. In addition, several states and environmental groups have challenged USEPA's standards and on June 30, 2023, the U. S. Court of Appeals for the D. C. Circuit denied such petitions and ruled that the USEPA acted within its authority in establishing the aircraft engine GHG emission standards. The potential impacts to our business are not known at this time, but additional costs can be expected. In addition, climate change-related litigation and investigations have increased in recent years and any claims or investigations against us could be costly to defend and our business could be adversely affected by the outcome. These climate change-related regulatory actions and related pressures to reduce our GHG emissions may adversely affect our business and financial results by requiring us, for example, to make capital investments in new equipment or technologies, purchase carbon offset credits, or incur higher fuel or other operating costs. Due to the competitive nature of the airline industry and unpredictability of the market for air travel, we can offer no assurance that we will be able to increase our fares, impose surcharges or otherwise increase revenues or decrease other operating costs sufficiently to offset our costs of meeting these obligations. For example, there are growing initiatives to mandate use of SAF, a term which includes a variety of fuels that are believed to have lower environmental impact than conventional aviation fuels. The latest proposal in the EU, which was approved by the European Parliament in September 2023 and the European Council in October 2023 would impose a SAF blending standard starting at 2 % in 2025 and rising to 70 % in 2050. Other countries, including the UK, have adopted or are considering adopting similar SAF requirements. In the US, the FAA's Aviation Climate Action Plan (published in November 2021) includes a Sustainable Aviation Fuel Grand Challenge, calling for a replacement of all traditional aviation fuel by 2050. These programs, in addition to our own and

other airline airlines' commitments to increase use of SAF, may be likely to result in a competitive market for available SAF inventories or result in our inability to procure SAF at prices we find acceptable. Any regulatory uncertainty on the treatment of SAF may also impact the availability or price of SAF. Until SAF production increases, we may need to pay a significant premium for SAF above the cost of traditional fuel. Reporting expectations are also increasing, with a variety of customers, capital providers, and regulators seeking increased information on climate-related risks and impacts. Various policymakers, such as the SEC, the European Union, and the State of California, have adopted or are considering adopting, requirements for companies to provide significantly expanded climate-related disclosures in, adopt specific policies or procedures, or take their other periodic reporting climate-related actions. Such requirements are not uniform across jurisdictions, and may be inconsistently applied, which can may require us to incur significant additional costs to comply, including the implementation of significant additional internal controls processes and procedures regarding matters that have not been subject to such controls in the past, and impose increased increase oversight obligations on the complexity and cost of compliance, and increase the risk of enforcement our or management litigation relating to our disclosures and Board initiatives. All of these risks may also impact our suppliers, business partners or customers, which may indirectly impact our business, financial condition, or results of operations. Increasing attention to scrutiny of, and evolving expectations regarding, ESG environmental and social matters may impact our business and reputation. Companies across industries are facing increasing scrutiny from a variety of stakeholders, including states attorneys general, related to their ESG environmental, human rights, social, and sustainability practices. Expectations regarding voluntary ESG sustainability initiatives and disclosures may result in increased costs (including but not limited to increased costs related to compliance, stakeholder engagement, contracting and insurance), changes in demand for certain product or service offerings, enhanced compliance or disclosure obligations, or other impacts to our business, financial condition, or results of operations. While we have in past engaged, and expect in future to continue to engage, in voluntary initiatives (such as voluntary disclosures, certifications, or goals) to improve the ESG profile of our Company and / or offerings or to respond to stakeholder expectations, such initiatives may be costly and may not have the desired effect. Expectations around a company's management of ESG such matters continues to evolve rapidly, in many instances due to factors that are out of our control. For example, we may ultimately be unable to complete certain initiatives or targets, either on the timelines initially announced or at all, due to technological, legal, cost, or other constraints, which may be within or outside of our control. Moreover, actions or statements that we may take based on expectations, assumptions, or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous or, be subject to misinterpretation, or be out of alignment with policymaker or other stakeholder expectations. If we fail, or are perceived to fail, to comply with or advance certain ESG environmental or social initiatives (including the timeline and manner in which we complete such initiatives), we may be subject to various adverse impacts, including reputational damage and potential stakeholder engagement and / or litigation, even if such initiatives are currently voluntary. For example, there have been increasing allegations of greenwashing against companies making significant ESG environmental or sustainability claims due to a variety of perceived deficiencies in actions, statements, or methodology, including as stakeholder perceptions of sustainability continue to evolve. In the airline industry specifically, there has been particular scrutiny of and liability associated with the use of "sustainable aviation fuel" and carbon offsets and claims made in connection with same. Certain market participants, including major institutional investors and capital providers, use third-party benchmarks and scores to assess companies' ESG profiles in making investment or voting decisions. Unfavorable ESG ratings could lead to increased negative investor sentiment towards us or our industry, which could negatively impact our share price as well as our access to and cost of capital. To the extent ESG sustainability or social matters negatively impact our reputation, it may also impede our ability to compete as effectively to attract and retain employees or customers, which may adversely impact our operations. In addition, we expect there will likely be increasing levels of regulation, disclosure related and otherwise, with respect to ESG matters. For more information, please see our risk factor titled "We may be affected by global climate change or by legal, regulatory or market responses to such change." Simultaneously, there are efforts by some stakeholders to reduce companies' efforts on certain ESG-related matters. Both advocates and opponents to certain ESG matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, it may require us to incur costs or otherwise adversely impact our business. This and other stakeholder expectations will likely lead to increased costs as well as scrutiny that could heighten all of the risks identified in this risk factor. Additionally, many of our customers, business partners, and suppliers may be subject to similar expectations, which may augment or create additional risks, including risks that may not be known to us. Federal budget constraints or federally imposed furloughs due to budget negotiation deadlocks may adversely affect our industry, business, results of operations and financial position. Many of our airline operations are regulated by governmental agencies, including, but not limited to, the DOT, FAA, CBP, and the TSA. If the federal government were to continue experiencing issues in reaching budgetary consensus in the future, resulting in mandatory furloughs and / or other budget constraints, or if a government shutdown were to continue for an extended period of time, our operations and results of operations could be materially negatively impacted. The travel behaviors of the flying public could also be affected, which may materially adversely impact our industry and our business. Changes in laws and government regulations, imposing additional requirements and restrictions on our operations could increase our operating costs and result in service delays and disruptions. Airlines are subject to extensive regulatory and legal requirements, both domestically and internationally, involving significant compliance costs. These requirements may adversely impact our business, operating results and financial condition. For example, in January 2025, the DOT assessed a \$ 2 million civil penalty against us in connection with flights determined to be chronically delayed in 2022 and 2023. In recent years, Congress has passed laws and the agencies of the federal government, including, but not limited to, the DOT, FAA, CBP, and the TSA, have issued regulations relating to the operation of airlines that have required significant expenditures. We expect to continue to incur expenses in connection with complying with government

regulations. Additional laws including executive orders, regulations, tax laws, and airport rates and charges have been proposed from time to time that could significantly increase the cost of **or otherwise constrain** airline operations or reduce the demand for air travel. **For example, legislative and regulatory bodies have examined the manner in which airlines have "unbundled" the pricing in respect of certain products and services, and new rules or taxes in respect of these different revenue sources could potentially have an adverse effect on our business.** If adopted or materially amended, these measures could have the effect of raising ticket prices, which in turn could affect the perception of the airline industry, reduce air travel demand and / or revenue, and increase costs. We cannot be assured that these and other laws, including executive orders, regulations, or tax laws, enacted in the future, **or other changes in the political landscape,** will not harm our business. A future act of terrorism, the threat of such acts or escalation of U. S. military involvement overseas could adversely affect our industry. Acts of terrorism, the threat of such acts or escalation of U. S. military involvement overseas could have an adverse effect on the airline industry. In the event of an act of terrorism, whether or not successful, the airline industry would likely experience increased security requirements and significantly reduced demand. We cannot be assured that these actions, or consequences resulting from these actions, will not harm our business or the industry. The airline industry is particularly sensitive to changes in economic conditions. Fundamental and permanent changes in the domestic airline industry have occurred over time as a result of several years of repeated losses, among other reasons. These losses resulted in airlines renegotiating or attempting to renegotiate labor contracts, reconfiguring flight schedules, furloughing, or terminating crewmembers, as well as considering other efficiency and cost-cutting measures. Despite these actions, several airlines have reorganized under Chapter 11 of the U. S. Bankruptcy Code to permit them to reduce labor rates, restructure debt, terminate pension plans, and generally reduce their cost structure. Since 2005, the U. S. airline industry has experienced significant consolidation and liquidations. A global economic recession and related unfavorable general economic conditions, such as higher unemployment rates, debt and equity market fluctuations, a constrained credit market, housing-related pressures, rising interest rates and increased business operating costs can reduce spending for both leisure and business travel and otherwise impact booking practices. Unfavorable economic conditions could also impact an airline's ability to raise fares to counteract increased fuel, labor, and other costs. It is possible that further airline reorganizations, consolidation, bankruptcies, or liquidations may occur in the current global economic environment, the effects of which we are unable to predict. We cannot be assured that the occurrence of these events, or potential changes resulting from these events, will not harm our business or the industry. **Recently, In recent years** the global credit and financial markets have experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. The financial markets and the global economy may also be adversely affected by the current or anticipated impact of military conflict, including the conflict between Russia and Ukraine, terrorism or other geopolitical events. Sanctions imposed by the United States and other countries in response to such conflicts, including the one in Ukraine, may also adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Furthermore, the United States economy recently encountered a material level of inflation. ~~The impact of COVID-19, geopolitical developments such as the Russia-Ukraine conflict and global supply chain disruptions continue to increase~~ **Increases** ~~uncertainty in the outlook of near-term and long-term economic activity, including whether inflation may will continue and how long, and at what rate.~~ ~~Increases in inflation~~ raise our costs for labor, materials and services, and other costs required to operate our business, and failure to secure these on reasonable terms may adversely impact our financial condition.